

ECONOMIC DEVELOPMENT AUTHORITY REGULAR MEETING AGENDA

Tuesday, January 21, 2025
6:00 PM

Page

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. APPROVE AGENDA

5. CITIZEN COMMENTS

6. CONSENT AGENDA

6.1. Minutes of the September 16, 2024 Regular Economic Development Authority Meeting

3 - 5

Approve the minutes of the September 16, 2024 Regular Economic Development Authority Meeting.

[Agenda Item: Minutes of the September 16, 2024 Regular Economic Development Authority Meeting - Pdf](#)

6.2. Minutes of the November 18, 2024 Regular Economic Development Authority Meeting

6 - 8

Approve the minutes of the November 18, 2024 Regular Economic Development Authority Meeting.

[Agenda Item: Minutes of the November 18, 2024 Regular Economic Development Authority Meeting - Pdf](#)

6.3. Monthly Financial Report

9 - 10

Accept the Monthly Financial Report for December 2024.

[Agenda Item: Monthly Financial Report - Pdf](#)

7. PUBLIC HEARINGS

8. DISCUSSION ITEMS

- 8.1. Issuance of TIF Note and Certificate of Completion - Ten Nineteen Development LLC 11 - 58

Approve Resolution 2025-01 Authorizing the Certificate of Completion and Issuance of TIF Note as Provided in the Contract for Private Redevelopment by and between the Economic Development Authority of the City of Farmington and Ten Nineteen Development LLC.

[Agenda Item: Issuance of TIF Note and Certificate of Completion - Ten Nineteen Development LLC - Pdf](#)

- 8.2. Letter of Support - T-Mobile Hometown Grant 59 - 86

Authorize the Executive Director to submit a letter of support for the T-Mobile Hometown Grant on behalf of the EDA.

[Agenda Item: Letter of Support - T-Mobile Hometown Grant - Pdf](#)

- 8.3. Building a Stronger Future Together: Farmington Business Summit 87 - 88

No action required.

[Agenda Item: Building a Stronger Future Together: Farmington Business Summit - Pdf](#)

9. DIRECTOR'S REPORT

- 9.1. Director's Report 89 - 93

No action requested. This item is informational and is provided to communicate how the EDA time and money resources are allocated, and to track and measure the impact of initiatives.

[Agenda Item: Director's Report - Pdf](#)

10. ADJOURN

ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

To: Economic Development Authority
From: Shirley Buecksler, City Clerk
Department: Administration
Subject: Minutes of the September 16, 2024 Regular Economic Development Authority Meeting
Meeting: Economic Development Authority - Jan 21 2025

INTRODUCTION:

For approval are the minutes of the September 16, 2024 Regular Economic Development Authority Meeting.

ACTION REQUESTED:

Approve the minutes of the September 16, 2024 Regular Economic Development Authority Meeting.

ATTACHMENTS:

[09.16.24 EDA Minutes](#)

**City of Farmington
Economic Development Authority
Regular Meeting Minutes
Monday, September 16, 2024**

The Farmington Economic Development Authority met in regular session on Monday, September 16, 2024, at Farmington City Hall, 430 3rd Street, Farmington, Minnesota.

1. CALL TO ORDER

Chair Wilson called the meeting to order at 5:30 p.m.

2. PLEDGE OF ALLEGIANCE

Chair Wilson lead everyone in the Pledge of Allegiance.

3. ROLL CALL

Members Present: Chair Steve Wilson
Commissioners Katie Bernhjelm, Holly Bernatz,
Joshua Hoyt, and Nick Lien

Members Absent: None

Staff Present: Lynn Gorski, City Administrator
Julie Flaten, Asst City Administrator/HR Director
Deanna Kuennen, EDA Executive Director
Kim Sommerland, Finance Director
Shirley Buecksler, City Clerk

Also Present: Jake Cordes, Resident

4. APPROVE AGENDA

Motion was made by Commissioner Bernhjelm and seconded by Commissioner Hoyt to approve the agenda, as presented.

Motion carried: 5 ayes / 0 nays

5. CITIZEN COMMENTS

No one addressed the Commission to speak.

6. CONSENT AGENDA

6.1 Minutes of the July 15, 2024 Regular Economic Development Authority Meeting

6.2 Monthly Financial Report

6.3 Quarterly Report – Open to Business (Q2 2024)

Motion was made by Commissioner Bernatz and seconded by Commissioner Hoyt to approve the Consent Agenda, as presented.

Motion carried: 5 ayes / 0 nays

7. PUBLIC HEARINGS

There were no public hearings.

8. DISCUSSION ITEMS

8.1 2024 Economic Development – Mid Year Report Card

Prior to establishing the 2024 EDA Levy, Staff and the EDA worked together to develop a living work plan, identifying the three primary focus areas (“buckets”) – and potential tasks, initiatives, and actions within each bucket. Much progress has been made and, as opportunities and challenges have been identified, Staff has been able to pivot and act.

Executive Director Kuennen presented the report which highlights where we started, accomplishments to date in each priority area, some lessons learned along the way, and items for consideration. The report also includes development related data – trends, land use, demographics – and regional economic development observations and opportunities.

Commissioners asked questions and received answers.

8.2 Preliminary EDA Levy – FY 2025

Motion was made by Commissioner Lien and seconded by Commissioner Bernatz to adopt Resolution 2024-02 Approving Preliminary EDA Levy Request for 2025.

Motion carried: 5 ayes / 0 nays

8.3 Update on Business Retention Workplan

Executive Director Kuennen provided an update on the Business Retention Workplan, followed by conversation regarding planning for future events.

9. DIRECTOR’S REPORT

9.1 Director’s Report

The Grand Opening for The Emery Apartments is scheduled for October 8th at 10:30 am.

10. ADJOURNMENT

Motion was made by Commissioner Hoyt and seconded by Commissioner Bernhjelm to adjourn the meeting at 6:41 p.m.

Motion carried: 5 ayes / 0 nays

Respectfully submitted,

Shirley R Buecksler
City Clerk



 430 Third St., Farmington, MN 55024
 651-280-6800
 FarmingtonMN.gov

ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

To: Economic Development Authority
From: Shirley Buecksler, City Clerk
Department: Administration
Subject: Minutes of the November 18, 2024 Regular Economic Development Authority Meeting
Meeting: Economic Development Authority - Jan 21 2025

INTRODUCTION:

For approval are the minutes of the November 18, 2024 Regular Economic Development Authority Meeting.

ACTION REQUESTED:

Approve the minutes of the November 18, 2024 Regular Economic Development Authority Meeting.

ATTACHMENTS:

[11.18.24 EDA Minutes](#)

**City of Farmington
Economic Development Authority
Regular Meeting Minutes
Monday, November 18, 2024**

The Farmington Economic Development Authority met in regular session on Monday, November 18, 2024, at Farmington City Hall, 430 3rd Street, Farmington, Minnesota.

1. CALL TO ORDER

Chair Wilson called the meeting to order at 5:00 p.m.

2. PLEDGE OF ALLEGIANCE

Chair Wilson lead everyone in the Pledge of Allegiance.

3. ROLL CALL

Members Present: Chair Steve Wilson
Commissioners Katie Bernhjelm (arrived at 5:05 pm),
Holly Bernatz, Joshua Hoyt, and Nick Lien

Members Absent: None

Staff Present: Deanna Kuennen, EDA Executive Director
Stephanie Aman, Community Development Coordinator
John Powell, Public Works Director

4. APPROVE AGENDA

Motion was made by Commissioner Hoyt and seconded by Commissioner Bernatz to approve the agenda, as presented.

Motion carried: 4 ayes / 0 nays

5. CITIZEN COMMENTS

No one addressed the Commission to speak.

6. CONSENT AGENDA

6.1 Monthly Financial Report

Motion was made by Commissioner Hoyt and seconded by Commissioner Lien to approve the Consent Agenda, as presented.

Motion carried: 4 ayes / 0 nays

7. PUBLIC HEARINGS

There were no public hearings.

8. DISCUSSION ITEMS

8.1 Final EDA Levy – FY 2025

Motion was made by Commissioner Hoyt and seconded by Commissioner Lien to adopt Resolution 2024-03 Approving Final EDA Levy Request for 2025.

Motion carried: 4 ayes / 0 nays

Commissioner Bernhjelm arrived at 5:05 pm.

8.2 Approve Agreement and Funding for Grocery Market Study by ROIC Analytics, LLC

The EDA discussed the funding for the grocery market study – both pros and cons to it being City funded. Ultimately, the decision was made that, if there is a project brought forward versus ‘another study’ – they would be open to reconsidering for a specific product.

Motion was made by Commissioner Hoyt and seconded by Commissioner Lien to execute an agreement with ROIC Analytics to complete a grocery market study as described in the Statement of Work prepared by ROIC Analytics LLC and authorize up to \$10,000 in cost and expenses from the FY2025 EDA budget.

Motion failed: 2 ayes / 3 nays – Councilmembers Bernhjelm, Bernatz, and Wilson voted against.

9. DIRECTOR’S REPORT

9.1 Director’s Report

Executive Director Kuennen presented the report.

10. ADJOURNMENT

Motion was made by Commissioner Bernatz and seconded by Commissioner Lien to adjourn the meeting at 5:30 p.m.

Motion carried: 5 ayes / 0 nays

Respectfully submitted,

Shirley R Buecksler
City Clerk

ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

To: Economic Development Authority
From: Deanna Kuennen, Community & Economic Development Director
Department: EDA
Subject: Monthly Financial Report
Meeting: Economic Development Authority - Jan 21 2025

INTRODUCTION:

Attached is a monthly Financial Report for December 2024.

DISCUSSION:

Attached is the monthly Finance Report for December 2024, including a summary of the year-to-date expenses (please note - not all 2024 expenses are included yet). The expenditures are consistent with the approved EDA work plan and 2024 budget.

Items to note: The 2024 budget included \$51,000 of "remaining proposed revenue" that was unprogrammed and was intended to be used for items such as "site readiness, implementation of the community vision, etc." Of these funds:

- \$39,000 has been designated to fund the Alternative Urban Areawide Review (EDA Resolution 2024-01).

The remaining available 2024 funds total \$79,195 - with the majority of these dollars (\$50,000) originally earmarked for new program development. The micro grant program was not re-authorized in 2024 due to lack of interest. New programs are in the development stage and will be presented to the EDA for discussion.

ACTION REQUESTED:

Accept the Monthly Financial Report for December 2024.

ATTACHMENTS:

[Dec 2024 - Budget Report for EDA](#)

JANUARY 2025 EDA MEETING - Budget - 2024 YTD

Business Unit	Object Account	Account Description	YTD SPENT	APPROVED 2024 BUDGET	ADJUSTED BUDGET (per Finance)	REMAINING FUNDS	SUMMARY OF EXPENDITURES & COMMENTS
REVENUE							
2000 - HRA/ECONOMIC DEVELOPMENT	3510	12/31/2023 FUND BALANCE	-274,949.46				
2000 - HRA/ECONOMIC DEVELOPMENT		EDA Levy		-150,000.00			
2000 - HRA/ECONOMIC DEVELOPMENT	4955	INTEREST ON INVESTMENTS		-1,000.00			
2000 - HRA/ECONOMIC DEVELOPMENT	5205	OPERATING TRANSFERS		-50,000.00			
EXPENSES							
2000 - HRA/ECONOMIC DEVELOPMENT	6210	OFFICE SUPPLIES	21.51				Name bages / ribbon for ribbon cuttings
2000 - HRA/ECONOMIC DEVELOPMENT	6280	BOOKS & SUBSCRIPTIONS	349.00	150.00	150.00	-199.00	Finance & Commerce Subscription
2000 - HRA/ECONOMIC DEVELOPMENT	6401	PROFESSIONAL SERVICES	43,500.00	5,000.00	42,500.00	-1,000.00	My Town (\$25,000), SLP (\$12,500) **ORIGINALLY INCLUDED IN OTHER CATEGORY - plus \$6000 for Structural Analysis
2000 - HRA/ECONOMIC DEVELOPMENT	6403	LEGAL	1,156.50	3,000.00	3,000.00	1,843.50	
2000 - HRA/ECONOMIC DEVELOPMENT	6426	INSURANCE	376.68	600.00	600.00	223.32	
2000 - HRA/ECONOMIC DEVELOPMENT	6445	POSTAGE/SHIPPING FEES	37.66	1,000.00	1,000.00	962.34	
2000 - HRA/ECONOMIC DEVELOPMENT	6450	OUTSIDE PRINTING	2,720.49	2,500.00	2,500.00	-220.49	Marketing Materials, Business Cards, Notebooks
2000 - HRA/ECONOMIC DEVELOPMENT	6455	LEGAL NOTICES	0.00	500.00	500.00	500.00	
2000 - HRA/ECONOMIC DEVELOPMENT	6460	MEMBER DUES & LICENSURE	8,360.05	3,500.00	8,000.00	-360.05	Chamber Dues (\$2500), CVN Membership (\$4500), EDAM Membership (\$550), MMP, MAEDA, **CVN ORIGINALLY INCLUDED IN OTHER CATEGORY
2000 - HRA/ECONOMIC DEVELOPMENT	6470	TRAINING & SUBSISTANCE	3,436.52	5,000.00	5,000.00	1,563.48	EDAM Events, MMP Events, Dakota Regional Chamber Events, MAGi Awards, MAEDC Conf, Various Mtgs
2000 - HRA/ECONOMIC DEVELOPMENT	6480	MEETING EXPENSE	429.36		0.00	-429.36	Chamber Coffee hosted by Farmington
2000 - HRA/ECONOMIC DEVELOPMENT	6485	MILEAGE REIMBURSEMENT	3,088.20	3,000.00	3,000.00	-88.20	
2000 - HRA/ECONOMIC DEVELOPMENT	6505	EQUIPMENT REPAIR/MAINTENANCE	0.00	1,000.00	1,000.00	1,000.00	
2000 - HRA/ECONOMIC DEVELOPMENT	6550	DEVELOPER PAYMENTS	0.00	50,000.00	50,000.00	50,000.00	
2000 - HRA/ECONOMIC DEVELOPMENT	6570	PROGRAMMING EXPENSE	5,500.00	10,000.00	10,000.00	4,500.00	Open to Business
2000 - HRA/ECONOMIC DEVELOPMENT	7310	OPERATING TRANSFERS	0.00	0.00			
2000 - HRA/ECONOMIC DEVELOPMENT	7420	OTHER	12,950.00	64,750.00	22,750.00	9,800.00	MREJ Marketing Contract & Awards Sponsorship
Total 2000 - HRA/ECONOMIC DEVELOPMENT			0.00	-51,000.00	150,000.00	68,095.54	
			0.00	-51,000.00	51,000.00	11,100.00	UNALLOCATED - for TBD associated with land, revolving loans, comp plan. \$39,900 reallocated to Gen Fund for AUAR consultant,
			0.00	-51,000.00	201,000.00	79,195.54	
					Budget	Available Funds	

ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

To: Economic Development Authority
From: Deanna Kuennen, Community & Economic Development Director
Department: EDA
Subject: Issuance of TIF Note and Certificate of Completion - Ten Nineteen Development LLC
Meeting: Economic Development Authority - Jan 21 2025

INTRODUCTION:

In June 2023, the EDA approved a Contract for Private Redevelopment (Contract) between the EDA and Ten Nineteen Development LLC to support the private efforts to develop, redevelop, rehabilitate, and renovate properties associated with The Emery - a 74-unit market rate apartment building. The Contract identified the terms and conditions related to the financial assistance requested and provided in the form of Tax Increment Financing (TIF). All terms and conditions of the Contract have been satisfied. The Redeveloper is requesting that the TIF Note be issued.

DISCUSSION:

To support private redevelopment efforts, on June 8, 2023, the EDA approved a Contract for Private Redevelopment between the EDA and Ten Nineteen Development LLC. The Redeveloper sought and was awarded TIF assistance to offset redevelopment costs to construct a 74-unit market-rate apartment (The Emery). The Contract set forth the terms of the financial assistance from the EDA and additional terms and conditions related to the Project.

The Redeveloper has fulfilled all conditions of the Contract including the acquisition of the property, construction of minimum improvements, and evidence of qualifying costs. With all of the conditions now met - the EDA is asked to approve and authorize the execution of the Certificate of Completion as required by the Contract, and issue and deliver the TIF Note.

The evidence of qualifying costs has been reviewed by the Financial Consultant and deemed sufficient, and the City Attorney has prepared the TIF Note which is in substantially the same format as included in the Contract.

BUDGET IMPACT:

Not applicable - the TIF proceeds will be paid out as taxes are collected. This is a pay-as-you-go Note.

ACTION REQUESTED:

Approve Resolution 2025-01 Authorizing the Certificate of Completion and Issuance of TIF Note as Provided in the Contract for Private Redevelopment by and between the Economic Development Authority of the City of Farmington and Ten Nineteen Development LLC.

ATTACHMENTS:

[EDA Res 2025-01 Authorizing Issuance of TIF Note
874446 - Contract for Private Redevelopment - RECORDED](#)

**ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF FARMINGTON
DAKOTA COUNTY, MINNESOTA**

EDA RESOLUTION 2025-01

**RESOLUTION AUTHORIZING THE CERTIFICATE OF COMPLETION AND ISSUANCE
OF TIF NOTE AS PROVIDED IN THE CONTRACT FOR PRIVATE REDEVELOPMENT BY
AND BETWEEN THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF
FARMINGTON AND TEN NINETEEN DEVELOPMENT LLC**

WHEREAS, the Economic Development Authority of the City of Farmington, Minnesota (the “EDA”) determined a need to exercise the powers of an economic development authority, pursuant to Minnesota Statutes, Sections 469.090 to 469.108 (“EDA Act”); and

WHEREAS, on June 8, 2023, the EDA adopted Resolution R03-23 approving a Contract for Private Redevelopment between the EDA and Ten Nineteen Development, LLC (the “Contract”), to support private efforts to develop, redevelop, rehabilitate, and renovate properties located with the City into a 74-unit market rate apartment building (the “Project”); and

WHEREAS, the Contract set forth the terms of the financial assistance from the EDA, and additional terms and conditions related to the Project; and

WHEREAS, on June 8, 2023, Ten Nineteen Development, LLC, entered into an Assignment of Contract for Private Redevelopment (the “Assignment”) agreement with Ten Nineteen - Farmington LLC (the “Redeveloper”), by which the Redeveloper accepted all right, title, and interest of Ten Nineteen Development, LLC, in the Contract, and assumed all of the obligations of Ten Nineteen Development, LLC, as set forth in the Contract; and

WHEREAS, the Contract and the Assignment were recorded in the Office of the Dakota County Recorder and in the Office of the Dakota County Registrar of Titles on June 28, 2023; and

WHEREAS, the Redeveloper has fulfilled all conditions of the Contract for Private Development to include the acquisition of the property, construction of minimum improvements, and evidence of qualifying costs.

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority of the City of Farmington that:

1. The EDA approves and authorizes the Chair and Executive Director of the EDA to execute the Certificate of Completion (Exhibit 1) stating that the Redeveloper has fully complied with its obligations under Article II of the Contract for Private Redevelopment, dated June 8, 2023, and recorded on June 28, 2023.
2. Issues and delivers the TIF Note (Exhibit 2) in accordance with the terms included in the Contract for Private Redevelopment, dated June 8, 2023, and recorded on June 28, 2023, and authorizes the Chair and the Executive Director of the EDA to execute any documents

as required to complete this transfer of funds.

Adopted by the Economic Development Authority of the City of Farmington, Minnesota, this 21st day of January 2025.

Steve Wilson, Chair

ATTEST:

Deanna Kuennen, Executive Director

EXHIBIT 2: TIF NOTE

TIF NOTE

Rate
6.0%

\$1,750,000

UNITED STATES OF AMERICA
STATE OF MINNESOTA
DAKOTA COUNTY
ECONOMIC DEVELOPMENT AUTHORITY
FOR THE CITY OF FARMINGTON, MINNESOTA

TAX INCREMENT REVENUE NOTE

The Economic Development Authority for the City of Farmington, Minnesota (the “Authority”), hereby acknowledges itself to be indebted and, for value received, hereby promises to pay the amounts hereinafter described (the “Payment Amounts”) to **Ten Nineteen - Farmington, LLC**, a Minnesota limited liability company, or registered assigns (the “Owner”), or its registered assigns (the “Registered Owner”), but only in the manner, at the times, from the sources of revenue, and to the extent hereinafter provided.

The principal amount of this Note shall equal from time to time the principal amount stated above as reduced to the extent that such principal installments shall have been paid in whole or in part pursuant to the terms hereof; provided that the sum of the principal amount listed above shall in no event exceed One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$1,750,000.00), as provided in that certain Contract for Private Redevelopment dated June 8, 2023, by and between the Authority and Ten Nineteen Development, LLC, a Minnesota limited liability company (the “Redevelopment Agreement”), which was assigned to the Owner pursuant to that certain Assignment of Contract for Private Redevelopment, dated as of June 8, 2023, wherein the Owner accepted assignment of all right, title, and interest, and assumed all of the obligations of the Redevelopment Agreement, as the same may be amended from time to time. This Note shall be deemed validly issued and the unpaid principal amount hereof shall bear interest from the date that the Owner has submitted to the Authority and the Authority has determined that the requirements for issuance of the TIF Note have been met in compliance with the terms of the Redevelopment Agreement at the simple non-compounded rate of Six percent (6.0%) per annum. Interest shall be computed on the basis of a 360-day year consisting of twelve (12) 30-day months. All capitalized but undefined terms herein shall be defined as in the Redevelopment Agreement.

The amounts due under this Note shall be payable on each August 1 and February 1, commencing on August 1, 2025, and thereafter to and including the Termination Date, or, if the first payment date should not be on a Business Day, the payment shall be made on the next succeeding Business Day (the “Payment Dates”). On each Payment Date the Authority shall pay by check or draft mailed to the person that was the Registered Owner of this Note at the close of

the last business day of the Authority preceding such Payment Date (or, with respect to the first Payment Date, in the period commencing on the date of issuance of this Note through the day that is prior to the first Payment Date). All payments made by the Authority under this Note shall be applied to accrued interest and then to principal. This Note is pre-payable by the Authority, without penalty, in whole or in part, on any date.

The Payment Amounts due hereon shall be payable solely from Available Tax Increment derived from the Redevelopment Property within the City's Tax Increment District No. 15 - Ebert Downtown Housing (the "TIF District") within its Downtown Redevelopment Project, which is paid to the Authority and which the Authority is entitled to retain pursuant to the provisions of Minnesota Statutes, Sections 459.174 through 469.1794, as the same may be amended or supplemented from time to time (the "TIF Act"). This Note shall terminate and be of no further force and effect following the Termination Date.

Any estimates of Tax Increment prepared by the Authority or its municipal advisors in connection with the TIF District or the Agreement are for the benefit of the Authority, and are not intended as representations on which the Owner or Redeveloper may rely.

THE AUTHORITY MAKES NO REPRESENTATION OR WARRANTY THAT THE AVAILABLE TAX INCREMENT WILL BE SUFFICIENT TO PAY THE PRINCIPAL OF THIS NOTE. If the event Tax Increment is not sufficient, the Authority is not responsible to further fund or reimburse the Redeveloper (or its assigns or creditors) for any such shortfall. The Authority is not responsible to fund or reimburse any obligation of the Redeveloper (or its assigns or creditors) unless expressly stated in this Agreement.

Subject to the Redevelopment Agreement, the Authority's payment obligations hereunder shall be further conditioned on the fact that no Event of Default under the Redevelopment Agreement shall have occurred and be continuing at the time payment is otherwise due hereunder, but such unpaid amounts shall become payable if said Event of Default shall thereafter have been cured; and further, if pursuant to the occurrence of an Event of Default under the Redevelopment Agreement the Authority elects, subject to the provisions of Section 9.2 of the Redevelopment Agreement, to cancel and rescind the Redevelopment Agreement, the Authority shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to all of the provisions of the Redevelopment Agreement, including without limitation Section 5.2 thereof, for a fuller statement of the rights and obligations of the Authority to pay the principal of this Note, and said provisions are hereby incorporated into this Note as though set out in full herein.

This Note is a special, limited revenue obligation and not a general obligation of the Authority and is payable by the Authority only from the source and subject to the qualifications stated or referenced herein. This Note is not a general obligation of the Authority, and neither the full faith and credit nor the taxing powers of the Authority are pledged to the payment of the principal of this Note and no property or other asset of the Authority, save and except the above referenced Tax Increment, is or shall be a source of payment of the Authority's obligations.

This Note is issued by the Authority in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including the TIF Act.

This Note may be assigned only with the consent of the Authority, which the Authority shall grant if the terms and conditions in the Redevelopment Agreement regarding transfer are satisfied. In order to assign this Note, the assignee shall surrender the same to the Authority either in exchange for a new fully registered note or for transfer of this Note on the registration records for the Note maintained by the Authority. Each permitted assignee shall take this 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 outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the Authority to exceed any constitutional or statutory authority limitation thereon.

IN WITNESS WHEREOF, the Economic Development Authority for the City of Farmington, Minnesota has caused this Note to be executed by the manual signatures of its Chairperson and Executive Director of the Authority and has caused this Note to be issued dated _____, 2025.

Steve Wilson, Its Chairperson

Deanna Kuennen, Its Executive Director

**DO NOT EXECUTE UNTIL EVIDENCE OF QUALIFYING COSTS ARE GIVEN TO THE
AUTHORITY – REFER TO SECTION 5.2 OF THE REDEVELOPMENT AGREEMENT**

CERTIFICATION OF REGISTRATION

It is hereby certified that the foregoing Note, as originally issued on _____, 20__, was on said date registered in the name of Ten Nineteen - Farmington, LLC, a Minnesota limited liability company, and that at the request of the Registered Owner of this Note, the undersigned has this day registered the Note in the name of such Registered Owner, as indicated in the registration blank below, on the books kept by the undersigned for such purposes.

NAME AND ADDRESS OF
REGISTERED OWNER

DATE OF
REGISTRATION

SIGNATURE OF
AUTHORITY EXECUTIVE DIRECTOR

Ten Nineteen - Farmington, LLC

_____, 202__

_____, 202__

Receipt:# 894662

3592601

CONTRA \$46.00
CT



Recorded on: 6/28/2023 11:52 AM
By: KMP, Deputy

Office of the County Recorder
Dakota County, Minnesota
Amy A. Koethe, County Recorder

Return to:
COMMERCIAL PARTNERS
TITLE
200 SOUTH SIXTH STREET
STE 1300
ATTN MARY V
MINNEAPOLIS MN 55402

Receipt:# 894662

874446

CONTRA \$46.00
CT



Recorded on: 6/28/2023 11:52 AM
By: KMP, Deputy

Return to:
COMMERCIAL PARTNERS
TITLE
200 SOUTH SIXTH STREET
STE 1300
ATTN MARY V
MINNEAPOLIS MN 55402

Cert # 187603

Office of the Registrar of Titles
Dakota County, Minnesota
Amy A. Koethe, Registrar of Titles

4-7

CONTRACT

FOR

PRIVATE REDEVELOPMENT

BY AND BETWEEN

THE ECONOMIC DEVELOPMENT AUTHORITY
OF THE CITY OF FARMINGTON, MINNESOTA,

AND

TEN NINETEEN DEVELOPMENT, LLC

1-4

DRAFTED BY:
Campbell Knutson
Professional Association
Grand Oak Office Center I
860 Blue Gentian Road, Suite 290
Eagan, Minnesota 55121
Telephone: (651) 452-5000

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CONTRACT FOR PRIVATE REDEVELOPMENT

THIS AGREEMENT, dated as of June 8, 2023 (“Effective Date”) by and between the **ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF FARMINGTON, MINNESOTA**, a public body corporate and politic under the laws of the State of Minnesota (the “Authority”) and **TEN NINETEEN DEVELOPMENT, LLC**, a Minnesota limited liability company (the “Redeveloper”).

WITNESSETH:

WHEREAS, pursuant to Minnesota Statutes, Section 460.001 through 469.047 and Sections 460.090 through 460.1082, the Authority and the City of Farmington (“City”) have formed the Downtown Redevelopment Project (the “Redevelopment Area”) and have adopted a redevelopment plan therefor (the “Redevelopment Plan”); and

WHEREAS, pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended (hereinafter, the “Tax Increment Act”) and have, the Authority and the City have created, within the Redevelopment Area, Tax Increment Financing District No. 15 – Ebert Downtown Housing (the “Tax Increment District”) and have adopted a tax increment financing plan therefor, dated February 21, 2023 (the “Tax Increment Plan”) which provides for the use of tax increment financing in connection with development within the Redevelopment Area; and

WHEREAS, the Redeveloper is under contract to acquire certain property (the “Redevelopment Property”) within the Project to develop as a multifamily housing facility which Project is included within the TIF District; and

WHEREAS, in order to achieve the objectives of the Redevelopment Area and particularly to make the land in the Redevelopment Area available for development by private enterprise in conformance with the Redevelopment Plan, the Authority has determined to assist the Redeveloper with the financing of certain costs of the Project (as hereinafter defined) to be constructed within the Redevelopment Area as more particularly described in this Agreement; and

WHEREAS, the Authority believes that the development and construction of the Project, and fulfillment of this Agreement are vital and are in the best interests of the City, the health, safety, morals and welfare of residents of the City, and in accordance with the public purpose and provisions of the applicable state and local laws and requirements under which the Project has been undertaken and is being assisted; and

WHEREAS, the requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J. 995, do not apply to this Agreement because the assistance given to the Redeveloper is for a housing project.

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

In this Agreement, all capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

"Affiliate" means a corporation, partnership, association, limited liability company or similar entity organized under the laws of the United States of America or a state thereof which is directly controlled by or under common control with the Redeveloper. For purposes of this definition, control means the power to direct management and policies through the ownership of at least a majority of its voting securities, or the right to designate or elect at least a majority of the members of its governing body by contract or otherwise;

"Agreement" [or "Contract"] means this Contract for Private Redevelopment by and between the Authority and the Redeveloper, as the same may be from time to time modified, amended or supplemented.

"Authority" means the Economic Development Authority for the City of Farmington, Minnesota.

"Authorizing Resolution" means the resolution of the Authority authorizing the issuance of the TIF Note and the approval of this Agreement.

"Available Tax Increment" means on such Payment Date, ninety-five percent (95%) of the Tax Increment attributable to the Redevelopment Property and paid to the City by the County in the six months preceding the Payment Date. Available Tax Increment will not include any Tax Increment if, as of any Payment Date, there is an uncured Event of Default under this Agreement, provided, however, that once an Event of Default is cured, any Available Tax Increment withheld shall be deemed Available Tax Increment for the next Payment Date.

"Board" means the Board of Commissioners of the Authority.

"Business Day" means any day except a Saturday, Sunday, legal holiday, a day on which the Authority is closed for business, or a day on which banking institutions in the City are authorized by law or executive order to close.

"Certificate of Completion" means a certification in the form of the certificate contained in Schedule C attached hereto and provided to the Redeveloper pursuant to Section 3.4.

"City" means the City of Farmington, 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 Plans: (a) areas detailed as the plans, specifications, drawings, and related documents which are submitted to the City for issuance of a building permit for the Minimum Improvements; (b) shall include at least the following: (1) site plan; (2) foundation plan; (3) elevations and floor plans; (4)

landscape plan; and, (5) such other plans or supplements to the foregoing plans as the Authority may reasonably request; and (c) shall be consistent with the Preliminary Plans approved by the Authority.

"County" means the County of Dakota, Minnesota.

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

"Financing Commitment" means a financing commitment, letter of interest or other reasonable evidence of interest from a mortgage lender for the construction of the Minimum Improvements in a form reasonably satisfactory to the Authority. The Authority acknowledges and agrees that a financing commitment will be conditioned on items customarily required by lenders (including, without limitation, adequate financial statements, environmental review, appraisals, surveys and title).

"Authority Expenses" means the fees and expenses incurred by the Authority in connection with the establishment of the Tax Increment District, analysis of need of assistance and the preparation of this Agreement.

"Material Change" means a change in Construction Plans that has a material adverse effect on the generation of tax increment or reduces the number of units of rental housing.

"Maturity Date" means the date that the TIF Note has been paid in full in accordance with its 20 year maturity, or terminated, whichever is earlier.

"Minimum Improvements" means the construction by the Redeveloper on the Redevelopment Property of a 4-story building with approximately 74 units of market rate rental housing and related amenities as specified in the Construction Plans to be approved by the Authority and to be completed in accordance with all applicable local, state and federal regulations governing such improvements.

"Note Payment Date" means each August 1 and February 1, commencing August 1, 2025, and thereafter to and including the Termination Date; provided, that if any such TIF Note Payment Date should not fall on a Business Day, the TIF Note Payment Date shall be the next succeeding Business Day.

"Party" [or "Parties"] means the Redeveloper and the Authority.

"Project" means the Redevelopment Property and the completed Minimum Improvements thereon.

"Qualifying Costs" has the meaning provided in Section 5.2 hereof.

"Redeveloper" means Ten Nineteen Development, LLC, a Minnesota limited liability company, or any assigns that have received prior written approval from the Authority.

“Redevelopment Area” means the geographic area of the Redevelopment District.

“Redevelopment Plan” means the redevelopment plan approved in connection with the Redevelopment Area.

“Redevelopment Property” means the real property as legally described in Schedule A attached hereto.

“State” means the State of Minnesota.

“Tax Increment Act” or **“TIF Act”** mean Minnesota Statutes, Sections 469.174 through 469.1794 inclusive.

“Tax Increment District” or **“TIF District”** mean the Tax Increment Financing District No. 15 – Ebert Housing located within the Redevelopment Project Areas, a description of which is set forth in the Tax Increment Plan, which was qualified as a redevelopment district under the Tax Increment Act.

“Tax Increment Note” or **“TIF Note”** means the Tax Increment Financing Revenue Note to be executed by the Authority and delivered to the Redeveloper pursuant to Article V hereof, in the approximate principal amount of One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$1,750,000.00), a form of which is attached as Schedule B.

“Tax Increment Plan” or **“TIF Plan”** means the Tax Increment Financing Plan for the TIF District approved by the Board of Commissioners of the Authority and the City Council on February 21, 2023, and as it may be amended.

“Termination Date” means the earlier of (i) February 1, 2045; (ii) the date the TIF District terminates by law or is otherwise terminated, (iii) the date the final payment of principal and interest on the TIF Note has been paid in full or defeased or the TIF Note has been earlier terminated in accordance with its terms, or (iv) the date this Agreement is terminated or rescinded in accordance with the terms hereunder.

“Unavoidable Delays” means delays outside the control of the Party claiming its occurrence which are the direct result of strikes, other labor troubles, unusually severe or prolonged bad weather, natural disaster, acts of God, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the Authority or the City) which directly result in delays or other causes beyond the control of the party claiming the delay.

ARTICLE II. REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties by the Authority. The Authority represents and warrants that:

(a) The Authority is a public body corporate and politic duly organized under the laws of the State. Under the provisions of the laws of the State, the Authority has the power to enter into this Agreement and carry out its obligations hereunder. The Authority has duly authorized the execution, delivery and performance of this Agreement.

(b) Based on representation of the Redeveloper set forth in Section 2.2 below, the Tax Increment District is a “redevelopment district” within the meaning of Minnesota of Minnesota Statutes, section 469.174, subd. 10.

(c) The City has created, adopted and approved the Tax increment District and Tax Increment Plan in accordance with the provisions of the Tax Increment Act.

(d) The development contemplated by this Agreement is in conformance with the development objectives set forth in the Tax Increment Plan.

(e) The Authority makes no representation or warranty, either express or implied, as to the Redevelopment Property or its condition, or that the Redevelopment Property is suitable for the Redeveloper's needs except as specifically set forth in this Agreement.

(f) Subject to all of the terms and conditions of this Agreement, the Authority will issue the TIF Note to the Redeveloper.

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

(a) The Redeveloper is a Minnesota limited liability company organized and existing under the laws of the State of Minnesota, is authorized to transact business in this State, and has duly authorized the execution of this Agreement and the performance of its obligations under this Agreement. None of the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, or the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with the terms of any indebtedness, agreement or instrument of whatever nature to which the Redeveloper is now a party or by which it is bound.

(b) The Redeveloper will acquire fee title to all of the Redevelopment Property by June 1, 2023 and will construct and maintain the Minimum Improvements in accordance with the terms of this Agreement, the TIF Plan, and all applicable local, State and Federal laws and regulations (including, but not limited to, the TIF Act, environmental, zoning, building code and public health laws and regulations).

(c) The construction of the Project to the size and scope contemplated by this Agreement would not have been undertaken by the Redeveloper, and in the opinion of the Redeveloper would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit to the Redeveloper provided in this Agreement.

(d) As of this date of execution of this Agreement, the Redeveloper has received no notice or communication from any local, state or federal official that the anticipated activities of the Redeveloper with respect to the Redevelopment Property may be or will be in violation of any environmental law or regulation.

(e) There are no pending or threatened legal proceedings, of which the Redeveloper has notice, contemplating the liquidation or dissolution of the Redeveloper or threatening its existence, or seeking to restrain or enjoin the transactions contemplated by the Agreement, or questioning the authority of the Redeveloper to execute and deliver this Agreement or the validity of this Agreement.

(f) Redeveloper will use commercially reasonable efforts to obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed.

(g) The Redeveloper will cooperate fully with the City and the Authority with respect to any litigation commenced with respect to the Project.

(h) The Redeveloper will cooperate fully with the City and the EDA in resolution of any traffic, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the Project.

(i) The construction of the Project shall commence no later than November 1, 2023 and barring Unavoidable Delays, will be substantially completed by May 1, 2025.

(j) The financing arrangements which the Redeveloper has obtained or will obtain to finance the acquisition of the Redevelopment Property and the construction of the Minimum Improvements, will be sufficient to enable the Redeveloper to successfully complete the Minimum Improvements as contemplated by this Agreement.

(k) Whenever any Event of Default occurs, as defined in Article IX of this agreement, 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 thirty (30) days of written demand by the Authority, pay to the Authority the reasonable fees of such attorneys and such other reasonable expenses so incurred and paid for by the Authority.

(l) The Redeveloper has made its own projections of Tax Increment and revenues to be generated from the Project and of the Redeveloper's return on investment and the Redeveloper has not relied on any assumptions, calculations, determinations or conclusions made by the Authority, its governing body members officers or agents, including the independent contractors, consultants and legal counsel, servants and employees thereof, with respect to the foregoing or in determining to proceed with the Project;

(m) The person or persons executing this Agreement and related agreements and documents on behalf of the Redeveloper have the authority to do so and to bind the Redeveloper by their actions.

(n) The Redeveloper will not seek a reduction in the market value as determined by the Dakota County assessor of the Project or other facilities, if any, that it constructs on the Redevelopment Property, pursuant to the provisions of this Agreement, for so long as the Tax Increment Note remains outstanding.

ARTICLE III. CONSTRUCTION OF MINIMUM IMPROVEMENTS

Section 3.1. Construction of Minimum Improvements. The Redeveloper agrees that it will construct the Minimum Improvements on the Redevelopment Property in accordance with the Construction Plans and 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 3.2. Construction Plans.

(a) Subject to Unavoidable Delays, on or before sixty (60) days following execution of this Agreement, the Redeveloper shall submit to the Authority the Construction Plans for the Minimum Improvements. The Construction Plans shall provide for the construction of the Minimum Improvements and shall be in conformity with this Agreement, the TIF Plan and all applicable state and local laws and regulations. The Authority shall approve the Construction Plans in writing if, in the reasonable discretion of the Authority: (i) the Construction Plans conform to the terms and conditions of this Agreement; (ii) the Construction Plans conform to the goals and objectives of the Redevelopment Plan; (iii) the Construction Plans conform to all applicable federal, state and local law, ordinances, rules and regulations; (iv) the Construction Plans are adequate to provide for the construction of the subject Minimum Improvements; (v) the Construction Plans do not provide for expenditures in excess of the funds which will be available to the Redeveloper for the construction of the Minimum Improvements; and (vi) no Event of Default has occurred or is continuing after Redeveloper's timeframe to cure has lapsed as outlined in Section 9.2. No approval by the Authority under this Section 3.2 shall relieve the Redeveloper of the obligation to comply with the terms of this Agreement, applicable federal, state and local laws, ordinances, rules and regulations, or to construct the Minimum Improvements. No approval by the Authority shall constitute a waiver of an Event of Default. The Authority shall review the Construction Plans within thirty (30) days of submission of a complete set of Construction Plans and either approve the same or provide Redeveloper with a list of specific required changes to be made to the Construction Plans. Upon making the specific changes to the Construction Plans as required by the Authority, the Redeveloper shall submit the Construction Plans with the required changes to the Authority for approval and if Redeveloper made the required changes, the Construction Plans shall be approved.

The Redeveloper hereby waives any and all claims and causes of action whatsoever resulting from the review of the Construction Plans by the Authority and/or any changes in the Construction Plans requested by the Authority. Neither the Authority nor any employee or official of the Authority

shall be responsible in any manner whatsoever for any defect in the Construction Plans or in any work done pursuant to the Construction Plans, including changes requested by the Authority.

(b) If the Redeveloper desires to make any Material Change in any Construction Plans after their approval by the Authority, the Redeveloper shall submit the proposed change to the Authority for its approval.

Section 3.3. Construction Requirements.

(a) Subject to Unavoidable Delays, the Redeveloper shall commence construction of the Minimum Improvements by November 1, 2023. "Commence" shall mean beginning of physical improvement of the Property, including demolition, grading, excavation, or other physical site preparation work.

(b) Subject to Unavoidable Delays, the Redeveloper shall substantially complete construction of the Minimum Improvements, except for landscaping; exterior matters such as landscaping; and minor "punch list items", by May 1, 2025. "Complete" shall mean that the Minimum Improvements are sufficiently complete for the issuance of a Certificate of Occupancy.

(c) All work with respect to the Minimum Improvements to be constructed or provided by the Redeveloper on the Redevelopment Property must be in substantial conformance with the Construction Plans as submitted by the Redeveloper and approved by the Authority. The Redeveloper agrees for itself, its successors and assigns, and every successor in interest to the Redevelopment Property, or any part thereof, that the Redeveloper, and its successors and assigns, shall promptly begin and diligently prosecute to completion the development of the Redevelopment Property through the construction of the Minimum Improvements thereon, and that such construction shall in any event be completed within the period specified in this Section 3.3 of this Agreement, subject to Unavoidable Delays. 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, or its architect or contractor, shall make construction progress reports, at such times as may reasonably be requested by the Authority, but not more than once a month, as to the actual progress of the Redeveloper with respect to such construction.

Section 3.4. Certificate of Completion.

(a) Promptly after completion of the Minimum Improvements in accordance with those provisions of the Agreement relating solely to the obligations of the Redeveloper to construct the Minimum Improvements (excluding the date for completion thereof), the Authority will furnish the Redeveloper with a Certificate of Completion in the recordable form attached hereto as Schedule C. Such Certificate of Completion by the Authority shall be furnished to Redeveloper within thirty (30) days after request by Redeveloper, and shall be a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement with respect to the obligations of the Redeveloper, and its successors and assigns, to construct the Minimum Improvements and the date for the completion thereof.

(b) If the Authority shall refuse or fail to provide the Certificate of Completion in accordance with the provisions of this Section 3.4 of this Agreement, the Authority shall, within thirty (30) days after written request by Redeveloper for the Certificate of Completion, provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to complete the Minimum 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 Authority, for the Redeveloper to take or perform in order to obtain such Certificate of Completion.

(c) The construction of the Minimum Improvements shall be deemed to be completed when the Minimum Improvements are, as reasonably determined by the Authority, substantially completed in accordance with the Construction Plans and when a certificate of occupancy is issued.

(d) The Certificate of Completion issued for the Minimum Improvements shall conclusively satisfy and terminate the agreements and covenants of the Redeveloper in this Agreement to construct the Minimum Improvements.

ARTICLE IV. INSURANCE

Section 4.1. 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 one hundred percent (100%) of the insurable value of the Minimum Improvements at the date of completion, and with coverage available in non-reporting form on the so called "all risk" form of policy;

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, Broadening Endorsement including contractual liability insurance) together with an Owner's Contractor's Policy with limits against bodily injury and property damage of not less than \$2,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used); and

(iii) Worker's compensation insurance, with statutory coverage and employer's liability protection.

The policies of insurance required pursuant to clauses (i) and (ii) above shall be in form and content reasonably satisfactory to the Authority and shall be placed with financially sound and reputable insurers licensed to transact business in the State, the liability insurer to be rated A or better in Best's Insurance Guide. The policy of insurance delivered pursuant to clause (i) above shall contain provision that coverage afforded under the policies shall not be cancelled without at least

thirty (30) days' advanced written notice to the Authority, or ten (10) days' notice for non-payment of premium.

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

(i) Insurance against loss and/or damage to the Minimum Improvements under a policy or policies covering such risks as are ordinarily insured against by similar businesses, including (without limiting the generality of the foregoing) fire, extended coverage, all risk vandalism and malicious mischief, boiler explosion, water damage, demolition cost, debris removal, and collapse in an amount not less than the full insurable replacement value of the Minimum Improvements. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the Authority. The term "full insurable replacement value" shall mean the actual replacement cost of the Minimum Improvements (excluding foundation and excavation costs and costs of underground flues, pipes, drains and other uninsurable items) and equipment. All policies evidencing insurance required by this subparagraph (i) with respect to the Minimum Improvements shall be carried in the name of the Redeveloper 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 \$100,000 for loss or damage covered thereby to be made payable directly to the Redeveloper, and Net Proceeds from such claims in excess of \$100,000 to be made payable to a construction escrow account for the reconstruction of the Minimum Improvements. The Redeveloper shall have the sole discretion to settle any insurance claims, provided, however, the Authority shall be entitled to receive copies of all information with regard to the insurance claim, notices of meetings, negotiations and proceedings with regard to the claim and the right to participate in any such meetings or hearings.

(ii) Comprehensive general public liability insurance, including personal injury liability (with employee exclusion deleted), and automobile insurance, including owned, non-owned and hired automobiles, against liability for injuries to persons and/or property, in the minimum amount for each occurrence and for each year of \$2,000,000, for public liability and shall be endorsed to show the Authority as additional insured.

(iii) Such other insurance, including worker's compensation insurance respecting all employees of the Redeveloper, 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 worker's compensation.

(c) All insurance required in Article IV of this Agreement shall 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 binders evidencing all such insurance, or 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 IV of this Agreement each policy shall contain a provision that the insurer

shall not cancel nor modify it without giving at least thirty (30) days' advanced written notice to the Redeveloper and the Authority before the cancellation or modification becomes effective or ten (10) days' notice for non-payment of premium. Not less than fifteen (15) days prior to the expiration of any policy, the Redeveloper shall 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 IV 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 shall deposit with the Authority a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements.

(d) The Redeveloper agrees to notify the Authority immediately in the case of damage exceeding \$100,000 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 \$100,000, 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 shall 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 \$100,000, then the Redeveloper shall within two hundred ten (210) days after such damage or destruction, subject to Unavoidable Delays, and receipt of the proceeds of insurance relating to 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 will apply the Net Proceeds of any insurance relating to such damage or destruction received by the Redeveloper to the payment or reimbursement of the costs thereof. Any Net Proceeds remaining after completion of construction shall be disbursed to the Redeveloper.

(e) The Redeveloper shall use commercially reasonable efforts to complete the repair, reconstruction and restoration of the Project, whether or not the proceeds of insurance received by the Redeveloper for such purposes are sufficient to pay for the same. Any proceeds remaining after completion of the repair, reconstruction, and restoration of the Project shall be the sole property of the Redeveloper.

(f) The foregoing notwithstanding, if the Redeveloper is diligently restoring the Project, said two hundred ten (210) day period shall be extended so long as Redeveloper continues to use all commercially reasonable efforts to complete the restoration.

(g) Notwithstanding anything contained herein to the contrary, if there is a mortgage on the Project or any part thereof for which insurance proceeds are payable, the terms of said mortgage shall govern the collection and disbursement thereof.

Section 4.2. Condemnation.

(a) In the event that title to and possession of the Redevelopment Property, or any part thereof shall be taken in condemnation or by exercise of the power of eminent domain by any governmental body or other person the Redeveloper shall, with reasonable promptness notify the Authority as to the nature and extent of such taking. The Redeveloper shall use its sole discretion to settle any condemnation claims; provided, however, the Authority shall be entitled to receive copies of all notices of meetings, negotiations and proceedings with regards to such claim and to participate in any such meetings or hearings unless the Authority is the condemning authority.

(b) In the event of a substantial taking of the Redevelopment Property or of the Minimum Improvements which materially interferes with the Redeveloper's ability to continue to operate its business from the Redevelopment Property, the Redeveloper may terminate this Agreement upon written notice to the Authority, retain the Net Proceeds of any condemnation award and be relieved of any and all further liability under this Agreement.

(c) In the event a condemnation or taking does not involve a substantial portion of the Redevelopment Property or the Minimum Improvements to the extent that it materially interferes with the Redeveloper's ability to continue to operate its business from the Redevelopment Property, then the Redeveloper shall proceed to forthwith repair, reconstruct and restore the Redevelopment Property and the Minimum Improvements to the extent possible. The Net proceeds of the condemnation award shall be applied by the Redeveloper as provided in subparagraphs (d) and (e) of Section 4.1 for insurance proceeds, to the extent such provisions are applicable. Any Net Proceeds from condemnation remaining after completion of such repairs, construction and restoration shall be remitted to the Redeveloper.

**ARTICLE V.
STATUS OF REDEVELOPMENT PROPERTY; ISSUANCE OF TIF NOTE**

Section 5.1 Status of Redevelopment Property. The Redevelopment Property consists of the property legally described in Schedule A hereof. As of the date of this Redevelopment Agreement, the Redeveloper is fee owner of a portion of the Redevelopment Property and is under contract to acquire the remaining portion of the Redevelopment Property. The Redeveloper acknowledges that the Authority has no obligation to acquire any of the Redevelopment Property.

Section 5.2 Issuance of Pay-As-You-Go Note.

(a) **Qualifying Costs.** In order to make construction of the Minimum Improvements financially feasible, the Authority will reimburse the Redeveloper for a portion of the costs of land acquisition, site improvements and preparation, parking, footings and foundations, insurance and payment or performance bond premiums; professional fees, including architectural and engineering fees and expenses and such other costs as are incurred by the Redeveloper and reasonably determined by the Authority to as eligible for reimbursement with tax increment under the TIF Act (the "Qualifying Costs") through issuance of the TIF Note in accordance with this Section.

The TIF Note shall be dated, issued and delivered to the Redeveloper by the Authority upon satisfaction of the following:

- (i) the Redeveloper has acquired all of the Redevelopment Property in fee;
- (ii) the Redeveloper has constructed the Minimum Improvements and the Authority has issued the Certificate of Completion;
- (iii) the Redeveloper has delivered to the Authority a signed statement including written evidence satisfactory to the Authority that Redeveloper has incurred Qualifying Costs in an amount at least equal to the principal amount of the TIF Note, which evidence must include copies of the paid invoices and lien waivers or other comparable evidence for costs of allowable Qualifying Costs;
- (iv) the Redeveloper has reimbursed the Authority for all of its administrative costs incurred in conjunction with the processing of Redeveloper's request as set forth in Section 5.6 hereof;
- (v) there has been no Event of Default on the part of the Redeveloper which has not been cured;
- (vi) the Redeveloper has submitted and obtained Authority approval of financing in accordance with Section 7.1; and

With respect to the payment of principal of and interest on the TIF Note, however, the principal of the TIF Note shall not be payable and the interest on the TIF Note shall not accrue until the date upon which the Authority receives and approves written evidence that the Redeveloper has paid Qualifying Costs in at least the principal amount of \$1,750,000.00.

(b) The parties agree that the completion of construction of Minimum Improvements on the Redevelopment Property by the Redeveloper is essential to the successful completion of the Project. The construction costs of the Minimum Improvements are estimated to be at least \$15,708,922.00. The Redeveloper shall pay the cost of the Minimum Improvements.

(c) The Authority shall reimburse the Redeveloper for a portion of the Qualifying Costs incurred by Redeveloper through the issuance of the TIF Note, in substantially the form attached to this Agreement as Schedule B. The Authority shall issue and the Redeveloper shall enter into the Note in the maximum principal amount of One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$1,750,000.00). The unpaid principal of the note shall bear simple non-compounding interest from the date of issuance of the TIF Note, at 6.0% per annum. Interest shall be computed on the basis of a 360 day year consisting of twelve (12) 30-day months. The principal amount of the Available Tax Increment Note and the interest thereon shall be payable solely from the Available Tax Increments. The TIF Note shall be dated, issued and delivered when the Redeveloper shall have demonstrated in writing to the reasonable satisfaction of the Authority that the construction of the Minimum Improvements has been completed and that the Redeveloper has incurred and paid all costs of the Qualifying Costs and shall have submitted evidence of payment (shown in the form of

contractor certifications, invoices and lien waivers) for the costs of construction of the Qualifying Costs in an amount not less than principal amount of the TIF Note, provided no uncured Event of Default by the Redeveloper has occurred and is continuing under the Agreement and Redeveloper has otherwise complied with all Authority requirements for the Project and the terms and conditions of this Agreement.

The terms of the TIF Note will be substantially those set forth in the form of the Note shown in Schedule B, and the Note will be subject to all terms of the Authorizing Resolution, which is incorporated herein by reference.

(d) The amounts of the TIF Note and the interest thereon payable by the Authority to the Redeveloper shall be solely pursuant to the formula set forth in the TIF Note, and shall be payable solely from the Available Tax Increments, as defined in the TIF Note.

(e) The payment dates of the TIF Note shall be the Note Payment Dates. On each Note Payment Date and subject to the provisions of the TIF Note, the Authority shall pay Redeveloper Available Tax Increments generated by the Project and received by the Authority during the preceding six months (or, with respect to the first Note Payment Date, in the period commencing on the date of issuance of the TIF Note through the day prior to the first Note Payment Date). All such payments shall be applied first to the payment of accrued interest and then to the payment of the principal of the Note.

(f) The TIF Note shall be a special and limited obligation of the Authority and not a general obligation of the Authority and only Tax Increments shall be used to pay on the TIF Note. The payment amounts due thereon shall be payable solely from Tax Increments from the Tax Increment District which are paid to the Authority and which the Authority is entitled to retain pursuant to the Tax Increment Act.

(g) The Authority's obligation to make payments on the TIF Note on any Note Payment Date or any date thereafter shall be conditioned upon the requirement that (i) there shall not at that time be an Event of Default that has occurred and is continuing under this Agreement, (ii) this Agreement shall not have been rescinded and (iii) the Redeveloper has paid its property taxes and the Authority has received from the County the Tax Increments generated by the Project.

(h) The TIF Note shall be governed by and payable pursuant to the additional terms thereof, as set forth in Schedule B. In the event of any conflict between the terms of the TIF Note and the terms of this Section 5.2, the terms of the TIF Note shall govern. The issuance of the TIF Note pursuant and subject to the terms of this Agreement, and the taking by the Authority of such additional actions as counsel for the Authority may require in connection therewith, are hereby authorized and approved by the Authority.

(i) The Redeveloper acknowledges that the Authority has made no warranties or representations to the Redeveloper as to the amounts of Tax Increment that will be generated or that the "Available Tax Increment," as defined in the TIF Note, will be sufficient to pay the TIF Note or interest payable thereon in whole or in part. Nor is the Authority warranting that it will have throughout the term of this Agreement and the TIF Note the continuing legal ability under State law

to apply Tax Increment to the payment of the TIF Note, which continued legal ability is a condition precedent to the Authority's obligations under the TIF Note.

(j) The estimate of Qualifying Costs eligible for Tax Increment is based on budget estimates submitted by the Redeveloper. The Redeveloper understands and acknowledges that if the Qualifying Costs exceed the Tax Increment, the Redeveloper will only be reimbursed for Public Development in the principal amount of the TIF Note.

Section 5.3. Redeveloper Acknowledgments. The Redeveloper understands and acknowledges the following:

(a) The Authority makes no representations or warranties regarding the amount of the Tax Increment that will be available, or that revenues pledged to repayment of the TIF Note will be sufficient to pay all or any of the amounts payable on the TIF Note. The Authority additionally makes no representations as to the sufficiency of the Redevelopment Property (including soil conditions or the presence of hazardous substances on the Redevelopment Property) for the Project. Any estimates of Tax Increment available prepared by the Authority, or the Authority's independent municipal advisor, consultants, agents, employees or officers in connection with the TIF District or this Agreement are for the sole benefit of the Authority, and are not intended as representations on which the Redeveloper or any purchaser of the TIF Note may rely. The Redeveloper further understands and acknowledges that no assistance is being provided by the Authority under this Agreement except through the issuance of the TIF Note, and the Redeveloper has no claim against any funds of the Authority except as set forth in the Authorizing Resolution and the TIF Note.

Section 5.4. Records. The Authority and its representatives shall have the right at all reasonable times after reasonable notice to inspect, examine, and copy all books and records of Redeveloper relating to the Minimum Improvements. Redeveloper shall also use its best efforts to cause the contractor or contractors, all sub-contractors and their agents and lenders to make their books and records relating to the Project available to Authority, upon reasonable notice, for inspection, examination and audit. Such records shall be kept and maintained by Redeveloper until the Termination Date.

Section 5.5. Business Subsidy. The parties agree and understand that the financial assistance described in this Agreement does not constitute a business subsidy within the meaning of the Business Subsidy Act, because the assistance is for housing, an enumerated exception under Section 116J.993, subdivision 3(7) of the Business Subsidy Act. The Redeveloper releases and waives any claim against the Authority and its governing body members, officers, agents, servants and employees thereof arising from application of the Business Subsidy Act to this Agreement, including without limitation any claim that the Authority failed to comply with the Business Subsidy Act with respect to this Agreement.

Section 5.6. Payment of Authority Costs. The Redeveloper agrees that it will pay, the reasonable costs of consultants and attorneys retained by the Authority and the City in connection with the creation of the TIF District and the negotiation in preparation of this Agreement and other incidental agreements and documents related to the development contemplated hereunder (the "Authority Costs"). The Redeveloper has deposited with the Authority the sum of \$6,000.00 to

reimburse the Authority for its actual out of pocket Authority Costs and any excess will be returned to the Redeveloper. The Authority Costs shall be paid by the Authority from the Redeveloper's deposit. If the Authority determines that the deposit is inadequate, the Authority shall notify the Developer of the amount necessary to increase the deposit and the Redeveloper shall provide such additional funds within 10 days of notification by the Authority that the deposit is inadequate. The Authority will provide written reports describing the costs accrued under this Section upon request from the Redeveloper, but not more often than intervals of forty-five (45) days. Notwithstanding the foregoing, any Authority Costs incurred by the Authority after the receipt by the Authority of the first payment of Tax Increment by the County will be paid by the Authority, and the Redeveloper will have no obligation to pay any Authority Costs incurred after such date. Upon termination of this Agreement in accordance with its terms, the Redeveloper remains obligated under this Section for costs incurred through the effective date of Termination. Authority Costs do not include any payments for City and Authority staff costs and expenses.

ARTICLE VI. USE OF TAX INCREMENT; TAXES

Section 6.1. Use of Tax Increment. Except with respect to its obligations to the Redeveloper under this Agreement in connection with Tax Increment, the Authority shall be free to use any Tax Increment it receives from the TIF District for any purpose for which such Tax Increment may lawfully be used under the TIF Act and pursuant to other general provisions of State law, and the Authority shall have no obligations to the Redeveloper with respect to the use of such Tax Increment.

Section 6.2. Reimbursement of Tax Increment. Section 469.176, subdivision 4j of the TIF Act limits the use of Tax Increment in a redevelopment district to specific permitted uses. Section 469.1771, subd. 3 of the TIF Act requires the Authority to pay the County for Tax Increment distributed to the Authority and used to assist a project which does not qualify for tax increment assistance. If the Authority is required to pay Tax Increment to the County or any other governmental entity pursuant to Section 469.1771 of the TIF Act, or any other provision of the TIF Act, by reason of any Redeveloper act or omission that is substantially inconsistent with or contrary to the terms of this Agreement, the Redeveloper agrees, for itself and its successors and assigns, to reimburse a similar amount to the Authority within sixty (60) days' written notice from the Authority. This obligation to reimburse Tax Increment to the Authority shall run with the Redevelopment Property, and each subdivided part thereof, and shall bind the Redeveloper and its successors and assigns. The Authority is authorized to undertake all necessary legal action to recover said amounts described in this Section from the Redeveloper. Any sum owed under this Section but not reimbursed by the Redeveloper or its successors and assigns shall remain a lien against the Redevelopment Property and the Minimum Improvements, or any part thereof, until paid.

Section 6.3. Review of Taxes.

(a) The Redeveloper agrees that prior to the Termination Date, it will not cause a reduction in the real property taxes paid in respect of the Redevelopment Property through: (A) willful destruction of the Redevelopment Property or any part thereof; or (B) willful refusal to reconstruct damaged or destroyed property pursuant to Section 4.1 of this Agreement. The Redeveloper also agrees that it will not, prior to the Termination Date, seek exemption from property

tax for the Redevelopment Property or any portion thereof or transfer or permit the transfer of the Redevelopment Property to any entity that is exempt from real property taxes and state law (other than any portion thereof dedicated or conveyed to the City in accordance with platting of the Redevelopment Property), or apply for a deferral of property tax on the Redevelopment Property pursuant to any law.

Section 6.4. Right to Collect Delinquent Taxes. The Redeveloper acknowledges that the Authority is providing substantial aid and assistance in furtherance of the completion of the Minimum Improvements through issuance of the TIF Note. The Redeveloper understands that the Tax Increment pledged to payment of the TIF Note is derived from real estate taxes on the Redevelopment Property and the Minimum Improvements, which taxes must be promptly, timely and fully paid. To that end, the Redeveloper agrees for itself, its successors and assigns, in addition to the obligation pursuant to State Statute to pay real estate taxes, that it is also obligated by reason of this Agreement, through the Termination Date, to pay before delinquency all ad valorem taxes and special assessments levied on the Redevelopment Property and the Minimum Improvements. The Redeveloper acknowledges that this obligation creates a contractual right on behalf of the Authority to sue 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. In any such suit, the Authority shall also be entitled to recover from the Redeveloper the Authority's costs, expenses and reasonably attorney fees. Nothing in this Section shall prevent the Redeveloper from contesting the amount of real estate taxes (whether because of valuation, classification or otherwise) in accordance with state law.

ARTICLE VII. OTHER FINANCING

Section 7.1. Generally. Upon execution of this Agreement, the Redeveloper shall submit to the Authority or provide access thereto for review by Authority staff, consultants and agents, evidence reasonably satisfactory to the Authority that Redeveloper has available funds, or commitments to obtain funds, whether in the nature of mortgage financing, equity, grants, loans, or other sources sufficient for paying the cost of developing the Minimum Improvements, provided that any lender or grantor commitments shall be subject only to such conditions as are normal and customary in the commercial lending industry.

Section 7.2. Authority's Option to Cure Default on Mortgage. In the event that any portion of the Redeveloper's funds is provided through mortgage financing, and there occurs a default under any Mortgage reviewed by the Authority pursuant to Article VII of this Agreement, the Redeveloper shall cause the Authority to receive copies of any notice of default received by the Redeveloper from the holder of such Mortgage. Thereafter, the Authority shall have the right, but not the obligation, to cure any such default on behalf of the Redeveloper within such cure periods as are available to the Redeveloper under the Mortgage documents, to the extent the Mortgage documents permit the Authority to cure such default.

Section 7.3. Modification; Subordination. If required by the Redeveloper's construction lender, the Authority agrees to subordinate this Agreement to the construction mortgage to provide

that mortgage with a first lien priority, in a form reasonably acceptable to the Authority and approved by the Authority by formal action.

ARTICLE VIII.
PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER, INDEMNIFICATION

Section 8.1. Representation as to Development. The Redeveloper represents and agrees that its undertakings pursuant to the Agreement, are, and will be used, for the purpose of development of the Redevelopment Property and not for speculation in land holding.

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

(a) Except only by way of security for, and only for, the purpose of obtaining financing 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 undertaking the development contemplated under this Agreement, and any other purpose authorized by this Agreement, 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 lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Redevelopment Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity whether or not related in any way to the Redeveloper (collectively, a “Transfer”), without the prior written approval of the Authority (whose approval will not be unreasonably withheld, subject to the standards described in paragraph (b) of this Section) unless the Redeveloper remains liable and bound by this Agreement in which event the Authority’s approval is not required. Any such Transfer shall be subject to the provisions of this Agreement. For the purposes of this Agreement, the term Transfer does not include (i) acquisition of a controlling interest in the Redeveloper by another person or entity or merger of the Redeveloper with another entity; (ii) any sale, conveyance, or transfer in any form to any Affiliate; or (iii) any lease, license, easement or similar arrangement entered into in the ordinary course of business related to operation of the Minimum Improvements.

(b) In the event the Redeveloper, upon Transfer of the Redevelopment Property or any portion thereof, seeks to be released from its obligations under this Agreement as to the portions of the Redevelopment Property that are transferred, the Authority shall be entitled to require, except as otherwise provided in this Agreement, as conditions to any such release that:

(i) Any proposed transferee shall 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 in the public land records of the County, shall, for itself and its successors and assigns, and expressly for the benefit of the Authority, 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, the Minimum Improvements 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 Redevelopment Property 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 shall be deemed to relieve the Redeveloper, or any other party bound in any way by this Agreement or otherwise with respect to the Redevelopment Property, 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, shall be in a form reasonably satisfactory to the Authority. In the event the foregoing conditions are satisfied 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 (collectively, the "Indemnified Parties") 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 Redevelopment Property or the Minimum Improvements.

(b) Except for gross or willful or negligent misrepresentation of the Indemnified Parties, and except for any breach by any of the Indemnified Parties of their obligations under this Agreement, the Redeveloper agrees to protect and defend the Indemnified Parties, 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 Indemnified Parties 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 or Minimum Improvements due to any act of negligence of any person other than the Indemnified parties.

(d) None of the Indemnified Parties shall be liable to the Redeveloper or to any third party for any consequential or other damages that may arise out of delays of any kind relating to activities undertaken pursuant to this Agreement, including but not limited to delays due to environmental conditions, court challenges or elements outside the control of the Authority.

(e) 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.

(f) Notwithstanding anything else contained in the foregoing to the contrary, none of the foregoing indemnifications of the Authority shall include or be deemed to include any matter which arises out of or is due to the responsibility or obligation of the Authority under this Agreement.

(g) Nothing in this Section is intended to waive any municipal liability limitations contained in Minnesota Statutes, particularly Chapter 466.

ARTICLE IX. EVENTS OF DEFAULT

Section 9.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement (unless the context otherwise provides), any one or more of the following events and the passing of any applicable cure period

(a) Failure by the Redeveloper to pay when due any payments required to be paid under this Agreement or to pay when due ad valorem taxes on the Redevelopment Property.

(b) 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 or under any similar federal or State law;

(ii) the Redeveloper institutes voluntary proceedings in bankruptcy, (ii) involuntary proceedings in bankruptcy shall be instituted against the Redeveloper that are not discharged within one hundred twenty (120) days thereafter, (iii) any proceedings shall be instituted by or against the Redeveloper under any Law relating to insolvency or bankruptcy reorganization, and in the case of an involuntary proceeding, that is not discharged within one hundred twenty (120) days after filing, (iv) a trustee or receiver shall be appointed for the

Redeveloper by any court of competent jurisdiction, or (v) the Redeveloper shall make a general assignment for the benefit of its creditors;

- (iii) admits in writing its inability to pay its debts generally as they become due; or
- (iv) is adjudicated as bankrupt or insolvent.

(c) Subject to Unavoidable Delays, failure by the Redeveloper to: (i) acquire all of the Redevelopment Property by June 1, 2023 and (ii) commence, diligently pursue and complete construction of the Minimum Improvements, or portions thereof, pursuant to the terms, conditions and limitations of this Agreement.

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

(e) If any warranty or representation by the Redeveloper in this Agreement is untrue in any material respect.

Section 9.2. Remedies on Default. Whenever any Event of Default by Redeveloper referred to in Section 9.1 of this Agreement occurs, the Authority may take any one or more of the following actions and unless otherwise provided such actions may be taken only after providing thirty (30) days written notice to the Redeveloper of the Event of Default and the Event of Default has not been cured within said thirty (30) days or, if the Event of Default is by its nature incurable within thirty (30) days, the Redeveloper does not provide assurances to the Authority reasonably satisfactory to the Authority that the Event of Default will be cured and will be cured as soon as reasonably possible:

(a) Suspend its performance under the Agreement and the TIF Note 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. This suspension shall not, however, extend the time period during the Redeveloper must complete the Minimum Improvements;

(b) Cancel and rescind this Agreement and the TIF Note; provided, however, the Authority agrees that it will not exercise this remedy for a period of up to one hundred eighty (180) days after giving written notice to the Redeveloper if the Redeveloper has commenced to cure the Event of Default within the 30-day period after such notice and is diligently pursuing a cure of the default;

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

Upon an Event of Default by the Redeveloper, the Authority or the Redeveloper shall have the right to request a meet and confer process. Such process may be exercised concurrently with, in addition to, or in lieu of, the exercise of any other remedies and shall not preclude the subsequent exercise of any remedies. To initiate the meet and confer process, written notice shall be provided by the party requesting a meet and confer process. Thereafter, the parties shall meet and confer in an

attempt to remedy and resolve the Redeveloper Event of Default. The parties shall meet a minimum of three (3) times within a thirty (30) day period and shall work in good faith to attempt to remedy and resolve the Redeveloper Event of Default

Section 9.3. No Remedy Exclusive. No remedy is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the 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 or as otherwise provided in this Agreement.

Section 9.4. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 9.5. Attorney's Fees. Whenever any Event of Default occurs and either the Authority or 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 Redeveloper or the Authority under this Agreement, the Redeveloper and the Authority agree that it shall, within thirty (30) days of written demand by the other party pay to the other party the reasonable fees of such attorneys and such other expenses so incurred by such party; provided, that the Redeveloper or the Authority shall only be obligated to make such reimbursement if the other party prevails in such collection or enforcement action.

Section 9.6. Risk of Certain Losses; Unavoidable Delay. The non-occurrence of any condition under this Agreement shall not give rise to any right otherwise provided in this Agreement when such failure or non-occurrence is due to the occurrence of an Unavoidable Delay event and without the fault of the Party claiming an extension of time to perform or excuse from performance. Without limitation of and in addition to the foregoing, if a Party hereto shall be delayed or hindered or prevented from the performance of any obligation required under this Agreement by reason of an Unavoidable Delay event, then the performance of such obligation shall be excused for the period of delay and the period for performance of any such act shall be extended for a period equivalent to the period of such delay. An extension of time for any such cause, if any, shall be limited to the period of delay due to such cause, which period shall be deemed to commence from the time of the commencement of the cause; provided, however, that if notice by the Party claiming such extension is sent to the other Party more than thirty (30) days after the commencement of the cause, the period shall be deemed to commence thirty (30) days prior to the giving of such notice. The Party claiming an Unavoidable Delay event shall remedy the Unavoidable Delay event with all reasonable dispatch and shall make commercially reasonable efforts to avoid the adverse impacts thereof and to resolve the event or occurrence once it has occurred in order to resume performance. As soon as the Party claiming an Unavoidable Delay event is able to resume performance of all or a portion of its obligations excused as a result of the occurrence of Unavoidable Delay, such Party shall give prompt

notice thereof to the other Party. Times of performance under this Agreement also may be extended as mutually agreed upon in writing by the parties. However, failure to agree to a proposed extension of time for performance shall not be deemed grounds for delay or failure to timely cure an Event of Default under this Agreement.

Section 9.7. Redeveloper Remedies on Authority Events of Default. Whenever any Event of Default occurs by the Authority, Redeveloper may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the Authority under this Agreement, including an action for specific performance.

ARTICLE X. ADDITIONAL PROVISIONS

Section 10.1. 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 shall operate, or cause to be operated, the Project for any purpose other than as a rental housing facility and shall devote the Redevelopment Property to, and in accordance with, the uses specified in this Agreement.

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 this Agreement it will comply with all applicable federal, state and local equal employment and nondiscrimination laws and regulations.

Section 10.3. Conflicts of Interest. No member of the governing body or other official of the Authority shall have any financial interest, direct or indirect, in this Agreement, the Project or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to the Agreement which affects his personal interest or the interest of any corporation, partnership or association in which he is, directly or indirectly, interested. No member, official or employee of the Authority shall be personally liable to the Redeveloper or any successors in interest, in the event of any default or breach by the Authority or for any amount that may become due to the Redeveloper or successor or on any obligations under the terms of the Agreement.

Section 10.4. Waiver and Release by Redeveloper. The Redeveloper hereby waives, releases and forever discharges the Authority from any claim for costs incurred in preliminary plans, specifications, professional fees or legal fees in connection with the Project.

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

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 shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested or delivered personally; and

- (a) In the case of the Redeveloper, is addressed or delivered personally to:

Ten Nineteen Development, LLC
23350 County Rd 10
Corcoran, MN 55357
Attn.: James O. Rasmussen
Telephone: 763-498-7844
Email: jrasmussen@ebertcompanies.com

with a copy to:

Ebert Companies
23350 County Rd 10
Corcoran, MN 55357
Attn: Greg Hayes
Telephone: 763-498-7844
Email: ghayes@ebertcompanies.com

- (b) In the case of the Authority, is addressed or delivered personally to:

Economic Development Authority of the City of Farmington, Minnesota
430 Third St.
Farmington, Minnesota, 55024
Attn: Executive Director

with a copy to:

Andrea McDowell Poehler
CAMPBELL KNUTSON
Professional Association
Grand Oak Office Center I
860 Blue Gentian Road, Suite 290
Eagan, Minnesota 55121
Telephone: (651) 452-5000

- (c) Either Party may, upon written notice to the other Party, change the address to which such notices and demands are made.

Section 10.7. Disclaimer of Relationship. The Redeveloper acknowledges that nothing contained in this Agreement nor any act by the Authority or the Redeveloper shall be deemed or construed by the Redeveloper or any third person to create any relationship of third-party beneficiary, principal and agent, limited or general partner or joint venture between the Authority and the Redeveloper.

Section 10.8. Covenants Running with the Land. The terms and provisions of this Agreement shall be deemed to be covenants running with the Redevelopment Property and shall be binding upon any successors or assigns of the Redeveloper and any future owners or encumbrancers of the Redevelopment Property.

Section 10.9. Counterparts. This Agreement is executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10.10. Law Governing. This Agreement will be governed and construed in accordance with the laws of Minnesota.

Section 10.11. Re-execution of Documents. The Authority and the Redeveloper agree to re-execute any documents that may be necessary to correct an error or to enable said document to be filed of record.

Section 10.12. Expiration. This Agreement shall expire on the Termination Date.

Section 10.13. Provisions Surviving Rescission or Expiration. Section 5.6 and 8.3 shall survive any rescission, termination or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof.

*[Remainder of page intentionally left blank]
[Signature pages to follow]*

IN WITNESS WHEREOF, the Authority has caused this Agreement to be duly executed in its name and behalf, 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 OF THE CITY OF FARMINGTON, MINNESOTA

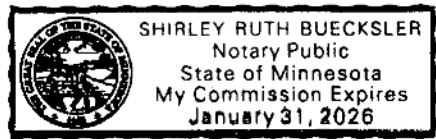
By: [Signature]
Steve Wilson, Its Chairperson

By: [Signature]
Deanna Kuennen, Its Executive Director

STATE OF MINNESOTA)
)ss.
COUNTY OF DAKOTA)

The foregoing instrument was acknowledged before me this 7th day of June, 2023, by Steve Wilson and Deanna Kuennen, respectively, the Chairperson and Executive Director of the Economic Development Authority of the City of Farmington, Minnesota, a public body corporate and politic under the laws of the State of Minnesota, on its behalf.

[Signature]
Notary Public



TEN NINETEEN DEVELOPMENT, LLC

By: _____
Name: James O. Brumussen
Its: V.P.

STATE OF MINNESOTA)
)ss.
COUNTY OF Hennepin)



The foregoing instrument was acknowledged before me this 8 day of 2023, 2023, by James O. Brumussen, the Vice President of Ten Nineteen Development, LLC, a Minnesota limited liability company, on its behalf.

[Signature]
Notary Public

DRAFTED BY:
Campbell Knutson
Professional Association
Grand Oak Office Center I
860 Blue Gentian Road, Suite 290
Eagan, Minnesota 55121
Telephone: (651) 452-5000

SCHEDULE A

Description of Redevelopment Property

Parcel 1:

Lots 1 and 2, Block 22, Town of Farmington, according to the recorded plat, Dakota County, Minnesota.

Parcel 2:

That part of the Southwest Quarter of the Northeast Quarter of Section 31, Township 114, Range 19, and the railroad right of way, as dedicated on the recorded plat of TOWN OF FARMINGTON, Dakota County, Minnesota, described as follows:

Beginning at the Northwest corner of Block 22 of said plat of TOWN OF FARMINGTON; thence North 89 degrees 36 minutes 10 seconds West, assuming the West line of said Block 22 bears North 11 degrees 34 minutes 01 seconds East, a distance of 101.93 feet to a line parallel with and 100 feet Westerly of said West line of Block 22, as measured at a right angle therefrom; thence South 11 degrees 34 minutes 01 seconds West, along said parallel line, a distance of 53.80 feet; thence South 78 degrees 25 minutes 59 seconds East, a distance of 23.37 feet; thence South 32 degrees 54 minutes 37 seconds East, a distance of 23.65 feet; thence South 09 degrees 42 minutes 34 seconds West, a distance of 108.20 feet; thence South 80 degrees 18 minutes 48 seconds East, a distance of 42.02 feet; thence South 89 degrees 30 minutes 58 seconds East, a distance of 14.83 feet to the West line of said Block 22; thence North 11 degrees 34 minutes 01 seconds East, along said West line, a distance of 194.34 feet to the point of beginning.

① Cont. 187603

KL

② A. SOWNE 31-114-19

SCHEDULE B
FORM OF TIF NOTE

Rate
6.0%

\$1,750,000

UNITED STATES OF AMERICA
STATE OF MINNESOTA
DAKOTA COUNTY
ECONOMIC DEVELOPMENT AUTHORITY
FOR THE CITY OF FARMINGTON, MINNESOTA

TAX INCREMENT REVENUE NOTE

The Economic Development Authority for the City of Farmington, Minnesota (the "Authority"), hereby acknowledges itself to be indebted and, for value received, hereby promises to pay the amounts hereinafter described (the "Payment Amounts") to Ten Nineteen Development, LLC, a Minnesota limited liability company, or registered assigns (the "Owner"), or its registered assigns (the "Registered Owner"), but only in the manner, at the times, from the sources of revenue, and to the extent hereinafter provided.

The principal amount of this Note shall equal from time to time the principal amount stated above as reduced to the extent that such principal installments shall have been paid in whole or in part pursuant to the terms hereof; provided that the sum of the principal amount listed above shall in no event exceed One Million Seven Hundred Fifty Thousand and No/100 Dollars (\$1,750,000.00), as provided in that certain Contract for Private Redevelopment, dated as of _____, 2023, as the same may be amended from time to time ("Redevelopment Agreement"), by and between the Authority and the Owner. This Note shall be deemed validly issued and the unpaid principal amount hereof shall bear interest from the date that the Owner has submitted to the Authority and the Authority has determined that the requirements for issuance of the TIF Note have been met in compliance with the terms of the Redevelopment Agreement at the simple non-compounded rate of Six percent (6.0%) per annum. Interest shall be computed on the basis of a 360-day year consisting of twelve (12) 30-day months. All capitalized but undefined terms herein shall be defined as in the Redevelopment Agreement.

The amounts due under this Note shall be payable on each August 1 and February 1, commencing on August 1, 2025 and thereafter to and including the Termination Date, or, if the first payment date should not be on a Business Day, the payment shall be made on the next succeeding Business Day (the "Payment Dates"). On each Payment Date the Authority shall pay by check or draft mailed to the person that was the Registered Owner of this Note at the close of the last business day of the Authority preceding such Payment Date (or, with respect to the first Payment Date, in the period commencing on the date of issuance of this Note through the day that is prior to the first

Payment Date). All payments made by the Authority under this Note shall be applied to accrued interest and then to principal. This Note is pre-payable by the Authority, without penalty, in whole or in part, on any date.

The Payment Amounts due hereon shall be payable solely from Available Tax Increment derived from the Redevelopment Property within the City's Tax Increment District No. 15 - Ebert Downtown Housing(the "TIF District") within its Downtown Redevelopment Project, which is paid to the Authority and which the Authority is entitled to retain pursuant to the provisions of Minnesota Statutes, Sections 459.174 through 469.1794, as the same may be amended or supplemented from time to time (the "TIF Act"). This Note shall terminate and be of no further force and effect following the Termination Date.

Any estimates of Tax Increment prepared by the Authority or its municipal advisors in connection with the TIF District or the Agreement are for the benefit of the Authority, and are not intended as representations on which the Owner or Redeveloper may rely.

THE AUTHORITY MAKES NO REPRESENTATION OR WARRANTY THAT THE AVAILABLE TAX INCREMENT WILL BE SUFFICIENT TO PAY THE PRINCIPAL OF THIS NOTE. If the event Tax Increment is not sufficient, the Authority is not responsible to further fund or reimburse the Redeveloper (or its assigns or creditors) for any such shortfall. The Authority is not responsible to fund or reimburse any obligation of the Redeveloper (or its assigns or creditors) unless expressly stated in this Agreement.

Subject to the of the Redevelopment Agreement, the Authority's payment obligations hereunder shall be further conditioned on the fact that no Event of Default under the Redevelopment Agreement shall have occurred and be continuing at the time payment is otherwise due hereunder, but such unpaid amounts shall become payable if said Event of Default shall thereafter have been cured; and further, if pursuant to the occurrence of an Event of Default under the Redevelopment Agreement the Authority elects, subject to the provisions of Section 8.2 of the Redevelopment Agreement, to cancel and rescind the Redevelopment Agreement, the Authority shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to all of the provisions of the Redevelopment Agreement, including without limitation Section 5.2 thereof, for a fuller statement of the rights and obligations of the Authority to pay the principal of this Note, and said provisions are hereby incorporated into this Note as though set out in full herein.

This Note is a special, limited revenue obligation and not a general obligation of the Authority and is payable by the Authority only from the source and subject to the qualifications stated or referenced herein. This Note is not a general obligation of the Authority, and neither the full faith and credit nor the taxing powers of the Authority are pledged to the payment of the principal of this Note and no property or other asset of the Authority, save and except the above referenced Tax Increment, is or shall be a source of payment of the Authority's obligations.

This Note is issued by the Authority in aid of financing a project pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including the TIF Act.

This Note may be assigned only with the consent of the Authority, which the Authority shall grant if the terms and conditions in the Redevelopment Agreement regarding transfer are satisfied. In order to assign this Note, the assignee shall surrender the same to the Authority either in exchange for a new fully registered note or for transfer of this Note on the registration records for the Note maintained by the Authority. Each permitted assignee shall take this 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 outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the Authority to exceed any constitutional or statutory authority limitation thereon.

IN WITNESS WHEREOF, the Economic Development Authority for the City of Farmington, Minnesota has caused this Note to be executed by the manual signatures of its Chairperson and Executive Director of the Authority and has caused this Note to be issued dated _____, 20__.

_____, Its Executive Director

_____, Its Chairperson

DO NOT EXECUTE UNTIL EVIDENCE OF QUALIFYING COSTS ARE GIVEN TO THE AUTHORITY – REFER TO SECTION 5.2 OF THE REDEVELOPMENT AGREEMENT

CERTIFICATION OF REGISTRATION

It is hereby certified that the foregoing Note, as originally issued on _____, 20__, was on said date registered in the name of Ten Nineteen Development, LLC, a Minnesota limited liability company, and that at the request of the Registered Owner of this Note, the undersigned has this day registered the Note in the name of such Registered Owner, as indicated in the registration blank below, on the books kept by the undersigned for such purposes.

<u>NAME AND ADDRESS OF REGISTERED OWNER</u>	<u>DATE OF REGISTRATION</u>	<u>SIGNATURE OF AUTHORITY EXECUTIVE DIRECTOR</u>
Ten Nineteen Development, LLC	_____, 20__	_____
_____	_____, 20__	_____

**CONSENT TO
CONTRACT FOR PRIVATE REDEVELOPMENT**

Ten Nineteen – Farmington LLC a Minnesota limited liability company, who is the fee owner of the real property described as follows:

Lot One (1) and Lot Two (2), Block Twenty-two (22) in the Town of Farmington, according to the plat thereof on file and of record in the office of the County Recorder in and for Dakota County, Minnesota.

and

That part of the Southwest Quarter of the Northeast Quarter of Section 31, Township 114, Range 19, and the railroad right of way, as dedicated on the recorded plat of TOWN OF FARMINGTON, Dakota County, Minnesota, described as follows:

Beginning at the Northwest corner of Block 22 of said plat of TOWN OF FARMINGTON; thence North 89 degrees 36 minutes 10 seconds West, assuming the West line of said Block 22 bears North 11 degrees 34 minutes 01 seconds East, a distance of 101.93 feet to a line parallel with and 100 feet Westerly of said West line of Block 22, as measured at a right angle therefrom; thence South 11 degrees 34 minutes 01 seconds West, along said parallel line, a distance of 53.80 feet; thence South 78 degrees 25 minutes 59 seconds East, a distance of 23.37 feet; thence South 32 degrees 54 minutes 37 seconds East, a distance of 23.65 feet; thence South 09 degrees 42 minutes 34 seconds West, a distance of 108.20 feet; thence South 80 degrees 18 minutes 48 seconds East, a distance of 42.02 feet; thence South 89 degrees 30 minutes 58 seconds East, a distance of 14.83 feet to the West line of said Block 22; thence North 11 degrees 34 minutes 01 seconds East, along said West line, a distance of 194.34 feet to the point of beginning.

hereby consents to the attached Contract for Private Redevelopment, dated June 8, 2023 between the City of Farmington a public body corporate and politic under the laws of the State of Minnesota, and Ten Nineteen Development, LLC a Minnesota limited liability company.

Signature Page to Follow

ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

To: Economic Development Authority
From: Deanna Kuennen, Community & Economic Development Director
Department: EDA
Subject: Letter of Support - T-Mobile Hometown Grant
Meeting: Economic Development Authority - Jan 21 2025

INTRODUCTION:

Last year, the City received a grant to prepare a wayfinding plan. The plan focused on using signage to reconnect its residential neighborhoods to the downtown area. The plan is comprehensive and looks at everything from monument signs and their placement, to park kiosks, directional signage, and downtown identifiers. Since there is not a dedicated funding source to implement the plan, the next step is to identify potential funding sources to assist with its phased implementation. The T-Mobile Hometown Grants program ([Hometown Grant Program: Revitalizing Small Towns | T-Mobile](#)) is one potential funding source. The grant will **help fund projects that foster local connections, like technology upgrades, outdoor spaces, the arts, and community centers**. The EDA is asked to authorize the Executive Director to send a letter of support on behalf of the EDA to be included in the grant application.

DISCUSSION:

With the help of a grant provided by SPAAR Key Communities Program, in 2024, a Wayfinding Plan for the City of Farmington was completed. The Wayfinding Plan looks at signage as a means to create a sense of place, enhance the City's brand identity and connect park, trails, and civic destinations for all modes of travel.

WHY IS WAYFINDING IMPORTANT?

A thoughtful wayfinding system helps to create a strong sense of place, identity, and experience within a city. As cities grow in size, placemaking become exceedingly important not only for potential visitors, but locals as well. Placemaking creates a distinct and memorable experience, helping to establish the character and charm that encourages people to live, work, play, and visit within its boundaries.

Wayfinding signage contributes to the art of placemaking by enhancing the city's brand identity each time you enter a new public realm, making destinations easily accessible, and helping to connect parks, trails, and civic destinations for all modes of travel.

PLAN GOALS



COMPLEMENT THE REBRAND:

The sign family concepts explored in this document strive to showcase the city's new aesthetic direction and enhance placemaking opportunities each time a resident or visitor enters a new layer of the public realm.



SIGN PLACEMENT AND USE:

Thoughtful design of signs that perform multiple functions helps to prevent sign pollution, maintains message and brand consistency, and clearly directs users to points of interest within the system.



FOCUS ON DIRECTING RESIDENTS AND VISITORS TO DOWNTOWN:

A key need for new wayfinding came from a desire to direct more residents and visitors to the city's downtown core and civic destinations. The hierarchy creates a seamless experience from point A to B - welcoming visitors as they enter the city, directing vehicle traffic to downtown destinations or parks and trails, providing maps to navigate within areas, and helping them locate parking options while they are there.



ACCESSIBILITY AND DURABILITY:

A key component of placemaking is making sure that everyone feels welcome in a space. The wayfinding design featured in this document was designed with user accessibility in mind, and material considerations that are both cost-effective and durable for longevity and everyday use.



IMPLEMENTATION:

The plan looks at the cost to build and place signs, as well as a potential phasing plan

The Wayfinding Plan includes a five-tiered approach - identifying specific proposed locations for each type of sign, sign accommodations, and visibility details - along with cost estimates. It is not surprising that the implementation of the comprehensive plan is costly. The plan incorporates prioritization so that, over time, funding can be secured, and the project can be implemented in a phased approach. "Downtown Identifiers" are included in the near-term prioritization due to the valuable role they have in creating a sense of place, boosting City branding, identifying important entry points, and accomplishing the overall goal of leading visitors to the downtown area.

The T-Mobile Hometown Grant program has been identified as a potential funding source to assist with the implementation of the Downtown Identifier portion of the Wayfinding Plan. T-Mobile awards up to \$50,000 for shovel-ready projects that *foster local connections, like technology upgrades, outdoor spaces, the arts, and community centers*. Proposals must include plans, budget, timeline, anticipated impact, and up to five letters of support. The EDA is asked to authorize the Executive Director to submit a letter of support (attached). The grant, if awarded, would cover costs for the Downtown Identifier signs and installation at two key locations.

DOWNTOWN IDENTIFIER



Jared Johnson, Community Development Coordinator and project lead, will attend the February EDA meeting and present the comprehensive Wayfinding Plan. While the grant application period is open until March 31, 2025 - the goal is to submit the completed application by the end of January.

ACTION REQUESTED:

Authorize the Executive Director to submit a letter of support for the T-Mobile Hometown Grant on behalf of the EDA.

ATTACHMENTS:

[EDA Letter of Support](#)

[Final - Farmington Wayfinding Plan Oct 2024](#)



 430 Third St., Farmington, MN 55024
 651-280-6800
 FarmingtonMN.gov

RE: T-Mobile Hometown Grant Program : Revitalizing Small Towns

I am writing on behalf of the Economic Development Authority of the City of Farmington (EDA) to express our support in utilizing T-Mobile Hometown Grant funds (if awarded) for execution of the City of Farmington’s Wayfinding Plan’s Downtown Identifier signage phase.

The EDA serves as the economic development arm of the City – with the goal to help existing businesses grow and prosper and attract additional investment into our community. Downtown Farmington is the home to many long-standing businesses, is filled with welcoming gathering spaces, and, recently, a new apartment redevelopment project was completed on a primary corner – which will welcome 100+ new residents who will live and shop in the area. To support the ongoing vitality of our downtown area and to ensure that our downtown continues to be a welcoming environment for residents and visitors alike – we understand the importance of clear, cohesive, and visually appealing signage. Recently, a Wayfinding Plan was commissioned and completed, specifically evaluating signage enhancements that will encourage residents and visitors to shop local and make existing amenities, events, and attractions more prominent and well-known. We believe implementation of the Downtown Identifier sign will be a big step forward.

The addition of strategically placed and thoughtfully designed signage will make it easier for people to explore and engage with local businesses, attractions, and community organizations, ultimately increasing visibility and participation, while fostering stronger connections within the downtown area. This initiative aligns closely with our vision of being ***BOLD*** in pursuing opportunities and investments that support quality and sustainable growth, a vibrant and resilient economy, and a complete and connected community.

We are committed to supporting the phased implementation of the entire Wayfinding Plan, recognizing that the Downtown Identifiers are an impactful first step. We will actively seek out creative ways to finance the implementation – leveraging all financial contributions, volunteer efforts, and awareness. We look forward to seeing the impact that the signage will have on our city.

Thank you for considering our support as part of this important effort – and for considering the request for a Hometown Grant.

Sincerely,

Deanna Kuennen
Executive Director of the Farmington Economic Development Authority



WAYFINDING PLAN

CITY OF FARMINGTON, MINNESOTA

October 2024

ACKNOWLEDGEMENTS

- Jared Johnson, Planning Coordinator
- Deanna Kuennen, Community & Economic Development Director
- Tony Wippler, Planning Manager
- Kellee Omlid, Parks and Recreation Director
- Stephanie Aman, Economic Development Coordinator
- Becky Wegscheid, Government Affairs Director with Saint Paul Area Association of REALTORS (SPAAR)

ABOUT

This plan was made possible through grant funding provided by SPAAR Key Communities Program and guides future direction and investments for the City of Farmington. The plan was developed over the course of 2024 and included collaboration between City Staff and the consulting team.

This plan includes a brief overview of existing signage and wayfinding conditions within the City of Farmington, looks at precedents for future inspiration, and proposes a new sign family with placement recommendations and implementation details to help the city plan for the future of their wayfinding system.

Prepared by



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PLAN & PROCESS

THE VISION

Farmington recently went through an extensive re-brand process in 2019 to help create a vibrant and distinct identity for the city. With current and future growth branching outwards from its downtown core, the city is experiencing a need to reconnect its residential neighborhoods to the north with the businesses, services, and local attractions available within its historic downtown area. Farmington touts a well-connected and established park, trail, and major roadways system and is strategically seeking solutions to better inform residents of what is already available to them within city limits, encourage them to shop local, and make existing amenities, events, and attractions more prominent and well-known.

FARMINGTON'S VISION STATEMENT

"In the City of Farmington, people and neighborhoods are valued, natural resources are treasured, and business and traditions are celebrated. We are bold in pursuing opportunities and investments that support quality and sustainable growth, a vibrant and resilient economy and a complete and connected community."

WHY IS WAYFINDING IMPORTANT?

A thoughtful wayfinding system helps to create a strong sense of place, identity, and experience within a city. As cities grow in size, placemaking become exceedingly important not only for potential visitors, but locals as well. Placemaking creates a distinct and memorable experience, helping to establish the character and charm that encourages people to live, work, play, and visit within its boundaries.

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PLAN GOALS



COMPLEMENT THE REBRAND:

The sign family concepts explored in this document strive to showcase the city's new aesthetic direction and enhance placemaking opportunities each time a resident or visitor enters a new layer of the public realm.



SIGN PLACEMENT AND USE:

Thoughtful design of signs that perform multiple functions helps to prevent sign pollution, maintains message and brand consistency, and clearly directs users to points of interest within the system.



FOCUS ON DIRECTING RESIDENTS AND VISITORS TO DOWNTOWN:

A key need for new wayfinding came from a desire to direct more residents and visitors to the city's downtown core and civic destinations. The hierarchy creates a seamless experience from point A to B - welcoming visitors as they enter the city, directing vehicle traffic to downtown destinations or parks and trails, providing maps to navigate within areas, and helping them locate parking options while they are there.



ACCESSIBILITY AND DURABILITY:

A key component of placemaking is making sure that everyone feels welcome in a space. The wayfinding design featured in this document was designed with user accessibility in mind, and material considerations that are both cost-effective and durable for longevity and everyday use.



IMPLEMENTATION:

The plan looks at the cost to build and place signs, as well as a potential phasing plan

EXISTING WAYFINDING

EXISTING SIGNS AND TYPES

The City of Farmington has a number of sign types both within the downtown area and around other parts of the city, including parks and trails, that exist today. Below are a handful of existing sign types, from maps to monuments, small directional signs, and examples of downtown identifiers in the form of light pole banners. Future opportunities to provide aesthetic consistency with the proposed sign families will further enhance placemaking and branding for the city.



Existing Park Map Sign



Existing Park Map Sign



Existing Park Map Sign



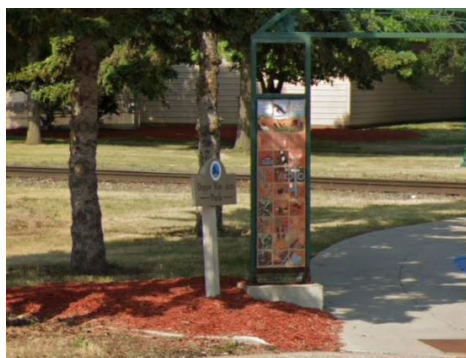
Existing Monument Sign



Existing Directional Sign



Existing Park Name Sign



Existing Park Name Sign



Existing Downtown Identification Banner



Existing Downtown Identification Banner

WAYFINDING PRECEDENTS

INSPIRATION AND INFORMING IMAGERY

The following precedent images were used to help inspire and inform the chosen sign family for the City of Farmington. These images help represent how the sign types could look according to the identified wayfinding tiers.

TIER 1: MONUMENT/ENTRANCE SIGNS



- Mixes stone, concrete, and metals
- Highlights City Branding



- Modern shape and appearance
- Monument and downtown identifier mixed
- Has digital element

TIER 2: DOWNTOWN IDENTIFIER



- Modern appearance
- Vertical text
- Vertical sign can be installed in smaller area than a traditional landscape monument sign
- Textured background and raised letters
- Concrete base



- Metal cutout letters
- Mixes stone, metal, and concrete
- Landscape shape takes up space, vegetation covers bottom of sign

TIER 5: PARKING SIGNS



- Ability to be affixed or place on a pole
- Bold colors and shapes are attention-grabbing
- Simple, modern design

TIER 3: URBAN KIOSK & PARK KIOSK



- Downtown banner
- Map
- Directional information in miles
- Arrows, white text
- Modern appearance
- Stone base



- 'Swoop'/distinctive shape at top
- Map highlighting area
- Trail identification
- Map key placement



- Icons and text
- Bright/modern colors
- Arrow style
- White font

TIER 4: VEHICLE WAYFINDING



- Stacked system of information
- Modern colors/look



- Colorful wayfinding arrows
- Bright/bold font contrast



- City identifier element on the side
- Directional arrows
- Bold, modern and bright colors, high level of contrast

TIERED APPROACH

SIGN TYPE DETAILS

SIGN TYPE, LEVEL, LOCATION, AND DESIGN DETAILS

The sign designs and concepts in this plan are based on a tiered hierarchy. Organizing the wayfinding elements by tiers provides guidance for different situations. The table below describes the purpose of the five tiers and includes other details, such as location, sign accommodation (within existing concrete or planters), and visibility (one or two-sided, lighting) details. The associated tier characteristics matrix on the following page includes precedent images that represent how the sign types could look according to the wayfinding tiers.

TIER	SIGN TYPE	LEVEL	PROPOSED/DESIRED LOCATION	DESIGN/AMENITIES
1	Monument/ Entrance Signs	1	<ul style="list-style-type: none"> West entry on County Road 50 coming from Lakeville North entry on Pilot Knob Road coming from Lakeville North entry on Highway 3 coming from Empire (round-a-bout at Vermillion River Trail) South entry on Highway 3 coming from Castle Rock Township East entry on County Road 50 coming from Castle Rock Township 	<p>Large city-branded signs located at five main entrance points to the city, acknowledging that a vehicle or pedestrian is crossing city limits</p> <p>One-sided sign facing oncoming traffic entering city, solar spotlights for night viewing, landscaping around sign</p>
2	Downtown Identifier	2	<ul style="list-style-type: none"> In landscaped area at entrance of Depot Way Arts Park (oriented for vehicles travelling eastbound on County Road 50) In open space located at the northwest corner of Highway 3 and County Road 50 (oriented for vehicles turning eastbound on County Road 50) 	<p>Signs located at two high-visibility main entrance points to the downtown area of Farmington</p> <p>One-sided sign facing oncoming traffic entering downtown. Within existing landscaping or landscaped bed, solar spotlight lighting for night viewing</p>
3	Urban Kiosk	3	<ul style="list-style-type: none"> Rambling River Center: Kiosk to be located in landscaped area off Oak St in between the two access points into the parking lot (this should have a parking item pointing towards the parking lot) City Hall: Kiosk to be located in landscaped area in front of city hall near flagpoles (this should have a parking item pointing to the west directing towards the city hall parking lot) Ice Arena: Kiosk to be located near southwest corner of the arena near the main entrance 	<p>Kiosk stand sign that serves multiple functions; helps to identify nearby public parking lots, contains a map of the downtown area with a “you are here” location marker, and points out the direction to downtown destinations</p> <p>Two-sided signs, located within existing landscaping or accommodated with new concrete platform and new landscaping. No lighting. Consider bench seating nearby.</p>

Table 1. Sign Type Details

TIER	SIGN TYPE	LEVEL	LOCATION	DESIGN/AMENITIES
4	Park Kiosk	3	<ul style="list-style-type: none"> • Lake Julia Park: to be located next to parking lot or at the fork of the trails off 187th St W • Prairie Waterway: Kiosk to be located at 14th St and Spruce St • Meadowview Park: Kiosk to be located south of parking lot where the two trails meet • The number of locations/signs desired may increase in the future as the city continues to phase wayfinding implementation in the coming years 	<p>Very similar style to the urban kiosk sign type, Park Kiosks serve multiple functions: helps identify nearby public parking lots, contains a map of the entire City of Farmington highlighting parks and trails with an emphasis on getting to the downtown area. Contains a “you are here” location marker, and points out the direction to and distance from nearby parks and trails, as well as the downtown core</p> <p>Two-sided signs, located within existing landscaping or accommodated with new concrete platform and new landscaping. No lighting. Consider bench seating nearby.</p>
5	Vehicle Directional Signs	4	<ul style="list-style-type: none"> • Pilot Knob Road and Upper 182nd Street W • Pilot Knob Road and 195th Street W • Flagstaff Ave and 195th Street W • Embers Ave and 195th Street W • Highway 3 and 195th Street W • Flagstaff Ave and County Road 50 • Pilot Knob Road and County Road 50 • Dushane Parkway and Spruce Street • Akin Road and County Road 50 • Denmark Avenue and Spruce Street • 3rd Street and County Road 50 • Highway 3 and County Road 50 • Highway 3 and Vermillion River Trail • 3rd Street and Ash Street • Highway 3 and Ash Street 	<p>These signs are meant to direct vehicle traffic to the identified destinations. One-sided or two-sided, dependent on placement (eg. one-sided at roundabouts, two-sided on city streets or intersections to inform traffic going both directions) These signs include information for vehicles or pedestrians, including the street name, name of downtown destination, distance to the destination, and if public parking is available at the destination.</p> <p>One or two-sided signs, located within existing planters or concrete, no lighting.</p>
6	Parking Signs	5	<ul style="list-style-type: none"> • South side of the city hall parking lot along Spruce Street (placed within the sidewalk) with an arrow pointed to the parking lot • Attached to the light pole at the northwest corner of 3rd Street and Oak Street with an arrow pointed to the west directing to the 2nd street parking lot • South end of the 2nd Street parking lot with a simple “P” identifying it as public parking. 	<p>Free-standing (metal pole) or affixed to existing buildings/pedestrian amenities, these signs serve the singular purpose of identifying where public parking is located to downtown visitors.</p> <p>One or two-sided based on placement, no lighting or landscaping</p>

PROPOSED SIGN LOCATIONS

INTRODUCTION

FULL CITY VIEW

DOWNTOWN CONNECTION

A main focus of the Farmington Wayfinding Plan is to highlight Downtown as a destination and find ways to connect the different landscapes/land uses within the City to this important central location and the local businesses within. Farmington is a fast-growing City, and the wayfinding plan needs to help establish a strong sense of place for current day and still remain relevant in the face of future development and redevelopment opportunities.

The following pages will highlight proposed sign locations within the city of Farmington, show illustrative concepts of the proposed sign families, and provide perspective renderings to give an idea of where and how each sign type can be used at one of the proposed locations.



MONUMENT ENTRANCE SIGNS

Large city-branded signs located at the main entrance points to the City of Farmington



DOWNTOWN IDENTIFIER

Signs located at main entrance points to the downtown area that showcase city branding



URBAN KIOSKS

These signs include information, such as public parking, directions to destinations, and a map of downtown



PARK KIOSKS

These signs will show a layout of the park and the surrounding area and how to get from the park to downtown, and greenways



VEHICLE DIRECTIONAL SIGNS

These signs direct vehicle traffic to the identified destinations



STAND-ALONE PARKING SIGNS

Signs that are either free-standing or affixed to existing buildings/light posts that direct vehicles or pedestrians to public parking lots

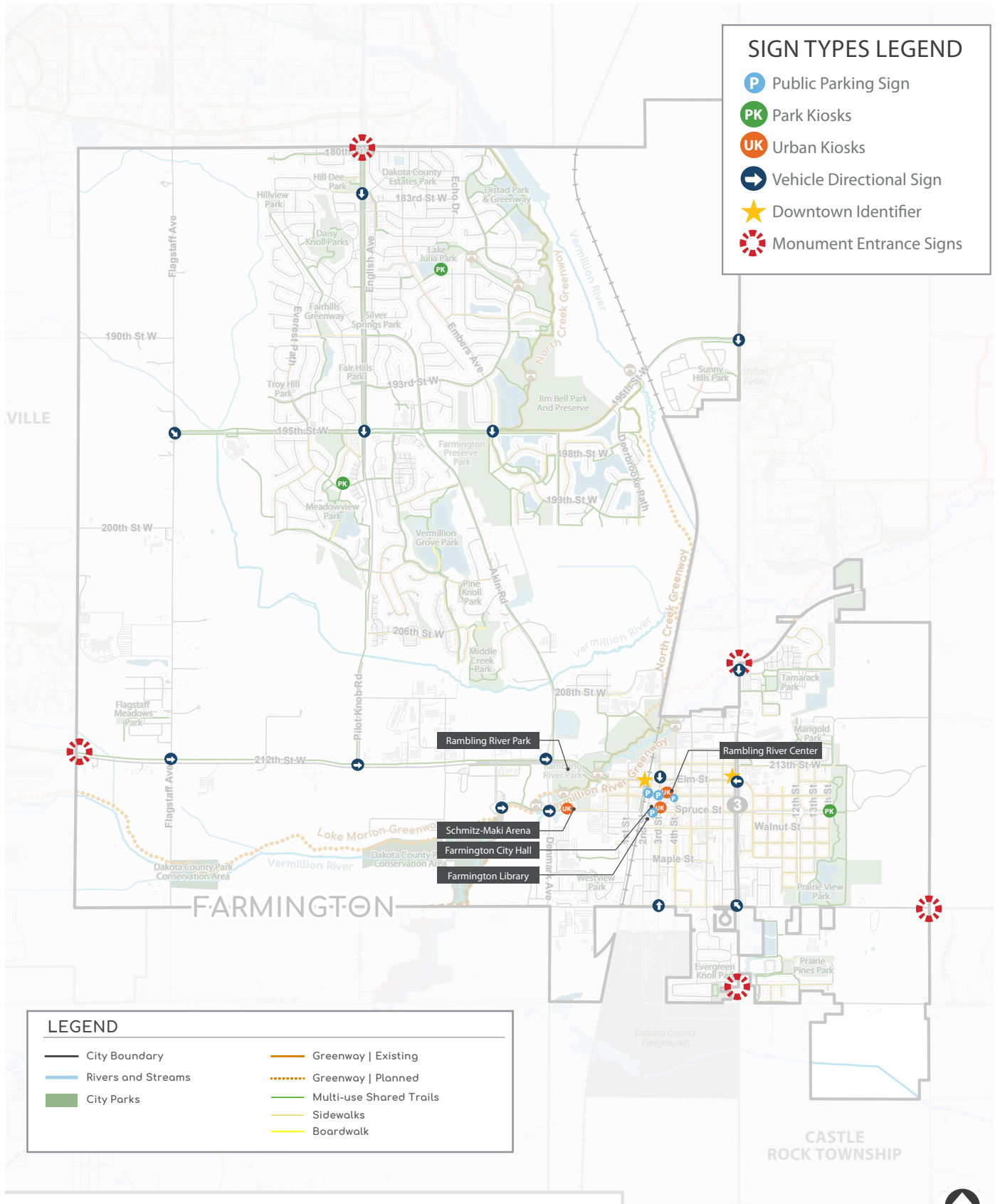
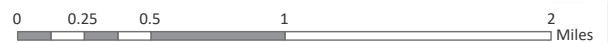


Figure 1. Full City Proposed Wayfinding Plan



City entrance monument sign on County Road 50



Example of solar lighting

Park Kiosk Sign at Lake Julia Park



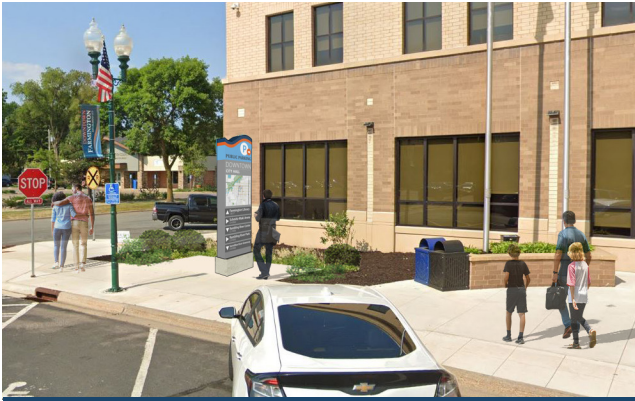
Vehicle directional sign at County Road 50 and Pilot Knob Road



Four Total Signs - One on each median for all directions of traffic



Vehicle directional sign at 3rd Street and County Road 50



Urban kiosk sign at City Hall



Free-standing parking sign at City Hall



Downtown identifier sign in Depot Way Arts Park

DOWNTOWN AREA SIGN PLACEMENT

DOWNTOWN NAVIGATION

The following diagram shows a zoomed-in view of sign placement in the downtown area, highlighting the locations identified as key destinations for visitors.



Figure 2. Proposed Sign Locations - Downtown Focus Area

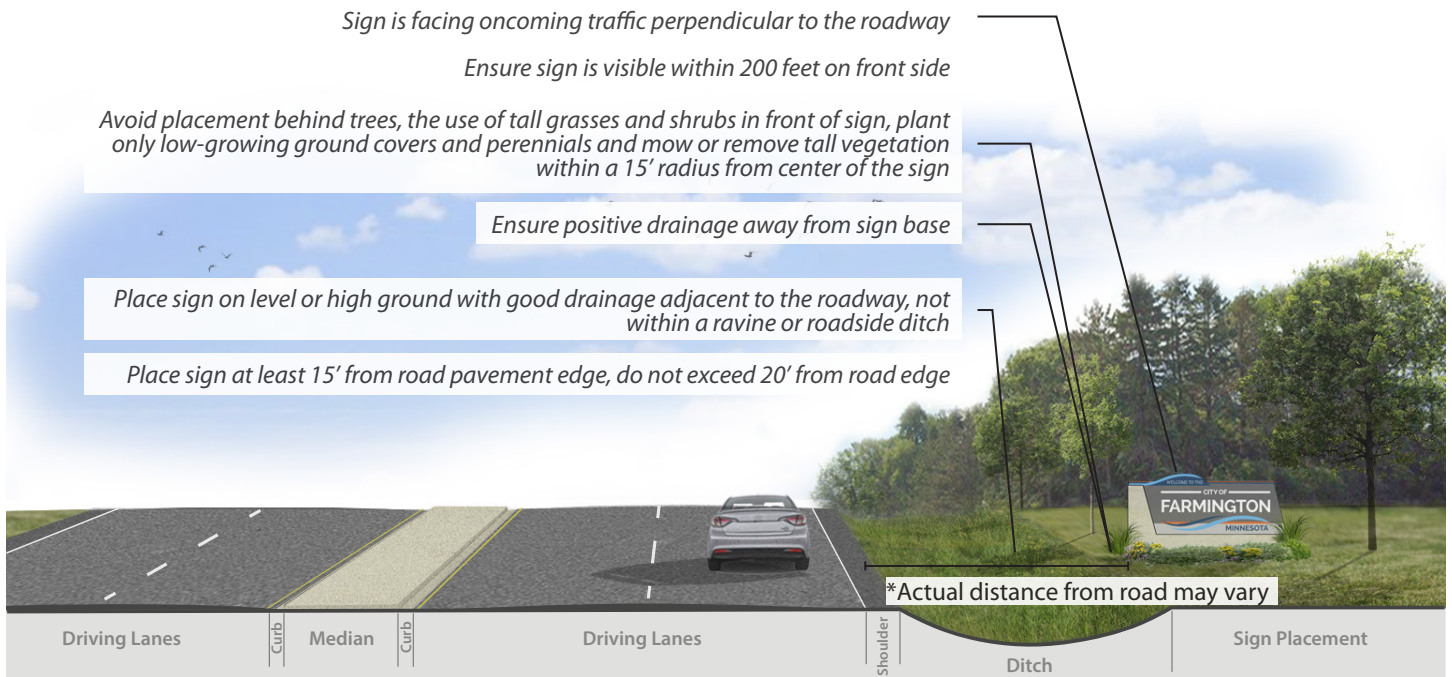
SIGN PLACEMENT GUIDELINES

ILLUSTRATIVE SECTIONS

The following cross section renderings identify where to place wayfinding signage at select locations within the pedestrian or vehicle realm. These guidelines may change from location to location, but provide baseline rules to follow when deciding where a sign should be placed, how it should fit near a road or walkway, and how it should be landscaped/enhanced for best effect and use. These guidelines will vary per location/sign type.

MONUMENT SIGN PLACEMENT AND DETAILS

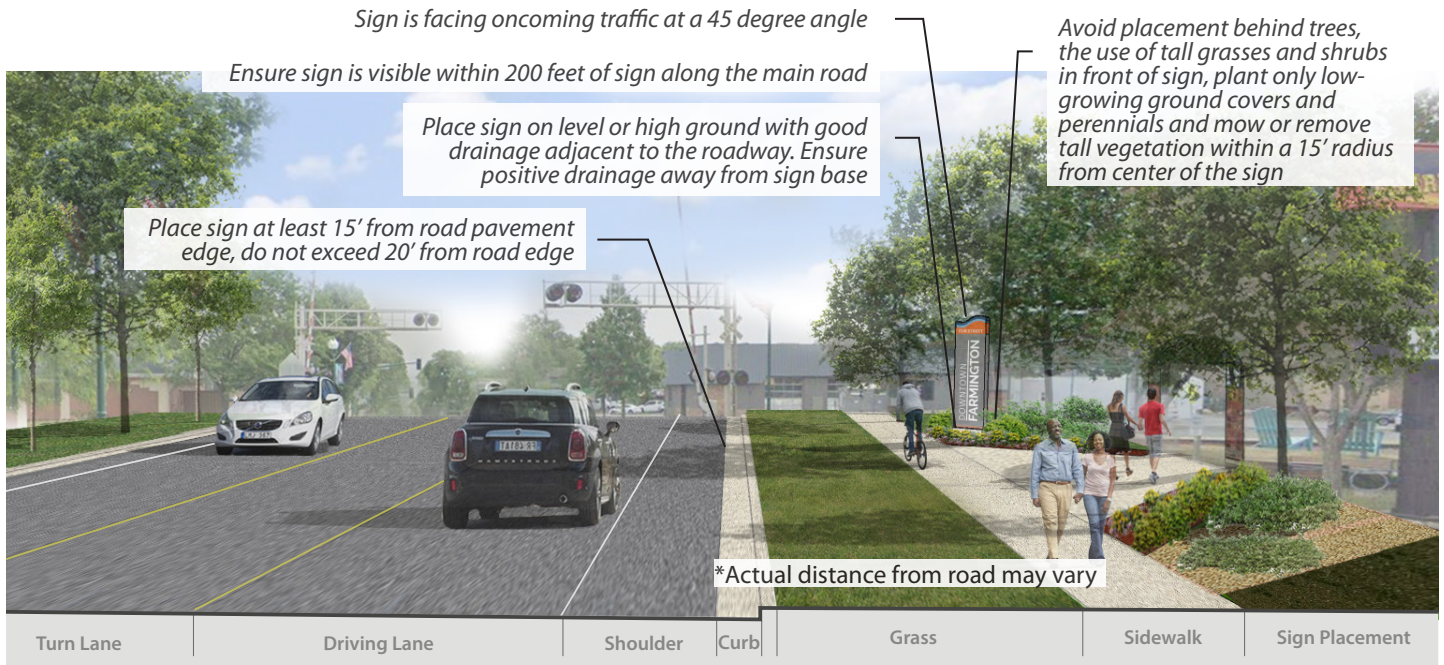
The monument sign welcomes vehicles and pedestrians into the City of Farmington. It's important to make sure that the sign is easily visible to oncoming traffic, placed in a well-maintained area, and never covered by tall grasses, shrubs, or forbs (low vegetation should be selected for the front of the sign). Solar lighting that shines a spotlight in the evening will need maintenance to make sure panel is clean and light is functioning as intended. See section below for further placement details:



DOWNTOWN IDENTIFIER

PLACEMENT AND DETAILS

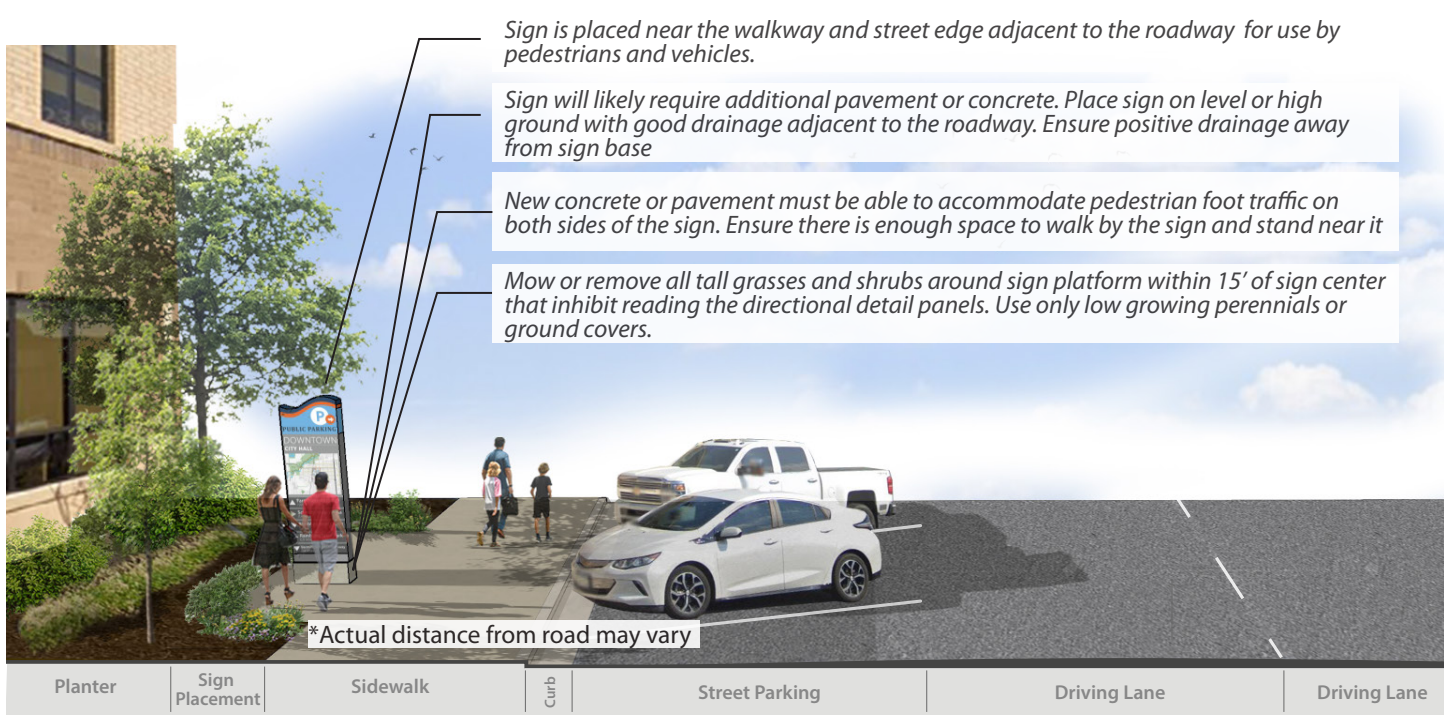
The downtown identifier helps to signal key entry points to the downtown district. It is important to make sure the sign is clearly visible to both vehicles and pedestrians, and the area around the sign is well-maintained. See section below for further placement details:



URBAN KIOSK

PLACEMENT AND DETAILS

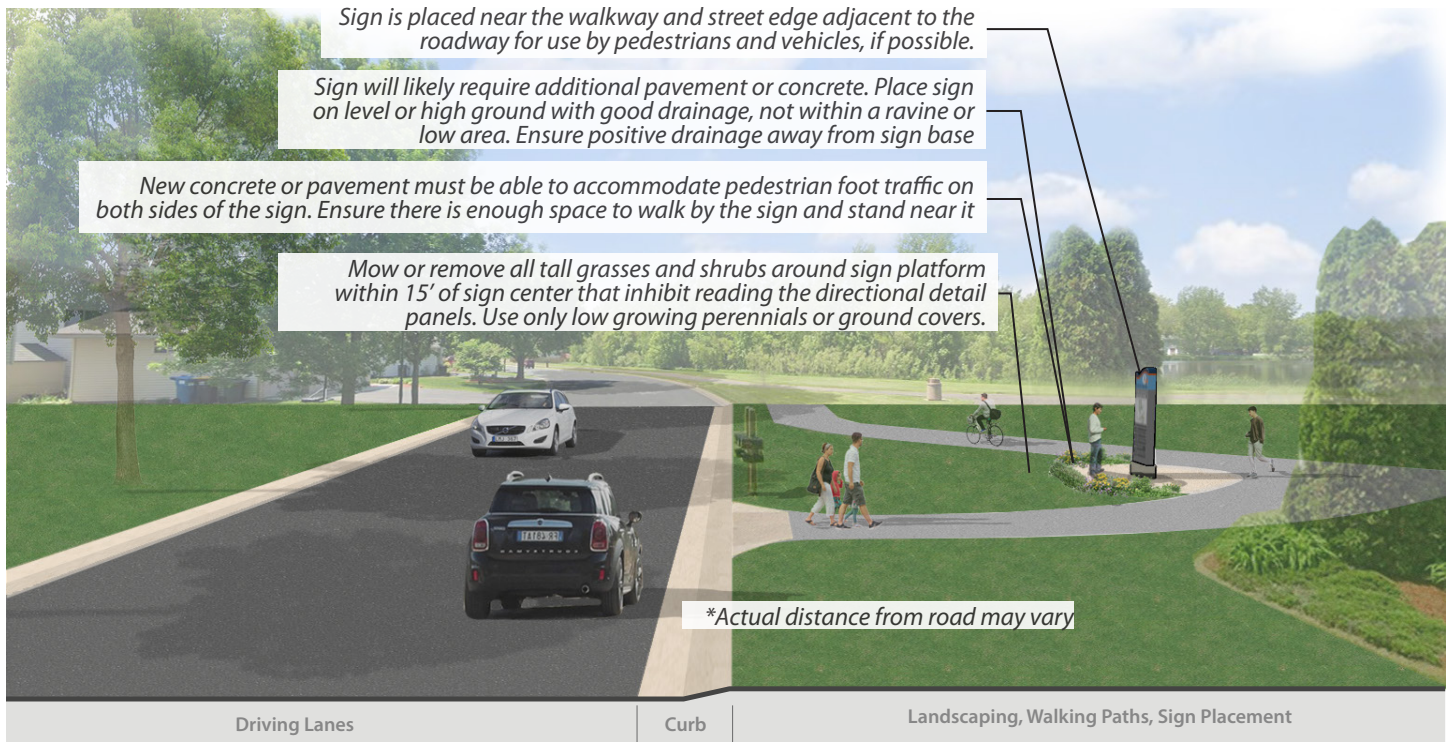
The urban kiosk sign is designed to orient both pedestrians and vehicles around Farmington’s downtown area. As a sign that performs multiple functions to numerous users, proper placement is key. See section below for further placement details:



PARK KIOSK

PLACEMENT AND DETAILS

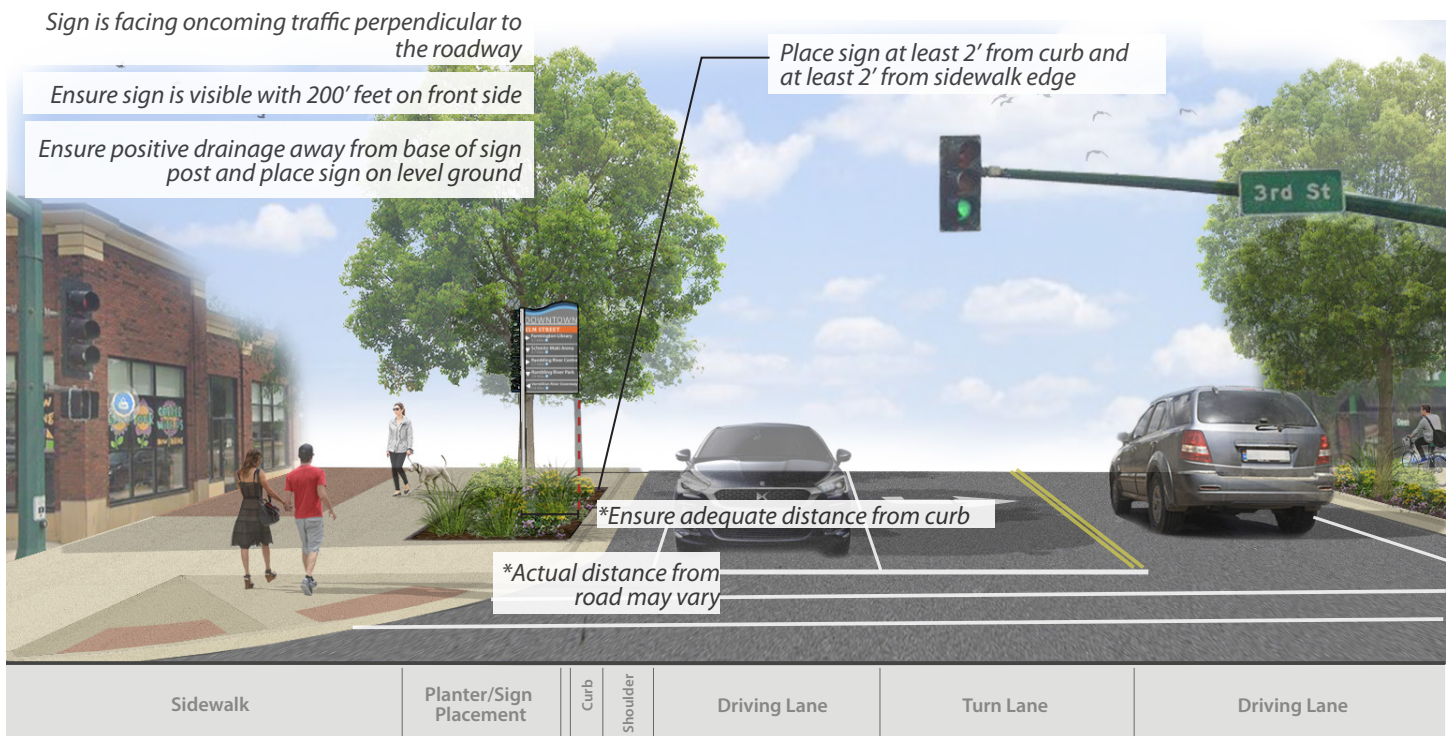
The park kiosk sign is designed to orient both pedestrians and vehicles to nearby parks and trails and point people in the direction of Farmington’s downtown area. As a sign that performs multiple functions to numerous users, proper placement is key. See section below for further placement details:



VEHICLE WAYFINDING SIGN

PLACEMENT AND DETAILS

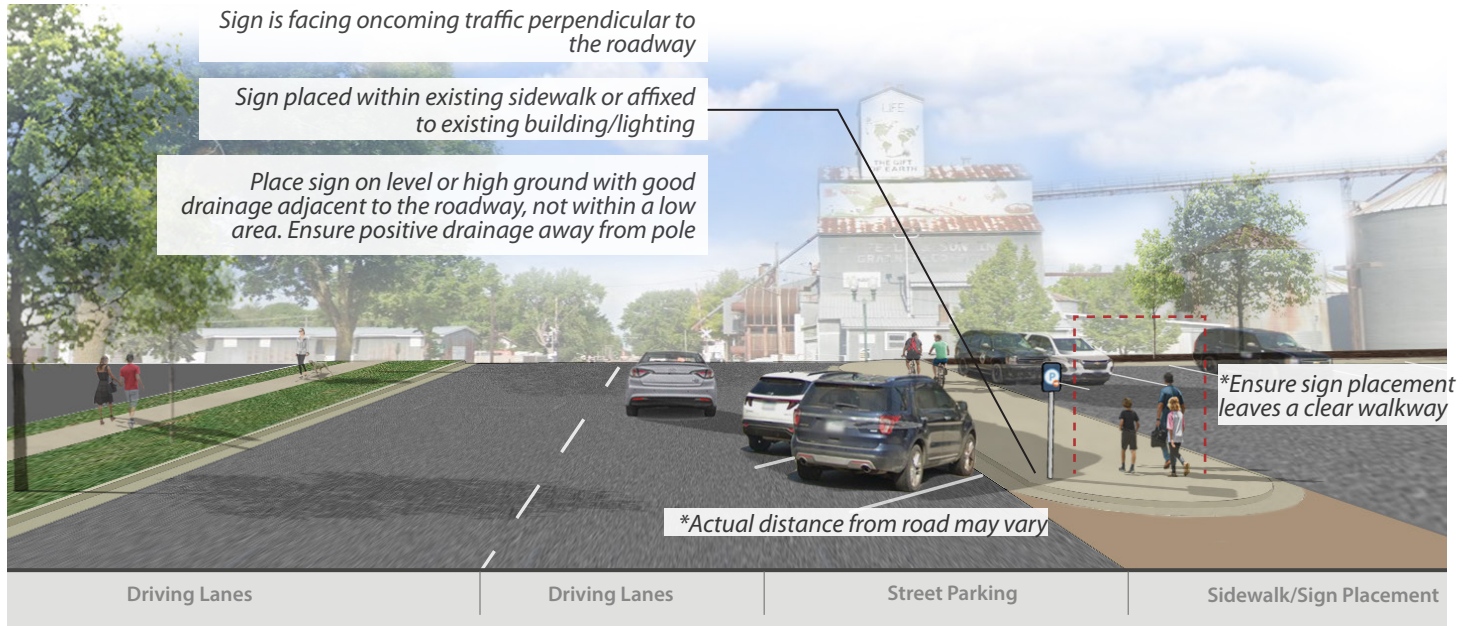
The vehicle wayfinding sign is scaled to primarily serve vehicular traffic, but the large letters on the panels could also be seen by bikers or pedestrians to navigate to and around downtown. See section below for further placement details:



PARKING SIGN

PLACEMENT AND DETAILS

The stand-alone or affixed parking signs offer vehicles in the downtown area a fast and easy way to spot public parking opportunities for shopping and events, as well as remind pedestrians where parking is located. See section below for further placement details:

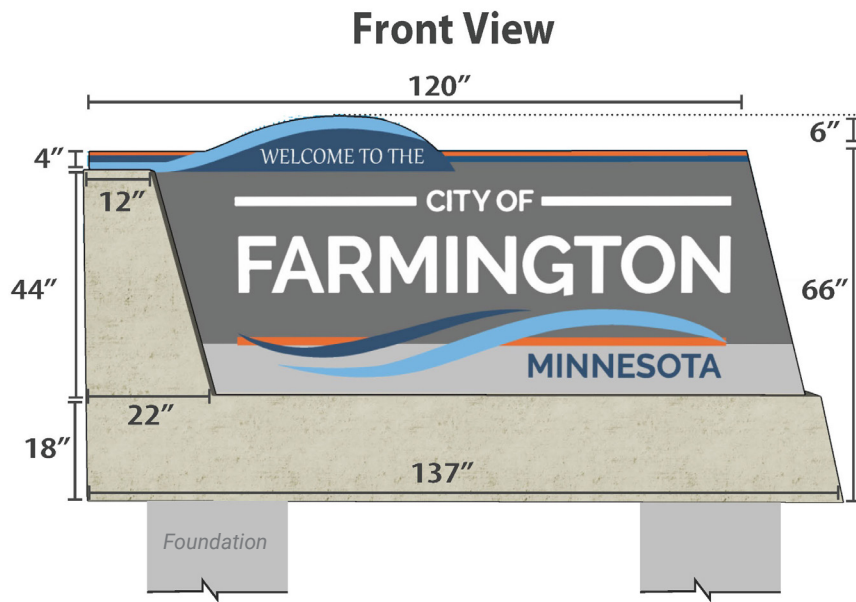


SIGN DIMENSIONS AND DETAILS

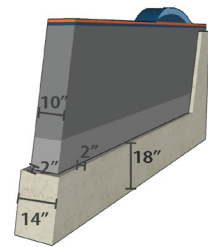
SIGN DETAILS

The following imagery gives a high-level conceptual overview of sign design, dimensions, and structure. Final sign design to be modified and adjusted based on existing site conditions and vendor recommendations.

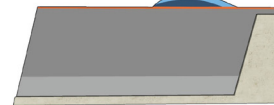
MONUMENT SIGN



Side Views

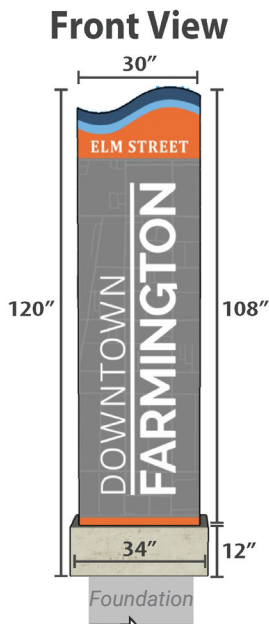


Back View

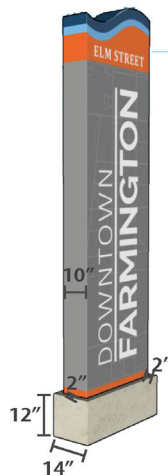


(See Front View for Dimensions)

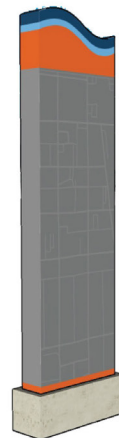
DOWNTOWN IDENTIFIER



Front Side View



Back Side View



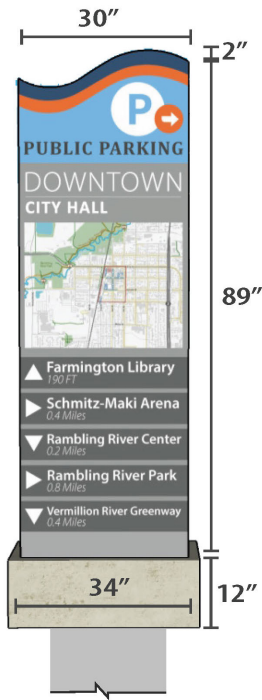
Back View



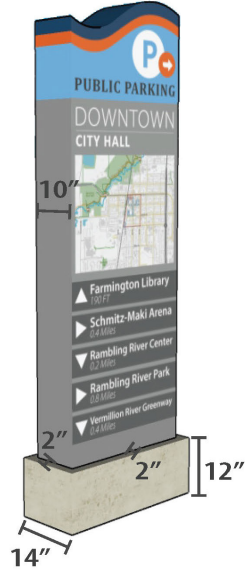
(See Front View for Dimensions)

URBAN KIOSK

Front View



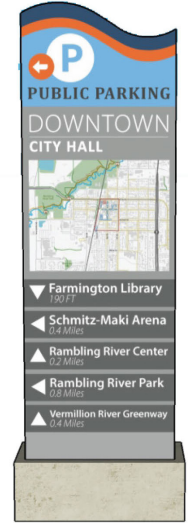
Front Side View



Back Side View



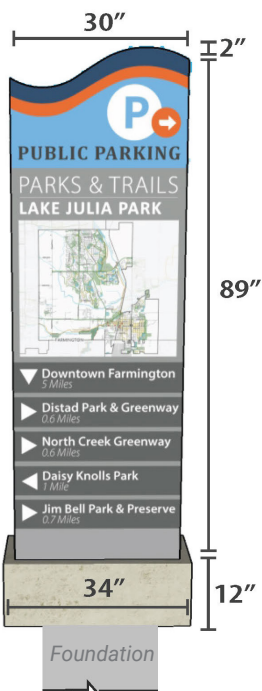
Back View



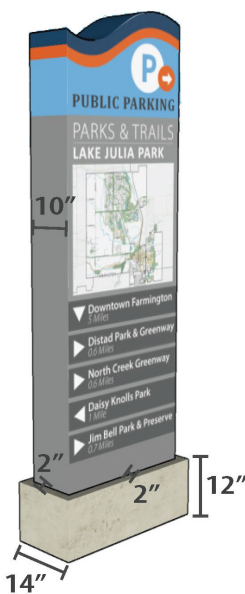
(See Front View for Dimensions)

PARK KIOSK

Front View



Front Side View



Back Side View

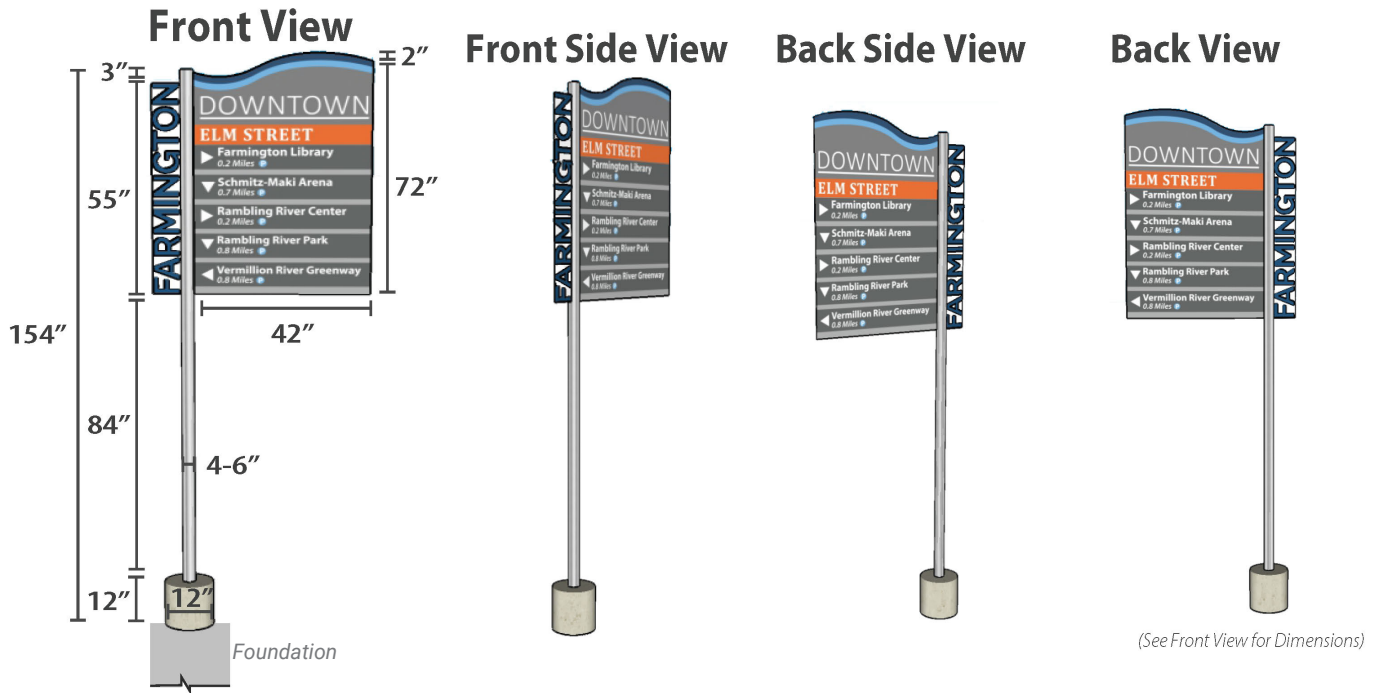


Back View



(See Front View for Dimensions)

VEHICLE DIRECTIONAL SIGN



PARKING SIGN



IMPLEMENTATION

FUNDING AND PARTNERSHIPS

General city funding and select grant funding can be used to fund new signs throughout the city and within the downtown area. See the table at bottom of page for planned signs and high-level cost estimates.

Signs that will intersect with and contribute to regional trail corridors, such as the Vermillion River Regional Greenway, may be an opportunity for a future partnership with Dakota County, in order to fulfill desired wayfinding and information that is planned by the county. Future sign development may be paid for through a combination of city funding and grant funding.

COST COMPARISON TABLE

The numbers in the table below have been extrapolated from vendor estimates. The cost per sign for each vendor was deduced from the vendor-supplied quantities and is an estimate for high-level comparison. This table looks only at single item cost and install prices per unit, and may not accurately represent quantity discounts and other factors given by the vendors.

SIGN TYPE	VENDOR	DETAIL	COST (PER UNIT)	INSTALL COST (PER UNIT)	TOTAL COST (UNIT + INSTALL)
MONUMENT SIGN	Vendor A	Not Lit	\$15,900.00	\$9,500.00	\$25,400.00
	Vendor B	Externally Lit	\$26,000.00	\$3,500.00	\$29,500.00
		Internally Lit	\$28,250.00	\$3,500.00	\$31,750.00
	Vendor C	Not Lit	\$45,750.00	Included	\$45,750.00
DOWNTOWN IDENTIFIER	Vendor A	Not Lit	\$13,900.00	\$8,500.00	\$22,400.00
	Vendor B	Not Lit	\$9,750.00	\$1,950.00	\$11,700.00
		Lit - Material Opt 1	\$14,250.00	\$2,350.00	\$16,600.00
		Lit - Material Opt 2	\$17,350.00	\$2,350.00	\$19,700.00
	Vendor C	Not Lit	\$15,500.00	Included	\$15,500.00
URBAN KIOSK/ PARK KIOSK	Vendor A	Not Lit	\$13,900.00	\$8,500.00	\$22,400.00
	Vendor B	Not Lit	\$10,250.00	\$1,950.00	\$12,200.00
		Lit - Material Opt 1	\$15,000.00	\$2,350.00	\$17,350.00
		Lit - Material Opt 2	\$18,750.00	\$2,350.00	\$21,100.00
	Vendor C	Not Lit	\$13,000.00	Included	\$13,000.00
SINGULAR PARKING SIGN	Vendor A	Not Lit	\$725.00	\$450.00	\$1,175.00
	Vendor B	Not Lit	\$295.00	\$225.00	\$545.00
	Vendor C	Not Lit	\$1,000.00	Included	\$1,000.00
VEHICLE DIRECTIONAL SIGN	Vendor A	Not Lit	\$2,230.00	\$5,000.00	\$7,230.00
	Vendor B	Not Lit Single post	\$5,000.00	\$2,600.00	\$7,600.00
		Not Lit Double post	\$5,500.00	\$3,500.00	\$9,000.00
	Vendor C	Not Lit	\$11,250.00	Included	\$11,250.00

Table 2. Overall Cost Comparison Table

PROJECT PRIORITIZATION

Due to high cost and the time it can often take to secure funding, phasing the project by placing the most visible and highest priority signage first is recommended. Vehicle directional signs, monument signs, and downtown identifiers are valuable for establishing a sense of place, boosting city branding, identifying important entry points, and accomplishing the overall goal of leading visitors to the downtown area. Therefore, these sign types should be considered as a part of near-term planning.

Urban kiosks, Park Kiosks, and singular parking signs will require additional planning to prepare existing spaces for placement (new concrete, plantings, possible electricity for kiosks, etc.) and would be consider secondary signage as a part of the long-term plan.

PRIORITIZATION LEVEL/ TIMELINE	SIGN TYPE	NOTES
NEAR TERM	Monument Signs Downtown Identifiers Vehicle Directional Sign	A number of existing monument signs will need to be removed before placing new designs. These three sign types currently do not include internal or external lighting consideration, but the options could be explored and would require additional site prep for placement.
LONG TERM	Urban Kiosks Park Kiosks Singular Parking Signs	Urban and Park Kiosk placements may likely require additional site preparation (new concrete walkways, landscaping, electrical hookups). Singular parking signs may require demolition of existing hardscape for placement in some areas.

Table 3. Project Prioritization Table

SIGN OPERATION AND MAINTENANCE

After the new signs are installed, periodic maintenance and operations practices will need to be planned. Some considerations will include:

- Snow and Ice removal
- Maintaining surrounding landscaping to keep signs visible, legible, and attractive
- Power-washing poles and panels to keep free of grime and debris/damage from salt
- Replacing panels and/or cabinets with time if sun-fade, vandalism, or damage occurs
- Routine maintenance on any lighting and electrical (if opted for in the designs) to make sure signs are functioning well and to help prevent signs from being vandalized (eyes on the street)

APPENDIX

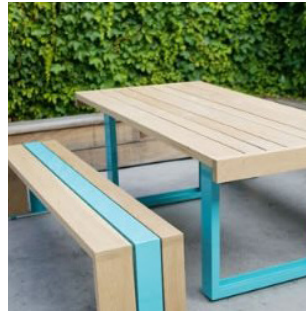
ADDITIONAL AMENITIES

The following amenities could be used to further enhance Farmington's sense of place and compliment the proposed wayfinding signage in many areas throughout the city. This inspirational imagery has been chosen to reflect Farmington's bold, modern brand and weave its distinct features throughout the public realm.



RESTROOMS

Restrooms are often located at trailheads and at places along trails where they already exist. A bold and modern style would complement the Park and Trail kiosk well.



BENCHES/TABLES

Benches and tables will typically be located along trails and in public parks or outside of downtown shops, providing space to rest during long walks or bike rides. Especially important for user groups including seniors, young families, and those with disabilities.



TRASH AND RECYCLING

Receptacles for trash and recycling are often located at trailheads, in parks, along trails, and in the downtown area.



BIKE REPAIR STATION

Bike repair stations will include standard tools for making minor repairs to bicycles, as well as a bike pump for filling tires. Stations would be great along trails and in public parks.



DOG WASTE STATIONS

Dog waste stations will encourage and assist pet owners to be responsible and clean up after their pet along trails, in parks, and in the downtown.



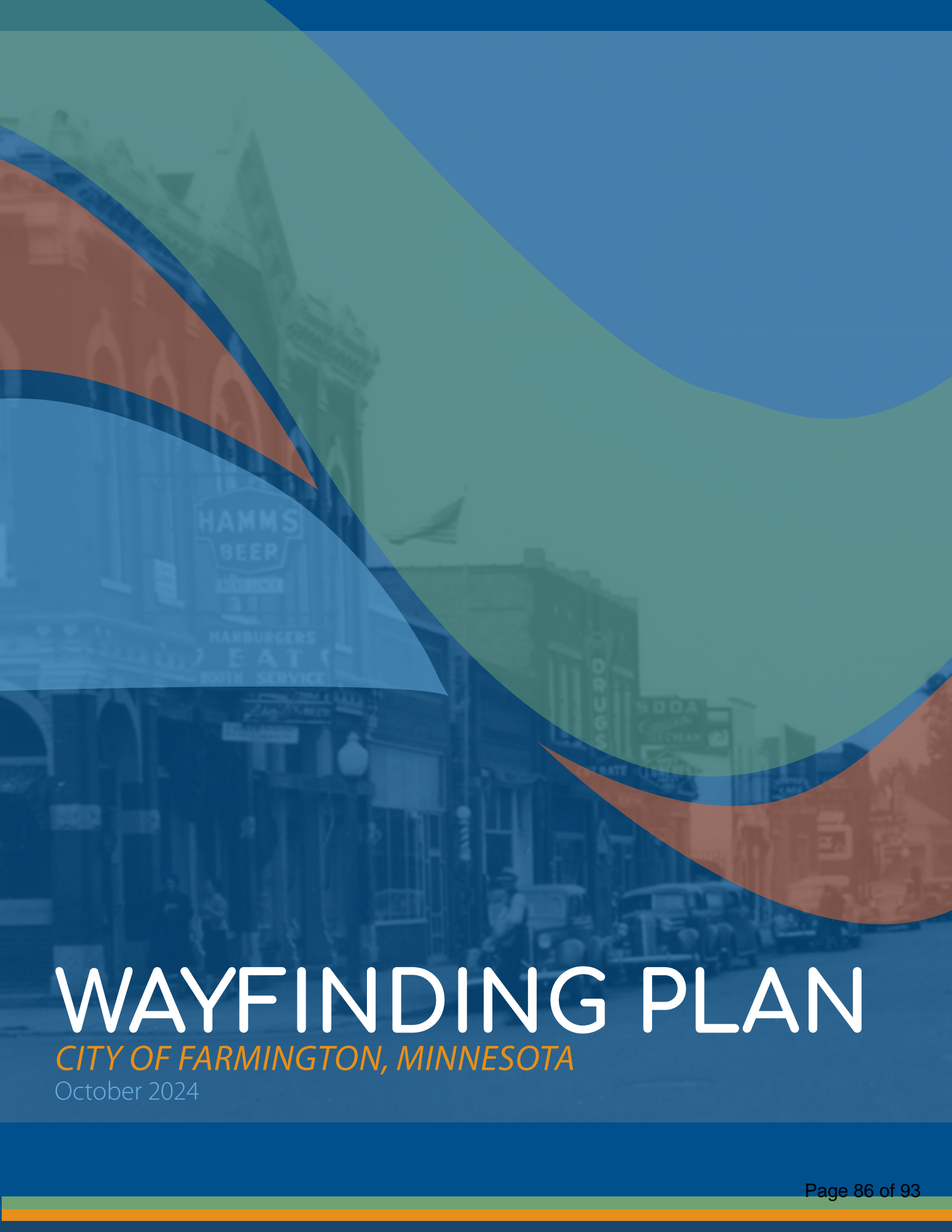
BIKE RACKS

Bike racks are often provided in places where trail users may want to park their bikes and walk to a local destination or take a break along a trail. These places include urban areas with retail and food vendors, trailheads, parks, schools, and other destinations.



DRINKING FOUNTAIN/ BOTTLE REFILL

In order to encourage reusable water bottles, drinking fountains and bottle refills could be available at trailheads and outside of civic destinations.



WAYFINDING PLAN

CITY OF FARMINGTON, MINNESOTA

October 2024

ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

To: Economic Development Authority
From: Stephanie Aman, Economic Development Coordinator
Department: EDA
Subject: Building a Stronger Future Together: Farmington Business Summit
Meeting: Economic Development Authority - Jan 21 2025

INTRODUCTION:

In 2024, Staff worked to meet with businesses to better understand what was going well for them and what could use improvement. From an economic development standpoint, we heard from several businesses that one main struggle is training for their employees.

As part of our business retention and expansion efforts, it is imperative that we continue to seek information and guidance from our business community to better understand and, if able, address their needs through tools and resources.

DISCUSSION:

Developing a working relationship with the local community colleges, Inver Hills Community College and Dakota County Technical College, was a goal that Staff has had since arriving in Farmington two years ago. What Staff found in conversation with the colleges is that they have robust programming that might be considered - unexpected offerings. After a brainstorming session, City Staff and college staff worked on an action plan to better understand and address Farmington Business needs.

There are two branches to the approach:

First is a business survey - the collaboratively written survey is being sent and administered by Inver Hills Community College. The collection period will run until February 10, 2025.

The second piece of the approach is a new event - the Farmington Business Summit. Building on the success of the Small Business Resource Fair last summer, and with this new partnership with the colleges, we jointly built an event that will showcase the community colleges and their offerings and attempt to address some of the concerns staff have heard from businesses. Some of those college offerings include job training, upskilling, management training, as well as business trending topics including AI. They have something to offer businesses from 1-1000 people!

We have also invited economic development partners from DEED and MCCD to be present to share how they fit into this puzzle with the colleges and City and answer any questions from attendees.

The Summit is being held on February 4, 2025 beginning at 3 pm at The Community Room in downtown Farmington. Registration is required. The agenda is as follows:

- 3:00 pm - 3:15 pm: Welcome, check in and refreshments
- 3:15 pm - 3:30 pm: Introduction and overview of economic development initiatives
- 3:30 pm - 4:15 pm: Introduction of and presentation by DCTC/Inver Hills staff on workforce training and future offerings for our business community
- 4:15 pm - 4:30 pm: Introduction of DEED and MCCD staff and offerings
- 4:30 pm - 4:45 pm: Discussion of next steps
- 4:45 pm - 5:00 pm: Open forum, additional networking time, and surveys

Post survey and Summit, Staff and the colleges will gather and review the data collected and determine the best actionable steps based on the feedback received.

You're Invited!

Building a Stronger Future Together:

Farmington Business Summit



Tuesday, February 4, 2025
3pm -5pm

The Community Room, 305 3rd Street

*A listening and learning session designed to facilitate open communication
with Farmington's valued business leaders.*

BUDGET IMPACT:

Approximately \$300 for space rental and snacks

ACTION REQUESTED:

No action required.

ECONOMIC DEVELOPMENT AUTHORITY AGENDA MEMO

To: Economic Development Authority
From: Deanna Kuennen, Community & Economic Development Director
Department: EDA
Subject: Director's Report
Meeting: Economic Development Authority - Jan 21 2025

INTRODUCTION:

Attached please find a summary of recent economic development activities.

DISCUSSION:


Attached please find a summary of recent economic development activities. Staff will be available to answer questions.

ACTION REQUESTED:

No action requested. This item is informational and is provided to communicate how the EDA time and money resources are allocated, and to track and measure the impact of initiatives.

ATTACHMENTS:

[01-2025 Director's Report](#)

<p>Reporting Period:</p> <p>Jan. 2025</p>	<p>DIRECTOR'S REPORT – providing project highlights and a summary of economic development activity.</p>
<p>Projects & Initiatives</p>	<ul style="list-style-type: none"> <p>Rye Apartments Development The groundbreaking ceremony took place on Nov. 19th, 2024. Construction is progressing nicely, and the project is on track to open in Fall 2025.</p>  <p>Follow along: https://youtu.be/b5M_hJyF-7o</p> <p>Farmington Business Survey Staff has partnered with Dakota County Technical College/Inver Hills Community College leadership to develop a Farmington Business Survey. The survey is being sent to all businesses, seeking input on their needs and plans so that programming can be developed and/or partner resources can be identified to support our business community. The survey is being launched/sent at the end of January.</p> <p>Building a Stronger Future Together: Farmington Business Summit The first Farmington Business Summit is planned for February 4, 2025. The event is a continuation of the collaboration between the city and Dakota County Technical College/Inver Hills. Businesses are invited to hear more about resources and opportunities available to them to support their workforce development needs. The idea is that this event provides an opportunity for our business and industry leaders to gather, listen, share, and learn. Future summits are being planned to include topics such as "AI in Business."</p>

What is on the Agenda:

3pm-3:15pm
Welcome! Check in and refreshments

3:15pm-3:30pm
Introduction and overview of Economic Development initiatives

3:30pm-4:15pm
Introduction of and presentation by DCTC/Inver Hills staff on workforce training and future offerings for our business community


4:15pm-4:30pm
Introduction of DEED and MCCD staff and offerings

4:30pm-4:45pm
Discussion of next steps

4:45pm - 5pm:
Open forum, additional networking time, and surveys

This event is open to all Farmington business leaders. If there are others in your organization that would like to attend - please have them register too!

RSVP for Building a Stronger Future Together: Farmington Business Summit

 Questions or Registration
Stephanie Aman
SAman@FarmingtonMN.gov

651-280-6823
FarmingtonMN.gov

- MREJ**

Staff attended the Apartment Summit in early January. This is one of the largest MREJ events with over 750 attendees. Multiple introductions and connections were made, with multi-family apartment developers and builders, but also with commercial developers. Staff is currently following up with various contacts and scheduling visits/meetings.

The 2025 events are underway. The EDA included dedicated funding in the 2025 budget to continue the marketing partnership. Staff will attend multiple events throughout the year, sponsor (table) at events, and moderate and/or speak at the Land Development Conference, Women in Real Estate, Industrial Development Summit, and at least one other event. In addition – there will be opportunities to collaborate on articles that will be featured in the RE Journal publication.

- EDAM Winter Conference – “Driving Economic Growth through Authentic Storytelling”**

Stephanie Aman submitted a session proposal for the EDAM Winter Conference, and it was selected. The session will include the Farmington Team, Cory Hepola, and Alan Davis – sharing how Farmington has stepped outside the box, in bold and creative ways, to tell our story. We will share what we have done and the initial results of these efforts.
- BRE**

Staff has actively been reaching out to schedule and conduct business visits based on the BRE Plan discussed at the May2024 meeting. Responses have been slow, but visits are getting scheduled and Staff hopes that the Business Survey and Farmington Business Summit kick start these efforts.

Prospects

- Staff worked on more than 40 different proposed/potential projects in 2023. Some leads and conversations are still ongoing – and Staff continues to engage with many different business prospects, developers, and project

	<p>teams – with the goal of converting the prospecting into actual projects and keeping Farmington top of mind for these connections.</p> <ul style="list-style-type: none"> • The 2024 summary is being prepared. Staff continues to work on various potential projects and have conducted numerous meetings with developers and site selectors – averaging 8 meetings with different groups each month earlier mid-year. Staff uses the developer/site selector meetings to share the Farmington story, discuss opportunities, and identify partners who are in alignment with the City's vision and can assist the City in bringing projects forward. • Community Venture Network (CVN) Staff attended the January Community Venture Network event. Multiple businesses presented, and Staff spoke with one contract manufacturing company seeking to expand and construct a 50,000-100,000 SF facility. Farmington does not fit their target investment location for 2026, but they are interested future conversations. In addition, Staff learned of new resources available to businesses and will be sharing this resource/opportunity (succession planning, etc.) with our business community. The 2025 EDA budget includes continuing the CVN membership which will allow attendance at all 2025 events. • Request For Information (RFIs) Staff received a follow up RFI from DEED for Project Bamboo. The project was seeking 50+ acres of land with rail access. No response was submitted due to lack of available land.
Other	<ul style="list-style-type: none"> • MidAmerica Economic Development Council (MADCE) Staff has been appointed to the MidAmerica Economic Development Council to represent Minnesota. Staff attended the December MidAmerica Economic Development Council Conference and is now on the conference planning committee working to build out the agenda and speakers for the May 2025 MAEDC Conference that will be held in Stillwater. • Grocery Initiative Through a connection made at the October CVN meeting, Staff has worked with KState to determine if resources could be available to the City to conduct a market study or aid in bringing a grocery store to the City of Farmington. From these conversations, connections were revitalized with a grocery expert who works with cooperatives and independent retailers and staff are scheduled to meet with them in November. Additionally, staff brought forward a proposal to the EDA to engage in a market study to determine the feasibility of a grocery store in Farmington. The EDA requested additional information, and that information is being gathered. <p>Staff will be building out a “public facing” component to the grocery recruitment efforts. This will likely involve community surveys, a page on the</p>

	<p>website with market information, etc. utilizing insights from the KState Rural Grocery Initiative. Staff continues to have conversations and meeting with grocers and grocery developers.</p> <ul style="list-style-type: none"><li data-bbox="407 369 1463 506">• Partner Meetings Staff continue to stay connected and engaged with the Minnesota Trade Office, DEED, Greater MSP, and other organizations. Staff is working with GreaterMSP to enhance alignment and increase interaction/engagement.<li data-bbox="407 541 1479 709">• Economic Development Website Over the next few months, Staff will be focusing on updating the economic development content on the city's website. The purpose will be to make information easily accessible and build out content which is known to be important to site selectors and business representatives.