

Pursuant to due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on January 19, 2021. City Administrator Harrenstein on March 31, 2020, under MN Statute Section 13D.021, declared the use of electronic meetings due to the COVID-19 pandemic. Mayor Dehen called the meeting to order at 7:00 p.m., asking that everyone join in the Pledge of Allegiance. The following were present remotely through Zoom for roll call: Council Members Whitlock, Oachs and Steiner, City Attorney Kennedy, Finance Director McCann, Community Development Director Fischer, and Public Works Director Host, present in the Council Chambers for roll call: Council Member Norland, Mayor Dehen, City Administrator Harrenstein, and City Clerk Van Genderen. Citizen participation was available through teleconference.

Approval of Agenda

Council Member Norland moved, seconded by Council Member Steiner, to approve the agenda as presented. Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Approval of Council Minutes from the January 4, 2021, Council Meeting.

Council Member Norland moved, seconded by Council Member Steiner, to approve the minutes of the Council meeting of January 4, 2021. Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Approval of Council Minutes from the January 11, 2021, Council Work Session.

Council Member Norland moved, seconded by Council Member Steiner, to approve the minutes of the Council Work Session meeting of January 11, 2021. Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Public Hearing, 7 p.m. Consider Ordinance Amending City Code Chapter 90 and adding City Code Section 90.115 Entitled Managed Natural Lawn Area.

Community Development Director Fischer reported he would review the process and research conducted to create the proposed Managed Natural Landscape Ordinance. A review of the current City Code includes grass and weed cutting and controlling at 90.110 Duty of Owner and Occupant and 90.111 Failure to Maintain. The current code requires residents to cut their grass or lawn to no higher than six inches, and failure to maintain provides a process where the City can go in and take care of properties and assess the cost to the property owner. Currently, there are no code provisions for natural lawn areas. City Code has no current prescriptions permitting native and/or natural landscaping on residential properties for environmental sustainability. The purpose of the 90.115 Managed Natural Lawn Area is to provide an opportunity for residential property owners to incorporate native/natural vegetation into their lawns in a responsible, "managed" way.

Community Development Director Fischer reported in the past three years, several residents have reported their lawn as a Managed Natural Lawn as a way to not comply with City Code. He commented that there are residents who are experts who maintain well managed natural areas and others who falsely refer to unmaintained yards as managed natural areas. Clarification needs to be given to residents and staff so staff can appropriately direct residents. Community Development Director Fischer reported a draft ordinance was created and reviewed by the Planning Commission, who requested additional information. The Ordinance did not need to go through the Planning Commission as it does not affect zoning and is not technically a Planning Commission topic. The City also held educational sessions with the MnDNR regarding pollinator habitats, and there have been three Council Work Sessions. Following a recent Work Session City Council was clear on moving

forward to a public hearing after revisions were made concerning their preferences. Additional educational meetings were planned, but COVID-19 has prevented public interaction. On the January 4, 2021, Council Meeting, the Council set the Public Hearing for January 19, 2021.

City Planner Lassonde reviewed the proposed Ordinance. He stated the Ordinance's intent is to provide an opportunity for residents to establish a portion of their lawns on residential parcels for the planting of native vegetation that can grow to a height of greater than six (6) inches. Managed Natural Lawn Area is defined in the Ordinance. Also defined in the Ordinance is Native Vegetation; the definition references the Minnesota Department of Natural Resources and their Minnesota Department of Natural Resources Native Plant Encyclopedia. Turf Grasses are also defined but are not regulated by the Ordinance and remain under City Code Chapter 90.110.

City Planner Lassonde reviewed the Ordinance requirements, which states "Any owner of a residential lot in the City may transition an area of lawn on the lot to a Managed Natural Lawn Area not to exceed 500 square feet or 30% of the pervious surface area of the lot within defined setbacks, excluding natural wooded areas, bluffs, and ravines." The decision to allow up to 30% was discussed at the January 11, 2021, Council Work Session. He stated with Council's desire to "walk, jog, run," on implementing the ordinance staff was recommending considering 500 sq. feet or up to 15% of available pervious space. He stated the size would be more acceptable for neighbors who do not share the same opinions that native/natural lawns supporters do. The presentation included samples of city lots with 500 sq. feet, 30% and 15% depicted.

Additional requirements include native vegetation, which can be taller than 6 inches. Still, they may not include noxious weeds; the managed area will not include turfgrass lawns, the property line setbacks include a 10-foot setback from the front and rear property lines, and a 5-foot setback from all side yards. The Ordinance also requires that while establishing a Managed Natural Lawn Area, turfgrass or other existing vegetation shall be eliminated, and native vegetation shall be planted. It was noted that installing a managed natural lawn area will take time and dedication. City Planner Lassonde noted additional requirements in the Ordinance include a Managed Natural Lawn Area must be free of blight, blighting factors, free of public nuisances, and the rest of the lawn be appropriately maintained. The Managed Natural Lawn must not interfere with motorists' views of the street or roadway. If a resident fails to maintain the Managed Natural Lawn properly, the City may proceed to abate the issue. The Ordinance lays out guidance for abating Managed Natural lawns that are not in compliance.

City Planner Lassonde reviewed the City's research, including existing North Mankato ordinances, Minnesota State Statute, Minnesota Board of Water and Soil Resources, Minnesota Department of Natural Resources, Minnesota Pollution Control Agency, and ordinances from various Minnesota Cities. He noted there is no one size fits all Ordinance and compared other City Ordinances with North Mankato's proposed Ordinance.

City Planner Lassonde noted North Mankato's commitment to environmental practices, including establishing a ravine protection program, installing LED lighting, created a Buckthorn eradication program, installing EV Charging units, and establishing 30+ acres of native prairie in the City of North Mankato. North Mankato is committed to being environmental stewards.

Kathleen Felt, 702 Cornelia Street, spoke before Council and stated she appreciated the changes to the proposed ordinance and the fewer restrictions. She appreciated that the height could be left to 12 inches as it would provide nesting materials for native bees. She did note the setbacks would be challenging to work within Lower North. She also requested the consideration of more than five days to bring a yard into compliance. Ms. Felt stated this was an excellent opportunity for residents to create small patches of habitat for pollinators.

Barb Church, 102 Wheeler Avenue, spoke before Council and stated she had not seen the question and answer page that would be on the website. She requested Council not pass the ordinance and wait for additional discussion. She asked for clarification on several points of the ordinance. Ms. Church stated 5-day compliance was too short.

Diane Anderson, 225 Allan Avenue, spoke before Council and stated she had testified before Council concerning the Borchardt property which she lives next to. She reported pictures taken from October 2019 would show the concern expressed about the property and similar properties were justified. Ms. Anderson stated she received hate mail because she spoke about the property. She encouraged Council to pass the Ordinance to provide guidance for residents and staff.

Lucy Lowry, 2263 North Ridge Drive, spoke before Council and stated she believed the ordinance was poorly written. She said she thinks the ordinance was written specifically to target 225 Allan Avenue, and Council was not going to listen to comment, and Council's minds were already decided.

Mara Natrakul, 59254 230th Street, Mankato, MN, spoke before Council and stated she believes the current ordinance is more restrictive than the first. Ms. Natrakul said she disagrees with the definitions used, including the definition of natural lawn area. She indicated she had also reviewed ordinances and spoke with other cities and disagrees that North Mankato's ordinance is less restrictive than other cities. Ms. Natrakul questioned if shrubs and vines should be cut down yearly to twelve inches as the ordinance requires. She requested additional research and study.

Bess Tsaouse, 136 Mary Circle, spoke before Council and stated the ordinance lacked knowledge about plants, and staff showed a lack of knowledge. She requested clarification on why the ordinance was being considered now and why it could not wait until later in the year. She stated further deliberation concerning the ordinance should occur. She encouraged Council not to vote on the Ordinance.

Tom Hagen, 927 Lake Street, spoke before Council and reported he believed the ordinance was aimed at Ed Borchardt and his property. He questioned why the ordinance could not wait and stated he did not believe the Council had ever visited the property. Mr. Hagen said Ms. Anderson just doesn't like to look at Mr. Borchardt's yard and questioned why her complaints were listened to when he believes his complaints about deer have not been heard.

Karl Friedrichs, 624 S. 2nd St, Mankato MN, Friedrichs Law Office, spoke before Council and stated the ordinance is poorly written and needs clarification. He requested clarification on what the term protection of the larger community means. Mr. Friedrichs also requested clarification on the use of the words noxious weeds or weeds in the ordinance. He questioned the applicability of cutting the natural yard area back to 12 inches once a year when the ordinance includes shrubs and trees in its definition. Mr. Friedrichs requested an exception be made for trees and shrubs. He asked for an extension of the 5-days for compliance following a failure to maintain to 30 days to allow time for compliance.

Kay Helms, 1025 E. Mulberry St. Mankato, MN, submitted comments. "If my neighbor can plant as many gladiolas as he wants and wherever he wants, why can't I plant as many purple coneflowers as I want and wherever I want? If you are going to restrict pollinator gardens, then you must restrict flower and vegetable gardens as well. Let's enlarge this ordinance to include any and every garden in everyone's yard. And then, every yard could look alike!

Let's also restrict how much Kentucky blue grass everyone can have in their lawn, too. I don't like Kentucky blue grass or the noise and air pollution from mowing or all the chemicals that people use on their lawns that enter our waters. Can I get an ordinance passed that would restrict pollution from mowing and lawn chemicals?

We all depend on bees and other pollinators for our fruits and vegetables. But pollinators depend on us to provide the chemical-free plants for them to use throughout the season. Bees and other pollinators need way stations. And, according to Karl Foord, University of MN Extension Educator, they need more than one plant. They need a space big enough for a season-long party. Thus, "500 square feet or 30% of the pervious surface area" is way too restrictive. Plus, they need the right kind of flowers. For a list, see www.beelab.umn.edu.

I urge the Council members to look at lawns and native plants a bit differently. Drive around your community. You will see mostly lawns. Yet these lawns are often toxic to pollinators because of the chemicals that are sprayed on them. And there are just so very many lawns.

Traditional turf lawns have essentially become some of the country's largest mono-crops, according to the Pollinator Friendly Alliance. Let's re-think the perfect lawn and embrace dandelions and sweet clover, which also provide flowers for bees. After all, where did we get the idea that we must have a perfect, green, mowed lawn? (From the lawn companies of course.)

Even the This Old House guys say to "Outgrow the traditional grass lawn and plant native flowers." www.thisoldhouse.com"

With no one else appearing before Council Mayor Dehen closed the public hearing.

Consent Agenda

Council Member Steiner moved, seconded by Council Member Norland, to approve the Consent Agenda.

- A. Bills and Appropriations.
- B. Res. No. 6-21 Approving Donations/Contributions/Grants.
- C. Accepted Property Owner Petition to Annex 2.57 Acres of Land into the City of North Mankato and Set a Public Hearing for 7:00 p.m. on March 1, 2021.
- D. Received and Approved the Recommendations from the January 14, 2021, Traffic & Safety Committee Meeting.

Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Public Comments Concerning Business Items on the Agenda

None.

Business Items

Consider Ordinance No. 137, Fourth Series an Ordinance of the City of North Mankato, Minnesota Adding City Code Section 90.115 Entitled Managed Natural Lawn Area.

Council Member Norland moved, seconded by Council Member Steiner, to amend the ordinance to increase the days residents have to come into compliance from 5-days to 30-days.

City Administrator Harrenstein commented that the 5-days is used for grass and weed complaints, and the issue is normally in existence for several weeks before the letter is sent. Staff is always in dialogue with residents before the City takes action.

Vote on the motion: Steiner, Norland, Oachs, and Dehen aye; Whitlock nay. Motion carried.

Council Member Oachs reported resident Nancy Goodwin, 921 Range Street, would also like to speak concerning the ordinance. Ms. Goodwin requested clarification on if there was an opportunity to grandfather in properties that already have natural lawns on their property.

Council Member Norland moved, seconded by Council Member Steiner, to amend the ordinance to grandfather in properties that have established native plantings.

City Administrator Harrenstein cautioned that grandfathering in properties is difficult to determine what qualifies and what does not. Council Member Oachs stated some people had spent a lot of time establishing their yards. City Attorney Kennedy stated grandfathering is difficult as the burden falls on the property owner. Because there is currently no ordinance allowing this land use, they should not have it on their property. Mayor Dehen commented the City utilizes a complaint-based system, and unless a complaint is filed, the City does not search for properties out of compliance.

Vote on the motion: Steiner aye, Whitlock, Norland, Oachs, and Dehen nay. Motion failed.

Mayor Dehen moved, seconded by Council Member Norland, to amend Section 1 4(e), excluding shrubs from being cut annually to a height no more than 12 inches.

City Administrator Harrenstein reported in the definition used, trees are not included and would not be cut to 12 inches, but the City staff agrees that shrubs should be removed from the list. Council Member Oachs requested clarification on ornamental grasses and if those would need to be cut down to 12 inches every year. City Administrator Harrenstein reported the area that was described would fall under the landscape ordinance.

Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

A discussion was held concerning the area allowed to be utilized as Natural Lawn Area. Council Member Steiner reported he wanted 30%. Council Member Oachs stated she would be fine moving forward with either 15% or 30%. Council Member Norland indicated she would like 30%.

Council Member Steiner moved, seconded by Council Member Oachs, to table the ordinance until the next meeting.

Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Mayor Dehen commented that staff could make the requested changes to the ordinance and bring it back at the next Council Meeting. He noted the ordinance is designed to respect everyone's property rights noting that while enthusiasts may maintain their natural lawns, other individuals would not, which could impede their neighbor's rights. Mayor Dehen noted he signed the pollinator pledge in 2015, and since then, the City has converted 30 acres into a natural prairie. The City continues to strive to protect the environment.

Res. No. 7-21 Accepting Bid Project No. 20-05 DE Street and Miscellaneous Paving Improvement Project.

City Engineer Sarff reported bids were opened on Tuesday, January 12th. The project included Street and Alley Mill & Overlay for nine streets and two alleys, along with resurfacing Spring Lake Parks basketball courts and paving approximately 950 feet of the Lake Street to Mary Lane Trail. The bid results were:

Bidder	Bid Amount
W.W. Blacktopping, Inc.	\$551,842.80
OMG Midwest, Inc. (MN Paving & Materials)	\$554,600.30
Nielsen Blacktopping, Inc.	\$568,288.75

The low bidder for the project is W.W. Blacktopping, Inc. from Mankato, MN. The low bid is approximately 5% below the engineer's estimate of \$573,294.00. City Engineer Sarff reported the City has worked with W.W. Blacktopping, Inc. before and recommends approval of the bid.

Council Member Steiner moved, seconded by Council Member Norland, to Adopt Res. No. 7-21 Accepting Bid Project No. 20-05 DE Street and Miscellaneous Paving Improvement Project. Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Res. No. 8-21 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 19-05 ABCDEF Harrison Avenue and Project No. 20-04 ABCDE Cliff Court Improvements.

City Engineer Sarff reported the plans and specifications had been prepared for the 2021 Street & Utility Improvement Projects. The proposed improvements are essentially the same as that presented with the Preliminary Engineering Report and subsequent City Council presentations. The estimated cost for Harrison Avenue is \$663,500, and the estimated cost for Cliff Court is \$732,100.

Council Member Steiner moved, seconded by Council Member Norland, to Adopt Res. No. 8-21 Approving Plans and Specifications and Ordering Advertisement for Bids Project No. 19-05 ABCDEF Harrison Avenue and Project No. 20-04 ABCDE Cliff Court Improvements. Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Approve Amendment to the Final Plat of the Waters North: A Request from Prairie Development.

Community Development Director Fischer reported in August of 2020, the Planning Commission recommended approval and City Council approved the final plat of The Waters North. As shown on the approved plat, the utility easements were consistent with City Code. Since that time, the applicant successfully amended the City Code section 155.48 (A) Easements. The amended City Code now allows the adjustment of utility easement on a case-by-case basis and can be adjusted upon the Planning Commission and City Council's approval. All known utility companies and subdivisions must also agree to the easements. As a result, the final amended plat includes eliminating the majority of side yards, eliminating all rear utility easements, and increasing all front yard utility easements from 10 feet to 15 feet.

Council Member Steiner moved, seconded by Council Member Norland, to Approve Amendment to the Final Plat of the Waters North: A Request from Prairie Development. Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Ordinance No. 138, Fourth Series an Ordinance of the City of North Mankato, Minnesota Amending North Mankato City Code, Chapter 156, Entitled "Zoning Code," by changing the Zoning District Map and, by Adopting by Reference North Mankato City Code, Chapter 10 and Section 10.99 Which, Among other things, Contain Penalty Provisions.

The applicant is in the process of annexing 2.57 acres of land adjacent to Pleasant View Drive into the City limits for future residential development. The property's location is proposed to be developed for multi-family residential development, and the developer would like the property zoned R-3, Limited Multiple Dwelling. The development consists of three new buildings to accommodate fourteen townhomes units. According to the Future Land Use Map within the Comprehensive Plan, the property is guided for future high-density residential. The densities targeted for this classification

are over ten dwelling units per acre. The proposed development is 5.45 dwelling units per acre. There is an existing R-3 adjacent to the property, which accommodates an existing townhome development.

Council Member Norland moved, seconded by Council Member Steiner, to Adopt Ordinance No. 138, Fourth Series an Ordinance of the City of North Mankato, Minnesota Amending North Mankato City Code, Chapter 156, Entitled “Zoning Code,” by changing the Zoning District Map and, by Adopting by Reference North Mankato City Code, Chapter 10 and Section 10.99 Which, Among other things, Contain Penalty Provisions. Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Approve Preliminary Plat of Pleasant View Cottages.

Community Development Director Fischer reported the applicant is in the process of annexing 2.57 acres of land adjacent to Pleasant View Drive into the City limits for future multi-family residential development. The plat consists of one lot with three new buildings to include fourteen 2-story townhome units. Two new driveways would provide access to the property. A stormwater holding pond is also shown. The existing house and storage building will be rehabilitated into a VRBO.

Council Member Steiner moved, seconded by Council Member Oachs, to approve the Preliminary Plat of Pleasant View Cottages. Vote on the motion: Whitlock, Steiner, Norland, Oachs, and Dehen aye; no nays. Motion carried.

Open Forum

Bess Tsaouse, 136 Mary Circle, spoke before Council and requested the City consider an ordinance restricting the use of pesticides and herbicides.

Barb Church, 102 Wheeler Avenue, spoke before Council and requested Council to direct staff to collate all of the questions and answers and place them on the website.

Tom Hagen, 927 Lake Street, spoke before Council and stated he has not received an answer concerning his request for clarification on the Wingert development agreement since one of the lots has not been developed by December 31, 2020. He stated the development agreement requires the developer to return \$45,000 to the City.

City Administrator and Staff Comments

City Administrator Harrenstein reported the Questions and Answers concerning the proposed Natural Lawn Area Ordinance is already on the website.

City Administrator Harrenstein stated the State of Minnesota had chosen North Mankato for a COVID-19 vaccination test site. City staff is working with the State to ensure a smooth event.

Community Development Director Fischer reported the City did enter into an agreement in 2018 with Dan Wingert to develop the tax-forfeited property. Two lots have had homes built on and sold. The third lot is sold but has yet to be developed due to hardships with COVID-19. He noted City staff entered into an extension of the agreement until December 31, 2021, to provide additional time to complete the home.

Finance Director McCann reported the City sent out a joint press release with Mankato concerning the restructuring of bus route 5.

Mayor and Council Comments

Council Member Oachs thanked the street department for keeping the streets clean.

Council Member Norland thanked staff for the work on the Natural Lawn Area ordinance.

Mayor Dehen reported a thank you note from Toys for Tots for the City’s gambling fund donation.

Mayor Dehen stated he received a book and DVD concerning pollinator gardens and said staff could review the material and place it in the library for patrons.

Mayor Dehen extended his condolences to the Bill Borchardt family on the passing of Bill Borchardt. Mr. Borchardt was a longtime member of the Traffic and Safety Committee.

Mayor Dehen extended his condolences to the Fred Roufs family. Fred was a longtime supporter of the baseball community in the area.

At 8:47 p.m., on a motion by Council Member Norland, seconded by Council Member Oachs, the Council Meeting was adjourned.

Mayor

City Clerk



City of North Mankato, MN

Claims List - Regular

By Vendor Name

Date Range: 2-1-21

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: APBNK-APBNK						
00008	A+ SYSTEMS GROUP	02/01/2021	Regular	0	224.55	93883
03053	ASPHALT ZIPPER	02/01/2021	Regular	0	788.20	93884
00111	B. STARK & COMPANY	02/01/2021	Regular	0	540.00	93885
00113	BAKER & TAYLOR	02/01/2021	Regular	0	13.28	93886
00112	BLUE EARTH COUNTY FIRE CHIEFS ASSOC.	02/01/2021	Regular	0	120.00	93888
00154	BLUE EARTH COUNTY	02/01/2021	Regular	0	23,000.00	93887
00202	BROWN-NICOLLET ENVIRONMENTAL HEALTH	01/27/2021	Regular	0	78.78	93876
02757	CINTAS	02/01/2021	Regular	0	185.62	93889
00255	CITY OF MANKATO	01/22/2021	Regular	0	1,161.27	93871
03501	DAVORI PRODUCTIONS	01/22/2021	Regular	0	290.00	93872
00401	EXPRESS SERVICES, INC.	02/01/2021	Regular	0	18.00	93890
00577	HOLTMEIER CONSTRUCTION	01/28/2021	Regular	0	58,159.90	93882
03234	JET VAC ENVIRONMENTAL	02/01/2021	Regular	0	409.12	93891
00637	JETTER CLEAN, INC.	02/01/2021	Regular	0	687.50	93892
00754	LEAGUE OF MINNESOTA CITIES	02/01/2021	Regular	0	1,350.00	93893
03500	LENCO ARMORED VEHICLES	02/01/2021	Regular	0	9,784.01	93894
00780	LOCATORS & SUPPLIES, INC.	02/01/2021	Regular	0	441.55	93895
02643	MANKATO KIWANIS	02/01/2021	Regular	0	170.00	93896
00832	MANKATO TENT & AWNING CO.	02/01/2021	Regular	0	95.00	93897
00905	MINNESOTA STATE FIRE DEPT ASSOCIATION	02/01/2021	Regular	0	375.00	93898
00988	MOTOROLA SOLUTIONS, INC.	02/01/2021	Regular	0	1,530.18	93899
02057	OFFICE OF ADMINISTRATIVE HEARINGS	01/21/2021	Regular	0	100.00	93869
03489	PENWORTHY	02/01/2021	Regular	0	352.97	93900
01106	PETTY CASH	02/01/2021	Regular	0	77.39	93901
01124	PONDEROSA LANDFILL OF BLUE EARTH CO, INC	02/01/2021	Regular	0	135.83	93902
01133	POWERPLAN/RDO EQUIPMENT	02/01/2021	Regular	0	83.72	93903
02953	R & E ENTERPRISES OF MANKATO	02/01/2021	Regular	0	4,504.73	93904
02801	REHNELT EXCAVATING LLC	02/01/2021	Regular	0	3,030.46	93905
01279	SHINE-WAY JANITORIAL SERVICE, INC.	02/01/2021	Regular	0	160.08	93906
01352	STREICHER'S, INC	02/01/2021	Regular	0	157.50	93907
01415	TOYOTA-LIFT OF MINNESOTA	02/01/2021	Regular	0	38.40	93908
01441	UNITED RENTALS, INC.	02/01/2021	Regular	0	1,000.43	93909
01446	UNIVERSAL TRUCK EQUIPMENT, INC.	02/01/2021	Regular	0	428.50	93910
01515	WELLS FARGO BANK, N.A.	01/26/2021	Regular	0	1,600.00	93875
01557	XCEL ENERGY	01/22/2021	Regular	0	500.00	93870
01568	ZIEGLER, INC.	02/01/2021	Regular	0	135.20	93911
00064	AMERICAN PLANNING ASSOCIATION	01/19/2021	Bank Draft	0	341.00	DFT0005101
00064	AMERICAN PLANNING ASSOCIATION	01/25/2021	Bank Draft	0	372.00	DFT0005119
00101	AT&T MOBILITY	01/19/2021	Bank Draft	0	49.20	DFT0005102
02740	BRANDT PRINTING	01/19/2021	Bank Draft	0	84.98	DFT0005103
00241	CHARTER COMMUNICATIONS	01/19/2021	Bank Draft	0	263.27	DFT0005105
00304	CREATIVE AD SOLUTIONS, INC.	01/26/2021	Bank Draft	0	392.00	DFT0005127
00447	FREE PRESS	01/25/2021	Bank Draft	0	421.32	DFT0005115
00617	INTERNATIONAL INSTITUTE OF MUNICIPAL CLI	01/25/2021	Bank Draft	0	175.00	DFT0005123
00733	LAKES GAS CO #10	01/19/2021	Bank Draft	0	183.50	DFT0005104
00733	LAKES GAS CO #10	01/22/2021	Bank Draft	0	56.00	DFT0005118
00923	MINNESOTA DEPARTMENT OF LABOR & INDU	01/27/2021	Bank Draft	0	100.00	DFT0005137
00910	MINNESOTA VALLEY TESTING LAB, INC.	01/19/2021	Bank Draft	0	77.00	DFT0005094
00910	MINNESOTA VALLEY TESTING LAB, INC.	01/21/2021	Bank Draft	0	123.50	DFT0005113
00910	MINNESOTA VALLEY TESTING LAB, INC.	01/22/2021	Bank Draft	0	195.50	DFT0005120
01322	SPRINT	01/22/2021	Bank Draft	0	36.73	DFT0005114
01335	STAPLES ADVANTAGE	01/14/2021	Bank Draft	0	146.89	DFT0005095
01335	STAPLES ADVANTAGE	01/15/2021	Bank Draft	0	58.86	DFT0005096
01335	STAPLES ADVANTAGE	01/25/2021	Bank Draft	0	107.85	DFT0005125
01335	STAPLES ADVANTAGE	01/26/2021	Bank Draft	0	117.53	DFT0005126
03254	TAFT	01/27/2021	Bank Draft	0	1,500.00	DFT0005138
02591	UNITED TEAM ELITE	01/27/2021	Bank Draft	0	75.00	DFT0005136

01470	VERIZON WIRELESS	01/19/2021	Bank Draft	0	32.98	DFT0005106
00105	AUTO VALUE MANKATO	02/03/2021	EFT	0	419.03	3594
00172	BOHRER, TOM	02/03/2021	EFT	0	274.34	3595
00174	BOLTON & MENK, INC.	02/03/2021	EFT	0	20,785.50	3596
00216	C & S SUPPLY CO, INC.	02/03/2021	EFT	0	98.90	3597
03479	CENTRAL SQUARE TECHNOLOGIES (LETG)	02/03/2021	EFT	0	390.00	3598
02294	D & K POWDER COATING	02/03/2021	EFT	0	300.00	3599
00322	DALCO	02/03/2021	EFT	0	1,723.50	3600
00404	FASTENAL COMPANY	02/03/2021	EFT	0	507.38	3601
00463	G & L AUTO SUPPLY, LLC	02/03/2021	EFT	0	14.80	3602
00538	HAWKINS, INC.	02/03/2021	EFT	0	1,652.74	3603
00776	LLOYD LUMBER CO.	02/03/2021	EFT	0	71.24	3604
03352	LUXE QUARTERLIES	02/03/2021	EFT	0	1,600.00	3605
02644	MACQUEEN EMERGENCY GROUP	02/03/2021	EFT	0	12.28	3606
00796	MACQUEEN EQUIPMENT, INC.	02/03/2021	EFT	0	5,371.75	3607
00819	MANKATO FORD, INC.	02/03/2021	EFT	0	40.48	3608
00825	MANKATO MOTOR COMPANY	02/03/2021	EFT	0	1,420.64	3609
00874	MENARDS-MANKATO	02/03/2021	EFT	0	177.81	3610
00902	MINNESOTA IRON & METAL CO	02/03/2021	EFT	0	138.15	3611
00997	MTI DISTRIBUTING CO	02/03/2021	EFT	0	1,644.65	3612
02005	PANTHEON COMPUTERS	02/03/2021	EFT	0	6,600.57	3613
01099	PET EXPO DISTRIBUTORS	02/03/2021	EFT	0	71.99	3614
01402	POMPS TIRE	02/03/2021	EFT	0	3,410.48	3615
03436	PONCIN, TIMOTHY	02/03/2021	EFT	0	30.00	3616
01160	QUALITY OVERHEAD DOOR CO, INC	02/03/2021	EFT	0	100.00	3617
01198	RETROFIT COMPANIES, INC.	02/03/2021	EFT	0	222.34	3618
01211	RIVER BEND BUSINESS PRODUCTS	02/03/2021	EFT	0	639.09	3619
01286	SKARPOHL PRESSURE WASHER SALES	02/03/2021	EFT	0	28.36	3620
03191	US SOLAR	02/03/2021	EFT	0	1,412.95	3621
00234	CENTER POINT ENERGY	01/19/2021	Bank Draft	0	74.45	DFT0005090
00234	CENTER POINT ENERGY	01/19/2021	Bank Draft	0	173.49	DFT0005091
02003	MINNESOTA DEPT OF REVENUE	01/20/2021	Bank Draft	0	101.22	DFT0005099
01477	VIKING ELECTRIC SUPPLY, INC.	01/22/2021	Bank Draft	0	87.79	DFT0005111
01557	XCEL ENERGY	01/19/2021	Bank Draft	0	124.19	DFT0005092
01557	XCEL ENERGY	01/19/2021	Bank Draft	0	210.36	DFT0005093
					<u>166,567.75</u>	<u>92</u>

Authorization Signatures

All Council

The above manual and regular claims lists for 2-1-21 are approved by:

MARK DEHEN- MAYOR

DIANE NORLAND- COUNCIL MEMBER

WILLIAM STEINER- COUNCIL MEMBER

SANDRA OACHS- COUNCIL MEMBER

JAMES WHITLOCK- COUNCIL MEMBER

RESOLUTION APPROVING DONATIONS/CONTRIBUTIONS/GRANTS

WHEREAS, the Minnesota Statute 465.03 and 465.04 allows the governing body of any city, county, school district or town to accept gifts for the benefit of its citizens in accordance with terms prescribed by the donor;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA, that the following donations/contributions/grants are approved as follows:

Donor	Restriction	Amount
Kelley Jeannette	Adopt A Family Swim Donation	\$30.00
Total		\$30.00

Adopted by the City Council this 1st day of February 2021.

Mayor

City Clerk

Permit #: _____-2021 Start Time: 6:00 am Fee: \$ 200

Date: 5-1-21 Stop Time: 1:30 pm

Shelter: Spring Lake Shelter #1 Spring Lake Shelter #2 Wheeler Park Indoor Shelter Benson Park Shelter

Event Name: 13th Annual Girls on the Run 5K # of People 200 runners
Name: YWCA Mankato + 100 approx spectators.

Address: 127 S. 2nd Street

City: Mankato State: MN Zip: 56001

Phone: 507-345-4029 Email: gotr@ywcamankato.org, ljaspers@blethenberens.com

Use of Tents (or anything requiring staking) No Yes * If Yes, Please contact Gopher State One Call 800-252-1166 one week prior to event.
*Bounce House requires waiver

Notes: _____

Alcoholic Beverages (wine & beer only) No Yes

Please specify: Cans Keg * (\$300 refundable deposit and \$30 keg permit) Catering * (must contact City Hall)

Audio (requires audio permit) No Yes * If Yes, Please fill out Audio Permit.

Allowed

- Personal grills
- Keg beer provided a permit is obtained
- Fishing/ice fishing on Ladybug Lake and Spring Lake only
- Pets in Benson Park, Bluff Park and Spring Lake Park provided they are on a 6' leash
- Canoes and kayaks on Ladybug Lake and Spring Lake (children under 12 must be accompanied by an adult and wear a life preserver)
- Hog roasts provided they are on a hard-surfaced lot

Prohibited

- Vehicles are not allowed to be parked or driven on the grass for any reason unless permission is given from the Parks Department.
- Pets (allowed in Benson Park, Spring Lake Park and Bluff Park only)
- Glass containers
- Campfires / Bonfires / Fire Rings
- Snowmobiles, ATVs, golfing, swimming, boating and motorized flotation devices
- Dunk Tanks
- Audio equipment may not be played so loud as to interfere with the reasonable use of the park by others. All audio devices must end at 10 PM

I, the undersigned, understand that the park shelter reservation fee is non-refundable. If prior approval is not obtained for the installation of additional tents or stakes and causes disruption of utility services, I agree to be held liable for any repairs to service lines.

I, the undersigned, have received the Audio Permit Instructions and understand that failure to comply with the audio instructions may terminate the event and prevent future ability to obtain an audio permit.

SIGNED: Jim Jaspersme
Applicant

1-11-21
Date

APPROVED DENIED

REFER TO COUNCIL

City Clerk

Date

Receipt # R00268181 Book _____ Online _____ Park _____ NC Police Staff Initials MG



1001 Belgrade Ave., PO Box 2055
 North Mankato, MN 56003
 507-625-4141 Fax: 507-625-4252
 www.northmankato.com

For Office Use Only

APPROVED _____

DENIED _____

PARK USE AUDIO USE

Application For
PARADE PERMIT

REQUIRED INFORMATION:

- Application for Parade Permit
 - Map of Parade Route
 - \$35 Application Fee - Paid 1-19-21 R00268181
- Thirty (30) days in advance of the parade date.

Name of Applicant <i>Lisa Jaspersen</i>	Address	Phone <i>507-381-8072</i>	Email <i>lisa.jaspersen@hotmail.com</i>
Sponsoring Organization Name <i>YWCA Mankato</i>	Address <i>127 S. 2nd St Mankato, MN 56001</i>	Phone <i>507-995-0692</i>	
Contact during event <i>Kim Danger</i>		Phone <i>507-995-0692</i>	
Event Location <i>Spring Lake Park</i>	Date <i>5-1-21</i>	From Time <i>8:00</i>	To <i>11:30</i>
Occasion for Parade <i>YWCA Girls on the Run 5k</i>			
Parade Description / Composition <i>5k run with runners & walkers from the community</i>			

Estimated Number of Participants: 200

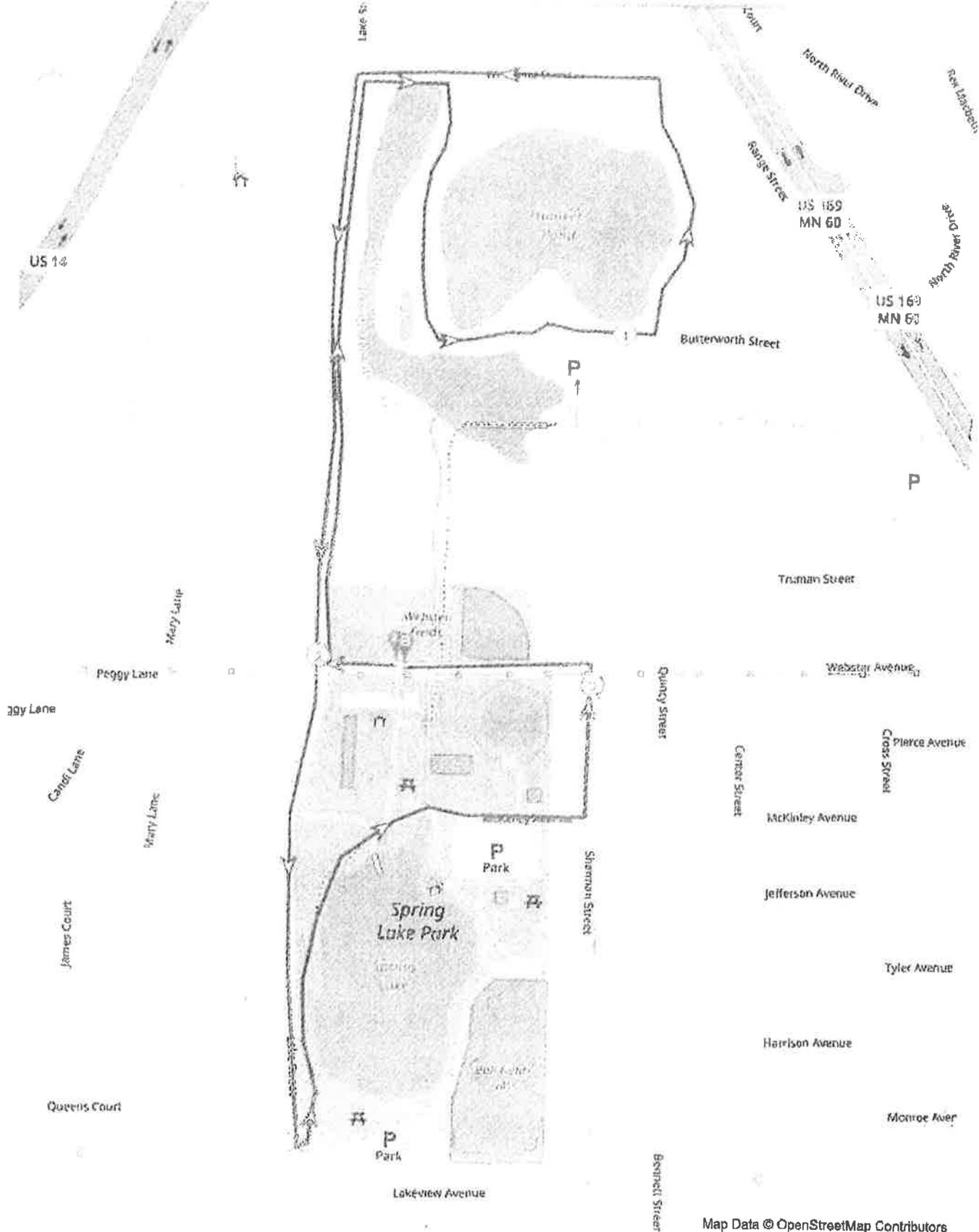
As duly authorized representative or agent of the parade sponsoring organization, I hereby make application for a permit to parade in the City of North Mankato, Minnesota. I hereby certify that, to the best of my knowledge, the above is an accurate and true description of the parade. I agree to execute the parade according to this permit and subject to the provisions and conditions which may be necessary to provide for the safety of parade participants and the orderly and safe movement of public traffic.

Lisa Jaspersen
 Applicant *1-8-21*
Date

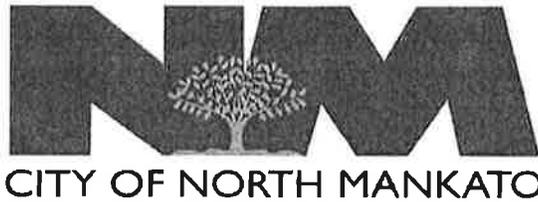
Pursuant to Section 70.21 of the North Mankato City Code, I hereby authorize a parade permit for the applicant organization. This permit shall be valid only under the conditions recommended by the City of North Mankato and only for the date and time indicated.

Tom Sullivan
 Chief of Police *1/19/21*
Date

Caswell Sports Director Date



Map Data © OpenStreetMap Contributors



Application for Street Closure, Special Event and Festival Permit

Instructions: Request for community events to be held on City owned property, require City authorization and involvement from City Departments. Please complete the application below, and submit with required fees at least 30-days before the event. Once the application has been submitted, City staff will review the application and contact the organizers for a meeting.

Applicant Information

Name of Applicant:

Kim Danger

Organization:

YWCA Mankato

Phone Number:

507-345-4629

Address:

127 South 2nd St. Mankato, MN 56001

Event Contact:

Kim Danger

Cell Phone Number:

507-995-0692

Event Sponsor (if different than organization):

Is the organization or Event Sponsor a 501 (c) (3)?

Yes

No

If yes, please attach verification of 501 (c) (3) status.

2nd Contact
Lisa Jaspersen
507-381-8022

Event Information

Event Name:

3rd Annual Girls on the Run 5K

1st Choice Location

Spring Lake Park

Date (s):

May 1, 2021

2nd Choice Location

Date (s):

Requesting the use of a Park Shelter for your event? A Park Shelter application will need to be completed. Please contact Vicki at 507-625-4141 to complete the application and submit the \$100.00 park shelter reservation fee. Below are the shelters available for rental.

Spring Lake Park Shelter #1

Spring Lake Park Shelter #2 (includes Gazebo)

Wheeler Park Shelter.

Event Start Time:

8:00 am

Event End Time:

11:30 am

Setup Date (s) Time (s):

April 30 1p-6p
May 1 6a-8a

Tear Down Date (s)/Time(s):

May 1 11:30a-1:30p

Expected Number of Attendees:

200

Event Description: Please check the type of event (check all that apply) and write a brief description of your event, in the space provided.

- Walk/Fun Run/Race (Please include Parade Permit Application, fee, and Map)
- Parade (Please include Parade Permit Application, fee, and map)
- Art Fair/Festival
- Bike Ride
- Cultural Event
- Other event

Brief Description of Event:

The YWCA Girls on the Run (GOTR) 5K is the culminating event for GOTR participants. The event is a community run/walk which is open to the public and serves as a fundraiser for girls programming. It will, however, be capped at 200 runners this year.

Event Features

Alcohol (Select One)

- Catered event, licensee holding caterer's permit to provide food and liquor. Under caterer's permit, the caterer is responsible for ID/wristband, security and ensuring there is no second party transfer. Please indicate caterer:
- Temporary 3.2 Percent Malt Liquor License, only issued to charitable, religious or nonprofit organizations for events not to exceed four (4) consecutive days. Application needs to be submitted with fee and requires City Council approval.
- Temporary Intoxicating liquor license, only issued to charitable, religious or nonprofit organizations in existence for at least three (3) years for events not to exceed four (4) consecutive days. Application needs to be submitted with fee and requires City Council approval and Alcohol and Gambling Enforcement Division approval. Needs to be submitted to the state 30-days prior to the event.
- No alcohol.

Security

- Please indicate if security is being provided. If yes, who and how many?
- No security provided. If no security is provided, the city reserves the right to require safety based on the review of the event.

Natural Disaster Preparedness

Describe how you will monitor weather conditions; how you plan to evacuate people in the event of dangerous conditions; and the name and contact information of the person responsible for making the decision to halt the event because of the weather.

There will be a weather radio monitored during the event. Race captains have a 2-way radio to communicate with each other should severe weather approach. If a severe storm approaches, participants will be instructed to suspend the race & move to their cars or shelter area.

Concessions and Vendors

Food & Beverages

- Yes
- No

All food vendors, regardless of their status must have a valid Food and Beverage License issued by the Minnesota Department of Health. You, as the applicant, are responsible for verifying that all vendors providing food or beverage during your event have obtained the proper license.

Vendors

- Yes
- No

Concession or vendor permits may only be approved for non-profit group events. A separate permit application must be completed and submitted along with a \$25.00 fee per day. A park cleanup deposit of \$100.00 is also required.

A list of all vendors and their contact information must be submitted before the event.

Amplified Sound (if applicable)

- Loud Speakers, Public Address System, or Amplifying Equipment. Requires Audio Permit and a \$25.00 fee.

Animals

Will animals be included and if so, provide specifics as to type of animals and how the animals will be accessible by the public (pony rides, petting zoo, etc...)

- Yes
- No

Please note... the owners of the animals will be required to provide a certificate of insurance in an amount not less than \$1.5 million per occurrence naming the City of North Mankato as an additional insured prior to the event.

Please provide the name and address of animal owners.

Tents and Canopies (if applicable)

- Are you planning to use tents or canopies? If yes, they must be clearly identified on the Site Map including the location and size/dimensions. The event organizer is liable for any damage caused to property/facility and must obtain approval prior to installation. A gopher one call must be made before the event.

Event Logistics

If you are planning to erect, install, or use any of these structures, please identify the location of all structures on your Site Map. Include size and quantities. The event organizer is liable for any damages caused to property/facility and must obtain approval prior to installation of items below. NOTE: Items are provided by the event; not the City.

Stages and Platforms

How many stages? Please describe the stage/platform.

- Yes
- No

Public Restrooms

- Yes

Will your event include the use of portable toilets/sinks? If yes, how many?

Standard portable toilets + handieap toilet

It is the responsibility of the event coordinator to contract with a provider for portable toilets/sinks.

Temporary restrooms can be placed 24 hours prior to the event and need to be removed within 24 hours following the event. All portable toilets must be located on a hard surface, which may include asphalt, concrete, or plywood.

Picnic Tables

Do you want any additional picnic tables?

- Yes
- No

How many and location (s).

Just the normal amount at each shelter

Refuse (Garbage and Recycling)

The event is responsible for cleaning up after an event. The applicant shall properly dispose of debris from the event. If the street or park department determines cleanup is inadequate, the cost for the public works to cleanup will be charged to the applicant. Cleanup shall be completed within three (3) hours of the end of the event.

The City will provide refuse containers for events. The number and placement will be determined by number of participants.

Road Closures or use of Public Right-of-Way

Are you requesting to close a :

- Street
- Parking Lane
- Sidewalk
- Alley
- Other

All requests must be submitted at least 30 days before the event. Some closures may require review by the Traffic and Safety Committee.

Applicants must contact affected property owners, 14 days prior to the closure. City staff will review the event and ensure proper barricades/cones are used to manage the event.

Applicant must maintain a 20 feet clear fire lane. At no point is the street to be blocked with vehicles inside the fire lane area.

No Parking

Requesting no parking? Please indicate the streets/blocks.

Lake street from Lakeview Avenue to W. Lind St, Webster Ave from Lake St to Sherman St and Sherman street from McKinley Ave to Webster Ave.

EVENT MAP

Site Map (Required)

See attached

Please attach a site map clearly indicating the setup of the event. The site map should indicate the relative location of the following: all sources of amplified sound and direction of sound; tents/canopies with sizes, stages, promotional vehicles, inflatables, portable toilets, refuse containers, fencing, barricades, and other structures; location of alcohol (in a fenced off area), food and merchandise service/sale; and proposed street closures. All site maps are subject to approval.

Is it possible to still get barricades for road closures & cones on Lake Street from Webster to West Lind to separate the two directions of runners?

HOLD HARMLESS AGREEMENT AND INSURANCE INFORMATION

The applicant covenants to save, defend, hold harmless, and indemnify the City of North Mankato and all its officers, departments, agencies, agents, and employees (collectively the "City") from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorney's fees), charges, liability, or exposure, however caused, resulting from, arising out of, or in any way connected with the applicant's event herein described.

The City, in its discretion, may require the Applicant to obtain liability insurance for any special event. If liability insurance is required, the following requirements apply:

1. Minimum of \$1,000,000 in commercial general liability insurance.
2. Applicant's insurance shall be primary.
3. Insurance shall cover liability for injury death and property damage including coverage for alcohol related claims, if alcohol will be served.
4. The insurance policy must be issued by an insurance company licensed to do business in Minnesota acceptable to the City.
5. The City must be named as an additional insured on the policy.
6. At least ten (10) days prior to the event, the applicant must give to the City a Certificate of Insurance showing the required coverage.

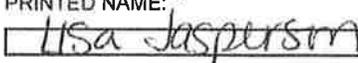
APPLICANT SIGNATURE

I attest that the above information is true and accurate and I have signed this application on behalf of the applicant. I certify under penalties of perjury that I am authorized to execute contracts and other instruments and legally bind the Applicant.

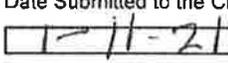
SIGNATURE



PRINTED NAME:



Date Submitted to the City



RESOLUTION APPROVING
CONSENT ASSESSMENT AGREEMENT

WHEREAS, the City of North Mankato has, at the property owner's request, paid for certain improvements that will benefit such property, specifically repair/replacement of water pipe for the following described real estate:

256 Cliff Drive
PIN #18.616.0530
Lot 161 Subdivision Cd 18616 Subdivision Name Langness Heights Sub
Cost: \$3,030.46

WHEREAS, the property owner desires that the cost of the water line be made as a special assessment against the property; and

WHEREAS, the property owner has executed a consent assessment agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA, as follows:

That the attached consent assessment agreement is approved and that the City Clerk is directed to forward a certified copy of this resolution along with a copy of the consent assessment agreement to the Nicollet County Auditor.

Adopted by the City Council this 1st day of February 2021.

Mayor

ATTEST:

City Clerk

CONSENT ASSESSMENT AGREEMENT

This Agreement is made between the City of North Mankato (City) and David Dell and Meagen Stanley.

The parties are guided in reaching this agreement by the following facts:

- 1. Owner's property is described as follows:
 256 Cliff Drive
 PIN #18.616.0530
 Lot 161 Subdivision Cd 18616 Subdivision Name Langness Heights sub
- 2. Owner replaced the water line.
- 3. Owner desires to waive all of the procedures mandated by Chapter 429 of Minnesota Statutes and to consent to the imposition of an assessment directly upon the described property.
- 4. City is willing to pay for the repair in consideration for the owner's consent to the assessment.

The parties therefore make the following agreement:

- 1. As a result of the improvement, a special assessment shall be filed against owner's land in the amount of \$3,030.46. The assessment shall be payable in equal installments extending over a period of ten (10) years and bear interest at the rate of 7.00% per annum from the date of this agreement. The City may transmit notice of this assessment to the County Auditor.

Adopted this _____ day of _____, 2021.

City of North Mankato

By: _____

Its: _____

Meagen Stanley-Dell

 Property Owner

[Signature]

 Property Owner

REHNELT

Excavating

305 W Quarry Spring St
Kasota, MN 56050

Statement

Date
1/1/2021

To:
David Dell 256 Cliff Drive North Mankato, MN 56003

Kmccann@northmankato.com

		Amount Due	Amount Enc.
		\$3,030.46	
Date	Transaction	Amount	Balance
07/23/2020	Balance forward		0.00
07/24/2020	256 Cliff Dr- INV #2582.	3,350.50	3,350.50
10/21/2020	PMT #5076.	-350.00	3,000.50
11/30/2020	INV #FC 70. Finance Charge	185.58	3,186.08
12/11/2020	PMT #5081.	-200.00	2,986.08
12/31/2020	INV #FC 72. Finance Charge	44.38	3,030.46
CURRENT			
0.00			
1-30 DAYS PAST DUE			
44.38			
31-60 DAYS PAST DUE			
0.00			
61-90 DAYS PAST DUE			
0.00			
OVER 90 DAYS PAST DUE			
2,986.08			
			Amount Due
			\$3,030.46

CITY OF NORTH MANKATO
REQUEST FOR COUNCIL ACTION



Agenda Item: 9A	Department: Community Dev.	Council Meeting Date: 2/1/21
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TITLE OF ISSUE: Consider Ordinance No. 137, Fourth Series an Ordinance of the City of North Mankato, Minnesota Adding City Code Section 90.115 Entitled Managed Natural Lawn Area.

BACKGROUND AND SUPPLEMENTAL INFORMATION: Attached is the ordinance as presented at the January 19, 2021 Council Meeting and the Ordinance with tracked changes following the January 28, 2021 Council Work Session.

If additional space is required, attach a separate sheet

REQUESTED COUNCIL ACTION: Adopt Ordinance No. 137, Fourth Series an Ordinance of the City of North Mankato, Minnesota Adding City Code Section 90.115 Entitled Managed Natural Lawn Area as Amended at the January 28, 2021 Council Work Session.

For Clerk's Use:

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
	_____	_____	Steiner
	_____	_____	Norland
	_____	_____	Oachs
	_____	_____	Whitlock
	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) _____				

<input type="checkbox"/> Workshop
<input checked="" type="checkbox"/> Regular Meeting
<input type="checkbox"/> Special Meeting

<input type="checkbox"/> Refer to: _____
<input type="checkbox"/> Table until: _____
<input type="checkbox"/> Other: _____

ORDINANCE NO. 137
FOURTH SERIES AN ORDINANCE OF THE CITY OF NORTH MANKATO,
MINNESOTA AMENDING CHAPTER 90 GRASS AND WEED CONTROL AND ADDING
CITY CODE SECTION 90.115 ENTITLED MANAGED NATURAL LAWN AREA

THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA ORDAINS:

Section I. North Mankato City Code, Title IX: General Regulations. Chapter 90: Management of Public and Private Property, is hereby amended to read as follows:

1. Intent
 - a. The City Council determines some residents desire to use portions of lawns on residential parcels for the planting of native naturalistic vegetation which can grow to a height of greater than six (s) inches. The Council finds these types of plantings may preserve, restore, or maintain natural plants and may utilize environmentally sound practices. However, as a protection for the larger community, this change in vegetation and lawn use must be properly planned, managed and maintained and the transition period must be minimized, or the property is likely to create a public nuisance and shall be abated.
2. Definitions
 - a. Managed Natural Lawn Area – A planned, intentional, and maintained planting of native vegetation that is free from noxious weeds as defined by the Minnesota Department of Natural resources and that may exceed six (6) inches in length.
 - b. Native Vegetation – Ferns, wildflowers, grasses, sedges, rushes, shrubs, vines, and forbs that are native to the State of Minnesota ecological section 222 (Minnesota and Northeast Iowa Morainal Section), subsection 251Ba (Minnesota River Prairie), and subsection 222Mb (Big Woods) as defined by the Minnesota Department of Natural Resources and that can be found in the Minnesota Department of Natural Resources Native Plant Encyclopedia.
 - c. Turf Grasses – Bluegrass, fescue and ryegrass blends with non-woody vegetation interspersed with them commonly used in regularly cut lawns.
3. Applicability.
 - a. Residential zoning districts.
 - b. Managed Natural Lawn Area is a term used to describe a variety of lawn management practices that include but are not limited to natural lawns, natural landscapes, native lawns, pollinator gardens, rain gardens, meadow vegetation, native prairie, prairie gardens, monarch waystations, native plantings, native gardens, and butterfly habitat.
4. Requirements.
 - a. Any owner of a residential lot in the City may transition an area of lawn on the lot to a Managed Natural Lawn Area not to exceed 500 square feet or 30% of the pervious surface area of the lot, excluding natural wooded areas, bluffs, and ravines.
 - b. A Managed Natural Lawn Area may include native vegetation more than six (6) inches in height, and which have gone to seed but may not include any noxious weeds and must be maintained.
 - c. A Managed Natural Lawn Area shall not include turf-grass lawns left unattended for the purpose of returning to a natural state.
 - d. An Managed Natural Lawn Area shall meet the following property line setbacks. Corner lots shall have two Front setbacks:
 - i. Front-10 feet
 - ii. Sides- 5 feet
 - iii. Rear 10 feet
 - e. A Managed Natural Lawn Area shall be cut at least once annually to a height no greater than twelve (12) inches.
 - f. When establishing a Managed Natural Lawn Area, turf grass and/or other existing vegetation shall be eliminated, and native vegetation shall be planted through

transplanting or seeding by human or mechanical means. Soil erosion should be controlled while the ground is bare of plant growth that is sufficient to inhibit erosion and is the sole responsibility of the owner or occupant.

- g. Properties with a Managed Natural Lawn Area must be free of blight and blighting factors, free of public nuisances, and other areas of the lawn must be properly maintained in accordance with the City Code.
 - h. Managed Natural Lawn Areas shall not be located within any drainage utility easement, public right-of-way, immediately adjacent to any driveway.
 - i. Managed Natural Lawn Areas shall not be located within 20 feet of a road intersection unless the height of the plantings within 20 feet of an intersection do not exceed 12 inches in height.
 - j. At no time shall a Managed Natural Lawn Area interfere with motorists' views of the street or roadway.
5. Failure to Maintain
- a. If a property owner chooses to install a Managed Natural Lawn Area and it is determined by the weed inspector the area fails to meet the definition and requirements of a Managed Natural Lawn Area as defined in subchapter 90.115 sections 2,3, and 4 it shall be considered prima facie evidence of the failure of the owner and occupant to comply with this subchapter.
 - b. The city may then proceed as follows:
 - i. Concerning public rights-of-way, the weed inspector or his/her designee shall provide written notice to the property owner utilizing first class mail, advising such owner or occupant that the grass and weed cutting must be performed within 5 days. If the owner fails to cut the grass and weeds, then the city shall perform the necessary work to cut the grass and weeds, keeping an accurate account of the cost. The cost shall be assessed to the abutting private property in conformance with the provisions of this chapter.
 - ii. Concerning private property, the weed inspector or his/her designee shall provide written notice to the property owner, utilizing first class mail, advising such owner that the grass and weed cutting must be performed within 5 days. Such notice shall also advise the owner that the city shall perform such work, with the presumed consent of the owner, if the owner fails to cut the grass and weeds within such schedule. If city employees are utilized to cut the grass and weeds, an accurate account of the time and charges shall be maintained. Such costs shall be assessed to the benefitted property in conformance with the provisions of this chapter.

SECTION II. After adoption, signing and attestation, this Ordinance shall be published once in the official newspaper of the City of North Mankato and shall be in effect on or after the date following such publications.

ADOPTED by the City Council of the City of North Mankato this ___ day of ____, 2021

Mayor

ATTEST:

City Clerk

Published in the Mankato Free Press this _____ day of _____ 2021.

Ordinance No. 137
Fourth Series an Ordinance of the City of North Mankato, Minnesota Amending Chapter 90
Grass and Weed Control and Adding City Code Section 90.115 Entitled Managed Natural
Lawn Area

THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA ORDAINS:

Section I. North Mankato City Code, Title IX: General Regulations, Chapter 90: Management of Public and Private Property, is hereby amended to read as follows:

1. Intent

- a. The City Council determines some residents desire to use portions of lawns on residential parcels for the planting of native ~~naturalistic~~ vegetation, which can grow to a height of greater than six ~~(6)~~ inches. The Council finds these types of plantings may preserve, restore, or maintain natural plants and may utilize environmentally sound practices. ~~However, as a protection guidance for the larger~~ community, this change in vegetation and lawn use must be properly planned, managed, and maintained. ~~The and the~~ transition period must be minimized, or the property is likely to create a public nuisance and shall be abated.

Commented [ML1]: City Attorney Kennedy recommended removal

Commented [ML2]: City Attorney Kennedy recommended removal

2. Definitions

- a. Managed Natural Lawn Area – A planned, intentional, and maintained planting of native vegetation that is free from noxious weeds as defined by the Minnesota Department of Natural Resources and ~~that~~ may exceed six (6) inches in length.
- b. Native Vegetation – Ferns, wildflowers, grasses, sedges, rushes, shrubs, vines, and forbs that are native to the State of Minnesota ecological section 222 (Minnesota and Northeast Iowa Morainal Section), subsection 251Ba (Minnesota River Prairie), and subsection 222Mb (Big Woods) as defined by the Minnesota Department of Natural Resources and that can be found in the Minnesota Department of Natural Resources Native Plant Encyclopedia.
- c. Turf Grasses – Bluegrass, fescue, and ryegrass blends with non-woody vegetation interspersed with them, commonly used in regularly cut lawns.

Commented [ML3]: City Attorney Kennedy recommended removal

3. Applicability.

- ~~a.~~ Residential zoning districts.
- ~~a.~~
- ~~b.~~ Managed Natural Lawn Area, as defined in 2a above, is a term used to describe a variety of lawn ~~management~~ practices that include but are not limited to natural lawns, natural ~~landscapes~~, native lawns, pollinator gardens, rain gardens, meadow vegetation, native ~~prairie~~, prairie gardens, monarch waystations, native plantings, native gardens, and ~~butterfly~~ habitat.

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Commented [ML4]: City Attorney Kennedy recommended addition

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4. Requirements.

- a. Any owner of a residential lot in the City may transition an area of lawn on the lot to a Managed Natural Lawn Area not to exceed 500 square feet or 30% of the pervious surface area within the defined setbacks of the lot, ~~whichever is less~~, excluding natural wooded areas, bluffs, and ravines.
- b. A Managed Natural Lawn Area may include native vegetation more than six (6) inches in height, and which have gone to seed, but may not include any noxious weeds ~~and~~ must be maintained pursuant to the requirements of §90.115, and shall not create a public nuisance.
- c. A Managed Natural Lawn Area shall not include turf-grass lawns left unattended for the purpose of returning to a natural state.
- d. Any Managed Natural Lawn Area shall meet the following property-line setbacks. Corner lots shall have two Front setbacks:
 - i. Front-10 feet
 - ii. Sides- 5 feet
 - iii. Rear 10 feet

Commented [ML5]: City Attorney Kennedy recommended addition

- e. A Managed Natural Lawn Area shall be cut at least once annually to a height no greater than twelve (12) inches. The Weed Inspector may grant an exemption to the cutting of native vegetation within the Managed Natural Lawn Area if consistent with standard practices for managing the plantings requested for exemption. Standard practices will be determined by the weed inspector.
 - f. When establishing a Managed Natural Lawn Area, turf-grass and/or other existing vegetation shall be eliminated, and native vegetation shall be planted through transplanting or seeding by human or mechanical means. Soil erosion should be controlled while the ground is bare of plant growth that is sufficient to inhibit erosion and is the sole responsibility of the owner or occupant.
 - g. Properties with a Managed Natural Lawn Area must be free of blight, and blighting factors, free of public nuisances, and other areas of the lawn must be properly maintained in accordance with the City Code.
 - h. Managed Natural Lawn Areas shall not be located within any drainage utility easement, public right-of-way, or immediately adjacent to any driveway.
 - i. Managed Natural Lawn Areas shall not be located within 20 feet of a road intersection unless the height of the plantings within 20 feet of an intersection ~~do~~es not exceed 12 inches in height.
 - j. At no time shall a Managed Natural Lawn Area interfere with motorists' views of the street or roadway.
5. Failure to Maintain
- a. If a property owner chooses to install a Managed Natural Lawn Area, and it is determined by the weed inspector, the area fails to meet the definition and requirements of a Managed Natural Lawn Area as defined in subchapter §90.115 sections 2,3, and 4, it shall be considered prima facie evidence of the failure of the owner and occupant to comply with this subchapter section.

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Commented [ML6]: Accommodates Council deliberation from the January 19th Council meeting. City Attorney Kennedy recommended

b. ~~b.~~ The City may then proceed as follows:

- i. ~~i.~~ Concerning public rights-of-way, the weed inspector or his/her designee shall provide written notice to the property owner utilizing first-first-class mail, advising such owner or occupant that the Managed Natural Lawn Area grass and weed cutting must be performed must be removed within 5 days. If the owner fails to cut-remove the Managed Natural Lawn Area grass and weeds, then the City shall perform the necessary work to cutremove the Managed Natural Lawn Area grass and weeds, keeping an accurate account of the cost. The cost shall be assessed to the abutting private property in conformance with the provisions of this chapter.
- ii. ~~ii.~~ Concerning private property, the weed inspector or his/her designee shall provide written notice to the property owner, utilizing first-first-class mail, advising such owner that the Managed Natural Lawn Area grass and weed must be brought into compliance with the requirements of §90.115-cutting- within 14 must be performed within 5 days of receipt of the letter. Such notice shall also advise the owner that the City shall perform such work, with the presumed consent of the owner, if the owner fails to cut the grass and weedsbring the Managed Natural Lawn Area into compliance with the requirements of within such §90.115schedule. If City employees are utilized to cut the grass and weedsManaged Natural Lawn Area, an accurate account of the time and charges shall be maintained. Such costs shall be assessed to the benefitted property in conformance with the provisions of this chapter.

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Commented [ML7]: 5 Days is maintained for removal if the plantings are in public ROW. Staff would not recommend increasing this.

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Commented [ML8]: Council deliberated and agree with staff recommendations for 14-day remediation.

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SECTION II. After adoption, signing, and attestation, this Ordinance shall be published once in the official newspaper of the City of North Mankato and shall be in effect on or after the date following such publications.

ADOPTED by the City Council of the City of North Mankato this ___ day of ___, 2021

Mayor

ATTEST:

City Clerk

Published in the Mankato Free Press this _____ day of _____ 2021.

Clean copy of the Ordinance as amended at the January 28, 2021, Council Work Session.

Ordinance No. 137
Fourth Series an Ordinance of the City of North Mankato, Minnesota Amending Chapter 90
Grass and Weed Control and Adding City Code Section 90.115 Entitled Managed Natural
Lawn Area

THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA ORDAINS:

Section I. North Mankato City Code, Title IX: General Regulations. Chapter 90: Management of Public and Private Property is hereby amended to read as follows:

1. Intent

- a. The City Council determines some residents' desire to use portions of lawns on residential parcels for the planting of native vegetation, which can grow to a height of greater than six (6) inches. The Council finds these types of plantings may preserve, restore, or maintain natural plants and may utilize environmentally sound practices. As guidance for the community, this change in vegetation and lawn use must be properly planned, managed, and maintained. The transition period must be minimized, or the property is likely to create a public nuisance and shall be abated.

2. Definitions

- a. Managed Natural Lawn Area – A planned, intentional, and maintained planting of native vegetation that is free from noxious weeds as defined by the Minnesota Department of Natural resources and may exceed six (6) inches in length.
- b. Native Vegetation – Ferns, wildflowers, grasses, sedges, rushes, shrubs, vines, and forbs that are native to the State of Minnesota ecological section 222 (Minnesota and Northeast Iowa Morainal Section), subsection 251Ba (Minnesota River Prairie), and subsection 222Mb (Big Woods) as defined by the Minnesota Department of Natural Resources and that can be found in the Minnesota Department of Natural Resources Native Plant Encyclopedia.
- c. Turf Grasses – Bluegrass, fescue, and ryegrass blends with non-woody vegetation interspersed with them, commonly used in regularly cut lawns.

3. Applicability.

- a. Residential zoning districts.
- b. Managed Natural Lawn Area, as defined in 2a above, is a term used to describe a variety of lawn management practices that include but are not limited to natural lawns, natural landscapes, native lawns, pollinator gardens, rain gardens, meadow vegetation, native prairie, prairie gardens, monarch waystations, native plantings, native gardens, and butterfly habitat.

4. Requirements.

- a. Any owner of a residential lot in the City may transition an area of lawn on the lot to a Managed Natural Lawn Area not to exceed 30% of the pervious surface area within the defined setbacks of the lot, excluding natural wooded areas, bluffs, and ravines.
- b. A Managed Natural Lawn Area may include native vegetation more than six (6) inches in height, and which have gone to seed, but may not include any noxious weeds, must be maintained pursuant to the requirements of §90.115, and shall not create a public nuisance.
- c. A Managed Natural Lawn Area shall not include turfgrass lawns left unattended for the purpose of returning to a natural state.
- d. Any Managed Natural Lawn Area shall meet the following property-line setbacks. Corner lots shall have two Front setbacks:
 - i. Front-10 feet
 - ii. Sides- 5 feet
 - iii. Rear 10 feet
- e. A Managed Natural Lawn Area shall be cut at least once annually to a height no greater than twelve (12) inches. The Weed Inspector may grant an exemption to the cutting of native vegetation within the Managed Natural Lawn Area if consistent with standard practices for managing the plantings requested for exemption. The weed inspector will determine standard practices.
- f. When establishing a Managed Natural Lawn Area, turfgrass and/or other existing vegetation shall be eliminated, and native vegetation shall be planted through transplanting or seeding by human

or mechanical means. Soil erosion should be controlled while the ground is bare of plant growth that is sufficient to inhibit erosion and is the sole responsibility of the owner or occupant.

- g. Properties with a Managed Natural Lawn Area must be free of blight, and blighting factors, free of public nuisances, and other areas of the lawn must be properly maintained in accordance with the City Code.
 - h. Managed Natural Lawn Areas shall not be located within any drainage utility easement, public right-of-way, or immediately adjacent to any driveway.
 - i. Managed Natural Lawn Areas shall not be located within 20 feet of a road intersection unless the height of the plantings within 20 feet of an intersection does not exceed 12 inches in height.
 - j. At no time shall a Managed Natural Lawn Area interfere with motorists' views of the street or roadway.
5. Failure to Maintain.
- a. If a property owner chooses to install a Managed Natural Lawn Area, and it is determined by the weed inspector, the area fails to meet the definition and requirements of a Managed Natural Lawn Area as defined in §90.115 sections 2,3 and 4, it shall be considered prima facie evidence of the failure of the owner and occupant to comply with this section.
 - b. The City may then proceed as follows:
 - i. Concerning public rights-of-way, the weed inspector or his/her designee shall provide written notice to the property owner utilizing first-class mail, advising such owner or occupant that the Managed Natural Lawn Area must be removed within five (5) days. If the owner fails to remove the Managed Natural Lawn Area, then the City shall perform the necessary work to remove the Managed Natural Lawn Area, keeping an accurate account of the cost. The cost shall be assessed to the abutting private property in conformance with the provisions of this chapter.
 - ii. Concerning private property, the weed inspector or his/her designee shall provide written notice to the property owner, utilizing first-class mail, advising such owner that the Managed Natural Lawn Area must be brought into compliance with the requirements of §90.115 within 14 days of receipt of the letter. Such notice shall also advise the owner that the City shall perform such work, with the presumed consent of the owner, if the owner fails to bring the Managed Natural Lawn Area into compliance with the requirements of §90.115. If City employees are utilized to cut the Managed Natural Lawn Area, an accurate account of the time and charges shall be maintained. Such costs shall be assessed to the benefitted property in conformance with the provisions of this chapter.

SECTION II. After adoption, signing, and attestation, this Ordinance shall be published once in the official newspaper of the City of North Mankato and shall be in effect on or after the date following such publications.

ADOPTED by the City Council of the City of North Mankato this ____ day of ____, 2021

Mayor

ATTEST:

City Clerk

Published in the Mankato Free Press this _____ day of _____ 2021.

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item: 9B	Department: Finance	Council Meeting Date: 2/1/21
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TITLE OF ISSUE: Consider Resolution Decertifying Tax Increment Financing District No. IDD 1-22 (Lindsay Expansion Project) Located in the City of North Mankato, Minnesota.

BACKGROUND AND SUPPLEMENTAL INFORMATION: Finance Director McCann will review the process and results of decertifying the Tax Increment Financing District.

If additional space is required, attach a separate sheet

REQUESTED COUNCIL ACTION: Adopt Resolution Decertifying Tax Increment Financing District No. IDD 1-22 (Lindsay Expansion Project) Located in the City of North Mankato, Minnesota.

For Clerk's Use:

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
_____			Steiner
_____			Norland
_____			Oachs
_____			Whitlock
_____			Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other (specify) _____

<input type="checkbox"/>	Workshop
<input checked="" type="checkbox"/>	Regular Meeting
<input type="checkbox"/>	Special Meeting

<input type="checkbox"/>	Refer to: _____
<input type="checkbox"/>	Table until: _____
<input type="checkbox"/>	Other: _____

RESOLUTION NO. 11-21

**RESOLUTION DECERTIFYING TAX INCREMENT FINANCING DISTRICT NO. IDD 1-22
(LINDSAY EXPANSION PROJECT)
LOCATED IN THE CITY OF NORTH MANKATO, MINNESOTA**

WHEREAS, the City Council of North Mankato has reviewed the status of Tax Increment Financing District No. IDD 1-22 (the "District") originally established by resolution of the City Council on July 5, 2011; and

WHEREAS, all project costs to which the District's tax increments, are obligated have been paid from District increments collected from taxes payable in tax years 2013 through 2020, inclusive; and

WHEREAS, the City desires by this resolution to cause decertification of the District after which all property taxes generated by property within the District will be distributed in the same manner as all other property taxes.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of North Mankato, Minnesota, as follows:

Sec. 1. That Tax Increment Financing District No. IDD 1-22, North Mankato, Minnesota is hereby decertified effective December 31, 2020.

Sec. 2. That Nicollet County is hereby requested to return parcels in the District to the general tax rolls effective for taxes payable with the 2021 first half tax settlement.

Sec. 3 That the City Administrator is authorized to return all surplus tax increment to Nicollet County.

Sec. 4. That the City Clerk is authorized to make available a copy of this resolution to Nicollet County and the Office of State Auditor.

The foregoing resolution was offered at a regular meeting of the City Council held on February 1, 2021 by Council Member _____ who moved its adoption, was seconded by Council Member _____ and adopted by the following vote:

AYES:

NAYS:

Whereupon the above resolution was duly adopted.

Attest:

Mark D. Dehen, Mayor

April Van Genderen, City Clerk

CONFIRMATION OF DECERTIFIED TIF DISTRICT

Please complete the information requested below in Part A and then forward the form to the County Auditor to be certified in Part B. Once the information has been completed by both the authorized TIF representative and the County Auditor, please return the form to the Office of the State Auditor at the address listed below:

**Office of the State Auditor - TIF Division
525 Park Street, Suite 500 St. Paul, MN 55103**

PART A. To be completed by the TIF authorized representative:

County Auditor/Treasurer's Name: Jaci Kopet, Public Services Manager Date: 12/14/20
County Name: Nicollet County County Address: 501 S. Minnesota Ave. St. Peter, MN 56082
TIF Authority Name: City of North Mankato
TIF District # and Name: IDD 1-22 Lindsay Expansion Project
TIF District Type: Economic Development TIF Plan Approval Date: 7/5/11
Certification Request Date: 12/1/11 Certification Date: 12/1/11
Required Decertification Date: 12/31/21 Based on: Statutory Limitation

(Information to be confirmed by the County Auditor:)

- 1. Actual decertification date: 12/21/20 2. Date of first tax increment received: 7/13
- 3. Final tax increment distribution date 12/1/20 and amount \$ \$10,653.51
- 4. Amount of excess tax increment returned to the county, if any \$ \$11,235.27 and date 12/31/20

Please note: If the district is decertifying early, please forward a copy of the resolution with this form to the County Auditor and the TIF Division.

Signature: _____ Date: _____
Name and title of TIF authorized representative: Kevin McCann, Finance Director

PART B: To be completed by the County Auditor or representative:

On behalf of the County Auditor/Treasurer, I certify that the above information, specifically information provided in questions 1-4, is correct with the following exceptions, if any:

Signature: _____ Date: _____
Name and title of the county representative: _____

Phone: _____ Exceptions? No Yes If yes, please describe below:

1-22

Lindsay Window and Door, LLC
Amortization

Interest Rate 5.00%

Administrative Reimbursement = per development agreement is 5% of tax increment, but you can't take out more than 10% of the total TIF received over the life of the district.

Date	TIF Received	Admin Reimb	Note Payment	Accrued Interest	Interest Payment	Principal Payment	Note Balance
6/20/2011			259-5113-638902				\$ 104,219.00
8/1/2013	\$ 8,329.11	\$ 416.00	\$ 7,913.11		\$ 3,039.72	\$ 4,873.39	\$ 104,219.00
1/1/2014	\$ 8,329.12	\$ 416.00	\$ 7,913.12		\$ 2,069.70	\$ 5,843.42	\$ 99,345.61
8/1/2014	\$ 8,578.39	\$ 416.00	\$ 8,162.39		\$ 2,727.15	\$ 5,435.24	\$ 93,502.19
1/2/2015	\$ 8,578.39	\$ 442.00	\$ 8,136.39		\$ 1,834.73	\$ 6,301.66	\$ 88,066.95
8/1/2015	\$ 8,031.19	\$ 402.00	\$ 7,629.19		\$ 2,384.82	\$ 5,244.37	\$ 81,765.29
1/2/2016	\$ 8,031.19	\$ 402.00	\$ 7,629.19		\$ 1,594.19	\$ 6,035.00	\$ 76,520.92
8/2/2016	\$ 8,861.92	\$ 443.00	\$ 8,418.92		\$ 2,055.84	\$ 6,363.08	\$ 70,485.92
1/1/2017	\$ 8,861.92	\$ 443.00	\$ 8,418.92		\$ 1,335.89	\$ 7,083.03	\$ 64,122.84
8/1/2017	\$ 8,862.06	\$ 443.00	\$ 8,419.06		\$ 1,663.66	\$ 6,755.40	\$ 57,039.81
1/1/2018	\$ 8,862.57	\$ 443.00	\$ 8,419.57		\$ 1,047.59	\$ 7,371.98	\$ 50,284.41
8/1/2018	\$ 9,308.00	\$ 465.00	\$ 8,843.00		\$ 1,251.61	\$ 7,591.39	\$ 42,912.43
1/1/2019	\$ 9,308.01	\$ 465.00	\$ 8,843.01		\$ 735.86	\$ 8,107.15	\$ 35,321.04
8/1/2019	\$ 10,335.02	\$ 517.00	\$ 9,818.02		\$ 793.74	\$ 9,024.28	\$ 27,213.89
1/1/2020	\$ 10,335.03	\$ 517.00	\$ 9,818.03		\$ 378.95	\$ 9,439.08	\$ 18,189.61
8/1/2020	\$ 10,653.51	\$ 533.00	\$ 10,120.51		\$ 255.22	\$ 9,865.29	\$ 8,750.53
1/1/2021	\$ 10,653.51	\$ 533.00	\$ -				\$ (1,114.76)
8/1/2021							0.00
1/1/2022	\$ 1,235.27						

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Ok 12/15

CITY OF NORTH MANKATO



REQUEST FOR COUNCIL ACTION

Agenda Item: 9C	Department: Finance	Council Meeting Date: 2/1/21
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TITLE OF ISSUE: Consider Resolution Decertifying Tax Increment Financing District No. IDD 1-20 (Ziegler Caterpillar Project) Located in the City of North Mankato, Minnesota.

BACKGROUND AND SUPPLEMENTAL INFORMATION: Finance Director McCann will review the process and results of decertifying the Tax Increment Financing District.

If additional space is required, attach a separate sheet

REQUESTED COUNCIL ACTION: Adopt Resolution Decertifying Tax Increment Financing District No. IDD 1-20 (Ziegler Caterpillar Project) Located in the City of North Mankato, Minnesota.

For Clerk's Use:

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
_____			Steiner
_____			Norland
_____			Oachs
_____			Whitlock
_____			Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other (specify) _____

<input type="checkbox"/>	Workshop
<input checked="" type="checkbox"/>	Regular Meeting
<input type="checkbox"/>	Special Meeting

<input type="checkbox"/>	Refer to: _____
<input type="checkbox"/>	Table until: _____
<input type="checkbox"/>	Other: _____

RESOLUTION NO. 12-21

**RESOLUTION DECERTIFYING TAX INCREMENT FINANCING DISTRICT NO. IDD 1-20
(ZIEGLER CATERPILLAR PROJECT)
LOCATED IN THE CITY OF NORTH MANKATO, MINNESOTA**

WHEREAS, the City Council of North Mankato has reviewed the status of Tax Increment Financing District No. IDD 1-20 (the "District") originally established by resolution of the City Council on February 7, 2011; and

WHEREAS, all project costs to which the District's tax increments, are obligated have been paid from District increments collected from taxes payable in tax years 2013 through 2020, inclusive; and

WHEREAS, the City desires by this resolution to cause decertification of the District after which all property taxes generated by property within the District will be distributed in the same manner as all other property taxes.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of North Mankato, Minnesota, as follows:

Sec. 1. That Tax Increment Financing District No. IDD 1-20, North Mankato, Minnesota is hereby decertified effective December 31, 2020.

Sec. 2. That Nicollet County is hereby requested to return parcels in the District to the general tax rolls effective for taxes payable with the 2021 first half tax settlement.

Sec. 3 That the City Administrator is authorized to return all surplus tax increment to Nicollet County.

Sec. 4. That the City Clerk is authorized to make available a copy of this resolution to Nicollet County and the Office of State Auditor.

The foregoing resolution was offered at a regular meeting of the City Council held on February 1, 2021 by Council Member _____ who moved its adoption, was seconded by Council Member _____ and adopted by the following vote:

AYES:

NAYS:

Whereupon the above resolution was duly adopted.

Attest:

Mark D. Dehen, Mayor

April Van Genderen, City Clerk

CONFIRMATION OF DECERTIFIED TIF DISTRICT

Please complete the information requested below in Part A and then forward the form to the County Auditor to be certified in Part B. Once the information has been completed by both the authorized TIF representative and the County Auditor, please return the form to the Office of the State Auditor at the address listed below:

**Office of the State Auditor - TIF Division
525 Park Street, Suite 500 St. Paul, MN 55103**

PART A. To be completed by the TIF authorized representative:

County Auditor/Treasurer's Name: Jaci Kopet, Public Services Manager Date: 12/14/20
County Name: Nicollet County County Address: 501 S. Minnesota Ave. St. Peter, MN 56082
TIF Authority Name: City of North Mankato
TIF District # and Name: IDD 1-20 Ziegler Caterpillar Project
TIF District Type: Economic Development TIF Plan Approval Date: 2/7/11
Certification Request Date: 3/25/11 Certification Date: 3/28/11
Required Decertification Date: 12/31/21 Based on: Statutory Limitation

(Information to be confirmed by the County Auditor:)

1. Actual decertification date: 12/21/20 2. Date of first tax increment received: 7/13
3. Final tax increment distribution date 12/1/20 and amount \$ \$43,544.46
4. Amount of excess tax increment returned to the county, if any \$ \$3,239.60 and date 12/31/20

Please note: If the district is decertifying early, please forward a copy of the resolution with this form to the County Auditor and the TIF Division.

Signature: _____ Date: _____
Name and title of TIF authorized representative: Kevin McCann, Finance Director

PART B: To be completed by the County Auditor or representative:

On behalf of the County Auditor/Treasurer, I certify that the above information, specifically information provided in questions 1-4, is correct with the following exceptions, if any:

Signature: _____ Date: _____
Name and title of the county representative: _____
Phone: _____ Exceptions? No Yes If yes, please describe below:

Ziegler Mankato LLC 1-20
Amortization

Interest Rate 5.00%
Administrative Reimbursement = per development agreement is \$4,254 per annum, but you can't take out more than 10% of the total TIF received over the life of the district.

Date	TIF Received	Admin Reimb	Note Payment	Accrued Interest	Interest Payment	Principal Payment	Note Balance
2/7/2011							\$488,800.00
8/1/2013				60,624.78			\$488,800.00
8/1/2013	\$ 48,410.73	\$ 2,127.00	\$ 46,283.73	\$ (46,283.73)	\$ 46,283.73	\$ -	\$488,800.00
1/1/2014	\$ 48,410.73	\$ 2,127.00	\$ 46,283.73	(\$14,341.05)	\$24,524.38	\$ 21,759.35	\$467,040.65
8/1/2014	\$ 49,861.69	\$ 2,127.00	\$47,734.69		\$13,622.02	\$ 34,112.67	\$432,927.98
1/2/2015	\$ 49,861.70	\$ 2,127.00	\$47,734.70		\$9,019.33	\$ 38,715.37	\$394,212.61
8/1/2015	\$ 45,256.74	\$ 2,127.00	\$43,129.74		\$11,497.87	\$ 31,631.87	\$362,580.74
1/2/2016	\$ 45,256.74	\$ 2,127.00	\$43,129.74		\$7,553.77	\$ 35,575.97	\$327,004.77
8/2/2016	\$ 27,061.37	\$ 2,127.00	\$24,934.37		\$9,537.64	\$ 15,396.73	\$311,608.04
1/1/2017	\$ 41,224.51	\$ 2,127.00	\$39,097.51		\$6,491.83	\$ 32,605.68	\$279,002.36
8/1/2017	\$ 39,238.90	\$ 2,127.00	\$37,111.90		\$8,137.57	\$ 28,974.33	\$250,028.03
1/1/2018	\$ 39,238.18	\$ 2,127.00	\$37,111.18		\$5,208.92	\$ 31,902.26	\$218,125.77
8/1/2018	\$ 40,173.36	\$ 2,127.00	\$38,046.36		\$6,362.00	\$ 31,684.36	\$186,441.41
1/1/2019	\$ 40,173.38	\$ 2,127.00	\$38,046.38		\$3,884.20	\$ 34,162.18	\$152,279.23
8/1/2019	\$ 43,544.29	\$ 2,127.00	\$41,417.29		\$4,441.48	\$ 36,975.81	\$115,303.42
1/1/2020	\$ 43,544.29	\$ 2,127.00	\$ 41,417.29		\$2,402.15	\$ 39,015.14	\$76,288.28
8/1/2020	\$ 43,544.45	\$ 2,127.00	\$ 41,417.45		\$2,225.07	\$ 39,192.38	\$37,095.90
1/1/2021	\$ 43,544.46	\$ 2,127.00	\$ 38,177.86		\$1,081.96	\$ 37,095.90	(\$0.00)
8/1/2021					\$0.00	\$ -	(\$0.00)
1/1/2022	\$ 3,239.60	<== Remit back to County			\$0.00	\$ -	(\$0.00)

OK ~~REN~~ 12/15

RESOLUTION NO. 13-21

**RESOLUTION DECERTIFYING TAX INCREMENT FINANCING DISTRICT NO. IDD 1-18
(LJP ENTERPRISES, INC. PROJECT)
LOCATED IN THE CITY OF NORTH MANKATO, MINNESOTA**

WHEREAS, the City Council of North Mankato has reviewed the status of Tax Increment Financing District No. IDD 1-18 (the "District") originally established by resolution of the City Council on August 16, 2010; and

WHEREAS, all project costs to which the District's tax increments, are obligated have been paid from District increments collected from taxes payable in tax years 2013 through 2020, inclusive; and

WHEREAS, the City desires by this resolution to cause decertification of the District after which all property taxes generated by property within the District will be distributed in the same manner as all other property taxes.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of North Mankato, Minnesota, as follows:

Sec. 1. That Tax Increment Financing District No. IDD 1-18, North Mankato, Minnesota is hereby decertified effective December 31, 2020.

Sec. 2. That Nicollet County is hereby requested to return parcels in the District to the general tax rolls effective for taxes payable with the 2021 first half tax settlement.

Sec. 3 That the City Administrator is authorized to return all surplus tax increment to Nicollet County.

Sec. 4. That the City Clerk is authorized to make available a copy of this resolution to Nicollet County and the Office of State Auditor.

The foregoing resolution was offered at a regular meeting of the City Council held on February 1, 2021 by Council Member _____ who moved its adoption, was seconded by Council Member _____ and adopted by the following vote:

AYES:

NAYS:

Whereupon the above resolution was duly adopted.

Attest:

Mark D. Dehen, Mayor

April Van Genderen, City Clerk

CONFIRMATION OF DECERTIFIED TIF DISTRICT

Please complete the information requested below in Part A and then forward the form to the County Auditor to be certified in Part B. Once the information has been completed by both the authorized TIF representative and the County Auditor, please return the form to the Office of the State Auditor at the address listed below:

**Office of the State Auditor - TIF Division
525 Park Street, Suite 500 St. Paul, MN 55103**

PART A. To be completed by the TIF authorized representative:

County Auditor/Treasurer's Name: Jaci Kopet, Public Services Manager Date: 12/14/20

County Name: Nicollet County County Address: 501 S. Minnesota Ave. St. Peter, MN 56082

TIF Authority Name: City of North Mankato

TIF District # and Name: IDD 1-18 LJP Enterprises, Inc. Project

TIF District Type: Economic Development TIF Plan Approval Date: 8/16/10

Certification Request Date: 10/18/10 Certification Date: 10/20/10

Required Decertification Date: 12/31/21 Based on: Statutory Limitation

(Information to be confirmed by the County Auditor:)

- 1. Actual decertification date: 12/21/20 2. Date of first tax increment received: 7/13
- 3. Final tax increment distribution date 12/1/20 and amount \$ \$39,734.05
- 4. Amount of excess tax increment returned to the county, if any \$ \$38,404.44 and date 12/31/20

Please note: If the district is decertifying early, please forward a copy of the resolution with this form to the County Auditor and the TIF Division.

Signature: _____ Date: _____

Name and title of TIF authorized representative: Kevin McCann, Finance Director

PART B: To be completed by the County Auditor or representative:

On behalf of the County Auditor/Treasurer, I certify that the above information, specifically information provided in questions 1-4, is correct with the following exceptions, if any:

Signature: _____ Date: _____

Name and title of the county representative: _____

Phone: _____ Exceptions? No Yes If yes, please describe below:

Fund 256

1-18

LJP Enterprises
Amortization

Interest Rate 6.50%

Administrative Reimbursement = \$7,956 per annum, but not more than 10% of total TIF receipts by the end of the district.
Est. \$79,556

Date	TIF Received	Admin Reimb	256-5113-638902		Accrued Interest	Interest Payment	Principal Payment	Note Balance
			Note Payment	Note Balance				
3/29/2011								\$438,016.00
8/1/2011								\$438,016.00
1/1/2012								\$438,016.00
8/1/2012	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$438,016.00
1/1/2013	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$438,016.00
8/1/2013	\$42,716.91	\$3,978.00	\$3,978.00	\$38,738.91	\$16,608.11	\$22,130.80	\$22,130.80	\$415,885.20
1/1/2014	\$42,716.92	\$3,978.00	\$3,978.00	\$38,738.92	\$11,263.56	\$27,475.36	\$27,475.36	\$388,409.84
8/1/2014	\$43,997.99	\$3,978.00	\$3,978.00	\$40,019.99	\$14,727.21	\$25,292.78	\$25,292.78	\$363,117.06
1/1/2015	\$43,997.99	\$3,978.00	\$3,978.00	\$40,019.99	\$9,834.42	\$30,185.57	\$30,185.57	\$332,931.49
8/1/2015	\$39,733.77	\$3,978.00	\$3,978.00	\$35,755.77	\$12,623.65	\$23,132.12	\$23,132.12	\$309,799.37
1/1/2016	\$39,733.78	\$3,978.00	\$3,978.00	\$35,755.78	\$8,390.40	\$27,365.38	\$27,365.38	\$282,433.99
8/1/2016	\$42,120.21	\$3,978.00	\$3,978.00	\$38,142.21	\$10,708.96	\$27,433.25	\$27,433.25	\$255,000.74
1/1/2017	\$42,120.23	\$3,978.00	\$3,978.00	\$38,142.23	\$6,906.27	\$31,235.96	\$31,235.96	\$223,764.78
8/1/2017	\$42,120.35	\$3,978.00	\$3,978.00	\$38,142.35	\$8,484.41	\$29,657.94	\$29,657.94	\$194,106.84
1/1/2018	\$42,119.88	\$3,978.00	\$3,978.00	\$38,141.88	\$5,257.06	\$32,884.82	\$32,884.82	\$161,222.02
8/1/2018	\$39,733.92	\$3,978.00	\$3,978.00	\$35,755.92	\$6,113.00	\$29,642.92	\$29,642.92	\$131,579.10
1/1/2019	\$39,733.93	\$3,978.00	\$3,978.00	\$35,755.93	\$3,563.60	\$32,192.33	\$32,192.33	\$99,386.77
8/1/2019	\$39,734.18	\$3,978.00	\$3,978.00	\$35,756.18	\$3,768.42	\$31,987.76	\$31,987.76	\$67,399.01
1/1/2020	\$39,734.18	\$3,978.00	\$3,978.00	\$35,756.18	\$1,825.39	\$33,930.79	\$33,930.79	\$33,468.22
8/1/2020	\$39,734.04	\$3,978.00	\$3,978.00	\$35,756.04	\$906.43	\$34,849.61	\$34,849.61	(\$1,381.39)
1/1/2021	\$39,734.05	\$2,707.00	\$2,707.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

<==== Remit back to County

OK 12/15

CITY OF NORTH MANKATO

REQUEST FOR COUNCIL ACTION



Agenda Item: 9E	Department: Community Dev.	Council Meeting Date: 2/1/21
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TITLE OF ISSUE: Consider Resolution Approving a Loan to WW Land Company, LLC, and Authorizing the Execution of Loan Documents Therefor.

BACKGROUND AND SUPPLEMENTAL INFORMATION: The Port Authority met and discussed the proposed loan on February 1, 2021.

If additional space is required, attach a separate sheet

REQUESTED COUNCIL ACTION: Adopt Resolution Approving a Loan to WW Land Company, LLC, and Authorizing the Execution of Loan Documents Therefor.

For Clerk's Use:

Motion By: _____
 Second By: _____

Vote Record:

	Aye	Nay	
	_____	_____	Steiner
	_____	_____	Norland
	_____	_____	Oachs
	_____	_____	Whitlock
	_____	_____	Dehen

SUPPORTING DOCUMENTS ATTACHED

Resolution	Ordinance	Contract	Minutes	Map
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify) <u>Loan Documents</u>				

<input type="checkbox"/> Workshop
<input checked="" type="checkbox"/> Regular Meeting
<input type="checkbox"/> Special Meeting

<input type="checkbox"/> Refer to: _____
<input type="checkbox"/> Table until: _____
<input type="checkbox"/> Other: _____

CITY OF NORTH MANKATO, MINNESOTA

RESOLUTION NO. 14-21

**RESOLUTION APPROVING A LOAN TO WW LAND COMPANY, LLC, AND
AUTHORIZING THE EXECUTION OF LOAN DOCUMENTS THEREFOR**

BE IT RESOLVED by the City Council (the "Council") of the City of North Mankato, Minnesota (the "City"), as follows:

Section 1. Recitals.

1.01. Sales Tax Authority. The City maintains a Sales Tax Fund (the "Fund"), as authorized by Minnesota Laws 2008, Chapter 366, Article 7, Section 20, as amended (the "Act"). The Act allows the City to utilize the sales tax revenues in the Fund for specific purposes, including riverfront redevelopment projects.

1.02. Request for Loan. WW Land Company, LLC (the "Borrower") has submitted an application form requesting financial assistance from the City in the amount of \$118,600 (the "Loan") for the purpose of financing a portion of the costs of the construction and installation of helical piers related to a proposed two-story, approximately 2,500 square-foot mixed-use riverfront redevelopment project (the "Project"), to be located at 235 Belgrade Avenue in the City.

1.03. Terms of Loan. It is proposed that the Loan be made from the City's Fund. The Loan by the City to the Borrower will be evidenced by a Loan Agreement (the "Loan Agreement") and a Promissory Note (the "Promissory Note") executed by the Borrower. The Loan shall be secured by a Mortgage (the "Mortgage").

1.04. Loan Documents. Drafts of the Loan Agreement, the Promissory Note, and the Mortgage (collectively, the "Loan Documents") have been made available to the Board for review.

Section 2. Findings.

2.01. Public Purposes. By providing the Loan, the City shall further the following public purposes: (i) to retain and/or expand existing businesses located within the City; (ii) to increase the City's tax base; (iii) to diversify the City's local economy, encourage economic and commercial activity, including the range of goods and services available; (iv) to facilitate the development process and to achieve development on sites within the City which would not otherwise be developed or that would be underdeveloped without such assistance as is contemplated in the Loan Agreement; (v) to offset increased costs of development or redevelopment over and above the costs normally incurred in development; (vi) to fully utilize existing or planned infrastructure improvements within the City; and (vii) to contribute to the implementation of other identifiable goals of the City, including the advancement of the goals and objectives of the Belgrade Master Plan of the City.

Section 3. Approval of Loan; Authorization to Execute Loan Documents.

3.01. Approval of Loan. The Loan is hereby approved by the City, pursuant to the Act and the Loan Documents, in substantially the form submitted.

3.02. Authorization to Execute Loan Documents. The City Council hereby approves the Loan Documents in substantially the form submitted, and the Mayor and City Administrator are hereby authorized and directed to execute the Loan Documents on behalf of the City. The approval hereby given to the Loan Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by the City officials authorized by this resolution to execute the Loan Documents. The execution of the Loan Documents by the appropriate officer or officers of the City shall be conclusive evidence of the approval of the Loan Documents in accordance with the terms hereof.

Approved by the City Council of the City of North Mankato, Minnesota, this _____ day of _____, 2021.

Mayor

ATTEST:

Clerk

**LOAN AGREEMENT
(SALES TAX – RIVERFRONT REDEVELOPMENT)**

THIS LOAN AGREEMENT (the "Agreement") is made this ____ day of _____, 2021, between the CITY OF NORTH MANKATO, MINNESOTA, a municipal corporation (the "Lender" or the "City"), and WW LAND COMPANY LLC, a Minnesota limited liability company (the "Borrower").

RECITALS

A. The Borrower has requested that the Lender make a loan to the Borrower in the maximum amount of \$118,600, subject to the terms of this Agreement, from the Lender's Sales Tax Fund, as authorized by Minnesota Laws 2008, Chapter 366, Article 7, Section 20, as amended (the "Act"), for the purpose of financing a portion of the costs of the construction and installation of helical piers related to a proposed two-story, approximately 2,500 square-foot mixed-use riverfront redevelopment project (the "Project"), to be located at 235 Belgrade Avenue in the City (the "Property") and legally described in Exhibit A of the Mortgage (as defined herein).

B. In consideration for the Loan (as defined herein) contemplated by this Agreement, the Borrower is executing and delivering to the Lender this Agreement, a Promissory Note of even date herewith (the "Note"), and a Mortgage on the Property of even date herewith (the "Mortgage").

C. By providing the Loan, the City shall further the following public purposes: (i) to retain and/or expand existing businesses located within the City; (ii) to increase the City's tax base; (iii) to diversify the City's local economy, encourage economic and commercial activity, including the range of goods and services available; (iv) to facilitate the development process and to achieve development on sites within the City which would not otherwise be developed or that would be underdeveloped without such assistance as is contemplated in this Agreement; (v) to offset increased costs of development or redevelopment over and above the costs normally incurred in development; (vi) to fully utilize existing or planned infrastructure improvements within the City; and (vii) to contribute to the implementation of other identifiable goals of the City, including the advancement of the goals and objectives of the Belgrade Master Plan of the City.

D. The requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J.995, do not apply to this Agreement.

ACCORDINGLY, to induce the Lender to make the Loan to the Borrower, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Loan Amount. Subject to and upon the terms and conditions of this Agreement, the Lender agrees to loan to the Borrower the sum of One Hundred Eighteen Thousand Six Hundred and 00/100ths Dollars (\$118,600.00), or so much thereof as is disbursed to the Borrower in accordance with this Agreement (the "Loan"). The Loan shall be evidenced

by the Note, which shall be dated as of the date of this Agreement. Proceeds of the Loan shall be disbursed in accordance with Section 3 hereof.

2. Repayment of Loan. The Loan shall be repaid with interest as follows:

(a) Interest at the rate of four percent (4.00%) per annum shall accrue from the Loan Closing Date (as hereinafter defined) until the Loan is repaid in full or forgiven.

(b) The full principal amount and accumulated interest of the Loan shall be due and payable on the fifth anniversary of the Loan Closing Date (the "Maturity Date"), unless the Loan is forgiven.

(c) If no Event of Default shall have occurred, and the Borrower is in compliance with all of the terms and conditions of this Agreement, then the Lender shall forgive the Loan as follows:

(i) On each of the first, second, third, and fourth anniversary dates of the Loan Closing Date, \$23,720 of the principal amount of the Loan shall be forgiven; and

(ii) On the Maturity Date, the remaining principal amount of the Loan, and all interest accrued thereon, shall be forgiven.

3. Disbursement of Loan Proceeds.

(a) Loan proceeds in the amount of \$59,300 shall be paid to the Borrower on _____, 202__, or such other date as the parties hereto agree (the "Loan Closing Date"), subject to the following conditions precedent:

(i) The Borrower having executed and delivered a completed Request For Financial Assistance – Project Application Form (the "Application"), including all supporting documentation as required by the Application, or requested by the Lender;

(ii) the Borrower having executed and delivered or caused the execution and delivery to the Lender, prior to the Loan Closing Date and without expense to the Lender, executed copies of this Agreement, the Note, and the Mortgage;

(iii) the Borrower having provided evidence satisfactory to the Lender that the Borrower has established a separate accounting system for the exclusive purpose of recording the receipt and expenditure of the Loan proceeds;

(iv) the Borrower having paid to the Lender the full amount of the legal fees incurred by the Lender in the negotiation and preparation of this Agreement and any other agreement or instrument securing the Loan (and the Lender shall provide to the Borrower an invoice for such legal fees promptly upon receipt);

(v) the Borrower having provided evidence satisfactory to the Lender that the Borrower has obtained adequate financing to complete all activities related to the Borrower's undertakings on the Property;

(vi) the Borrower having submitted design plans and specifications for the Project that comply with, among other things, the City's Central Business District Design Guidelines; and

(vii) the City having approved the building permit for the Project.

(b) Loan proceeds in the amount of \$59,300 shall be paid to the Borrower upon the issuance of a Certificate of Occupancy issued by the City for the Project, subject to the Borrower's full compliance with the terms of this Agreement at the time of issuing the Certificate of Occupancy, and no Event of Default having occurred prior to such issuance.

4. Representations and Warranties. The Borrower represents and warrants to the Lender:

(a) The Borrower is a limited liability company organized under the laws of the State of Minnesota, and is duly authorized and empowered to execute and deliver this Agreement, perform all obligations hereunder, and to borrow money from the Lender.

(b) The execution and delivery of this Agreement, and the performance by the Borrower of its obligations hereunder, do not and will not violate or conflict with any provision of law and do not and will not violate or conflict with, or cause any default or event of default to occur under, any agreement binding upon the Borrower.

(c) This Agreement has in fact been duly executed and delivered by the Borrower and constitutes its lawful and binding obligation, legally enforceable against it.

(d) The Borrower warrants that it shall keep and maintain books, records, and other documents relating directly to the receipt and disbursements of Loan proceeds and that any duly authorized representative of the Lender shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all such books, records, and other documents of the Borrower pertaining to the Loan until the completion of all closeout procedures and the final settlement and conclusion of all issues arising out of this Loan.

(e) The Borrower warrants that it has fully complied with all applicable state and federal laws pertaining to its business and will continue to comply during the Term (as defined herein) of this Agreement. If at any time Borrower receives notice of noncompliance from any governmental entity, the Borrower agrees to take any necessary action to comply with the state or federal law in question.

(f) The Borrower warrants that it will use the proceeds of the Loan made by the Lender solely for the costs of the Project.

(g) The Borrower warrants that it will not create, permit to be created, or allow to exist any liens, charges, or encumbrances prior to the obligation created by this Loan Agreement, except as otherwise authorized in writing by the Lender.

(h) The Borrower will commence construction of the Project no later than April 1, 2021, and will substantially complete construction of the Project by September 1, 2021.

(i) The Borrower shall own and operate the Project during the Term of this Agreement.

5. Event of Default by the Borrower. The following shall be Events of Default under this Agreement:

(a) the Borrower fails to pay any principal or interest on the Loan when due;

(b) any representation or warranty made by the Borrower herein or in any document, instrument, or certificate given in connection with the Application, this Agreement, the Mortgage, or the Note is false when made;

(c) the Borrower fails to pay its debts as they become due, makes an assignment for the benefit of its creditors, admits in writing its inability to pay its debts as they become due, files a petition under any chapter of the Federal Bankruptcy Code or any similar law, state or federal, now or hereafter existing, becomes "insolvent" as that term is generally defined under the Federal Bankruptcy Code, files an answer admitting insolvency or inability to pay its debts as they become due in any involuntary bankruptcy case commenced against it, or fails to obtain a dismissal of such case within sixty (60) days after its commencement or convert the case from one chapter of the Federal Bankruptcy Code to another chapter, or be the subject of an order for relief in such bankruptcy case, or be adjudged a bankrupt or insolvent, or has a custodian, trustee, or receiver appointed for, or has any court take jurisdiction of its property, or any part thereof, in any proceeding for the purpose of reorganization, arrangement, dissolution, or liquidation, and such custodian, trustee, or receiver is not discharged, or such jurisdiction is not relinquished, vacated, or stayed within sixty (60) days of the appointment;

(d) a garnishment summons or writ of attachment is issued against or served upon the Lender for the attachment of any property of the Borrower in the Lender's possession or any indebtedness owing to the Borrower, unless appropriate papers are filed by the Borrower contesting the same within thirty (30) days after the date of such service or such shorter period of time as may be reasonable in the circumstances;

(e) any breach or failure of the Borrower to perform any other term or condition of this Agreement not specifically described as an Event of Default in this Agreement and such breach or failure continues for a period of thirty (30) days after the Lender has given written notice to the Borrower specifying such default or breach, unless the Lender agrees in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable

period, the Lender will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Borrower within the applicable period and is being diligently pursued until the Default is corrected, but no such extension shall be given for an Event of Default that can be cured by the payment of money (i.e., payment of taxes, insurance premiums, or other amounts required to be paid hereunder); and

(f) any breach by the Borrower of any other agreement between the Borrower and the Lender or the Port Authority of the City.

6. The Lender's Remedies upon the Borrower's Default. Upon an Event of Default by the Borrower and after provision by the Lender of written notice, the Lender shall have the right to exercise any or all of the following remedies (and any other rights and remedies available to it):

(a) declare the principal amount of the Loan and any accrued interest thereon to be immediately due and payable upon providing written notice to the Borrower;

(b) suspend its performance under this Agreement;

(c) take any action provided for at law to enforce compliance by the Borrower with the terms of this Agreement and the Note; and

(d) exercise its rights under the Mortgage.

In addition to any other amounts due on the Loan, and without waiving any other right of the Lender under this Agreement or any other instrument securing the Loan or other applicable documents, the Borrower shall pay to the Lender a late fee of \$20 for any payment not received in full by the Lender within thirty (30) calendar days of the date on which it is due. Furthermore, interest will continue to accrue on any amount due until the date on which it is paid to the Lender, and all such interest will be due and payable at the same time as the amount on which it has accrued.

7. The Lender's Costs of Enforcement of Agreement. If an Event of Default has occurred as provided herein, then upon demand by the Lender, the Borrower shall pay or reimburse the Lender for all expenses, including all attorneys' fees and expenses incurred by the Lender in connection with the enforcement of this Agreement and the Note, or in connection with the protection or enforcement of the interests and collateral security of the Lender in any litigation or bankruptcy or insolvency proceeding or in any action or proceeding relating in any way to the transactions contemplated by this Agreement.

8. Indemnification

(a) The Borrower shall and does hereby agree to protect, defend, indemnify, and hold the Lender, and its officers, agents, and employees, harmless of and from any and all liability, loss, or damage that it may incur under or by reason of this Agreement, and of and from any and all claims and demands whatsoever that may be asserted against the Lender by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained herein.

(b) Should the Lender, or its officers, agents, or employees, incur any such liability or be required to defend against any claims or demands, or should a judgment be entered against the Lender, the amount thereof, including costs, expenses, and attorney's fees, shall bear interest thereon at the rate then in effect on the Note, shall be secured hereby, shall be added to the Loan, and the Borrower shall reimburse the Lender for the same immediately upon demand, and upon the failure of the Borrower to do so, the Lender may declare the Loan immediately due and payable.

(c) This indemnification and hold harmless provision shall survive the execution, delivery, and performance of this Agreement and the creation and payment of any indebtedness to the Lender. The Borrower waives notice of the acceptance of this Agreement by the Lender.

(d) Nothing in this Agreement shall constitute a waiver of or limitation on any immunity from or limitation on liability to which the Borrower is entitled under law.

9. Miscellaneous.

(a) Waiver. The performance or observance of any promise or condition set forth in this Agreement may be waived, amended, or modified only by a writing signed by the Borrower and the Lender. No delay in the exercise of any power, right, or remedy operates as a waiver thereof, nor shall any single or partial exercise of any other power, right, or remedy.

(b) Assignment. This Agreement shall be binding upon the Borrower and its successors and assigns and shall inure to the benefit of the Lender and its successors and assigns. All rights and powers specifically conferred upon the Lender may be transferred or delegated by the Lender to any of its successors and assigns. The Borrower's rights and obligations under this Agreement may be assigned only when such assignment is approved in writing by the Lender.

(c) Governing Law. This Agreement is made and shall be governed in all respects by the laws of the State of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

(d) Severability. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications that can be given effect, and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby.

(e) Notice. All notices required hereunder shall be given by depositing in the U.S. mail, postage prepaid, first class mail, return receipt requested, to the following addresses (or such other addresses as either party may notify the other):

To the Lender: City of North Mankato
1001 Belgrade Avenue
North Mankato, MN 56003
Attn: Administrator

To the Borrower: WW Land Company LLC
53936 208th Lane
Mankato, MN 56001
Attn: Martin Walgenbach

(f) Termination. The term of this Agreement (the "Term") shall commence on the date first written above, and shall terminate as follows:

(i) If the Loan is disbursed according to the terms and conditions of this Agreement, this Agreement shall terminate at the earlier of (i) the repayment of the Loan in full, including all accrued interest and any fees owed to the Lender, by the Borrower, whether on the Maturity Date or earlier due to the acceleration of the Loan resulting from an Event of Default, or (ii) the forgiveness of the Loan by the Lender.

(ii) If the Loan is not disbursed pursuant to this Agreement by December 31, 2021, this Agreement shall terminate and neither party shall have any further obligation to the other, except that if the Loan is not disbursed because the Borrower has failed to use its best efforts to comply with the conditions set forth in Section 3 of this Agreement then the Borrower shall pay to the Lender all reasonable attorneys' fees, costs, and expenses incurred by the Lender in connection with this Agreement.

(g) Entire Agreement. This Agreement, together with any Exhibits hereto, which are incorporated by reference, constitutes the complete and exclusive statement of all mutual understandings between the parties with respect to this Agreement, superseding all prior or contemporaneous proposals, communications, and understandings, whether oral or written, concerning the Loan.

(h) Headings. The headings appearing at the beginning of the several sections contained in this Agreement have been inserted for identification and reference purposes only and shall not be used in the construction and interpretation of this Agreement.

(i) Recording of Documents. Any documents requiring recordation shall be recorded with the county on which the Property is located and all costs of such recording shall be paid by the Borrower.

IN WITNESS WHEREOF, this Loan Agreement has been duly executed and delivered by the proper officers of the Lender thereunto duly authorized on the day and year first written above.

CITY OF NORTH MANKATO

By _____
Its Mayor

By _____
Its Administrator

This Loan Agreement has been duly executed and delivered by the Borrower on the day and year first written above.

WW LAND COMPANY LLC

By _____
Its _____

By _____
Its _____

MORTGAGE

THIS MORTGAGE (the "Mortgage") is given _____, 2021. The Borrower is WW Land Company LLC, a Minnesota limited liability company (the "Borrower"). This Mortgage is given to the City of North Mankato, Minnesota (the "City"), a municipal corporation. The Borrower owes the City the principal sum of ONE HUNDRED EIGHTEEN THOUSAND SIX HUNDRED AND 00/100 Dollars (\$118,600). This debt is evidenced by a promissory note dated as of even date herewith (the "Note"). This Mortgage secures to the City: (a) the repayment of the debt evidenced by the Note, and all renewals, extensions, and modifications of the Note; (b) the payment of all other sums, advanced to protect the security of this Mortgage; and (c) the performance of the Borrower's covenants and agreements under this Mortgage, the Note, and a loan agreement between the Borrower and the City dated as of even date herewith (the "Loan"). For this purpose, the Borrower does hereby mortgage, grant, and convey to the City, with power of sale, the property located in North Mankato, Minnesota, and fully described in the attached Exhibit A, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the "Property."

THE BORROWER COVENANTS that the Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, and convey the Property and that the Property is unencumbered, except for encumbrances of record and as set forth in paragraph 17. The Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

The Borrower and the City agree as follows:

1. PAYMENT OF PRINCIPAL AND INTEREST; LATE CHARGES. The Borrower shall promptly pay when due the principal on the debt evidenced by the Note and any late charges due under the Note.

2. CHARGES; LIENS. The Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which may attain priority over this Mortgage, and leasehold payments or ground rents, if any. The Borrower shall pay these obligations on time directly to the person owed payment.

The Borrower shall promptly discharge any lien which has priority over this Mortgage unless the Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner reasonably acceptable to the City; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the City's opinion operate to

prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to the City subordinating the lien to this Mortgage. If the City determines that any part of the Property is subject to a lien which may attain priority over this Mortgage, the City may give the Borrower a notice identifying the lien. The Borrower shall satisfy the lien or take one or more of the actions set forth above within thirty (30) days of the giving of notice. Notwithstanding the foregoing, this Mortgage may be subordinate to other mortgages or liens, as described by Section 17 herein.

3. HAZARD OR PROPERTY INSURANCE. The Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire and any other hazards for which the City requires insurance. This insurance shall be maintained in the amounts and for the periods that the City reasonably requires. The insurance carrier providing the insurance shall be chosen by the Borrower subject to the City's approval, which shall not be unreasonably withheld or delayed. If the Borrower fails to maintain coverage described above, the City may, at the City's option, obtain coverage to protect the City's rights in the Property in accordance with paragraph 5.

All insurance policies and renewals shall be reasonably acceptable to the City and shall include a standard mortgage clause. If the City requires, the Borrower shall promptly give to the City all receipts of paid premiums and renewal notices. In the event of loss, the Borrower shall give prompt notice to the insurance carrier and the City. The City may make proof of loss if not made promptly by the Borrower.

If under paragraph 15 the Property is acquired by the City, the Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to the City to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

4. PROTECTION OF THE PROPERTY. The Borrower shall not destroy or damage the Property or commit waste on the Property. The Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in the City's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Mortgage or the City's security interest. The Borrower may cure such a default and reinstate, as provided in paragraph 13, by causing the action or proceeding to be dismissed with a ruling that, in the City's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Mortgage or the City's security interest. The Borrower shall also be in default if the Borrower gave materially false or inaccurate information or statements to the City in connection with the loan evidenced by the Note.

5. PROTECTION OF THE CITY'S RIGHTS IN THE PROPERTY. If the Borrower fails to perform the covenants and agreements contained in this Mortgage, or there is a legal proceeding that may significantly affect the City's rights in the Property (such as a proceeding in bankruptcy, condemnation or forfeiture), the City may do and pay for whatever is necessary to protect the value of the Property and the City's rights in the Property. The City's actions may include paying any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorney's fees and entering on the Property to make repairs. Although the City may take action under this paragraph 5, the City is not required to do so.

Any amounts disbursed by City under this paragraph 5 shall become additional debt of Borrower secured by this Mortgage. Unless the Borrower and the City agree to other terms of payment, these amounts shall bear interest from the date of disbursement at a rate equal to the interest rate on the Note and shall be payable, with interest, upon notice from the City to Borrower requesting payment.

6. INSPECTION. The City or its agent may make reasonable entries upon and inspections of the Property.

7. CONDEMNATION. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to the City.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to the Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Mortgage immediately before the taking, unless the Borrower and the City otherwise agree in writing, if any, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to the Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless the Borrower and the City otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Mortgage whether or not the sums are then due.

The City acknowledges this Mortgage is subordinate to the liens specifically referred to in paragraph 17 hereof.

8. FORBEARANCE BY THE CITY NOT A WAIVER. Any forbearance by the City in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

9. SUCCESSORS AND ASSIGNS BOUND. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of the City and the Borrower.

10. LOAN CHARGES. If the loan secured by this Mortgage is or becomes subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to the Borrower. The City may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to the Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

11. NOTICES. Any notice to the Borrower provided for in this Mortgage shall be given by delivering it personally or by mailing it by first class United States mail, postage

prepaid, return receipt requested. The notice shall be directed to the Borrower at 53936 208th Lane, Mankato, Minnesota 56001, or any other address Borrower designates by notice to the City. Any notice to the City shall be given or mailed to 1001 Belgrade Avenue, North Mankato, Minnesota 56002, Attn: City Administrator, or any other address the City designates by notice to the Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to the Borrower or the City when given as provided in this paragraph.

12. GOVERNING LAW; SEVERABILITY. This Mortgage shall be governed by the law of the State of Minnesota. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision. To this end, the provisions of this Mortgage and the Note are declared to be severable.

13. THE BORROWER'S RIGHT TO REINSTATE. If the Borrower meets certain conditions, the Borrower shall have the right to have enforcement of this Mortgage discontinued at any time prior to the earlier of: (a) 5 days before sale of the Property pursuant to any power of sale contained in this Mortgage; or (b) entry of a judgment enforcing this Mortgage. Those conditions are that the Borrower: (a) pays the City all sums which then would be due under this Mortgage and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Mortgage, including, but not limited to, reasonable attorney's fees; and (d) takes such action as the City may reasonably require to assure that the lien of this Mortgage, the City's rights in the Property and the Borrower's obligation to pay the sums secured by this Mortgage shall continue unchanged. Upon reinstatement by the Borrower, this Mortgage and the obligations secured hereby shall remain fully effective as if no acceleration had occurred.

14. HAZARDOUS SUBSTANCES. The Borrower shall not cause or permit the presence, use, disposal, storage, or release of any hazardous substances on or in the Property, except those solvents, oils, cleaning materials, and other substances as are used in the ordinary course of the Borrower's business. The Borrower shall not do, and will use its best efforts not to allow anyone else to do, anything affecting the Property that is in violation of any environmental law.

The Borrower shall promptly give the City written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any hazardous substance or environmental law of which the Borrower has actual knowledge. If the Borrower learns, or is notified by any governmental or regulatory City, that any removal or other remediation of any hazardous substance affecting the Property is necessary, the Borrower shall promptly take all necessary remedial actions in accordance with that environmental law.

As used in this paragraph 14, "hazardous substances" are those substances defined as toxic or hazardous substances by environmental law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 14, "environmental law" means federal or state laws that relate to environmental protection.

15. ACCELERATION; REMEDIES. The City shall give notice to the Borrower prior to acceleration following the Borrower's breach of any covenant or agreement in this Mortgage. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to the Borrower by which the default must be cured, provided, however, if the Borrower is diligently pursuing a cure, the Borrower shall have such additional time as is reasonably necessary to complete the cure; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. The notice shall further inform the Borrower of the right to reinstate after acceleration and sale. If the default is not cured on or before the date specified in the notice, the City at its option may require immediate payment in full of any sums secured by this Mortgage without further demand and may invoke the power of sale and any other remedies permitted by law. The City shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 15, including, but not limited to, reasonable attorneys' fees.

If the City invokes the power of sale, the City shall cause a copy of a notice of sale to be served upon any person in possession of the Property. The City shall publish a notice of sale, and the Property shall be sold at public auction in the manner prescribed by law. The City or its designee may purchase the Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorney's fees; (b) to all sums secured by this Mortgage; and (c) any excess to the person or persons legally entitled to it.

16. RELEASE OF MORTGAGE. Upon payment of all sums secured by this Mortgage, the City shall discharge this Mortgage without charge to the Borrower. The Borrower shall pay any recordation costs.

17. PRIOR LIENS. The City acknowledges this Mortgage is subordinate to previously recorded liens on the Property, including the following:

Mortgage, dated _____, _____, executed by the Borrower for the benefit of Community Bank Mankato, recorded in Nicollet County as Document No. _____, _____, _____.

(The remainder of this page is intentionally left blank.)

EXHIBIT A

LEGAL DESCRIPTION

That property located within the City of North Mankato, Nicollet County, Minnesota, and legally described as follows:

W 25' of Lot 7, Subdivision of Block 1 and part of Block 6

PROMISSORY NOTE

\$118,600 _____, 2021
4.00%

WW Land Company LLC, a Minnesota limited liability company (the "Maker" or the "Borrower"), for value received, hereby promises to pay to the City of North Mankato, Minnesota, a municipal corporation (the "City," and any assigns are collectively referred to herein as the "Holder"), at its designated principal office or such other place as the Holder may designate in writing, the principal sum of One Hundred Eighteen Thousand Six Hundred and 00/100ths Dollars (\$118,600.00) or so much thereof as may be advanced under this Promissory Note (the "Note"), with interest as hereinafter provided, in any coin or currency that at the time or times of payment is legal tender for the payment of private debts in the United States of America. The principal of and interest on this Note is payable as follows:

1. Interest at the rate of four percent (4.00%) per annum shall accrue from the date hereof, until the Loan is repaid in full or forgiven by the Holder.
2. Payment of principal and interest shall be due on the fifth anniversary date of the execution of this Note, unless the Loan is forgiven by the Holder.
3. The Maker shall have the right to prepay the principal of this Note, in whole or in part, on any date.
4. This Note is given pursuant to the Loan Agreement of even date herewith (the "Loan Agreement") between the Borrower and the Authority. The Loan is forgivable pursuant to Section 2(c) of the Loan Agreement.

All undefined capitalized terms in this Note shall have the meaning given in the Loan Agreement. If the Loan Agreement is found to be invalid for whatever reason, such invalidity shall constitute an Event of Default hereunder. All of the agreements, conditions, covenants, provisions, and stipulations contained in the Loan Agreement, the Mortgage, or any other instrument securing this Note are hereby made a part of this Note to the same extent and with the same force and effect as if they were fully set forth herein. It is agreed that time is of the essence regarding this Note. If an Event of Default occurs under the Loan Agreement or any other instrument securing this Note, then the Holder of this Note may at its right and option, without notice, declare immediately due and payable the principal balance of this Note and interest accrued thereon, together with reasonable attorney's fees and expenses incurred by the Holder of this Note in collecting or enforcing payment hereof, whether by lawsuit or otherwise, and all other sums due hereunder or any instrument securing this Note. The Maker of this Note agrees that the Holder of this Note may, without notice to and without affecting the liability of the Maker, accept additional or substitute security for this Note, or release any security or any party liable for this Note or extend or renew this Note.

The remedies of the Holder of this Note as provided herein, and in the Loan Agreement, the Mortgage, or any other instrument securing this Note shall be cumulative and concurrent and may be pursued singly, successively, or together, and, at the sole discretion of the Holder of this

Note, may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

The Holder of this Note shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Holder and then only to the extent specifically set forth in the writing. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event. This Note may not be amended, modified, or changed except only by an instrument in writing signed by the party against whom enforcement of any such amendment, modifications, or change is sought.

If any term of this Note, or the application thereof to any person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Note, or the application of such term to persons or circumstances other than those to which it is invalid or unenforceable shall not be affected thereby, and each term of this Note shall be valid and enforceable to the fullest extent permitted by law.

It is intended that this Note is made with reference to and shall be construed as a Minnesota contract and is governed by the laws thereof. Any disputes, controversies, or claims arising out of this Note shall be heard in the state or federal courts of Minnesota, and all parties to this Note waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise,

The performance or observance of any promise or condition set forth in this Note may be waived, amended, or modified only by a writing signed by the Maker and the Holder. No delay in the exercise of any power, right, or remedy operates as a waiver thereof, nor shall any single or partial exercise of any other power, right, or remedy.

IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts, and things required to exist, happen, and be performed precedent to or in the issuance of this Note do exist, have happened, and have been performed in regular and due form as required by law.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Maker has caused this Note to be duly executed as of the date and year first written above.

WW LAND COMPANY LLC

By _____
Its _____

By _____
Its _____

MEMORANDUM

TO: John Harrenstein, City Administrator
FROM: Mike Fischer, Community Development Director
 Matt Lassonde, City Planner
DATE: January 8, 2021
SUBJECT: Request for Financial Assistance – Project Application Form; WW Land Company, LLC

Background

WW Land Company is requesting funding from the local option sales and use tax eligible under “Riverfront Redevelopment” included as an authorized expenditure by the voters and legislature in 2008 and the 2016 extension.

The applicant is requesting funding for the helical piers required to support the building as a result of the geotechnical report attached to the application. Similar funding was provided to 225 Belgrade (Brunton Architecture) from sales tax funding and tax increment financing was made available to 238 Belgrade (Frandsen Bank/Rooftop). Tax increment financing is not available to this parcel because no building is known to have existed on the site.

Materials Included

Along with materials provided by the applicant, City staff has reviewed the project and confirmed it complies with the Belgrade Master Plan and has also confirmed that the City’s Sales Tax Fund will accommodate the proposed \$118,600 incentive for this project. The following are included in packet contents:

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Please contact City staff with any questions or concerns regarding this information.

REQUEST FOR FINANCIAL ASSISTANCE – PROJECT APPLICATION FORM

Project:

1. Business Name: WW Land Company, LLC
Address: 235 Belgrade
Telephone: 507-388-9305
Contact: Marty Walgenbach

2. Brief Description of the Business: Proposed mixed-use redevelopment construction. Main floor commercial, second and third floors includes four apartments.

3. Present ownership of the site:
WW Land Company, LLC.

4. Proposed project:

Building Square Footage – 2500 Square Feet
Size of Property – 0.09 Acres/3,888 square feet
Description of Building – 3 story, wood framed, real brick exterior, approximately 100 x 25 with a structural floor slab supported by helical piers.

5. Total Estimated Project Costs:

a. Land Acquisition:	\$ 50k
b. Site Development:	\$135k
c. Building Cost:	\$680k
d. Soft Costs:	\$25k
e. Financing Costs:	\$20k
f. Contingencies	<u>\$15k</u>
Total	\$925k

6. Estimate Projects Costs Eligible for Assistance : The applicant is requesting funding from the local option sales and use tax eligible under "Riverfront Redevelopment" included as an authorized expenditure by the voters and legislature in 2008 and the 2016 extension.

The applicant is requesting funding for the helical piers required to support the building as a result of the geotechnical report attached to the application. Similar funding was provided to 225 Belgrade (Brunton Architecture) from sales tax funding and tax increment financing was made available to 238 Belgrade (Frandsen Bank/Rooftop). Tax increment financing is not available to this parcel because no building is known to have existed on the site.

a. Helical Piers:	\$85,000
b. Structural Slab & Grade Beams:	\$33,600
Total:	\$118,600

7. Submit Pro Forma Showing Need for Assistance

Applicant has submitted.

8. Total Estimated Market Value at Completion: \$750,000

9. Estimated real estate taxes upon completion: \$15,000

10. Source of Financing

a. Equity	\$162,000
b. Bank Loan	\$644,400
c. Port Authority	\$118,600
Total	\$925,000

11. Amount of Assistance (Estimated Gap): \$118,600 in sales and use tax subsidy is requested to be provided upon completion of the work as verified by the contractor.

12. Type of Assistance Local Sales and Use Tax

13. Name & Address of architect, engineer, and general contractor:

- Architect – Strange Design
- Engineer(s) – Midwest Engineering
- General Contractor – APX Construction Group LLC

14. Project construction schedule:

- a. Construction Start Date – April 1, 2021
- b. Construction Completion Date – September 1, 2021

15. State Specific reasons why assistance is necessary for the project:

The total project value, approximately \$750,000 will be significantly less the project costs, with the increased cost for soil corrections and helical piers needed.

16. Please list each economic development goal the proposed project advances:

- ✓ To retain and/or expand existing businesses located in the City
- ✓ To increase the tax base
- ✓ To diversify the local economy, encourage economic and commercial activity, including the range of goods and services available
- ✓ To facilitate the development process and to achieve development on sites which would not otherwise be developed or that would be underdeveloped without assistance
- ✓ To offset increased costs of development or redevelopment (i.e. contaminated site clean-up) over and above the costs normally incurred in development (no known contamination exists on this site, but costs are above those normally incurred in development due to poor soils)
- ✓ To fully utilize existing or planned infrastructure improvements
- ✓ To contribute to the implementation of other identifiable goals of the City

17. Municipal Reference (if applicable).

N/A

18. Additional comments: None.

ADDITIONAL DOCUMENTATION AND CHECKLIST

1. Written business plan or a description of the business, ownership, management, date established, products and services, and future plans.

Applicant has submitted.

2. Two-year financial projections, or if housing project, or leased space, include a 10-year operating proforma.

Applicant has submitted.

3. Letter of commitment from other sources of financing, stating terms and conditions of their participation in the project.

Per attachment

4. Attach the following documentation:

- I. Corporation/Partnership Description – WW Land Company, LLC was created 8/24/2004. This company acquires land and invests in different properties to build on. It started with my father and I (Marty Walgenbach) purchasing a rental at 620 N. 4th St., Mankato. We fixed it up and sold it. We then used those proceeds to buy 53936 208th Ln., Mankato, which is currently rented to Guaranteed Electric Service, Inc. & WW Communications & Security Specialists.

Other past projects include:

- a. Oak Village Apartments located at 561 S. Elk St., Belle Plaine
- b. A billboard located at 1041 South Bend Ave., Mankato
- c. 237 Belgrade Ave., North Mankato which consists of one retail and one apartment rental
- d. Farms in South Dakota
- e. R&R Tire building with Jon Kietzer, rehabbed that and sold

WW Land Company, LLC is currently in the process of purchasing The Guardian Inn, located in Windom, MN.

- II. List of Shareholders/Partners – Marty Walgenbach
- III. Description of Project – Mixed-use Commercial and Residential
- IV. But for Analysis – See Note from Community Bank
- V. List of Prospective Lessees – Three different businesses have inquired: Real-estate, Salon and Financial Advisor
- VI. Legal Description, Property Identification Numbers, Maps of the project area and project renderings – PIN- 18.802.0120; *Legal Description*- W 25' of Lot 7, Subdivision of Block 1 and part of Block 6
- VII. Public Purpose Narrative – See answers to question #16
- VIII. Sources and Uses of Funds – Bank, Personal and City



12/17/2020

To whom it May concern,

This letter is to verify that financing is available and ready contingent on the port authority approval for the proposed mixed-use development located at 235 Belgrade Avenue, North Mankato, MN for Marty Walgenbach. If you have any further questions, please feel free to contact me directly at 507-385-2889.

A handwritten signature in blue ink, appearing to read 'Robert Beadell'.

Robert Beadell

VP of Commercial Lending

Community Bank Mankato

www.cbfg.net

951 Madison Avenue
Mankato, MN 56001
(507) 625-1551

300 St. Andrews Drive
Mankato, MN 56001
(507) 385-4444

201 East Main Street
Vernon Center, MN 56090
(507) 549-3679

203 East Maine Street
Amboy, MN 56010
(507) 674-3300

405 Parkway Avenue
Eagle Lake, MN 56024
(507) 257-5120

CITY OF NORTH MANKATO
235 BELGRADE AVENUE



1020 INNOVATION LANE MANKATO MN 56001 // APXCONSTRUCTIONGROUP.COM // 507.387.6836





December 2, 2020

City of North Mankato
Michael Fischer
City Planner
Community Development
North Mankato, MN 56003

Dear Mr. Fischer:

APX Construction Group has earned a reputation as an exceptional self-performing general contractor based out of Mankato, MN by safely constructing high-quality work. Our extensive background working with clients in a range of industries including institutional, industrial, retail, and commercial construction, affords us an unparalleled ability to see projects through to successful completion. Regardless of the size or scope of your project, APX has the experience, flexibility and skilled craftsmen necessary to satisfy your complex construction needs. We specialize in unique projects with challenging site and scheduling requirements. Our comprehensive knowledge enables us to provide you with accurate cost estimates, meaningful schedules and an unsurpassed level of quality.

Our team is native to the region with an office and staff who have lived and worked in southern Minnesota since 1998. This brings a strong background in building code, along with a team of vendors and sub contractors that provide the highest quality service with economical costs.

APX Construction Group has proven our commitment to the success of this project. We will be available 24/7 throughout the course of this project. If you have any questions, please do not hesitate to call me at (507) 508-5312. As a resident of the region, we are extremely proud of the cities around our community that we call home. We have made it one of our goals to continue supporting this region and helping it achieve its plans for growth and success.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joey Barr', is written over a white background.

Joey Barr
Director of Business Development // Project Manager
APX Construction Group
507.508.5312
Joey@APXConstructionGroup.com

HISTORY

As a third-generation contractor, with over 25 years of construction experience and company ownership. Our foundation is based on the core values of teamwork, integrity, and commitment. The company's reach is national, and our team members uphold our vision to provide valuable services to clients, build partnerships in the community, and deliver important resources such as educational, medical spaces, workplaces, and social and civic centers.

APX's insistence on quality of service, hard work, and responsiveness to client needs remains the company credo and has led to its success in a competitive industry. The company's ability to address changing conditions and demands, find and serve diverse markets, and expand its services has resulted in the company's continued growth.

The construction industry is filled with buzzwords and phrases: "We want to do things differently," or "We have to be innovative," or "We need more teamwork and collaboration!" APX transforms these vague concepts into concrete ways of doing business. The company uses sustainable systems and practices while implementing new and better approaches to deliver client projects.

Using the principles of lean construction, APX finds ways to minimize waste and maximize use of time, labor, and materials. Planning is integral, collaboration is key, and the result is an uninterrupted workflow, which helps deliver a project to the full satisfaction of the client.

MARKET EXPERIENCE

APX Construction Group has more than 50 years of combined experience in a variety of industries, including:

- Office/Retail
- Hospitality
- Student Housing
- Community/Nonprofit
- Industrial
- Medical
- Multi-Family Housing
- Government/Civil

Our Group has an extensive network of accomplished vendors and subcontractors that accommodate your project needs, from complex renovations to new construction. Our skilled and qualified staff provide project expertise in steel erection, carpentry, roofing, siding and concrete installation.

STRATEGY + VISION

Strong client relationships are priority at APX Construction Group. We believe success is achieved through active, committed connections with you, our clients. APX understands working in a cooperative manner is essential to meeting your needs along with completing the project on time. Choosing APX guarantees your project will turn out the way you envisioned, regardless of size or scope. We spend the time, utilize the talent and maximize every tool at our disposal to continually innovate and improve how we deliver your project.



RYAN EVENSON

CEO // PRESIDENT

B.S. Construction Management
Minnesota State University
Mankato, MN

Years of Experience: **25+**

Ryan is a highly organized, reliable, and self-motivated construction professional with over 25 years of extensive experience in the construction industry. Ryan has an excellent eye for detail and a profound ability to improve processes. He understands job costing, scheduling, estimating, and possesses a vast knowledge of construction methods, materials, regulations, contracts, plans, and specifications. Ryan has a strong track record of successfully estimating, scheduling, managing, and completing multiple simultaneous construction projects according to plans and specifications, on time, and under budget. He has demonstrated a history of producing accurate and timely reports, forms, and schedules and he consistently exceeds performance expectations.

RELEVANT EXPERIENCE

- YMCA, Mankato, MN
- Eastwood Warehouse Con Agra, Mankato, MN
- Medieval Manufacturing, Mankato, MN
- Hermel, Mankato, MN
- MedExpress, Mankato, MN
- Habitat ReStore, Mankato, MN
- Little Stars Daycare, Mankato, MN
- Southern Minnesota Crisis Center, Mankato, MN
- Braam Accounting, Mankato, MN
- The Quarters Student Housing
- Waseca Airport Hanger
- Windom Airport Hanger
- Talcot Lake DNR Maintenance Facility
- City of Madelia-Municipal Multi-Purpose Facility
- DLC Manufacturing Facility



MITCH ROHLFING

VP OF OPERATIONS

B.S. Construction Management
Minnesota State University
Mankato, MN

Years of Experience: **15+**

Mitch is an experienced and skilled construction project manager whose expertise lies in bidding, budgeting, site safety, subcontractor management, cost controls, and contracts. He is energetic and dedicated to providing consistency in all facets of building construction. Specializing in commercial structures, Mitch is highly proficient in managing and scheduling employees with a high understanding of scheduling, budgets and estimating. He possesses great knowledge of construction methods and materials and is extremely fluent in reading and understanding plans. Mitch has great leadership and communication skills. His high understanding of building codes and regulations allows him to consistently exceed performance and quality standards.

RELEVANT EXPERIENCE

- Maud Borup, Le Center, MN
- Waterville Ice, Waterville, MN
- Ramy Seed, Mankato, MN
- ConAgra, Mankato, MN
- Allina Health, New Ulm, MN
- St. Peter HRA, St. Peter, MN
- City of Madelia Maintenance Garage
Madelia, MN
- Region V Office Building, Mankato, MN
- SWMHP-Homestead Apartment Rehab
Mankato, MN
- Spotlight Dance Studio, Mankato, MN.
Completion July 2020
- Southern MN Periodontics Mankato, MN.
Completion June 2020
- Neubau Holdings, Mankato, MN.
Completion June 2020

Client References:

- Maud Borup
Mark Volkenant // Senior VP of Operations
507-317-0447
- The Quarters at East Lansing, MI
Brandon Smith // VP
507-995-4931



JOEY BARR

PROJECT MANAGER // BUSINESS DEVELOPMENT

B.S. Business Management
St. Cloud State University
St. Cloud, MN

Years of Experience: **25+**

As a Project Manager, Joey is highly organized and driven to provide top quality results. He has over 15 years in the construction industry and prides himself on customer relations. He maintains very detailed and relevant communication with his customers to ensure they are getting what they want. As the leader of the project, he works side by side with the customer from concept to completion and strives to meet both the budget and schedule. The key to his success is the immense respect and relationships he has with his subcontractors, suppliers, and staff. He has the capacity to successfully manage multiple projects at any given time and still be able to dedicate the proper amount of time to ensure the success of the project.

RELEVANT EXPERIENCE

- Southern MN Crisis Center, Mankato, MN
- Buffalo Wings and Rings, Mankato, MN
- Le Sueur County Highway Maintenance Building, Le Sueur, MN
- West Hennepin Auto and Tire, Greenfield, MN
- City of Madelia Maintenance Garage, Madelia, MN
- Region V Office Building, Mankato, MN
- SWMHP-Homestead Apartment Rehab, Mankato, MN
- Nuss Truck and Equipment, Mankato, MN
- Sleep Number, Mankato, MN
- St. Peter HRA, St. Peter, MN
- Spotlight Dance Studio, Mankato, MN
- Southern MN Periodontics, Mankato, MN
- Neubau Holdings, Mankato, MN



RICK LINDE

PROJECT SUPERINTENDENT

Carpentry
South Central Technical College
Faribault, MN

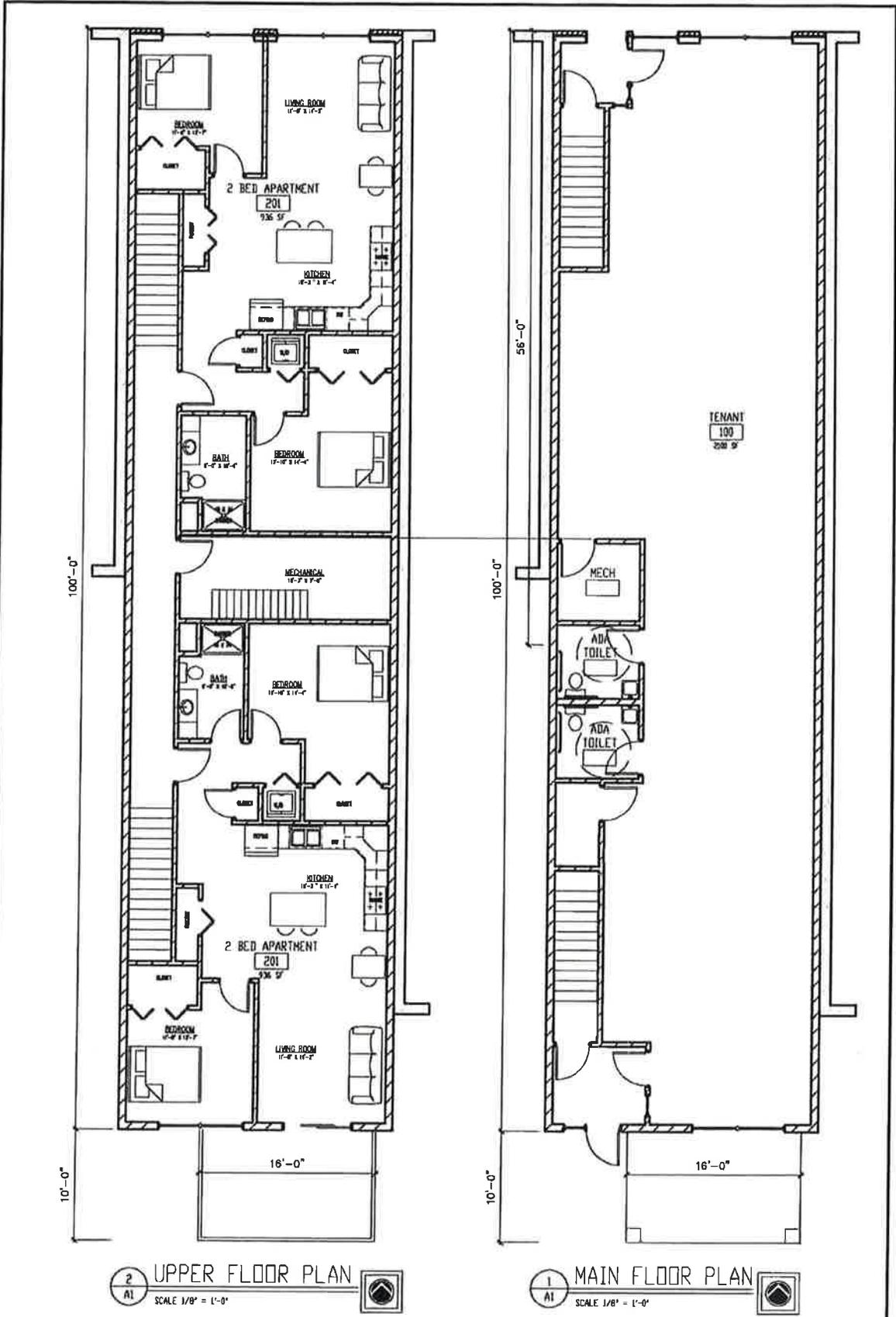
Years of Experience: **18**

As a Project Superintendent, Rick prides himself in his ability to work collaboratively in mobile work environments and maintain positive customer relationships. As a problem solver and forward thinker by nature, he manages overall punch lists and close out processes for facilities before certificates of occupancy are awarded. He effectively communicates with vendors and subcontractors to assure timely turn over. Other qualities include ensuring safety measures are followed, observing performance, and making recommendations for improvement, efficiently reading plans, and delegating but still maintaining overall responsibilities and accountability of the project. Rick graduated from SCTC, Faribault Campus and has worked in the construction industry since 2002.

RELEVANT EXPERIENCE

- Maud Borup, Le Center, MN
- Waterville Ice, Waterville, MN
- Ramy Seed, Mankato, MN
- ConAgra, Mankato, MN
- Allina Health, New Ulm, MN
- St. Peter HRA, St. Peter, MN
- City of Madelia Maintenance Garage, Madelia, MN
- Region V Office Building, Mankato, MN
- SWMHP-Homestead Apartment Rehab, Mankato, MN
- Spotlight Dance Studio, Mankato, MN
- Southern MN Periodontics Mankato, MN
- Neubau Holdings, Mankato, MN

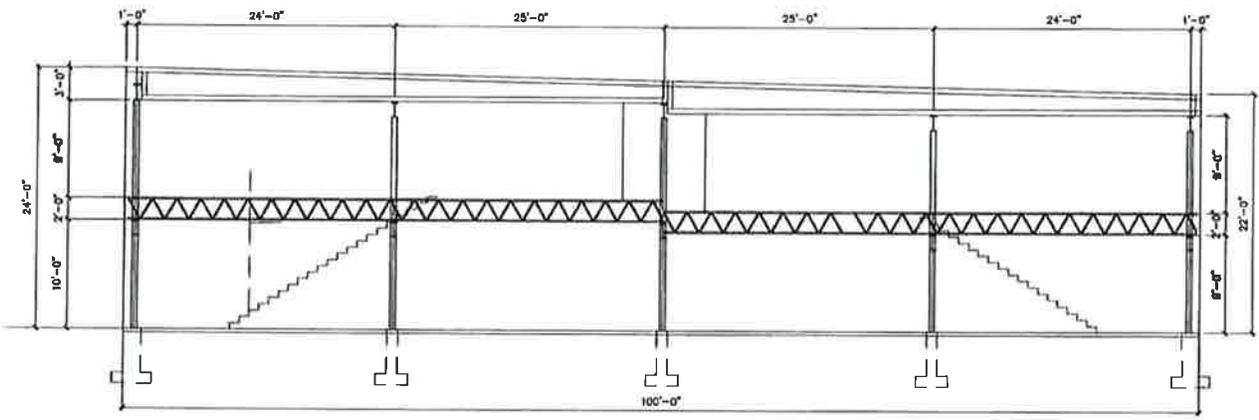




PROPOSED MIXED USE DEVELOPMENT
235 BELGRADE AVENUE
 NORTH MANKATO, MN

DATE: 01/04/2021

SHEET NO: **A1**



1 BUILDING SECTION
 2 SCALE 1/8" = 1'-0"



PROPOSED MIXED USE DEVELOPMENT
 235 BELGRADE AVENUE
 NORTH MANKATO, MN

DATE 01/04/2021
 SHEET NO A2

Conceptual Rendering of 2-Story Building Incorporated on Belgrade Avenue



Conceptual Rendering of 3-Story Building Incorporated on Belgrade Avenue



DEEP FOUNDATION GROUP

November 24, 2020

APX Construction Group
Attn: Ryan Evenson
Phone: 507-387-6836
ryan@apxconstructiongroup.com

Ryan,

Deep Foundation Group ("DFG") is pleased to provide this estimate for helical piers for the new 235 Belgrade Ave in lower North Mankato, MN for APX Construction Group (General Contractor). DFG proposes to furnish all labor, equipment, material and supervision to perform the scope of work as described below.

INTRODUCTION

The project consists of installing helical piers to support a proposed 2 story commercial / mixed use building at 235 Belgrade Ave. It is assumed that the building will be 2 story, wood framed, approximately 100' x 25' with a structural floor slab supported by helical piers also. No structural engineering has been completed on the building therefore the quantity and capacity of helical piers has been estimated. The existing soil borings only go to 21' depth which is not sufficient for helical pier design therefore we have used install logs and soil borings from adjacent properties to estimate the capacity and depth of helical piers at 235 Belgrade Ave.

REFERENCES

This proposal is based only on the following documents:

- Geotechnical Report: Project MA-10-06181A
- No Structural Plans
- DFG General Terms and Conditions, 4 pages, copy attached.

CURRENT PROJECT

DFG will install 2.875" x 0.217"/0.276" multi helix helical piers to an estimated length of 30-40' to support the proposed new 2 story building.

Obstructions – If DFG encounters obstructions during our installation, the following protocols will be followed.

1. The location of the obstruction will be noted and reported to the DFG design engineer, if the obstruction is located within a footing footprint, and the pier cannot be offset, DFG will suspend operations on that helical, and move to another area of the site, pending resolution with the design team.

2. Upon notification to the General Contractor that obstructions have been encountered in locations that cannot be offset, the general contractor may elect to mobilize his own crew to remove the obstruction and backfill with suitable materials. DFG will be paid standby rates if it is impeded from working while others remove obstructions.
3. DFG will, upon authorization from the general contractor, mobilize equipment to drill through or otherwise remove the obstruction. Mobilization of this additional equipment plus crew and equipment time will result in additional costs, which are detailed in the Schedule of Prices.

QUALIFICATIONS AND CLARIFICATIONS

Helical Piers

1. Work is assumed to commence in TBD
2. Work that is NOT included:
 - a. Layout of footings
 - b. Payment and Performance Bond
 - c. Winter Conditions (no ground head included)
 - d. Dewatering
 - e. Obstruction removal
 - f. Earthwork for site preparation and/or soil retention. Footing is assumed to be dug out and formed up for concrete before installation of helicals or each individual helical pier should be staked.
 - g. More than 1 mobilizations
- 3.
4. It is the responsibility of others to physically locate, expose, mark, and protect existing utilities on the site. DFG accepts absolutely no responsibility for protection of existing utilities. New utilities should be installed after DFG performs its work.
5. DFG to be provided with an access to the jobsite for both material and equipment.
6. Excavation for foundations shall be performed by others.

7. No load tests are included in this proposal.
8. All geotechnical explorations and inspections are by Owner.
9. DFG includes helical piers installation logs. Any required 3rd party inspection services are excluded from our scope of services.
10. Building permit is by Owner or General Contractor
11. Helical piers installed to 30'-40' length at helical pier locations yet to be designed.
 - a. 2 7/8" diameter leads and shafts with 3-5 helix lead
 - b. All piers to be installed 30'-40' depth (estimated) to achieve an allowable capacity of 25 -30 kip
 - c. Actual install length will be based on install torque required and measure in field by both digital and mechanical methods.
 - d. 8" x 8" bare steel bracket head for footing load transfer
 - e. Includes all material and labor for installation.
 - f. Installation would include licensed structural engineering oversight during construction and computer monitored pier installation.
 - g. This quote is an estimate only and is assumed to be conservative. It is not to be considered a bid for construction and should be revised based on additional geotechnical information and final construction documents.

SCHEDULE

Upon receipt of the executed proposal, DFG is available to mobilize within one week pending equipment & material availability. Material lead time is currently expected to be up to 3 working weeks.

DFG anticipates the Helical Piers will take approximately **3 Days** to install with (1) mobilizations.

SUMMARY

The work described in the above letter will be performed in general accordance with the attached General Terms and Conditions. For the scope of work described in this proposal letter, DFG would be compensated for the work in accordance with the attached Schedule of Prices.

DFG appreciates this opportunity to provide this proposal letter and look forward to working with you on a mutually successful project. If you have any questions, please feel free to contact us at 507-380-9313.



Brent Krohn
Deep Foundation Group
507-380-9313
brent@deepfg.com

SCHEDULE OF PRICES

Deep Foundation Group. (DFG) estimates a cost to to perform the work described in this proposal for approximately **\$85,000** for installation of helical piers based on our preliminary review

Additional Notes:

Additional Items

The following items are not included in the lump sum price above, but can be added for the costs listed.

Description	Qty.	Unit	Unit Price
Obstruction/Standby Rate (<i>per rig hr.</i>) – Helical Piers	1	HR	\$350
Additional Helical Extensions – 10' Extension	1	10 LF	\$300
Additional Mobilizations – Helical Piers	1	LS	\$500

GENERAL TERMS AND CONDITIONS

The following terms and conditions are part of DFG's proposal, unless otherwise specified in the proposal:

COMMERCIAL TERMS

Arbitration: Any controversy or claim arising out of or relating to this agreement, except for actions to enforce mechanics' lien or payment bond claim rights, shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction. Arbitration proceedings shall take place in Sioux Falls, South Dakota. The law governing the interpretation of this Agreement shall be the law of the state of South Dakota.

Backcharges or Claims: For services provided by the Owner and/or General Contractor to DFG, back charges and/or claims are not valid unless a change order is agreed to and signed by a properly authorized representative of DFG.

Bonds: The cost of a bond premium is not included in the contract price. If desired by and paid by the Owner and/or General Contractor, DFG will furnish a Payment and Performance bond. Payment for any bonds furnished by DFG will be invoiced separately at the time such bonds are furnished and payable by the Owner and/or General Contractor to DFG within five (5) days of such invoice.

Changed Conditions: Notwithstanding all clauses of this agreement, if DFG, during its work, encounters 1) subsurface or latent physical conditions which differ from those indicated in this Agreement or in documents made available by the General Contractor or Owner, or 2) unknown physical conditions of an unusual nature, differing from those ordinarily encountered, then DFG shall be entitled to an equitable price and schedule adjustment to compensate it for such changed condition as agreed between DFG, the General Contractor and the Owner.

Changes by Others: DFG will be compensated for additional engineering services or additional costs resulting from changes made by others to its design, construction methods, or scope of work.

Confidentiality: All specifications, drawings, price and technical data submitted by DFG are to be treated as confidential and shall not be used for any purpose other than the evaluation of this bid, nor shall such information be disclosed to any third party for any purposes without the express written consent of DFG. Such information shall remain DFG's property, and be returned to DFG upon demand and destroyed by the holder of such information.

Contract Documents: Information used to prepare this proposal has been furnished to DFG by the Owner and/or General Contractor or representative of either or both. If conditions are not in accordance with the information furnished, the recommended procedures, scope of work,

and price of this proposal may not necessarily apply. The responsibility for delays or liabilities incurred by conditions other than represented shall be borne jointly and severally by the Owner and General Contractor. DFG assumes no legal liability for the design accuracy of the contract documents or for proceeding with the tasks set forth in the proposal based on the contract documents.

Exclusions: Any items of work not specifically included in the proposal shall not be the responsibility of DFG.

Force Majeure: DFG cannot accept any liability for default or delay in the completion of the work when caused by strike, riot, war, terrorism, weather, natural disaster, Act of God, or other similar circumstances beyond DFG's control.

Hazardous Material: In the event that DFG encounters any hazardous material on the site which has not been rendered harmless, DFG shall immediately stop work in the area affected and report the condition in writing to the Owner or the General Contractor. To the fullest extent permitted by law, the Owner and General Contractor shall indemnify and hold harmless DFG, its owners, officers, managers, agents, consultants, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees arising out of or resulting from performance of the work in the affected area.

Indemnity: Subject to the terms of the Liability Clause below, and to the correct soil conditions having been provided to DFG prior to beginning its work, DFG shall insure, indemnify and hold harmless the Owner and its agents and employees from and against all claims, damages, losses and expenses, including attorneys' fees, but only to the extent of the negligence of DFG, provided that any such claim, damage, loss or expense (1) is attributable to bodily injury, sickness, disease or death, or (2) to the injury to or destruction of tangible property (other than the work itself), including the loss of use resulting therefrom, and only to the extent such claim is covered under the General Liability Policy of DFG.

Insurance: DFG will provide the following insurances within limits as shown.

Comprehensive General Liability: \$4,000,000.00	\$4,000,000.00
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(Combined Single Limit, Bodily Injury and Property Damage)

Automobile Liability: \$1,000,000.00	\$1,000,000.00
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(Combined Single Limit, Bodily Injury and Property Damage)

Workman's Compensation:	Statutory
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Statutory Special Coverage such as railroad protective or marine insurance is specifically excluded and may be available at an additional cost.

Liability: DFG shall not be liable or responsible for defects of any kind whatsoever arising from a cause which is outside DFG's immediate control or knowledge, or for any fault in the junction between DFG's work and work carried out by others.

Vibration Liability: DFG does not accept any liability for disturbance to existing structures and their inhabitants on or near the work site. The Owner and the General Contractor agree to indemnify DFG against any and all claims for such disturbances and also take precautions as necessary to avoid any such claims. This may include vibration monitoring, excavating trenches around the affected area, etc.

Limitation of Liability: DFG will perform the work in a professional manner in cooperation with the Owner, General Contractor, or Owner's Engineer/Architect. However, DFG shall not be liable for any damage to the structure, landscaping, utilities, French drains, septic systems, wells, etc. and/or any consequential damages that may result from the normal performance of the work. All utilities and other services left in place shall be located, exposed, and shown to DFG's onsite representative prior to commencement of work.

Liquidated Damages: DFG shall not be liable or responsible for any liquidated damages, delay damages, or time-related penalties arising from the work.

Period of Acceptance: This Proposal is offered for acceptance for a period of 30 days. The terms and pricing of this proposal shall not be extended beyond 30 days without the written consent of DFG.

Permits and Easements: All site permits and easements required to legally perform the work shall be the responsibility of the Owner and/or General Contractor.

Project Support: The Project Support section, immediately following these General Terms and Conditions, and including any liability waivers and obligations of the Owner and/or General Contractor, is incorporated herein by this reference.

Standard Contract: This proposal when signed by both parties shall be the form of agreement. Any other contract form will require DFG's review and written approval. Where incorporated into a contract, this proposal shall supersede all conflicting terms of such a contract.

Tax Exempt Project: All sales and use taxes are excluded. The Owner or General Contractor to forward project specific tax exempt certificate, prior to start of work.

Terms of Payment:

- a) Payment will be made within thirty (30) days of the dates on which progress invoices are rendered and are for the full amount of the proportion of the contract price represented by the work performed and materials delivered during the preceding month.
- b) Final payment including retention shall be made within thirty (30) days after the completion of DFG's work, regardless of the anticipated project completion date.
- c) Interest shall accrue on any amounts which remain unpaid at and after the time specified for payment in items (a) and (b) above at the rate of 18% per annum.

- d) Payment will not be withheld in the event the Owner withholds payment from the General Contractor through no fault of DFG. If the Owner and/or General Contractor fails to make a payment or payments to DFG as herein provided, DFG may stop work without prejudice to any other right it may have.
- e) Owner and/or General Contractor agree to pay DFG in addition to the interest set forth above all legal fees and costs incurred by DFG in its efforts to recover withheld funds.
- f) This proposal is made on DFG's warranty that its right to place a Mechanic's Lien has not been waived. At final payment, DFG will release any right it may have against Owner and/or General Contractor for labor and materials furnished and for work installed by DFG.
- g) Any setoff conditions are specifically excluded.

Warranty: There are no expressed warranties by DFG other than as expressly set forth in these General Terms and Conditions.

PROJECT SUPPORT / EXECUTION:

The following items are specifically excluded and must be provided by Contractor or Owner at no cost to DFG. If any of the following are not provided but are reasonably necessary for completion of the work, DFG may provide such items and bill the same to Contractor and/or Owner as extra work:

Cleanup: Dumpsters, waste containers and disposal for all waste and debris generated from DFG's work. Street cleaning and truck wash down facilities.

Electricity: Electric Service within 100 feet of DFG's operations rated at 110 volts/50 amps.

Engineering: All plans, specifications and designs necessary for the work, unless otherwise specified herein.

Excavation and Spoil Removal: All necessary excavation, loading, hauling and disposal, including removal of solid and liquid waste materials resulting from the work.

Layout and As-builts: All general and specific layout. Continuous and complete survey, field layout and grades at all work locations and any post construction and/or as-built surveys of the completed work.

Lighting: Reasonable site lighting for safe work and site security.

Noise and Dust Control: Provide and maintain noise abatement measures/devices (e.g. sound walls), if required. Provide and maintain ventilation and/or dust control barriers etc., if required.

Obstruction: Delays and costs resulting from manmade or naturally occurring obstructions are excluded. DFG shall be compensated for the costs of excavating, removing, or otherwise dealing with such obstructions per the Schedule of Prices.

Progression of the Work: DFG's proposal is based upon carrying out the work in an organized, sequential, uninterrupted, and efficient manner during regular working hours, Monday through Friday, in a single mobilization to the site. DFG reserves the right to work overtime or weekends at DFG's own discretion without incurring charges for inspection, site overhead or other consequential charges. In the event that DFG's work is interrupted, impeded, or disrupted for any reason beyond its control, DFG shall be compensated for standby of the crew and equipment per the Schedule of Prices.

Restoration and Protection: Protect and restore all pavements, surfaces, finishes, landscape, hardscape, utilities, structures, or any other element, directly or indirectly affected by DFG's work.

Sanitary Facilities: On-site sanitary facilities for the use of DFG employees.

Security: Site security including watchmen during non-work hours.

Site Access and Maintenance: Preparation and maintenance of clear, well drained, uninterrupted access ways, ramps and working platforms suitable for DFG equipment and trucks moving under their own power without mats which allows work to be carried out in an orderly, efficient and uninterrupted manner. Any expense due to lack of availability of the site shall be charged as extra work. Access includes adequate ramps and platforms at suitable levels and should be available at the time and to the extent necessary to suit DFG's operations.

Site Preparation: Removal of all surface, subsurface, or overhead obstructions, topsoil, brush, organic material and other unacceptable material as necessary for DFG to perform its work.

Site Work: The work under this proposal does not include any excavation, backfilling, grading or sealing work required on the site to establish a working platform or to restore the site to the original or finished grade. All such work is to be furnished by others in a timely manner, so as not to impede the progress of the work or cause damage to the finished work.

Staging/Laydown Area: An area shall be provided on-site, adjacent to the work, for DFG's equipment, material storage, workshop, and site office(s).

Support and Protection of Adjacent Structures: Support and protection of adjacent structures and utilities is not included in DFG's scope of work. The Owner and/or General Contractor is obligated to notify adjacent property owners, utility companies and others in accordance with local laws and to ensure that such structures are protected.

Testing & Inspection: Required instrumentation, movement or vibration monitoring, site/building condition surveys, laboratory or field materials testing, construction/materials inspection services, and services of a geotechnical or structural engineer. Existing condition

surveys of buildings, utilities, and facilities shall be taken after site preparation/demolition and prior to commencement of DFG's work.

Traffic Control: Provide all pedestrian and vehicular traffic control including signs, signals, devices, barricades and flagmen, if and when required.

Utilities: Locating utilities is not included in the scope of DFG's work. The Owner and/or General Contractor are obligated to ensure that all utilities are properly located including the proper notification of any utility locating service applicable to the work. All existing above and below ground utilities which may be affected by the work shall be located and exposed, removed, protected and/or relocated. The extent and location of adjacent utilities and services left in place shall be clearly and accurately marked out on site and shown to a DFG representative prior to the commencement of work. DFG shall not be held responsible or liable for any damage to any such utilities not thus indicated. Furthermore, it is possible that damage may occur as a result of heave, settlement or intrusion caused by DFG's work due to the unforeseeable condition of the ground or utility; consequently DFG shall not be held responsible or liable for damages thus caused.

Water Control: All work necessary to control and maintain the site and excavation free of ground or surface water problems as they relate to DFG's operations. Prevent surface water and subsurface or groundwater from accumulating in and on project site and surrounding area. Provide local disposal of wastewater created by DFG's operations.

Water Supply: Procure and supply adequate clean, potable, fresh water for the conduct of the work within 100 ft. of DFG's work.

Deep Foundation Group, LLC:

Accepted by:

Name, Title, Date

Name, Title, Date



235 Belgrade Ave. - Structural Concrete for Helical Piers

CONTRACT Contractor agrees to provide all the necessary labor, equipment, and materials in accordance with the attached Project Details, Drawings and additional specifications as may be needed and initiated by the parties and attached hereto. Work shall occur within thirty (30) days after receipt by contractor of all necessary building permits. Any alteration or deviation from the attached details, specifications and drawings which involve additional costs, will become an extra charge over and above the cost of the original agreement. All additional work shall be paid in full at the completion of such work. Contractor cannot be held responsible for any delays that may occur caused by weather or by outside sources by which the contractor has no control over

SCOPE BASE BID \$33,600.00
Slab 1 30 SF
Slab 2 90 SF
Slab 3 2,492 SF
GB-1 217 LF
GB-2 102 LF
GB-3 109 LF
GB-4 30 LF
GB-5 24 LF
Winter Conditions 1 LS \$20,000.00

PLEASE NOTE - IN ADDITION TO THE STANDARD EXCLUSIONS, TERMS AND CONDITIONS ON PAGE TWO THIS PROPOSAL, THE FOLLOWING APPLY; THE PROPOSAL EXCLUDES, WASHOUT PROVISIONS, EARTHWORK, DUMPSTERS, WATER PROOFING, DRAIN TILE, SUB BASE, MASONRY, STONE VENEER, FINISHED SEALERS/TREATMENTS, CAULKING/ JOINT SEALANTS OF ANY KIND, EQUIPMENT PADS, DEMO AND REMOVAL, CURB AND GUTTER, ANCHOR BOLTS, BASE PLATES.

PAYMENT The Contractor agrees to pay any and all payments according to the payment terms defined on page 2 of this proposal. Should said payment(s) not be made, or if satisfactory arrangements for payment have not been made, the Contractor reserves the right to stop all work until such time as payment is rendered or satisfactory payment arrangements have been made.

LEGAL Pre-Lien Notice: (a) ANY PERSON OR COMPANY SUPPLYING LABOR OR MATERIALS FOR THIS IMPROVEMENT TO YOUR PROPERTY MAY FILE A LIEN AGAINST YOUR PROPERTY IF THAT PERSON OR COMPANY IS NOT PAID FOR THE CONTRIBUTIONS. (b) UNDER MINNESOTA LAW, YOU HAVE THE RIGHT TO PAY PERSONS WHO SUPPLIED LABOR OR MATERIALS FOR THIS IMPROVEMENT DIRECTLY AND DEDUCT THIS AMOUNT FROM OUR CONTRACT PRICE, OR WITHHOLD THE AMOUNTS DUE THEM FROM US UNTIL 120 DAYS AFTER COMPLETION OF THE IMPROVEMENT UNLESS WE GIVE YOU A LIEN WAIVER SIGNED BY PERSONS WHO SUPPLIED ANY LABOR OR MATERIAL FOR THE IMPROVEMENT AND WHO GAVE YOU TIMELY NOTICE.

DOCUMENTS PROPOSAL IS BASED ON DOCUMENTS: ARCHITECTURAL: SPEC: STRUCTURAL: ADDENDA: CIVIL:



STANDARD Excavation/Export, Backfilling/Import, Compaction, Shoring/Bracing/Cribbing
EXCLUSIONS: Vapor Barriers, Bulding Paper/Membranes, Water Repellants/Damproofing/Waterproofing
Caulking/Joint Sealants/Fillers
Coring/Sawcutting, Demolition/Removal
Structural Pre-cast Elements, along with connection, installatlon and/or grouting of such
Sealers/Coatings
Testing
Mlsc. Steel Supply; Embeds, Bolts, Plates, Frames, Etc.
Colored/Lightweight/Acoustic/Decorative/Burnished/Glazed and/or Water Repellant CMU
Colored/Water Repellant Mortar
Insulation
Dewatering, Mud/Snow Removal
Winter Conditions; Heated Ready-Mix, Accelerators, Blanket/Poly Cover, Enclosures, Heaters, Fuel and Overtime
Preformance/Payment Bonds, Builders Risk Insurance, 'Additionally Insured' provisions, Special Insurance Endorsements
Layout/Survey and Benchmark Provision
Overtime, Shift-work and Phased Sequencing
Liquidated Damages, Actual Damages, and/or the like
Traffic/Noise/Dust/Pedestrian Control Provisions along with Lane Closures/Barricades
Job-Site Security
Engineering/Design
Special Interest Labor provisions; WBE/MBE/DBE Compliance and Labor Goals
Digital Management Implementation; Billing, Payment, Document Tracking, Etc.
Dumpster and Concrete/Mortar washout provisions
Prevailing Wage / Certified Payroll
Wall Bracing once scaffold has been removed
Permits, Inspections, Specials Inspections, Etc. and any costs/delays associated with such
Addenda / Alternates

TERMS AND CONDITIONS: This Proposal is valid for 15 days and is contingent upon changes in project schedule
This Proposal includes only the items listed on page 1 under 'Scope Defined'
Temporary Utilities; Water, Power and Lighting as required are to be provided by others within 100'-0" of our work for the duration
This Proposal is based on one mobilization to complete the work, unless agreed upon otherwise
This Proposal shall be incorporated into any subsequent contract agreement as an exhibit
This Proposal shall serve as the standing written contract agreement, untill superceded by a mutually agreed upon executed subsequent contract
Sub-Base for Concrete Slabs, Paving, Etc. to be within 1/10' Balanced by others
No Guarantees are made against delays in progress beyond our control; Acts of God, Weather, Other Trades, Etc.
Payment is to be made 30 days days from date of our Billing, and will not be conditional upon payment by others
All Material selections, unless specified otherwise prior to the preparation of this proposal - Shall be made from Manufactuers Standard Range
We cannot guarantee the quality, availability or consistency of pre-selected materials
We recommend Stone joints to be caulked (by others) in lieu of finish-mortared
An OSHA Compliant Control Zone Below/Around our scaffold is to be provided/maintained by others when our scaffold is in place
Proposal is based on a maximum of 5% retention being withheld from each billing
We reserve the right to assess a \$600.00 minimum charge for each plan revlsion/scope change - regardless of whether the contract amount is adjusted as a result.

ACCEPTANCE: Acceptance of basic construction contract per building plans.
The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Accepted by: _____ Print Name - Title _____ Date _____

Geotechnical Evaluation Report

Proposed Building
235 Belgrade Avenue
North Mankato, Minnesota

Prepared for

City of North Mankato

Professional Certification:

I hereby certify that this plan, specification, or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.



Philip E. Bailey, PE
Staff Engineer
License Number: 47539
May 19, 2010



Project MA-10-06181A

Braun Intertec Corporation

BRAUN
INTERTEC

Braun Intertec Corporation
153 Chestnut Street
Mankato, MN 56001

Phone: 507.345.4913
Fax: 507.345.5042
Web: braunintertec.com

May 19, 2010

Project MA-10-06181A

Mr. Michael Fischer
City of North Mankato
PO Box 2055
1001 Belgrade Ave
North Mankato, MN 56003

Re: Geotechnical Evaluation
Proposed Building
235 Belgrade Avenue
North Mankato, Minnesota

Dear Mr. Fischer:

We are pleased to present this Geotechnical Evaluation Report for the proposed building to be located at 235 Belgrade Avenue. A detailed explanation of our findings and our recommendations, in light of the geotechnical issues influencing design and construction, is presented in the attached report.

Remarks

Thank you for making Braun Intertec your geotechnical consultant for this project. If you have questions about this report, or if there are other services that we can provide in support of our work to date, please call Philip Bailey at 507.995.8186 (cell) or 507.345.4913 (office).

Sincerely,

BRAUN INTERTEC CORPORATION



Philip E. Bailey, PE
Staff Engineer



Steven B. Martin, PE
Associate – Principal/ Engineer

c: Mr. Scott Kamps, Brunton Architects

Geo Report – 235 Belgrade Avenue

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Appendix

Boring Location Sketch

Log of Boring Sheets

Descriptive Terminology

A. Introduction

A.1. Project Description

We understand that the City of North Mankato is proposing to sell the vacant lot located at 235 Belgrade Avenue and that a building will be constructed on the lot after the sale. We assume that the proposed building will be similar in size to the adjacent buildings and will be a 1 to 2 story building with a full basement. We understand that a building occupied the lot previously.

A.2. Purpose

The purpose of our geotechnical evaluation is to characterize subsurface geologic conditions at selected exploration locations and evaluate their impact on the design and construction of a new building.

A.3. Site Conditions

We understand that a building occupied the lot previously. The site is relatively flat with surface elevations very near those of the finished floor elevations of the adjacent buildings and is currently grass on the north end of the lot and bituminous pavement on the south end of the lot.

Existing buildings are located on the east and west sides of the vacant lot. The buildings are 1 to 2 story buildings, with masonry wall construction. We understand that it is thought that the adjacent buildings have full basement, however, this should be verified prior to construction. For our analysis, we have assumed that there are full basement present on either side of the vacant lot. If this is found to not be accurate, we should be notified so that our recommendations could be reevaluated.

A.4. Scope of Services

Our scope of services for this project was originally submitted as a Proposal to Mr. Scott Kamps of Brunton Architects. Due to the pending sale of the lot, the City of North Mankato made the decision to authorize the proposal and the client was then changed to reflect this alteration. We received authorization to proceed from the City of North Mankato shortly thereafter. Tasks performed in accordance with our authorized scope of services included:

- Performing a reconnaissance of the site to evaluate equipment access to exploration locations.
- Staking and clearing exploration locations of underground utilities.

- Performing 2 penetration test borings to depths of about 21 feet.
- Performing laboratory tests on selected penetration test samples.
- Preparing this report containing a CAD sketch, exploration logs, a summary of the geologic materials encountered, results of laboratory tests, and recommendations for structure subgrade preparation and the design of foundations.

We staked exploration locations by measuring dimensions from nearby buildings or other site features with a tape or surveyor's wheel at approximate right angles from those references. Surface elevations were estimated based on the finished floor elevation of the adjacent buildings.

Our scope of services was performed under the terms of our June 15, 2006, General Conditions.

B. Results

B.1. Exploration Logs

B.1.a. Log of Boring Sheets

Log of Boring sheets for our penetration test borings are included in the Appendix. The logs identify and describe the geologic materials that were penetrated, and present the results of penetration resistance tests performed within them, laboratory tests performed on penetration test samples retrieved from them, and groundwater measurements.

Strata boundaries were inferred from changes in the penetration test samples and the auger cuttings. Because sampling was not performed continuously, the strata boundary depths are only approximate. The boundary depths likely vary away from the boring locations, and the boundaries themselves may also occur as gradual rather than abrupt transitions.

B.1.b. Geologic Origins

Geologic origins assigned to the materials shown on the logs and referenced within this report were based on: (1) a review of the background information and reference documents cited above, (2) visual classification of the various geologic material samples retrieved during the course of our subsurface exploration, (3) penetration resistance testing performed for the project, (4) laboratory test results, and (5) available common knowledge of the geologic processes and environments that have impacted the site and surrounding area in the past.

B.2. Geologic Profile

B.2.a. Geologic Materials

The general geologic profile at the site consists (proceeding down from the ground surface) of topsoil or pavement, over existing fill over alluvial soils.

Boring ST-1 initially encountered about 1 1/2 feet of filled topsoil that generally consisted of silty sand that was dark brown and wet. Boring ST-2 initially encountered 3 inches of bituminous over 8 inches of aggregate base. Below the topsoil and pavement, the borings encountered existing fill to depths of about 6 to 11 feet. The existing fill consisted of poorly graded sand with silt, and silty sand that were light brown to dark brown and wet, with some brick and rubble noted in the samples. Penetration resistance values recorded in the existing fill ranged from 3 to 8 blows per foot (BPF) indicating that the fills were generally poorly compacted. At the 10 foot depth in boring ST-1, the lean clay with sand encountered was noted as being possible fill. The soil was noted as possible fill because it was not similar to the native soils encountered, however, no debris or organics were present within the sample. We recommend that the possible fill be further evaluated at the time of construction to determine its nature.

Below the existing fill, the borings encountered alluvial soil to their termination depths. The alluvial soils generally consisted of silt with varying sand contents, silty sand and poorly graded sand with silt that were brown and brownish gray to gray and wet to waterbearing. Penetration resistance values recorded in the alluvial soils ranged from weight of hammer to 6 BPF, indicating that they were very loose to loose in relative density.

B.2.b. Groundwater

Groundwater was measured or estimated to be down approximately 15 feet as our borings were advanced. This depth corresponds to elevations 85 based on our elevation datum.

Seasonal and annual fluctuations of groundwater should also be anticipated.

B.3. Laboratory Test Results

The moisture content of the alluvial soils tested was determined to vary from approximately 19 to 38 percent, indicating that the material was well above its probable optimum moisture content.

Our mechanical analyses indicated that the alluvial silt tested contained about 77 percent silt and clay by weight.

C. Basis for Recommendations

C.1. Design Details

C.1.a. Building Design Details

We assume that the proposed building will be similar in size to the adjacent building and will be a 1 to 2 story building with a full basement.

We have assumed that bearing wall loads associated with the proposed building will not exceed 4 kips per lineal foot (klf); column loads will not exceed 75 kips per column.

C.1.b. Anticipated Grade Changes

Existing ground surface elevations are within approximately 1 foot of the first floor elevation of the proposed buildings. Cuts on the order of 8 to 9 feet are therefore anticipated for the basement slab.

C.1.c. Precautions Regarding Changed Information

We have attempted to describe our understanding of the proposed construction to the extent it was reported to us by others. Depending on the extent of available information, assumptions may have been made based on our experience with similar projects. If we have not correctly recorded or interpreted the project details, we should be notified. New or changed information could require additional evaluation, analyses and/or recommendations.

C.2. Design Considerations

Due to the presence of very loose soils at the proposed basement grade and depth associated with their removal, we recommend that an alternative foundation system such as helical piers supported foundations or an enlarged, low pressure mat foundation be considered. We are providing additional recommendations regarding these alternatives in the sections below.

C.3. Construction Considerations

From a construction perspective, the project team should also be aware that:

- Excavations may penetrate the groundwater surface at a depth of approximately 10 feet. Dewatering may be required to facilitate an evaluation of the geologic materials exposed in the excavation sides and bottoms, and the placement and compaction of backfill.

- The alluvial soils present below the existing fill are very loose and will be highly sensitive to construction and foot traffic. In order to facilitate placement of concrete and minimize disturbance of the alluvial soils, a section of clean sand having less 50 percent passing the number 40 sieve and less than 5 percent passing the number 200 sieve or drainage aggregate of at least 1 foot will likely be required. This will also provide underslab drainage due to the vicinity of groundwater to the proposed basement slab.
- In order to minimize disturbance of the alluvial soils, we recommend that all excavations be performed with a smooth bladed backhoe bucket.
- The alluvial soils present may not be directly suitable for support of the proposed utilities. Subcutting 1 to 2 feet below the proposed utilities and replacing the alluvial soils with sand or crushed rock may be required for pipe and backfill support.

D. Recommendations

D.1. Building Subgrade Preparation

D.1.a. Excavations

We anticipate that all of the existing fill soils will be removed from beneath the proposed building during excavation for the basement. If any existing fill is remaining, it should be removed. In order to avoid disturbance of the excavation bottom, we recommend all excavations be performed with a smooth bladed backhoe bucket. After removal of the fill, we recommend that the basement area be subexcavated to allow for placement of an additional foot of clean sand having less 50 percent passing the number 40 sieve and less than 5 percent passing the number 200 sieve or drainage aggregate for ease of construction and to provide a medium from which to remove any accumulating groundwater or perched groundwater. If sand is used, we recommend that it be compacted to at least 95 percent of its maximum dry density as determined by a standard Proctor test.

Excavation depths will vary between the borings. Portions of the excavations may also be deeper than indicated by the boring logs. Contractors should also be prepared to extend excavations in wet or fine-grained soils to remove disturbed bottom soils.

In order to protect the footings of the adjacent buildings, we do not recommend that excavations extend below the bottoms of the existing foundations.

To provide lateral support to replacement backfill, additional required fill and the structural loads they will support, we recommend oversizing (widening) the excavations 1 foot horizontally beyond the outer edges of the building perimeter footings, or pavement limits, for each foot the excavations extend below bottom-of-footing elevations.

D.1.b. Excavation Dewatering

Groundwater or perched groundwater may be present in excavations for the basement. We recommend removing groundwater from the excavations. Sumps and pumps can be considered for excavations in low-permeability silt- and clay-rich soils, or where groundwater can be drawn down 2 feet below the bottoms of excavations in more permeable sands. In large excavations, or where groundwater must be drawn down more than 2 feet, a well contractor should review our logs to determine if wells are required, how many will be required, and to what depths they will need to be installed.

In sands, we do not recommend attempting to dewater from within an excavation. Upward seepage will loosen and disturb the excavation bottom. Rather, groundwater should be drawn down at least 2 feet below the anticipated excavation bottom in advance of excavation.

D.2. Building Support

We are providing 2 options for support of the building. The first and most conservative approach would be to support the building on helical piers. Helical piers would transfer the building loads to a more suitable bearing stratum at depth. A second option would be to utilize a low pressure mat foundation below the entire building. If a mat foundation were utilized, it should be designed to exert no greater pressure on the alluvial soils present than the overlying fill in place at this time. These options are presented below in further detail.

D.2.a. Helical Pier Approach

Based on the soil conditions encountered by the borings, it is our opinion that the proposed building could be supported upon helical piers. If the building were supported on helical piers, consideration could be given to eliminating the full basement as the building loads would be transferred below the existing buildings. The piers would support a grade beam foundation and structural slab combination. We understand designers typically want to extend the piers to depths where soil conditions have blow counts, or "N" values in the range of 9 to 20 blows per foot, depending on the loads applied to the piers.

Based on borings performed for other projects near the proposed building, we anticipate the helical piers will achieve allowable capacities of 10 to 20 tons per anchor at depths of about 20 to 30 feet below the proposed basement grade, however, our borings were terminated at a depth of 20 feet, so project specific borings are not available at this time. If a helical pier system is chosen to support the foundations, we recommend consulting a specialty contractor for final design. The exact allowable capacity of the piers should be determined by a contractor whose specialty is design and construction of helical piers.

We recommend a geotechnical engineering technician observe the installation of the helical piers. The installation documentation should include the type of piers, the depth, the gauge pressure and the torque that is achieved during installation.

D.2.b. Mat Foundation

Another option for support of the proposed building would be to support the proposed building on a mat foundation. In order to minimize any potential settlement and minimize disturbance of the adjacent buildings, the mat foundation would need to be designed to exert a net allowable bearing capacity less than that of the existing overlying fill soils. We would recommend designing the mat to exert a net allowable bearing capacity of less than 1,000 pounds per square foot. We anticipate that a mat foundation would likely be comprised of a thickened, reinforced concrete slab. Because the weight of the existing fill would be replaced with that of the building, we do not anticipate that further consolidation of the soft alluvial soils would occur. This would minimize damage to adjacent buildings caused by inducing additional stress on their foundation soils.

D.3. Below Grade Walls

D.3.a. Drainage Control

We recommend installing subdrains behind the basement walls, below the slab elevation. Preferably the subdrains should consist of perforated pipes embedded in washed gravel, which in turn is wrapped in filter fabric. Perforated pipes encased in a filter "sock" and embedded in washed gravel, however, may also be considered.

We recommend routing the subdrains to a sump and pump capable of routing any accumulated groundwater to a storm sewer or other suitable disposal site.

General waterproofing of below grade walls surrounding occupied or potentially occupied areas is recommended even with the use of free-draining backfill because of the potential cost impacts related to seepage after construction is complete.

D.3.b. Selection, Placement and Compaction of Backfill

Due to the relatively confined spaces associated with the proposed site and vicinity of adjacent buildings, we recommend the backfill placed against exterior perimeter walls consist of sand. This will allow for ease of compaction during backfilling. The sand may contain up to 12 percent of the particles by weight passing a #200 sieve.

We recommend a walk behind compactor be used to compact the backfill placed within about 5 feet of the retaining walls. Further away than that, a self-propelled compactor can be used. We recommend that fill placed below sidewalks and pavements be compacted to at least 95 percent of its maximum dry density as determined by a standard Proctor test, except where fill is placed within 3 feet of pavements where it should be compacted to at least 100 percent standard Proctor.

Exterior backfill not capped with slabs or pavement should be capped with a low-permeability soil to limit the infiltration of surface drainage into the backfill. The finished surface should also be sloped to divert water away from the walls.

D.3.c. Configuring and Resisting Lateral Loads

Below-grade wall design can be based on active earth pressure conditions if the walls are allowed to rotate slightly. If rotation cannot be tolerated, then design should be based on at-rest earth pressure conditions. Rotation up to 0.002 times the wall height is generally required when walls are backfilled with sand*. Rotation up to 0.02 times the wall height is required when walls are backfilled with clay and silt.

- * To design for sand backfill, excavations required for wall construction should be wide enough and flat enough so that sand is present within a zone that (1) extends at least two horizontal feet beyond the bottom outer edges of the wall footings (the wall heel, not the stem) and then (2) rises up and away from the wall at an angle no steeper than 60 degrees from horizontal. We anticipate these geometric conditions will be met if the excavations meet OSHA requirements for the types of soils likely to be exposed in the excavation.

Recommended equivalent fluid pressures for wall design based on active and at-rest earth pressure conditions are presented below in Table 1. Assumed wet unit backfill weights, and internal friction angles are also provided. The recommended equivalent fluid pressures in particular assume a level backfill with no surcharge – they would need to be revised for sloping backfill or other dead or live loads that are placed within a horizontal distance behind the walls that is equal to the height of the walls. Our design values also assume that the walls are drained so that water cannot accumulate behind the walls.

Table 1. Recommended Below-Grade Wall Design Parameters

Backfill	Wet Unit Weight (pcf)	Friction Angle (deg)	Equivalent Fluid Pressure, Active Case (pcf)	Equivalent Fluid Pressure, At-Rest Case (pcf)
Sand	115	32	35	55
Silt and Clay	120	25	50	70

Resistance to lateral earth pressures will be provided by passive resistance against the retaining wall footings, and by sliding resistance along the bottoms of the wall footings. We recommend assuming a passive pressure equal to 300 pcf and a sliding coefficient equal to 0.35. These values are un-factored.

D.4. Interior Slabs

D.4.a. Slab Support

If helical piers are used to support the proposed structure, it is our opinion that there are two options for slab support. The first option would be to utilize a structural slab supported directly on the helical piers. The structural slab would likely be supported on grid of grade beams, but would have to be designed by the structural engineer.

If helical piers are utilized and a slab on grade building is proposed, the proposed slab could be supported on helical piers as indicated above or on the existing fill soils. Due to the unknown nature of the fill or care of placement, there is some risk of settlement of the existing fill and the owner must be willing to assume this risk. If the existing fill soils are considered for slab support, we would recommend that the topsoil and existing pavements be removed and that the existing fill soils be surface compacted prior to placement of additional fill. Any additional fill required should consist of granular material with less than 20 percent passing the number 200 sieve and should be compacted to at least 95 percent of its maximum dry density as determined by a standard Proctor test. Care should be taken to minimize disturbance of the adjacent buildings during compaction.

An alternative to a structural slab would be to support the slab on the alluvial soils. If the proposed slab were supported on the alluvial soils or existing fill, we would recommend using a modulus of subgrade reaction, k , of 100 pounds per square inch per inch of deflection (pci) to design the slabs.

D.4.b. Underslab Drainage

In order to provide a medium for removal of any of groundwater which may accumulate below the proposed basement slab, we recommend that at least one foot of clean sand having less 50 percent passing the number 40 sieve and less than 5 percent passing the number 200 sieve or drainage aggregate be placed directly below the slab. We recommend installing a line of draitile down the center of the building to allow for removal of groundwater.

D.4.c. Moisture Vapor Protection

If floor coverings or coatings less permeable than the concrete slab will be used, we recommend that a vapor retarder or vapor barrier be placed immediately beneath the slab. Some contractors prefer to bury the vapor retarder or barrier beneath a layer of sand to reduce curling and shrinkage, but this practice risks trapping water between the slab and vapor retarder or barrier.

Regardless of where the vapor retarder or barrier is placed, we recommend consulting with floor covering manufacturers regarding the appropriate type, use and installation of the vapor retarder or barrier to preserve warranty assurances.

D.5. Exterior Slabs

Exterior slabs will be underlain with silty and clayey soils, which are considered moderately to highly frost susceptible. If these soils become saturated and freeze, unfavorable amounts of heaving could occur. Grading to direct surface drainage away from buildings helps limit the potential for saturation and subsequent heaving to occur. Still, even limited amounts of movement can create tripping hazards to building occupants. One way to help limit the potential for heaving to occur is to remove frost-susceptible soils present below the overlying slab "footprints" down to bottom-of-footing grades or to a maximum depth of 5 feet below subgrade elevation, whichever is least, and replace them with non frost-susceptible (NFS) backfill consisting of sand having less than 5 percent of the particles by weight passing a #200 sieve.

If the banks of excavations to remove frost-susceptible soils from below exterior slabs are not sloped, abrupt transitions between frost-susceptible and NFS backfill will exist along which unfavorable amounts of differential heaving may still occur. Such transitions could exist between exterior slabs and pavements, between slabs and sidewalks, and along the slabs themselves should excavations be confined only to the building entrances. NFS backfill is also likely to be more permeable than the soils it replaces, and so can also trap infiltrating surface drainage and groundwater that can contribute to heaving at transitions. To address these issues, we recommend:

- Sloping the banks of excavations to remove frost-susceptible soils at a 3:1 (horizontal:vertical) or flatter gradient.
- Sloping the bottoms of the excavations to drain away from the building.
- Installing perforated drainpipes along the bottom outer edges of the excavations to collect and dispose of surface drainage and groundwater that could otherwise accumulate within the backfill and contribute to heaving.

One alternative for reducing frost-related heave is to place at least 2 inches of extruded polystyrene foam insulation below the slabs and extend it approximately 4 feet beyond the outer edges of the slabs. The insulation may have to be buried below a cushion of sand or gravel to protect it during construction. Another alternative is to support the slabs on frost-depth footings, and suspending the slabs at least 4 inches above the underlying subgrade soils to accommodate heaving without it affecting the slabs.

D.6. Utilities

D.6.a. Subgrade Stabilization

To help support the installation of utilities and facilitate the compaction of backfill, we recommend subcutting the alluvial soils 1 to 2 feet and replacing them with sand or crushed rock to prepare a proper subgrade for pipe support. We also anticipate that the proposed utilities will be installed per the manufacturer's recommendations.

D.6.b. Selection, Placement and Compaction of Backfill

We recommend that utilities be backfilled with clean sands having less than 5 percent passing the number 200 sieve.

D.7. Construction Quality Control

D.7.a. Excavation / Helical Pier Observations

We recommend having a geotechnical engineer observe all excavations related to subgrade preparation, mat foundation, and slab on grade construction. The purpose of the observations is to evaluate the competence of the geologic materials exposed in the excavations, and the adequacy of required excavation oversizing.

D.7.b. Materials Testing

We recommend density tests be taken in excavation backfill and additional required fill placed below mat foundations, slab-on-grade construction, and behind basement walls.

We also recommend slump, air content and strength tests of Portland cement concrete.

D.7.c. Cold Weather Precautions

If site grading and construction is anticipated during cold weather, all snow and ice should be removed from cut and fill areas prior to additional grading. No fill should be placed on frozen subgrades. No frozen soils should be used as fill.

Concrete delivered to the site should meet the temperature requirements of ASTM C 94. Concrete should not be placed on frozen subgrades. Concrete should be protected from freezing until the necessary strength is attained. Frost should not be permitted to penetrate below footings.

E. Procedures

E.1. Penetration Test Borings

The penetration test borings were drilled with a truck-mounted core and auger drill equipped with hollow-stem auger. The borings were performed in accordance with ASTM D 1586. Penetration test samples were taken at 2 1/2- or 5-foot intervals. Actual sample intervals and corresponding depths are shown on the boring logs.

E.2. Material Classification and Testing

E.2.a. Visual and Manual Classification

The geologic materials encountered were visually and manually classified in accordance with ASTM Standard Practice D 2488. A chart explaining the classification system is attached. Samples were placed in jars or bags and returned to our facility for review and storage.

E.2.b. Laboratory Testing

The results of the laboratory tests performed on geologic material samples are noted on or follow the appropriate attached exploration logs. The tests were performed in accordance with ASTM or AASHTO procedures.

E.3. Groundwater Measurements

The drillers checked for groundwater as the penetration test borings were advanced, and again after auger withdrawal. The boreholes were then backfilled or allowed to remain open for an extended period of observation as noted on the boring logs.

F. Qualifications

F.1. Variations in Subsurface Conditions

F.1.a. Material Strata

Our evaluation, analyses and recommendations were developed from a limited amount of site and subsurface information. It is not standard engineering practice to retrieve material samples from exploration locations continuously with depth, and therefore strata boundaries and thicknesses must be inferred to some extent. Strata boundaries may also be gradual transitions, and can be expected to vary in depth, elevation and thickness away from the exploration locations.

Variations in subsurface conditions present between exploration locations may not be revealed until additional exploration work is completed, or construction commences. If any such variations are revealed, our recommendations should be re-evaluated. Such variations could increase construction costs, and a contingency should be provided to accommodate them.

F.1.b. Groundwater Levels

Groundwater measurements were made under the conditions reported herein and shown on the exploration logs, and interpreted in the text of this report. It should be noted that the observation periods were relatively short, and groundwater can be expected to fluctuate in response to rainfall, flooding, irrigation, seasonal freezing and thawing, surface drainage modifications and other seasonal and annual factors.

F.2. Continuity of Professional Responsibility

F.2.a. Plan Review

This report is based on a limited amount of information, and a number of assumptions were necessary to help us develop our recommendations. It is recommended that our firm review the geotechnical aspects of the designs and specifications, and evaluate whether the design is as expected, if any design changes have affected the validity of our recommendations, and if our recommendations have been correctly interpreted and implemented in the designs and specifications.

F.2.b. Construction Observations and Testing

It is recommended that we be retained to perform observations and tests during construction. This will allow correlation of the subsurface conditions encountered during construction with those encountered by the borings, and provide continuity of professional responsibility.

F.3. Use of Report

This report is for the exclusive use of the parties to which it has been addressed. Without written approval, we assume no responsibility to other parties regarding this report. Our evaluation, analyses and recommendations may not be appropriate for other parties or projects.

F.4. Standard of Care

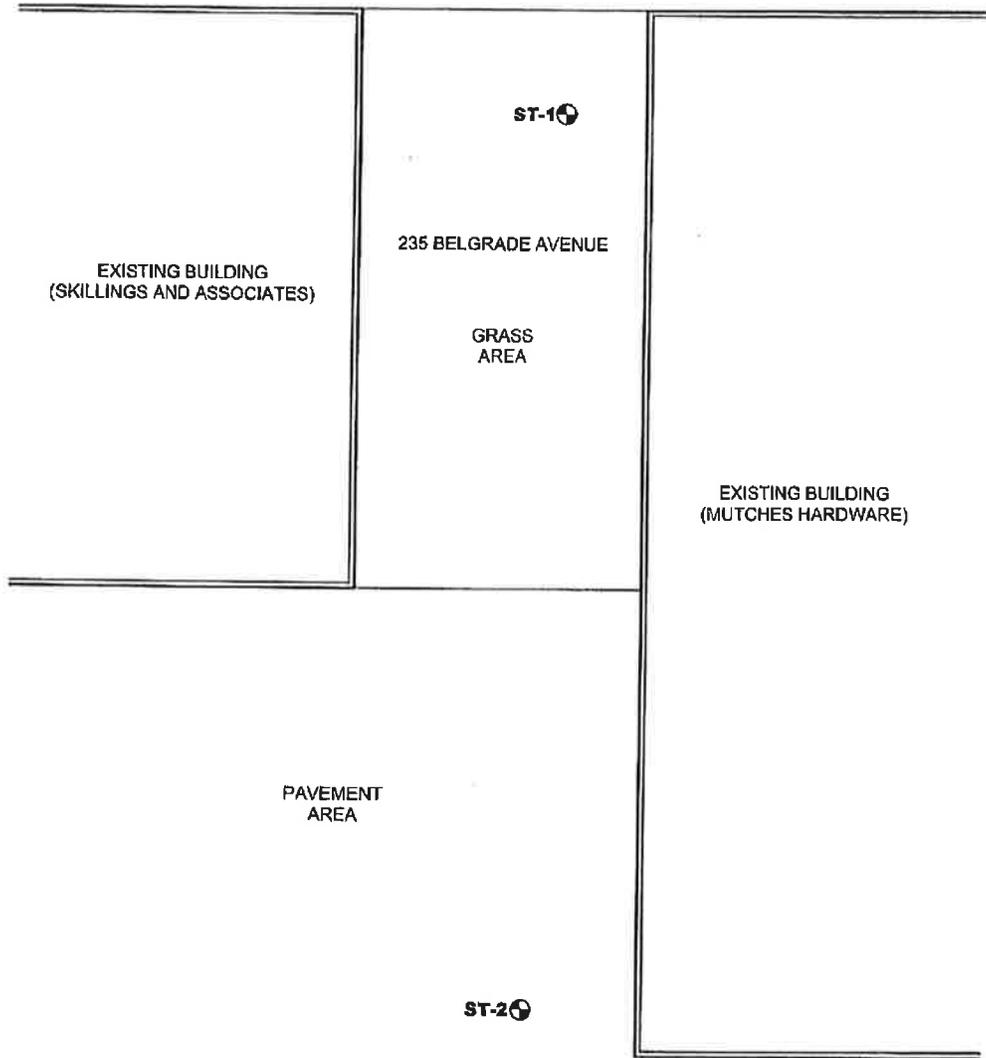
In performing its services, Braun Intertec used that degree of care and skill ordinarily exercised under similar circumstances by reputable members of its profession currently practicing in the same locality. No warranty, express or implied, is made.

Appendix

BRAUN
INTERTEC

BELGRADE AVENUE

SIDEWALK



 DENOTES APPROXIMATE LOCATION OF STANDARD PENETRATION TEST BORING

Sheet of Fig.	Project No:	MA1006181A
	Drawing No:	MA1006181
	Scale:	NONE
	Drawn By:	BJB
	Date Drawn:	5/19/10
	Checked By:	PEB
	Last Modified:	5/19/10

SOIL BORING LOCATION SKETCH
GEOTECHNICAL EVALUATION
PROPOSED BUILDING
235 BELGRADE AVENUE
NORTH MANKATO, MINNESOTA

**BRAUN
INTERTEC**

11001 Hampshire Avenue So.
Minneapolis, MN 55438
PH. (952) 995-2000
FAX (952) 995-2020

Braun Project MA-10-06181A Geotechnical Evaluation Proposed Building 235 Belgrade Avenue North Mankato, Minnesota				BORING: ST-1 LOCATION: See attached sketch.			
DRILLER: JC/MR		METHOD: 3 1/4" HSA, Autohammer		DATE: 5/10/10		SCALE: 1" = 4'	
Elev. feet	Depth feet	Symbol	Description of Materials (Soil- ASTM D2488 or D2487, Rock-USACE EM1110-1-2908)	BPF	WL	MC %	Tests or Notes
99.1	0.9	SM	SILTY SAND, fine grained, slightly organic, dark brown, wet. (Fill/Topsoil)				
		FILL	FILL: Silty Sand, fine to medium grained, with Gravel and Rubble, dark brown, wet.	7			
96.0	4.0	FILL	FILL: Poorly Graded Sand, fine grained, with Silt and trace of Gravel, light brown, moist to wet.	3			
				8			
91.0	9.0	CL	LEAN CLAY, with Sand, gray and brown, wet, rather soft. (Possible Fill)	5		38	
89.0	11.0	ML	SANDY SILT, brownish gray, very loose to loose. (Alluvium)	3			
				6	▽	23	The solid bar symbol in the WL column indicates the observed dry cave-in depth after withdrawal of auger.
86.0	14.0	SP-SM	POORLY GRADED SAND, with SILT and lenses of Silty Sand, gray, wet, loose. (Alluvium)	5			
				5			
79.0	21.0		END OF BORING. Water down 15 feet with 15 feet of hollow-stem auger in the ground. Water down 17 feet with 20 feet of hollow-stem auger in the ground. Water not observed to cave-in depth 14 feet immediately after withdrawal of auger. Boring then backfilled.				

(See Descriptive Terminology sheet for explanation of abbreviations)

LOG OF BORING 06181A.GPJ BRAUN.GDT 5/19/10 17:47

Braun Project MA-10-06181A Geotechnical Evaluation Proposed Building 235 Belgrade Avenue North Mankato, Minnesota	BORING: ST-2 LOCATION: See attached sketch.
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DRILLER: JC/NR	METHOD: 3 1/4" HSA, Autohammer	DATE: 5/10/10	SCALE: 1" = 4'
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Elev. feet	Depth feet	Symbol	Description of Materials (Soil- ASTM D2488 or D2487, Rock-USACE EM1110-1-2908)	BPF	WL	MC %	P200 %	Tests or Notes
100.0	0.0							
99.1	0.9	PAV	3 inches of Bituminous over 8 inches of Aggregate Base.					
		FILL	FILL: Silty Sand, fine grained, trace of Gravel and Brick, dark brown, wet.	5				
94.0	6.0	SM	SILTY SAND, fine grained, dark brown, wet, very loose. (Alluvium)	5				
				3				
90.0	10.0	ML	SILT, with SAND, dark brown and gray, wet, very loose. (Alluvium)		WH	31	76.9	
88.0	12.0	ML	SANDY SILT, with Sand lenses, gray, wet, very loose. (Alluvium)	2		19		
86.0	14.0	SM	SILTY SAND, fine to medium grained, brown, wet to waterbearing, very loose. (Alluvium)	2				
82.0	18.0	SP-SM	POORLY GRADED SAND, fine to medium grained, with SILT, brown, waterbearing, very loose. (Alluvium)	4				
79.0	21.0		END OF BORING. Water observed at 15 feet while drilling. Water down 17 feet with 20 feet of hollow-stem auger in the ground. Water not observed to cave-in depth 14 feet immediately after withdrawal of auger. Boring then backfilled.					

(See Descriptive Terminology sheet for explanation of abbreviations)

LOG OF BORING 06181A.GPJ BRAUN.GDT 5/19/10 17:47



Criteria for Assigning Group Symbols and Group Names Using Laboratory Tests ^a				Soils Classification				
				Group Symbol	Group Name ^b			
				Coarse-grained Soils More than 50% of coarse fraction retained on No. 200 sieve	Gravels More than 50% of coarse fraction retained on No. 4 sieve	Clean Gravels 5% or less fines ^e	$C_u \geq 4$ and $1 \leq C_c \leq 3$ ^c	GW
Gravels with Fines More than 12% fines ^e	$C_u < 4$ and/or $1 > C_c > 3$ ^c	GP	Poorly graded gravel ^d					
	Fines classify as ML or MH	GM	Silty gravel ^{d1g}					
Sands 50% or more of coarse fraction passes No. 4 sieve	Clean Sands 5% or less fines ^e	$C_u \geq 6$ and $1 \leq C_c \leq 3$ ^c	SW		Well-graded sand ^h			
	Sands with Fines More than 12% fines ^e	$C_u < 6$ and/or $1 > C_c > 3$ ^c	SP		Poorly graded sand ^h			
		Fines classify as ML or MH	SM		Silty sand ^{g,h}			
Fine-grained Soils 50% or more passed the No. 200 sieve	Silts and Clays Liquid limit less than 50	Inorganic	PI > 7 and plots on or above "A" line ⁱ	CL	Lean clay ^{k,l,m}			
			PI < 4 or plots below "A" line ⁱ	ML	Silt ^{k,l,m}			
		Organic	Liquid limit - oven dried	OL	Organic clay ^{k,l,m,n}			
			Liquid limit - not dried < 0.75	OL	Organic silt ^{k,l,m,o}			
		Silts and clays Liquid limit 50 or more	Inorganic	PI plots on or above "A" line	CH	Fat clay ^{k,l,m}		
				PI plots below "A" line	MH	Elastic silt ^{k,l,m}		
	Organic		Liquid limit - oven dried	OH	Organic clay ^{k,l,m,p}			
			Liquid limit - not dried < 0.75	OH	Organic silt ^{k,l,m,q}			
	Highly Organic Soils			Primarily organic matter, dark in color and organic odor		PT	Peat	

Particle Size Identification

Boulders	over 12"
Cobbles	3" to 12"
Gravel	
Coarse	3/4" to 3"
Fine	No. 4 to 3/4"
Sand	
Coarse	No. 4 to No. 10
Medium	No. 10 to No. 40
Fine	No. 40 to No. 200
Silt	< No. 200, PI < 4 or below "A" line
Clay	< No. 200, PI ≥ 4 and on or above "A" line

Relative Density of Cohesionless Soils

Very loose	0 to 4 BPF
Loose	5 to 10 BPF
Medium dense	11 to 30 BPF
Dense	31 to 50 BPF
Very dense	over 50 BPF

Consistency of Cohesive Soils

Very soft	0 to 1 BPF
Soft	2 to 3 BPF
Rather soft	4 to 5 BPF
Medium	6 to 8 BPF
Rather stiff	9 to 12 BPF
Stiff	13 to 16 BPF
Very stiff	17 to 30 BPF
Hard	over 30 BPF

- a. Based on the material passing the 3-in (75mm) sieve
- b. If field sample contains cobbles or boulders, or both, add "with cobbles or boulders or both" to group name
- c. $C_u = D_{60}/D_{10}$, $C_c = \frac{(D_{30})^2}{D_{10} \times D_{60}}$
- d. If soil contains $\geq 15\%$ sand, add "with sand" to group name
- e. Gravels with 5 to 12% fines require dual symbols:
GW-GM well-graded gravel with silt
GW-GC well-graded gravel with clay
GP-GM poorly graded gravel with silt
GP-GC poorly graded gravel with clay
- f. If fines classify as CL-ML, use dual symbol GC-GM or SC-SM.
- g. If fines are organic, add "with organic fines" to group name.
- h. If soil contains $\geq 15\%$ gravel, add "with gravel" to group name
- i. Sands with 5 to 12% fines require dual symbols:
SW-SM well-graded sand with silt
SW-SC well-graded sand with clay
SP-SM poorly graded sand with silt
SP-SC poorly graded sand with clay
- j. If **Atterberg limits plot in hatched area**, soil is a CL-ML, silty clay.
- k. If soil contains 10 to 20% plus No. 200, add "with sand" or "with gravel" whichever is predominant.
- l. If soil contains $\geq 30\%$ plus No. 200, predominantly sand, add "sandy" to group name.
- m. If soil contains $\geq 30\%$ plus No. 200 predominantly gravel, add "gravelly" to group name
- n. PI ≥ 4 and plots on or above "A" line.
- o. PI < 4 or plots below "A" line
- p. PI plots on or above "A" line.
- q. PI plots below "A" line

Drilling Notes

Standard penetration test borings were advanced by 3 1/4" or 6 1/4" ID hollow-stem augers unless noted otherwise. Jetting water was used to clean out auger prior to sampling only where indicated on logs. Standard penetration test borings are designated by the prefix "ST" (Split Tube). All samples were taken with the standard 2" OD split-tube sampler, except where noted.

Power auger borings were advanced by 4" or 8" diameter continuous-flight, solid-stem augers. Soil classifications and strata depths were inferred from disturbed samples augered to the surface and are, therefore, somewhat approximate. Power auger borings are designated by the prefix "B."

Hand auger borings were advanced manually with a 1 1/2" or 3 1/4" diameter auger and were limited to the depth from which the auger could be manually withdrawn. Hand auger borings are indicated by the prefix "H."

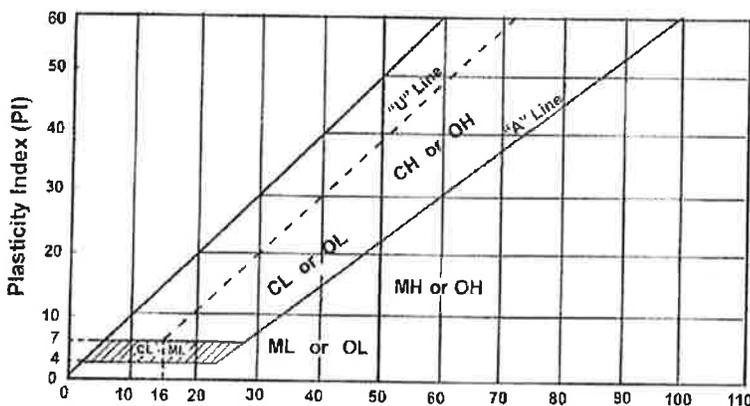
BPF: Numbers indicate blows per foot recorded in standard penetration test also known as "N" value. The sampler was set 6" into undisturbed soil below the hollow-stem auger. Driving resistances were then counted for second and third 6" increments and added to get BPF. Where they differed significantly, they are reported in the following form: 2/12 for the second and third 6" increments, respectively.

WH: WH indicates the sampler penetrated soil under weight of hammer and rods alone; driving not required.

WR: WR indicates the sampler penetrated soil under weight of rods alone; hammer weight and driving not required

TW indicates thin-walled (undisturbed) tube sample.

Note: All tests were run in general accordance with applicable ASTM standards.



Liquid Limit (LL)

Laboratory Tests

DD	Dry density, pcf	OC	Organic content, %
WD	Wet density, pcf	S	Percent of saturation, %
MC	Natural moisture content, %	SG	Specific gravity
LL	Liquid limit, %	C	Cohesion, psf
PL	Plastic limit, %	ϕ	Angle of internal friction
PI	Plasticity index, %	qu	Unconfined compressive strength, psf
P200	% passing 200 sieve	qp	Pocket penetrometer strength, lsf

MEMORANDUM

TO: John Harrenstein, City Administrator

FROM: Matt Lassonde, City Planner & Kevin McCann, Finance Director

DATE: January 7, 2021

SUBJECT: Belgrade Master Plan and Sales Tax Fund Compliance Review for WW Land Company Proposed Development at 235 Belgrade Avenue

Introduction

The purpose of this memorandum is to identify how proposed development at 235 Belgrade Avenue advances the goals and objectives of the Belgrade Master Plan.

WW Land Company, LLC is requesting financial assistance for proposed mixed-used redevelopment of 235 Belgrade Avenue in the Central Business District (CBD). The proposed building will be 2,500 square feet and includes main floor commercial and second floor residential apartments. The applicant is requesting funding for helical piers required to support the building as a result of a geotechnical report.

Belgrade Master Plan Recommendations

The following provides a synopsis of how the proposed development meets the recommendations from the Belgrade Master Plan:

- Section 1.4 *Summary of Issues and Themes* provides the following:
 - *Land Use, Design and Downtown Character:*
 - *“Steps should be taken to maintain the desirable characteristics and encourage new construction efforts to achieve designs that integrate well within the district.”*

Discussion: The proposed building will be expected to emulate characteristics from adjacent buildings existing on the south side of the 200 Block of Belgrade Avenue. This building will “fill the gap” in this location, answering the call for desirable characteristics.

- *Economic Development:*
 - *“Several existing buildings along the corridor have been identified as having the potential to be better utilized through redevelopment as mixed-use buildings accommodating more business, office, and residential opportunities while providing an enhanced downtown atmosphere.”*

Discussion: While this section specifically states, “existing buildings,” the vacant lot at 235 Belgrade Avenue also has potential to be better utilized through development as a

mixed-use building, providing space for commercial and residential uses where none previously existed.

- Section 1.6 *Guiding Principles* provides the following:
 - 2. *Strengthen the variety and vitality of the CBD*
 - *“The CBD’s economy and vibrancy as a community destination should be revitalized by attracting more retail, restaurant and service businesses.”*

Discussion: Main floor commercial creates more space for retail, restaurant, and service businesses to consider in the CBD.

- Section 2.1 *Vision* provides the following:
 - *A Vision for the North Mankato Central Business District:*
 - *“The North Mankato Central Business District is a growing and safe district characterized by cohesive architectural design, pedestrian friendly streetscapes, and new destinations all contributing to a beautiful, thriving, and inviting area serving as the core for community convention”*

Discussion: The proposed development will contribute to cohesive architectural design and has potential to provide a new commercial destination.

- Section 2.2 *Goals and Objectives* provides the following:
 - *Chapter 3 – Land Use:*
 - *“Goal 1: Maximize the use of land within the City of North Mankato in a way that strengthens the local economy, preserves natural resources, and ensures a high-quality of life for all residents.*
 - *Objective 1.1: Preserve and enhance the small business environment of the downtown.*
 - *Chapter 9 – Downtown Redevelopment:*
 - *Goal 1: Expand the number and variety of businesses and residential varieties in the downtown.*
 - *Objective 1.1: Redevelop underutilized parcels or outdated and deteriorating buildings.*
 - *Objective 1.2: Increase the number of businesses and residents in the downtown*

Discussion: The proposed development maximizes the use of this vacant parcel through development that will contribute to the local economy. This will enhance the small business environment in the CBD by expanding the number and variety of businesses. It also redevelops an underutilized parcel.

- Section 5 *Implementation* provides the following:
 - *10-year Implementation*
 - *“Infill development of vacant lots should also be considered to maximize mixed use potential.”*

Discussion: This property is specifically identified in the Implementation Plan figure for infill development (see attached figure).

Financial Impact of Sales Tax Incentive

Attached is the 2021 sales tax fund budget spreadsheet updated with the proposed \$118,600 incentive for the development added for 2021. Available funds exist for the project.

Conclusion

A review of the Belgrade Master Plan, which serves as the long-range planning document for the CBD, shows the proposed development at 235 Belgrade Avenue by WW Land Company, LLC meets plan recommendations. Also, according to the City’s Sales Tax Fund budget forecast, revenue from the Sales Tax fund will accommodate the proposed \$118,600 incentive for this project.

City staff believes this development will enhance the small business environment in the CBD by providing new commercial space and answering the call for infill development of vacant lots and recommends funding assistance be granted by the Port Authority to support this development as requested.

Attachment 1 – Belgrade Master Plan – Implementation



400/500 Block Incremental Change Potential

5-Year Change:

1. Renovation to the Brandt Building.
2. Redevelopment of properties to mixed-use adding additional commercial/residential options.
3. Short term traffic calming and roadway reconstruction recommendations per the 2016-2017 Belgrade Corridor Study.

10-Year Change:

4. Redevelopment of various properties to mixed-use adding additional commercial/residential options.
5. Long term traffic calming and roadway reconstruction recommendations per the 2016-2017 Belgrade Corridor Study.

20-Year Change:

6. Redevelopment of various properties to mixed-use adding additional commercial/residential options.

300 Block Incremental Change Potential

5-Year Change:

1. Redevelopment of various properties to mixed-use adding additional commercial/residential options.
2. Business expansion to the west and south of the street corner.
3. Short term traffic calming and roadway reconstruction recommendations per the 2016-2017 Belgrade Corridor Study.

10-Year Change:

4. Redevelopment of various properties to mixed-use adding additional commercial/residential options.
5. Long term traffic calming and roadway reconstruction recommendations per the 2016-2017 Belgrade Corridor Study.

20-Year Change:

6. Redevelopment of various properties to mixed-use adding additional commercial/residential options.

200 Block Incremental Change Potential

5-Year Change:

1. Conversion of residential property to public parking.
2. Conversion of public parking lot to mixed-use structure.
3. Potential redevelopment of bank drive through property.
4. Redevelopment of various properties to mixed-use adding additional commercial/residential options.
5. Short term traffic calming and roadway reconstruction recommendations per the 2016-2017 Belgrade Corridor Study.

10-Year Change:

6. Infill development of vacant lot.
7. Long term traffic calming and roadway reconstruction recommendations per the 2016-2017 Belgrade Corridor Study.

20-Year Change:

8. Redevelopment of various properties to mixed-use adding additional commercial/residential options.

Attachment 2 – 2021 sales tax fund budget spreadsheet

CITY OF NORTH MANKATO, MINNESOTA

SALES TAX FUND(S) - 221

2021 Budget

	2018 ACTUAL	2019 FORECAST	2020 PROPOSED	2020 YTD	2021 PROPOSED	+/- 2020/2021	2022 FORECAST	2023 FORECAST	2024 FORECAST	2025 FORECAST	COMMENTS
REVENUES											
SALES TAXES	583,694	679,219	600,000	146,329	600,000	-	600,000	600,000	600,000	600,000	
CONTRIBUTIONS/DONATIONS											
INTEREST EARNINGS											
BOND PROCEEDS											
MISCELLANEOUS											
TOTAL REVENUES	583,694	679,219	600,000	146,329	600,000	-	600,000	600,000	600,000	600,000	
EXPENDITURES											
TRUNK HIGHWAY 14/41 INTERCHANGE D/S	223,331	225,581	215,078	-	-	(215,078)	-	-	-	-	
CASWELL PARK		59,988	-	11,437	118,000	118,000	-	-	-	-	
CASWELL NORTH SOCCER FIELDS			80,000	-	-	(80,000)					
2020 Sales Tax Funded Project - \$5-\$8 million			-	-	175,000	175,000	60,000	194,693	295,840	303,575	\$5-\$8 million 2021 project
TRANSFERS - Debt Service Fund 311	297,863	301,088	298,425	171,168	299,850	1,425	295,425	300,300	299,600	62,800	2009C & 2010B Bonds
TOTAL EXPENDITURES	521,194	586,657	593,503	182,605	417,850	(175,653)	355,425	494,993	595,440	366,375	
REVENUES OVER (UNDER) EXPENDITURES	62,500	92,563	6,497	(36,276)	182,150	175,653	244,575	105,007	4,560	233,625	
TOTAL ADJUSTMENTS FROM CHANGES IN ASSETS AND LIABILITIES											
CASH, BEGINNING	42,586	91,181	179,578	179,578	186,075	-	193,225	437,800	542,807	547,367	
CASH, ENDING	91,181	179,578	186,075	143,302	193,225	193,225	437,800	542,807	547,367	780,992	
CASH, AS % OF EXPENDITURES	17%	31%	31%	78%	46%	46%	123%	110%	92%	213%	