ROLL CALL: Mueller, Gunn, Hull, Meehlhause, Bergeron

PUBLIC COMMENT

Citizens may speak to issues not on tonight's agenda. Before speaking, please give your full name and address for the minutes. Also, please limit your comments to three minutes.

Agenda Items Discussed by Consensus

1. Discussion of Ordinance Amendment regarding Possession, Aiming or Discharging of Weapons
2. Discussion of the LHIA grant from the Met-Council for MWF Properties, land acquisition, & Contamination Cleanup Grant
3. Differential Pay Policy
4. Discussion of 2017 Citizen of the Year Award
5. Meeting Minutes Approval Process
6. Expanding Fitness Center at YMCA
7. Tomorrows Civic Leaders

Next Work Session: March 5, 2018, 6:30 pm
Next City Council Meeting: February 12, 2018, 6:30 pm
MEMORANDUM

DATE: January 22, 2018

TO: Honorable Mayor/President and City Council Members/EDA Members

CC: Nyle Zikmund, City Administrator
    Nate Harder, Chief of Police
    Jon Sevald, City Planner/Supervisor
    Brian Beeman, Business Development Coordinator

FROM: Scott J. Riggs, City Attorney
      Andrew M. Biggerstaff, Assistant City Attorney

RE: Regulation of Firearms

This memorandum seeks to address broadly the scope of allowable regulations related to firearms. Specifically, this memorandum will address the current city code provisions related to firearms in relation to a proposed indoor firing range to be potentially constructed within the city. This memorandum does not seek to address entirely the ongoing debate surrounding firearms regulations.

I. Background

The city of Mounds View (the “City”) and the Mounds View Economic Development Authority (the “EDA”) have been in ongoing discussions with INH Properties, Inc. (the “Developer”) regarding a proposed development to be located within the City. The EDA currently owns a parcel of real property, and the Developer and EDA have entered into a preliminary development agreement related to that land (the “Property”). In conjunction with the potential development of the Property, the Developer seeks to purchase the Property from the EDA.

Included in the Developer’s latest development plan is the construction and operation of a mixed-use development. One of the retail uses which is being proposed to be constructed is an indoor shooting range facility. At the current stage, the proposal is simply a proposal. However, because of this proposal, more general questions have been raised about the current City Code as it relates to firearms regulation.
The next section offers a brief discussion of the current City Code sections related to firearms regulations.

II. Current City Code

The current City Code includes a section which regulates the possession, aiming, and discharge of weapons within the City.¹ That section defines a “weapon” as being “any gun, pistol, revolver, slingshot, sand club, metal knuckles, daggers, dirk and knife.” The Code also goes on to state

It shall be unlawful for any person within the limits of the Municipality to handle or have in their possession or under their control any weapon, air gun, switchblade knife or any other dangerous or deadly weapon and it shall be unlawful for any person to aim or discharge a weapon or air gun within the limits of the Municipality.

The code also goes on to make certain exceptions from this rule. For instance, authorized peace officers are exempted. Further, individuals who are storing or transporting a weapon “for hunting purposes” that is properly cased are also exempted.

Certainly, it would appear that the current City Code’s restriction on the discharge of firearms within the City may raise practical issues if the proposed firing range is developed. Additionally, the current City Code may benefit from substantive revisions to ensure compliance with evolutions in this area of law in recent years.

The next section will focus on the City’s legal authority to regulate firearms within the City.

III. Regulation of Firearms

As a prefatory note, few topics routinely engender such passionate responses as the discussion of the regulation of firearms. This section seeks solely to outline the explicit authority of the City to regulate firearms as provided by state law. Whether the City should regulate firearms is a policy question that is left to the City Council’s discretion.²

Included next is a brief discussion of the more relevant state laws which relate to the City’s authority to regulate firearms. Also included is a short review of the Minnesota Personal Protection Act (“MPPA”), which provides individuals with certain rights related to firearms.

¹ Mounds View City Code, Section 702.01, subd. 13.
² This memorandum is also largely limited to the City’s authority as is currently expressed in state law. As this body of law continues to evolve, it is likely to continue to be the subject of legal challenges which may change the scope of this authority.
A. Minnesota Personal Protection Act

The MPPA is the set of laws which provides individuals with the authority to obtain permits to carry firearms in the state of Minnesota. That law provides that anyone who carries, holds, or possesses a pistol in a vehicle or on their person without first having obtained a permit is guilty of a misdemeanor, or a felony on the second offence. That law also goes on to exclude certain activities from the permit requirement. Notably with respect to the discussion of a proposed gun range, the transportation of a pistol in a motor vehicle is permitted, without a permit, so long as the pistol is in a closed and fastened case, gunbox, or securely tied package.

State law also provides that the MPPA “shall be construed to supersede municipal or county regulation of the carrying or possessing of pistols and the regulation of Saturday night special pistols.” Based on this, any local regulation which seeks to regulate the carrying of pistols is likely to face legal challenge.

B. Regulation on the Discharge of Firearms

The legislature has also expressly preempted the City’s authority to “regulate firearms, ammunition, or their respective components to the complete exclusion of any order, ordinance or regulation” except that the City may both “regulate the discharge of firearms” and “adopt regulations identical to state law.” Further, the City may “regulate, by reasonably, nondiscriminatory, and nonarbitrary zoning ordinances, the location of businesses where firearms are sold by a firearms dealer.”

Relying on this authority, many cities across Minnesota have adopted ordinances which limit or restrict the areas within which a firearm may be discharged. Some cities have prohibited the discharge of firearms anywhere within the City limits. Others have allowed for reasonable opportunities to discharge firearms for certain purposes and in certain locations, such as hunting in rural areas or target practice at a firing range.

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3 Minn. Stat. § 624.714.
4 Notably, the MPPA is limited to the pistols, which are defined therein.
5 Minn. Stat. § 624.174, subd. 9; see also Minn. Stat. § 97B.045, subd. 1 (providing additional regulation for the transportation of a firearm in a motor vehicle.
6 Minn. Stat. § 624.717.
7 Under state law, a pistol is defined as a weapon designed to be fired by the use of a single hand and with an overall length less than 26 inches, or having a barrel or barrels of a length less than 18 inches in the case of a shotgun or having a barrel of a length less than 16 inches in the case of a rifle (1) from which may be fired or ejected one or more solid projectiles by means of a cartridge or shell or by the action of an explosive or the igniting of flammable or explosive substances; or (2) for which the propelling force is a spring, elastic band, carbon dioxide, air or other gas, or vapor.
"Pistol" does not include a device firing or ejecting a shot measuring 18 of an inch, or less, in diameter and commonly known as a "BB gun," a scuba gun, a stud gun or nail gun used in the construction industry or children's pop guns or toys. Minn. Stat. § 624.712, subd. 2.
8 Minn. Stat. § 471.633.
9 Minn. Stat. § 471.635.
The City may wish to consider reviewing the scope of any regulation on the discharge of firearms within the City. Should the City desire to move forward with support for the firing range being proposed by the Developer, it would likely be useful to revise the City’s code to more clearly define where the discharge of a firearm is appropriate within the City.

C. Shooting Range Protection Act

Minnesota is one of several states that has adopted a shooting range protection act.\textsuperscript{10} Under these laws, shooting ranges are given various protections against certain regulatory steps that municipalities may have taken. Under the law, a shooting range which is compliant with stated shooting range best practices “must be permitted” to do a number of statutorily-protected activities within its geographic boundaries.\textsuperscript{11} Among those activities are operation of the range and conducting activities which involve the discharge of firearms.

The statute also provides that a shooting range which is a nonconforming use shall be allowed to conduct the same activities as conforming shooting ranges, so long as the nonconforming range complies with the best practices.\textsuperscript{12} It is unclear, however, whether this statute sought only to protect shooting ranges which become nonconforming following the enactment by a City of certain regulatory limitations, or if it sought to give prospective shooting ranges protection to begin activities despite local regulation to the contrary. Typically speaking, a nonconforming use is only created where the activity was both previously being conducted and legal, but because of the passage of new regulations, has been rendered illegal. However, in such situations the property owner is afforded the opportunity to continue the nonconforming use, subject to various ongoing criteria. The counterargument would be that, under the terms of this statute, any proposed shooting range may be constructed and must be allowed to conduct the statutorily-provided activities so long as it is in compliance with the stated best practices.

While there is little to no commentary on this issue, it seems unlikely that this statute sought to provide prospective relief to any proposed shooting range despite local regulation. In reviewing the City’s authority to regulate the discharge of firearms, and applying it to the shooting range protection act, it would seem to logically follow that the protections provided by the later only applied to existing shooting ranges. Otherwise, the City’s authority to regulate the discharge of firearms with respect to proposed shooting ranges would be essentially nullified.

IV. Regulatory Authority in Relation to Proposed Development

Because this issue has arisen with regard to a specific development request, this discussion would be remiss without addressing the relationship between the City’s regulatory authority related to firearms and the City’s authority to approve or deny the proposed project. It is important to note that, while these two things are clearly related, they are not identical.

The City’s authority to regulate firearms relates to its general authority to regulate activities pursuant to its police powers to protect the health, safety, and general welfare of the public-at-

\textsuperscript{10} Minn. Stat. § 87A.01 et seq.
\textsuperscript{11} Minn. Stat. § 87A.03, subd. 1.
\textsuperscript{12} Minn. Stat. § 87A.06, subd. 2.
large. In comparison, the City’s authority to approve or deny this particular development relate to its particularized authority to regulate the development of land, to enter into development agreements, and to require reasonable conditions on such developments.

Further, because the EDA is the owner of this Property, it can make a decision on whether or not to sell the Property based on what the proposed buyer seeks to do with the Property. If the City, or the EDA, determines that they do not wish to support a firing range, then the EDA may choose not to sell the property. Those decisions, and the corresponding action, are not akin to regulation. Alternatively, the EDA can require the Developer to enter into an agreement whereby the parties enter into whatever terms the EDA deems necessary to facilitate the sale, such as a promise not to operate a firing range, should that be the desire.  

Lastly, the EDA may be able to impose restrictive covenants on the Property which would similarly limit the future uses which may be undertaken. In these scenarios, the City or EDA are not regulating activity; they are simply choosing which terms they are willing to engage in a business transaction.

V. Summary

To summarize, the City’s ability to regulate firearms is limited due to a patchwork of state laws. Any proposed regulation should be carefully crafted to ensure that it fits within the scope of authority reserved for local government. However, in the scope of the ongoing discussion surrounding the potential development of a firing range within the City, the EDA, as the property owner, likely has additional leverage to consider the suitability of this type of development. As the City looks beyond the current development proposal, it would also likely be beneficial to undertake a review of the City’s current ordinances related to firearms, and determine if any changes are required or desired by the Council.

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13 In order to hold future buyers to these terms, such agreement should be carefully crafted, and should be recorded against the Property so that future buyers are put on notice of any ongoing use restrictions. It may also be possible to accomplish this through the issuance of a conditional warranty deed with a right of reverter, whereby the property would revert to EDA ownership if a future owner used the property in a manner that was prohibited.
City of Mounds View Staff Report

To: Honorable Mayor and City Council
From: Brian Beeman, Business Development Coordinator
Item Title/Subject: Discuss LHIA Grant, Land Acquisition, & Contamination Grant for MWF Properties

Introduction:
MWF Properties approached the City in the summer 2017 about serving as a conduit for the Local Housing Incentives Account (LHIA) grant through the Met-Council's Livable Communities Fund to help fund certain aspects of their project. MWF applied to the grant and has been informed that the Met-Council has awarded $500,000 for the project. The City has received an award letter from the Met-Council and an agreement that will need to be approved by the City Council before moving forward with the participation of the grant. In addition, MWF is considering applying for a soils contamination grant through the Met-Council due to a finding of contamination from the former gas station. Last, the MWF and the City Attorney will provide an update on the land acquisition process for the two tax forfeiture properties.

Background:
The LHIA grant requires that the City serve as the conduit to administrator the grant and also requires the City to match the $500,000. The Housing TIF counts towards the matching funds and since the Council has agreed in concept to the MWF Housing TIF of up to $546,000 and assuming the Council approves the Housing TIF for that amount, then the City would not be required to put forth any additional matching funds. The City Attorney has reviewed the grant agreement and because the City has not participated in this type of grant program in the past, City staff has requested that the City Attorney and MWF Properties attend the City Council work session to explain in detail how this program works, what the funds can be used for, and what the City's obligation is. Additionally, MWF is applying to a soils remediation grant through the Met-Council and they will be present to discuss that grant process. Last, the City is acquiring the two tax forfeiture parcels from the County which is necessary for MWF's development. A resolution must be approved by the Council to the Ramsey County Board of Commissioners to acquire the property. The City would then transfer the land back to MWF Properties. This is approximately a three month process.

Discussion:
Because the City has not participated in this type of grant program in recent history, staff believes that a discussion should take place before the Council considers signing and sending in the grant approval forms to the Met-Council. In addition, MWF and the City Attorney will review the land acquisition process and MWF will review the soils contamination grant process for the land that the old gas station sat on.

Recommendation:
Staff would like some input and feedback from the City Council as to how it would like to proceed. Attached is the grant agreement and supporting documents for your consideration. If the Council comes to a consensus to proceed, staff will either place this...
item on the February 12, 2018 regular Council meeting for formal consideration or have the documents signed and send them back to the Met-Council. The Met-Council does not require that the Council pass a resolution for these documents.

Respectfully submitted,

Brian Beeman, Business Development Coordinator

Attachment(s):
1) LHIA Award Letter to the Mayor
2) LHIA Agreement
3) LCA Payment Request Form
January 10, 2018

The Honorable Carol A. Mueller  
Mayor, City of Mounds View  
City Hall  
2401 Mounds View Boulevard  
Mounds View, MN 55112

RE: Livable Communities Local Housing Incentives Account Grant Award

Dear Mayor Mueller,

I am pleased to inform you that the Metropolitan Council has awarded the City of Mounds View a Livable Communities Local Housing Incentives Account grant in the amount of $500,000 for The Boulevard project.

Council staff will draft a grant agreement for the project within the next few weeks. The grant agreement will specify payment procedures and reporting requirements. If you have questions about the grant administration procedures, please contact Josiah Waderich at 651-602-1297.

The city's project was among those that best met a range of goals in a competitive process. This process favors projects that preserve existing or add new housing units affordable to households with incomes at or below 80% of the area median income, address community affordable and life-cycle housing goals and advance the goals of Thrive MSP 2040, The Council’s Comprehensive Regional Development Guide.

Congratulations on your successful application. The Metropolitan Council is pleased to assist local communities through its Livable Communities programs with projects that help achieve both local and regional goals.

Sincerely,

[Signature]

Alene Tchourumoff  
Chair

CC: Brian Beeman, Business Development Coordinator, City of Mounds View  
Marie McCarthy, Metropolitan Council Member, District 10  
Beth Reetz, Director, Community Development
LOCAL HOUSING INCENTIVES ACCOUNT

GRANTEE:  City of Mounds View

PROJECT:  Boulevard

GRANT AMOUNT:  $500,000

FUNDING CYCLE:  2017

COUNCIL ACTION:  November 29, 2017

EXPIRATION DATE:  December 31, 2020

METROPOLITAN LIVABLE COMMUNITIES ACT
GRANT AGREEMENT

THIS GRANT AGREEMENT ("Agreement") is made and entered into by the Metropolitan Council ("Council") and the Municipality or Development Authority identified above as "Grantee."

WHEREAS, Minnesota Statutes section 473.251 creates the Metropolitan Livable Communities Fund, the uses of which fund must be consistent with and promote the purposes of the Metropolitan Livable Communities Act ("LCA") and the policies of the Council’s Metropolitan Development Guide; and

WHEREAS, Minnesota Statutes sections 473.251 and 473.254 establish within the Metropolitan Livable Communities Fund a Local Housing Incentives Account and require the Council to annually distribute funds in the account to Participating Municipalities that have not met their affordable and life-cycle housing goals and are actively funding projects designed to help meet the goals, or to Development Authorities for projects located in eligible Municipalities; and

WHEREAS, the Grantee is a Municipality that has negotiated affordable and life-cycle housing goals pursuant to Minnesota Statutes section 473.254, subdivision 2 and has elected to participate in the Local Housing Incentives Account program, or is a Development Authority; and

WHEREAS, the Grantee seeks funding in connection with an application for Local Housing Incentives Account funds submitted in response to a Request for Proposals issued by the Metropolitan Housing Implementation Group for the "Funding Cycle" identified above and will use the grant funds made available under this Agreement to help fund the "Project" identified in the application; and

WHEREAS, the Council awarded Local Housing Incentives Account funds to the Grantee subject to any terms, conditions and clarifications stated in its Council Action, and with the understanding that the Project identified in the application will proceed to completion in a timely manner, all grant funds will be expended prior to the "Expiration Date" identified above and Project construction will have "commenced" before the Expiration Date.
LOCAL HOUSING INCENTIVES ACCOUNT

NOW THEREFORE, in reliance on the above statements and in consideration of the mutual promises and covenants contained in this Agreement, the Grantee and the Council agree as follows:

I. DEFINITIONS

1.01. Definition of Terms. The terms defined in this section have the meanings given them in this section unless otherwise provided or indicated by the context.

(a) Commenced. For the purposes of Sections 2.09 and 4.03, “commenced” means significant physical improvements have occurred in furtherance of the Project (e.g., a foundation is being constructed or other tangible work on a structure has been initiated). In the absence of significant physical improvements, visible staking, engineering, land surveying, soil testing, cleanup site investigation, or pollution cleanup activities are not evidence of Project commencement for the purposes of this Agreement.

(b) Council Action. “Council Action” means the action or decision of the governing body of the Metropolitan Council, on the meeting date identified at Page 1 of this Agreement, by which the Grantee was awarded Local Housing Incentives Account funds.

(c) Development Authority. “Development Authority” means a housing and redevelopment authority, economic development authority, or port authority.

(d) Municipality. “Municipality” means a statutory or home rule charter city or town in the seven-county metropolitan area defined by Minnesota Statutes section 473.121, subdivision 2.

(e) Participating Municipality. “Participating Municipality” means a Municipality electing to participate in the Local Housing Incentives Account program under Minnesota Statutes section 473.254.

(f) Project. Unless clearly indicated otherwise by the context of a specific provision of this Agreement, “Project” means the development or redevelopment project identified in the application for Local Housing Incentives Account funds for which grant funds were requested. Grant-funded activities typically are components of the Project.

II. GRANT FUNDS

2.01. Source of Funds. The grant funds made available to the Grantee under this Agreement are from the Local Housing Incentives Account of the Metropolitan Livable Communities Fund. The grant funds are derived from property taxes authorized by Minnesota Statutes sections 473.249, 473.253 and 473.254, subdivision 15 and are not from federal sources.

2.02 Total Grant Amount. The Council will grant to the Grantee the “Grant Amount” identified at Page 1 of this Agreement. Notwithstanding any other provision of this Agreement, the Grantee understands and agrees that any reduction or termination of Local Housing Incentives Account funds made available to the Council, or any reduction or termination of the
dollar-for-dollar match amount required under Section 2.03, may result in a like reduction in the Grant Amount made available to the Grantee.

2.03. Match Requirement. Pursuant to Minnesota Statutes section 473.254, subdivision 6, the Grantee shall match on a dollar-for-dollar basis the total Grant Amount received from the Council under Section 2.02. The source and amount of the dollar-for-dollar match shall be identified by the Grantee in the application for grant funds.

2.04. Authorized Use of Grant Funds. The Grant Amount made available to the Grantee under this Agreement shall be used only for the purposes and Project activities described in the application for Local Housing Incentives Account funds. A Project summary that identifies eligible uses of the grant funds as approved by the Council is attached to and incorporated into this Agreement as Attachment A. Grant funds must be used for purposes consistent with Minnesota Statutes section 473.25(a), in a Participating Municipality.

2.05. Ineligible Uses. Grant funds must be used for costs directly associated with the specific proposed Project activities and shall not be used for "soft costs" such as: administrative overhead; travel expenses; legal fees; insurance; bonds; permits, licenses, or authorization fees; costs associated with preparing other grant proposals; operating expenses; planning costs, including comprehensive planning costs; and prorated lease and salary costs. Grant funds may not be used for costs of Project activities that occurred prior to the grant award. A detailed list of ineligible and eligible costs is available from the Council’s Livable Communities program office. Grant funds also shall not be used by the Grantee or others to supplant or replace: (a) grant or loan funds obtained for the Project from other sources; (b) Grantee contributions to the Project, including financial assistance, real property or other resources of the Grantee; or (c) funding or budgetary commitments made by the Grantee or others prior to the Council Action, unless specifically authorized by the Council. The Council shall bear no responsibility for cost overruns which may be incurred by the Grantee or others in the implementation or performance of the Project activities. The Grantee agrees to comply with any “business subsidy” requirements of Minnesota Statutes sections 116J.993 to 116J.995 that apply to the Grantee’s expenditures or uses of the grant funds.

2.06. Loans for Low-Income Housing Tax Credit Projects. If consistent with the application and the Project activities described or identified in Attachment A, or if requested in writing by the Grantee, the Grantee may structure the grant assistance to the Project as a loan so the Project Owner can take advantage of federal and state low-income housing tax credit programs. The Grantee may use the grant funds as a loan for a low-income housing tax credit Project, subject to the terms and conditions stated in Sections 2.04 and 2.05 and the following additional terms and conditions:

(a) The Grantee covenants and represents to the Council that the Project is a rental housing project that received or will receive an award of low-income housing tax credits under Section 42 of the Internal Revenue Code of 1986, as amended, and the low-income housing tax credit program administered by the Minnesota Housing Finance Agency or a program administered by the Minneapolis/Saint Paul Housing Finance Board or another
designated housing credit agency that sub-allocates low-income housing tax credits in the metropolitan area.

(b) The Grantee will execute a loan agreement with the Project Owner. Prior to disbursing any grant funds for the Project, the Grantee will provide to the Council a copy of the loan agreement between the Grantee and the Project Owner.

(c) The Grantee will submit annual written reports to the Council that certify: (1) the grant funds continue to be used for the Project for which the grant funds were awarded; and (2) the Project is a "qualified low-income housing project" under Section 42 of the Internal Revenue Code of 1986, as amended. This annual reporting requirement is in addition to the reporting requirements stated in Section 3.03. Notwithstanding the Expiration Date identified at Page 1 of this Agreement and referenced in Section 4.01, the Grantee will submit the annual certification reports during the initial "compliance period" and any "extended use period," or until such time as the Council terminates this annual reporting requirement by written notice to the Grantee.

(d) The grant funds made available to the Grantee and disbursed to the Project Owner by the Grantee in the form of a loan may be used only for the grant-eligible activities and Project components for which the Grantee was awarded the grant funds. For the purposes of this Agreement, the term "Project Owner" means the current Project Owner and any Project Owner successor(s).

(e) Pursuant to Section 2.05, the grant funds made available to the Grantee and disbursed to the Project Owner in the form of a loan shall not be used by the Grantee, the Project Owner or others to supplant or replace: (1) grant or loan funds obtained for the Project from other sources; (2) Grantee contributions to the Project, including financial assistance, real property or other resources of the Grantee; or (3) funding or budgetary commitments made by the Grantee or others prior to the Council Action, unless specifically authorized by the Council. The Council will not make the grant funds available to the Grantee in a lump sum payment, but will disburse the grant funds to the Grantee on a reimbursement basis pursuant to Section 2.11.

(f) By executing this Agreement, the Grantee: (1) acknowledges that the Council expects the loan will be repaid so the grant funds may be used to help fund other activities consistent with the requirements of the Metropolitan Livable Communities Act; (2) covenants, represents and warrants to the Council that the Grantee's loan to the Project Owner will meet all applicable low-income housing tax credit program requirements under Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), and the low-income housing tax credit program administered by the Minnesota Housing Finance Agency or a program administered by the Minneapolis/Saint Paul Housing Finance Board or another designated housing credit agency that sub-allocates low-income housing tax credits in the metropolitan area; and (3) agrees to administer its loan to the Project Owner consistent with federal and state low-income housing tax credit program requirements.
(g) The Grantee will, at its own expense, use diligent efforts to recover loan proceeds: (1) when the Project Owner becomes obligated to repay the Grantee’s loan or defaults on the Grantee’s loan; (2) when the initial thirty-year “compliance period” expires, unless the Council agrees in writing that the Grantee may make the grant funds available as a loan to the Project Owner for an “extended use period”; and (3) if noncompliance with low-income housing tax credit program requirements or some other event triggers the Project Owner’s repayment obligations under its loan agreement with the Grantee. The Grantee must repay to the Council all loan repayment amounts the Grantee receives from the Project Owner. The Grantee shall not be obligated to repay the grant funds to the Council except to the extent the Project Owner repays its loan to the Grantee, provided the Grantee has exercised the reasonable degree of diligence and used administrative and legal remedies a reasonable and prudent housing finance agency would use to obtain payment on a loan, taking into consideration (if applicable) the subordinated nature of the loan. At its discretion, the Council may: (1) permit the Grantee to use the loan repayment from the Project Owner to continue supporting affordable housing components of the Project; or (2) require the Grantee to remit the grant funds to the Council.

(h) If the Grantee earns any interest or other income from its loan agreement with the Project Owner, the Grantee will: (1) use the interest earnings or income only for the purposes of implementing the Project activities for which the grant was awarded; or (2) remit the interest earnings or income to the Council. The Grantee is not obligated to earn any interest or other income from its loan agreement with the Project Owner, except to the extent required by any applicable law.

2.07. Revolving or Deferred Loans. If consistent with the application and the Project summary or if requested in writing by the Grantee, the Grantee may use the grant funds to make deferred loans (loans made without interest or periodic payments), revolving loans (loans made with interest and periodic payments) or otherwise make the grant funds available on a “revolving” basis for the purposes of implementing the Project activities described or identified in Attachment A. The Grantee will submit annual written reports to the Council that report on the uses of the grant funds. The Council will determine the form and content of the report. This annual reporting requirement is in addition to the reporting requirements stated in Section 3.03. Notwithstanding the Expiration Date identified at Page 1 of this Agreement and referenced in Section 4.01, the Grantee will submit the annual reports until the deferred or revolving loan programs terminate, or until the Council terminates this annual reporting requirement by written notice from the Council. At its discretion, the Council may: (1) permit the Grantee to use loan repayments to continue supporting affordable housing components of the Project; or (2) require the Grantee to remit the grant funds to the Council.

2.08. Restrictions on Grants and Loans by Subrecipients. The Grantee shall not permit any subgrantee or subrecipient to use the grant funds for grants or loans to any subgrantee or subrecipient at any tier unless the Grantee obtains the prior written consent of the Council. The requirements of this Section 2.08 shall be included in all subgrant and subrecipient agreements.

2.09. Project Commencement and Changes. The Project for which grant funds were requested must be “commenced” prior to the Expiration Date. The Grantee must promptly
LOCAL HOUSING INCENTIVES ACCOUNT

inform the Council in writing of any significant changes to the Project for which the grant funds were awarded, as well as any potential changes to the grant-funded activities described or identified in Attachment A. Failure to inform the Council of any significant changes to the Project or significant changes to grant-funded components of the Project, and use of grant funds for ineligible or unauthorized purposes, will jeopardize the Grantee’s eligibility for future LCA awards. Grant funds will not be disbursed prior to Council approval of significant changes to either the Project or grant-funded activities described or identified in Attachment A.

2.10. Loss of Grant Funds. The Grantee agrees to remit to the Council in a prompt manner: any unspent grant funds, including any grant funds that are not expended prior to the Expiration Date identified at Page 1 of this Agreement; any grant funds that are not used for the authorized purposes; any grant funds that are not matched on a dollar-for-dollar basis as required by Section 2.03; and any interest earnings described in Section 2.12 that are not used for the purposes of implementing the grant-funded Project activities described or identified in Attachment A. For the purposes of this Agreement, grant funds are “expended” prior to the Expiration Date if the Grantee pays or is obligated to pay for expenses of eligible grant-funded Project activities that occurred prior to the Expiration Date and the eligible expenses were incurred prior to the Expiration Date. Unspent or unused grant funds and other funds remitted to the Council shall revert to the Council’s Local Housing Incentives Account for distribution through application processes in future Funding Cycles or as otherwise permitted by law.

2.11. Payment Request Forms, Documentation, and Disbursements. The Council will disburse grant funds in response to written payment requests submitted by the Grantee and reviewed and approved by the Council’s authorized agent. Written payment requests shall be made using payment request forms, the form and content of which will be determined by the Council. Payment request and other reporting forms will be provided to the Grantee by the Council. Payment requests must include the following documentation:

   Consultant/contractor invoices showing the time period covered by the invoice; the specific grant-funded Project activities conducted or completed during the authorized time period within which eligible costs may be incurred; and documentation supporting expenses including subcontractor and consultant invoices showing unit rates, quantities, and a description of the good or services provided. Subcontractor markups shall not exceed ten percent (10%).

The Council will disburse grant funds on a reimbursement basis or a “cost incurred” basis. The Grantee must provide with its written payment requests documentation that shows grant-funded Project activities have been completed. Subject to verification of each payment request form (and the required documentation) and approval for consistency with this Agreement, the Council will disburse a requested amount to the Grantee within two (2) weeks after receipt of a properly completed and verified payment request form.

2.12. Interest Earnings. If the Grantee earns any interest or other income from the grant funds received from the Council under this Agreement, the Grantee will use the interest earnings or income only for the purposes of implementing the Project activities described or identified in Attachment A.
2.13. **Effect of Grant.** Issuance of this grant neither implies any Council responsibility for contamination, if any, at the Project site nor imposes any obligation on the Council to participate in any pollution cleanup of the Project site if such cleanup is undertaken or required.

2.14. **Resale Limitations.** The Grantee must impose resale limitations regarding the disposition of any equity realized by the purchasers of “affordable” units if grant funds received from the Council under this Agreement are used for homeownership affordability gap financing in the Project described or identified in Attachment A. The intent of this resale limitation is to protect the public investment in the Project and ensure that a proportion of the affordability gap provided by the public investment in the form of grant funds received from the Council is recaptured for reuse in conjunction with other affordable housing efforts and does not become a windfall for any purchaser who might sell the home prior to expiration of a predetermined resale limitation period. If a purchaser sells the “affordable” home prior to expiration of the resale limitation time period, an equitable proportion of the affordability gap filled by grant funds received from the Council under this Agreement must be recaptured by the Grantee within twenty-four (24) months of the triggering resale event and applied to a similar affordable housing project within the Participating Municipality, or returned to the Council. Unless otherwise agreed to by the Council and the Grantee, the length of the resale limitation time period and the proportion of the affordability gap to be recovered will be consistent with resale limitation time periods and repayment schedules stated in the Project application. These resale limitations do not apply when the grant funds are used for homeownership value gap financing.

2.15. **Affordability Term.** The Grantee shall, through written instruments or otherwise, ensure the affordable units acquired or developed with grant funds made available under this Agreement will remain affordable for a minimum period of fifteen (15) years. The Grantee’s obligation under this section may be satisfied if other Project funding sources (e.g., the Minnesota Housing Finance Agency or the U.S. Department of Housing and Urban Development (“HUD”)) or state or federal laws (e.g., low-income housing tax credit programs) require an affordability term of at least fifteen (15) years. For the purposes of this section, “affordable housing unit” means a unit that is affordable to households at 80 percent (80%) or less of the Area Median Income (“AMI”), as established by HUD, unless the Grantee’s application stated an affordability standard lower than 80 percent (80%) of AMI, in which case the Grantee’s lower affordability standard shall apply. The affordability requirements of this section shall survive the expiration or termination of this Agreement.

2.16. **Affirmative Fair Housing Marketing Plans.** The Grantee shall, through written instruments or otherwise, ensure the Project owner (and any subsequent owner(s)) adopts and implements an affirmative fair housing marketing plan for all Project housing units (whether market rate or affordable). For the purposes of this section, “affirmative fair housing marketing plan” means an affirmative fair housing marketing plan that substantially conforms to affirmative fair housing marketing plans published by HUD. The affirmative fair housing marketing plan requirement under this section shall continue for the minimum affordability term specified in Section 2.15 and shall survive the expiration or termination of this Agreement.
III. ACCOUNTING, AUDIT, AND REPORT REQUIREMENTS

3.01. Accounting and Records. The Grantee agrees to establish and maintain accurate and complete accounts and records relating to the receipt and expenditure of all grant funds received from the Council. Notwithstanding the expiration and termination provisions of Sections 4.01 and 4.02, such accounts and records shall be kept and maintained by the Grantee for a period of six (6) years following the completion of the Project activities described or identified in Attachment A or six (6) years following the expenditure of the grant funds, whichever occurs earlier. For all expenditures of grant funds received pursuant to this Agreement, the Grantee will keep proper financial records and other appropriate documentation sufficient to evidence the nature and expenditure of the dollar-for-dollar match funds required under Section 2.03. Accounting methods shall be in accordance with generally accepted accounting principles.

3.02. Audits. The above accounts and records of the Grantee shall be audited in the same manner as all other accounts and records of the Grantee are audited and may be audited or inspected on the Grantee’s premises or otherwise by individuals or organizations designated and authorized by the Council at any time, following reasonable notification to the Grantee, for a period of six (6) years following the completion of the Project activities or six (6) years following the expenditure of the grant funds, whichever occurs earlier. Pursuant to Minnesota Statutes section 16C.05, subdivision 5, the books, records, documents and accounting procedures and practices of the Grantee that are relevant to this Agreement are subject to examination by the Council and either the Legislative Auditor or the State Auditor, as appropriate, for a minimum of six (6) years.

3.03. Reporting and Continuing Requirements. The Grantee will report to the Council on the status of the Project activities described or identified in Attachment A, the expenditures of the grant funds, and the source and expenditure of the dollar-for-dollar match funds required under Section 2.03. Submission of properly completed payment request forms (with proper documentation) required under Section 2.11 will constitute periodic status reports. The Grantee also must complete and submit to the Council a grant activity closeout report. The closeout report form must be submitted within 120 days after the expiration or termination of this Agreement, whichever occurs earlier. Within 120 days after the Expiration Date, the Grantee must complete and submit to the Council a certification of expenditures of funds form signed by the Grantee’s chief financial officer or finance director. The Council will determine the form and content of the closeout report and certification form. These reporting requirements and the reporting requirements of Sections 2.06 and 2.07 shall survive the expiration or termination of this Agreement.

3.04. Environmental Site Assessment. The Grantee represents that a Phase I Environmental Site Assessment or other environmental review has been or will be carried out, if such environmental assessment or review is appropriate for the scope and nature of the Project activities funded by this grant, and that any environmental issues have been or will be adequately addressed.
IV. AGREEMENT TERM

4.01. Term. This Agreement is effective upon execution of the Agreement by the Council. Unless terminated pursuant to Section 4.02, this Agreement expires on the Expiration Date identified at Page 1 of this Agreement. ALL GRANT FUNDS NOT EXPENDED BY THE GRANTEE PRIOR TO THE EXPIRATION DATE SHALL REVERT TO THE COUNCIL.

4.02. Termination. This Agreement may be terminated by the Council for cause at any time upon fourteen (14) calendar days’ written notice to the Grantee. Cause shall mean a material breach of this Agreement and any amendments of this Agreement. If this Agreement is terminated prior to the Expiration Date, the Grantee shall receive payment on a pro rata basis for eligible Project activities described or identified in Attachment A that have been completed prior to the termination. Termination of this Agreement does not alter the Council’s authority to recover grant funds on the basis of a later audit or other review, and does not alter the Grantee’s obligation to return any grant funds due to the Council as a result of later audits or corrections. If the Council determines the Grantee has failed to comply with the terms and conditions of this Agreement and the applicable provisions of the Metropolitan Livable Communities Act, the Council may take any action to protect the Council’s interests and may refuse to disburse additional grant funds and may require the Grantee to return all or part of the grant funds already disbursed.

4.03. Amendments and Extension. The Council and the Grantee may amend this Agreement by mutual agreement. Amendments or an extension of this Agreement shall be effective only on the execution of written amendments signed by authorized representatives of the Council and the Grantee. If the Grantee needs additional time within which to complete grant-funded activities and commence the Project, the Grantee must submit to the Council AT LEAST NINETY (90) CALENDAR DAYS PRIOR TO THE EXPIRATION DATE, a resolution of the Grantee’s governing body requesting the extension and a written extension request. THE EXPIRATION DATE MAY BE EXTENDED, BUT THE PERIOD OF ANY EXTENSION(S) SHALL NOT EXCEED TWO (2) YEARS BEYOND THE ORIGINAL EXPIRATION DATE IDENTIFIED AT PAGE 1 OF THIS AGREEMENT.

V. GENERAL PROVISIONS

5.01. Equal Opportunity. The Grantee agrees it will not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability, sexual orientation, or age and will take affirmative action to insure applicants and employees are treated equally with respect to all aspects of employment, rates of pay and other forms of compensation, and selection for training.

5.02. Conflict of Interest. The members, officers, and employees of the Grantee shall comply with all applicable state statutory and regulatory conflict of interest laws and provisions.
5.03. Liability. Subject to the limitations provided in Minnesota Statutes chapter 466, to the fullest extent permitted by law, the Grantee shall defend, indemnify and hold harmless the Council and its members, employees and agents from and against all claims, damages, losses, and expenses, including but not limited to attorneys’ fees, arising out of or resulting from the conduct or implementation of the Project activities funded by this grant, except to the extent the claims, damages, losses and expenses arise from the Council’s own negligence. Claims included in this indemnification include, without limitation, any claims asserted pursuant to the Minnesota Comprehensive Environmental Response and Liability Act (MERLA), Minnesota Statutes chapter 115B, the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) as amended, United States Code, Title 42, sections 9601 et seq., and the federal Resource Conservation and Recovery Act of 1976 (RCRA) as amended, United States Code, title 42, sections 6901 et seq. This obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which otherwise would exist between the Council and the Grantee. The provisions of this section shall survive the expiration or termination of this Agreement. This indemnification shall not be construed as a waiver on the part of either the Grantee or the Council of any immunities or limits on liability provided by Minnesota Statutes chapter 466, or other applicable state or federal law.

5.04. Acknowledgments and Signage. The Grantee will acknowledge the financial assistance provided by the Council in promotional materials, press releases, reports, and publications relating to the Project. The acknowledgment will contain the following or comparable language:

Financing for this project was provided by the Metropolitan Council Metropolitan Livable Communities Fund.

Until the Project is completed, the Grantee shall ensure the above acknowledgment language, or alternative language approved by the Council’s authorized agent, is included on all signs (if any) located at Project or construction sites that identify Project funding partners or entities providing financial support for the Project. The acknowledgment and signage should refer to the “Metropolitan Council” (not “Met Council” or “Metro Council”).

5.05. Permits, Bonds, and Approvals. The Council assumes no responsibility for obtaining any applicable local, state, or federal licenses, permits, bonds, authorizations, or approvals necessary to perform or complete the Project activities described or identified in Attachment A. The Grantee and its developer(s), if any, must comply with all applicable licensing, permitting, bonding, authorization, and approval requirements of federal, state, and local governmental and regulatory agencies, including conservation districts.

5.06. Subgrantees, Contractors and Subcontractors. The Grantee shall include in any subgrant, contract or subcontract for Project activities appropriate provisions to ensure subgrantee, contractor, and subcontractor compliance with all applicable state and federal laws and this Agreement. Along with such provisions, the Grantee shall require that contractors and subcontractors performing work covered by this grant comply with all applicable state and federal Occupational Safety and Health Act regulations. The Grantee’s subgrant agreement(s) shall expressly include the affordability and affirmative fair housing marketing plan requirements of Sections 2.15 and 2.16.
5.07. Stormwater Discharge and Water Management Plan Requirements. If any grant funds are used for urban site redevelopment, the Grantee shall at such redevelopment site meet or require to be met all applicable requirements of:

(a) Federal and state laws relating to stormwater discharges including, without limitation, any applicable requirements of Code of Federal Regulations, title 40, parts 122 and 123; and

(b) The Council’s 2040 Water Resources Policy Plan and the local water management plan for the authority within which the redevelopment site is located.

5.08. Authorized Agent. Payment request forms, written reports and correspondence submitted to the Council pursuant to this Agreement shall be directed to:

Metropolitan Council
Attn: LCA Grants Administration
390 Robert Street North
Saint Paul, Minnesota 55101-1805

5.09. Non-Assignment. Minnesota Statutes section 473.254, subdivision 6 requires the Council to distribute the grant funds to eligible “municipalities” or “development authorities” for projects in municipalities participating in the Local Housing Incentives Account program. Accordingly, this Agreement is not assignable and shall not be assigned by the Grantee.

5.10. Authorization to Reproduce Images. The Grantee certifies that the Grantee: (a) is the owner of any renderings, images, perspectives, sections, diagrams, photographs, or other copyrightable materials (collectively, “copyrightable materials”) that are in the Grantee’s application or are submitted to the Council as part of the grant application review process or after grant award, or that the Grantee is fully authorized to grant permissions regarding the copyrightable materials; and (b) the copyrightable materials do not infringe upon the copyrights of others. The Grantee agrees the Council has a nonexclusive royalty-free license and all necessary permissions to reproduce and publish the copyrightable materials for noncommercial purposes, including but not limited to press releases, presentations, reports, and on the internet. The Grantee also agrees the Grantee will not hold the Council responsible for the unauthorized use of the copyrightable materials by third parties.

5.11. Warranty of Legal Capacity. The individuals signing this Agreement on behalf of the Grantee and on behalf of the Council represent and warrant on the Grantee’s and the Council’s behalf respectively that the individuals are duly authorized to execute this Agreement on the Grantee’s and the Council’s behalf respectively and that this Agreement constitutes the Grantee’s and the Council’s valid, binding, and enforceable agreements.
LOCAL HOUSING INCENTIVES ACCOUNT

IN WITNESS WHEREOF, the Grantee and the Council have caused this Agreement to be executed by their duly authorized representatives. This Agreement is effective on the date of final execution by the Council.

GRANTEE

By: ____________________________
Title: __________________________
Date: __________________________

By: ____________________________
Title: __________________________
Date: __________________________

By: ____________________________
Title: __________________________
Date: __________________________

METROPOLITAN COUNCIL

By: ____________________________
Beth Reetz, Director
Community Development Division
Date: __________________________
ATTACHMENT A

PROJECT SUMMARY

This attachment comprises this page and the succeeding page(s) which contain(s) a summary of the Project identified in the application for Local Housing Incentives Account grant funds submitted in response to a Request for Proposals issued by the Metropolitan Housing Implementation Group for the Funding Cycle identified at Page I of this Agreement. The summary reflects the proposed Project for which the Grantee was awarded grant funds by the Council Action, and may reflect changes in Project funding sources, changes in funding amounts, or minor changes in the proposed Project that occurred subsequent to application submission. The application is incorporated into this Agreement by reference and is made a part of this Agreement as follows. If the application or any provision in the application conflicts with or is inconsistent with the Council Action, other provisions of this Agreement, or the Project summary contained in this Attachment A, the terms, descriptions, and dollar amounts reflected in the Council Action or contained in this Agreement and the Project summary shall prevail. For the purposes of resolving conflicts or inconsistencies, the order of precedence is: (1) the Council Action; (2) this Agreement; (3) the Project summary; and (4) the grant application.
Livable Communities Project Summary

Grant #: SG-10103  
Type: Local Housing Incentives Account  
Applicant: City of Mounds View  
Project Name: Boulevard  
Project Location: 7980 Groveland Road  
Council District: District 10 – Marie McCarthy

<table>
<thead>
<tr>
<th>Project Detail</th>
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<tbody>
<tr>
<td>Project Overview</td>
<td>The Boulevard is a 60-unit complex located near Highway 10 and Groveland Rd in Mounds View. The development also has convenient access to public transportation and direct access to a system of bike trails.</td>
</tr>
<tr>
<td>Total housing units</td>
<td>60</td>
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<tr>
<td>Affordable units</td>
<td>4 @ 30% AMI; 56 @ 60% AMI</td>
</tr>
<tr>
<td>Anticipated # bedrooms</td>
<td>15 – 1 BR; 28 – 2 BR; 17 – 3 BR</td>
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<tr>
<td>Est. total development cost</td>
<td>$14,711,961</td>
</tr>
<tr>
<td>Est. private funds leveraged</td>
<td>$4,285,961</td>
</tr>
<tr>
<td>Est. public funds leveraged</td>
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<tr>
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<tr>
<td>$500,000</td>
<td>LHIA</td>
</tr>
<tr>
<td>$9,535,422</td>
<td>Minnesota Housing</td>
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<tr>
<td>LHIA Match</td>
<td>City of Mounds View</td>
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<table>
<thead>
<tr>
<th>Other Funding Sources</th>
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<tbody>
<tr>
<td>$3,773,535</td>
<td>Syndication Proceeds</td>
</tr>
<tr>
<td>$500,000</td>
<td>General Partner Loan – Mounds View</td>
</tr>
<tr>
<td>$100,000</td>
<td>Ramsey County Housing &amp; Redevelopment Authority</td>
</tr>
<tr>
<td>$1,800</td>
<td>Energy Rebates</td>
</tr>
<tr>
<td>$510,626</td>
<td>Deferred Developer Fee</td>
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</table>
Livable Communities Grant Payment Request and Project Status Report

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<tr>
<th>LCA Grant #</th>
<th>SG</th>
<th>Amount awarded</th>
<th>Approved budget items</th>
<th>Award amount</th>
<th>Amount claimed</th>
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<tr>
<td>Project name</td>
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<td></td>
<td>#1</td>
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<tr>
<td>Grantee</td>
<td></td>
<td></td>
<td>#2</td>
<td></td>
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<tr>
<td>Award date</td>
<td></td>
<td></td>
<td>#3</td>
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<tr>
<td>Request date</td>
<td></td>
<td></td>
<td>#4</td>
<td></td>
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<tr>
<td>Grant type</td>
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<td></td>
<td>#5</td>
<td></td>
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<tr>
<td>Notes to grantee</td>
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<td>#6</td>
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<td>Total</td>
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#1: Project Update

<table>
<thead>
<tr>
<th>Last completed milestone</th>
<th>Next milestone</th>
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<tr>
<th>Known obstacles to timely completion</th>
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<tbody>
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#2: Payment Update

<table>
<thead>
<tr>
<th>Budget #</th>
<th>Vendor</th>
<th>Invoice # or Pay App #</th>
<th>Invoice date</th>
<th>Total Invoice Amount</th>
<th>Requested Amount</th>
<th>Note</th>
</tr>
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<tbody>
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Do NOT combine invoices - list one per row, and list each invoice only ONCE.

#3: Certification of Information Accuracy:

I certify that the this request and its substantiating documentation is true and correct and represents actual work done on behalf of the grant-funded project, that all claimed activities are eligible under the Livable Communities Act grant agreement; that all ineligible costs have been excluded from this request, and that the Project Status Update above is accurate.

Authorized signature: ___________________________ Date: __________

July 2015

To request your payment, at www.metrocouncilgrants.org
Go to My Grants, click on the grant title, then click on CLAIMS, then ADD. Complete the brief form, then upload this file.
Designation of Signing Authority
Designation of Signing Authority for Reimbursement Requests for Metropolitan Council Livable Communities Grants

Grantee: ______________________________________
SG#: ______________________________________
Fund: ______________________________________
Project name: ______________________________________

The following employee(s) of the Grantee is/are authorized to certify Metropolitan Council Payment Request for the above-referenced project.

Name ______________________________________
Title ______________________________________
Mailing Address ______________________________________
____________________________________
Phone ______________________________________
Fax ______________________________________
Email ______________________________________

Name ______________________________________
Title ______________________________________
Mailing Address ______________________________________
____________________________________
Phone ______________________________________
Fax ______________________________________
Email ______________________________________

Signature ______________________________________ Date __________

Print or type name ______________________________________ Title ____________________
Mounds View

City of Mounds View Staff Report

From: Administrator Zikmund
To: Honorable Mayor Mueller and Council
Date: January 30, 2018
Re: Differential Pay Policy

Background:
The City has a policy on Military Leave but it singularly addresses short term deployments such as the two week annual training National Guard members participate in.

Patrol Officer Sarah David is an active member of our Military and received deployment papers for an extended (5 months) period.

At the January 8, 2018 Council Meeting the Council approved differential pay for Officer David and also directed staff to research and provide and updated policy which is included in this packet. Differential pay is that amount of their hourly rate that is not paid as part of their military pay. Example – Officer pay is $28 per hour and that officers military rank pay is $21 per hour the differential pay would be $7 per hour for the historical work schedule during the deployment period.

Policy Issues:
The policy issues include supporting staff members, supporting our military, public purpose of tax dollars.

Discussion:
Council discussion is needed to determine the proper balance between supporting/retaining staff while simultaneously supporting our military and being fiduciaries of tax dollars.

Decision Needed:
Staff is seeking council direction specific to the time or limit the City provides differential pay and suggests no longer than one year. Options include no additional time after the current policy of 15 days to the entire deployment period which could exceed a year and possibly up to two years.
G. MILITARY LEAVE (Minn. Stat. § 192.26)
Leave duration of 1 to 15 days
Employees who are members of any reserve component of the military forces of the United States or National Guard will be granted leaves of absence with compensation not to exceed 15 working days per year when ordered to training or active service. The City must receive a copy of the orders from the proper authority directing the employee to report to duty. Military leave beyond 15 days for service or training will be without pay as provided by law.

Leave duration in excess of 15 days
Employees who are members of any reserve component of the military forces of the United States or National Guard will be granted leaves of absence. The City must receive a copy of the orders from the proper authority directing the employee to report to duty. For leaves in excess of 15 days the City will, by resolution, address compensation specific to "differential pay" which is defined as the difference in wage/hourly pay provided by the military and that employee’s wage/hourly pay on a case by case basis.

Criteria that the council will consider in each case includes but is not limited to:
- Length of the Deployment
- Fiscal impact to City of Mounds View

Unpaid Military Leave of Absence
Any employee who engages in active service in any of the military or naval forces of the State or the United States for which leave is not allowed under the Paid Military Leave of Absence policy, shall be entitled to Unpaid Military Leave of Absence as provided by State and Federal laws.
City of Mounds View Staff Report

To: Honorable Mayor and City Council
From: Nyle Zikmund, City Administrator
Item Title/Subject: Review Citizen of the Year Criteria and Timeline

Introduction:

The City of Mounds View Citizen of the Year Award recognizes ordinary citizens who have demonstrated initiative to improving the community. Past recipients of this award include:

2004    David Jahnke
2005    Frank Silvis
2006    Ed Lanz
2007    Don Hodges
2008    Barbara Haake
2009    Diane Wuori
2010    Jean Miller
2011    Jerry Skelly
2012    Greg Belting
2013    Gary Stevenson
2014    Theresa Cermak
2015    Gordy Fedor and Paul Fedor of Fedor's Market
2016    Virgil Beyer

Discussion:

As you may recall, in 2016 the City Council revised the criteria and eligibility requirements for Citizen of the Year in order to allow non-business owners and non-residents who have contributed generously to the City to be nominated. Attached is the Citizen of the Year Nomination form which outlines the eligibility and criteria.

Below is the timeline for the application process and City Council approval. Staff is currently advertising on the City website, Facebook, Electronic sign, Cable TV and has submitted a press release to the Sun Focus Newspaper for publication.

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applications Available at City Hall and on the City Website</td>
<td>Tuesday, January 23rd</td>
</tr>
<tr>
<td>Notice Published in Sun Focus Newspaper</td>
<td>Friday, January 26th</td>
</tr>
<tr>
<td>Application Deadline</td>
<td>Friday, March 30th</td>
</tr>
<tr>
<td>Applications to the City Council for Review</td>
<td>Monday, April 2nd (Work Session)</td>
</tr>
<tr>
<td>2017 Citizen of the Year Awarded by Resolution</td>
<td>Monday, April 9th (CC Meeting)</td>
</tr>
<tr>
<td>2017 Citizenship Award Plaque Ordered</td>
<td>Tuesday, April 10th</td>
</tr>
<tr>
<td>2017 Citizenship Award Presented to Recipient</td>
<td>Monday April 30th (Town Hall Meeting)</td>
</tr>
</tbody>
</table>
This serves as notification to the City Council that the City of Mounds View is accepting nomination applications for the 2017 Citizen of the Year Award. As noted, applications are available at City Hall and on the City's website. The deadline is Friday, March 30th.

Respectfully submitted,

Nyle Zikmund
Introduction:
As a function of the time spent at council on approval of minutes and as a result of a discussion with Timesavers who transcribes our meeting minutes I conducted further research into options for the council to consider in our minute taking, approval, and adoption process.

Discussion:
Our current practice is to have Barb, Nyle and Kerrie review the minutes which are then placed on the Council Agenda for approval. While we have seen some recent improvement in the adoption process specific to time saved, the following steps could result in further council time being saved for more substantive discussion.

1. Upon receipt of draft minutes the City Administrator causes distribution to each department/division head for specific review of minutes pertaining to their respective items.
2. The City Administrator and at least one support staff review minutes for specific content but then also specific to names, titles, addresses, and proper grammar and punctuation.
3. These "technically" corrected minutes are then emailed to council for their review and input on respective "technical" changes.
4. If Council Members have "substantive" changes or if unsure if substantive – the change can be highlighted (for example in a shaded color).
5. Upon completion of this process, the minutes are placed on the Consent agenda if no substantive changes have been made and thus, be adopted as part of the consent agenda.
6. If substantive changes are indicated in any way, the minutes can remain under the Adoption of Minutes section and Council can discuss and take subsequent action.

Decision/Input Sought:
Consensus to move forward with new process as outlined.

Respectfully submitted,

Nyle Zikmund
MVCC FITNESS CENTER

The YMCA staff is proposing to relocate and expand the fitness center at the community center. The new center would be located in the existing recreation/lobby area on the southeast side of the building.

The current exercise room has outdated equipment that does not meet the needs of our customers and residents. The updated fitness center would provide an opportunity to grow fitness programming, allow parents a space to exercise during youth classes and bring in new customers to the Community Center.

The YMCA has a current agreement to lease equipment through Matrix at a negotiated price. Because the Community Center is partnered with the YMCA it would be included in that agreement.

Renovation Proposal
- Cover current tile and carpet with rubberized flooring
- Rubberized flooring comes in 2x2 foot interlocking sections.
- Existing fitness room would turn into meeting room.
- Aspen would be group training, stretching and core area.

New Fitness Equipment
- Replace existing aerobic equipment with leased Matrix equipment
- Equipment would be replaced every 3-5 years
- Purchase additional strength equipment

Advantages of fitness center
- Healthier community
- Higher usage rate of facility
- Increase in youth and fitness class participation
- Individual & Group Personal Training
- Future kids care option on site

Financial Details
- Rubberized flooring - one-time cost.
- Strength equipment – one-time cost.
- Equipment lease would fall in YMCA budget.
- City would reimburse YMCA for lease cost.
- Daily admissions at MVCC has averaged $25,000 for last three years.
- Gym/Fitness Center admissions fees go to the city.
- Additional daily admissions fees would cover added expense of equipment.

Cost Estimates
- Rubberized floor - $7,500
- Equipment lease - $15,000 - $20,000 per year
- Strength Equipment - $5,000
City of Mounds View Staff Report

To: Honorable Mayor and City Council
From: Nyle Zikmund, City Administrator
Item Title/Subject: Tomorrows Civic Leaders

Introduction:
Councilmember Bergeron raised the concept of youth in government at the November 2017 Council Retreat. Council was supportive and directed staff to progress the issue forward.

Discussion:
Administrator Zikmund has worked with Councilmember Bergeron on a craft policy/program guide which is attached. I also shared the draft with YMCA staff for their input and insights.

Action/Decision/Input Sought:
1. Terms – 1 or 2 years?
2. Confirm must be Mounds View Residents?
3. 1 or 2 Youths per commission?
4. Who determines or selection process?
5. Launch/target date?

Respectfully submitted,

Nyle Zikmund
Mission:
To increase knowledge and understanding of the critical importance of "Civic Engagement" needed to ensure a successful democratic republic.

Purpose:
The City of Mounds View recognizes the ultimate success of a republic does not reside in the simple act of voting, rather it is in an engaged citizenry that understands the true cost of the liberty and freedoms we are so fortunate to enjoy. In short, democracy is hard work, it is not enough to just vote; one must become informed about the issues, informed about civic duty, and engage in governmental processes. The TLC program is specifically created and designed to provide our future leaders multiple opportunities to explore, understand, and engage in our republic.

Program Brief:
The TLC program will provide a one to two year opportunity for selected candidates to serve on one of several commissions/committees the City has. This civic engagement will foster knowledge and understanding in today's youth who may become tomorrow's civic leaders.

Commissions/Committees Participating in the Program:
Park Commission – meets the fourth Thursday of every month at 6:30 pm.
Planning and Zoning Commission – meets monthly on the 1st and 3rd Wednesdays at 7:00 pm.
Charter Commission – meets Wednesday nights at 7:00 pm about 8 times a year.
YMCA Advisory Board - meets weekday mornings typically from 11 to 12 on a quarterly basis.
60th Anniversary Committee – meets monthly, typically the second or third Tuesday at 7:00 pm

Parameters:
1. The program will open to high school students enrolled in the 11th or 12th grade in any school in the Mounds View School District and are Mounds View residents.
2. Up to two individuals will be selected for each commission and/or committee.
3. Candidates chosen will be "ex-officio" non-voting members of the board/committee.

Application Process:
2. Deadline for applications is?
3. Candidates will be required to submit a resume and a one-page typed document describing why they want to serve and why they should be selected.
4. The application period will be open from x to x.

**Service Requirements:**

1. Candidates selected can serve up to two-years.

**Expectations:**

1. If chosen, candidates are expected to attend all schedule meetings and advise the chair if there is an unavoidable conflict.
2. Appropriate dress is required, business casual which is defined as Dockers style pants, dress shirt/sweater/nice polo.
3. Be on time.
4. Engage in the process defined as reading your packet material, asking questions when appropriate and engage in the discussion.

**Partners:**

1. YMCA
2. Mounds View School District
3. Citizens League