

CITY OF LA CRESCENT
AGENDA
REGULAR MEETING
LA CRESCENT COMMUNITY BUILDING
JUNE 23, 2025
5:00 P.M.



CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL
ACTION TO CHANGE AGENDA

1. CONSENT AGENDA

All items listed under the consent agenda are considered routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- 1.1 MINUTES – JUNE 9, 2025
- 1.2 BILLS PAYABLE THROUGH JUNE 20, 2025

2. PUBLIC HEARING/MEETING

5:00 – PUBLIC HEARING – MODIFICATION OF THE DEVELOPMENT PROGRAM FOR MUNICIPAL DISTRICT NO. 1, ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 1-10, THE PROPOSED ADOPTION OF A TAX INCREMENT FINANCING PLAN AND A BUSINESS SUBSIDY

3. ITEMS FOR CONSIDERATION

- 3.1 DEVELOPMENT AGREEMENT – TAX INCREMENT FINANCING DISTRICT NO. 1-10
- 3.2 PINE CREEK IMPROVEMENT PROJECT BID RESULTS
- 3.3 ENGINEERING AGREEMENT – PINE CREEK CONSTRUCTION PROJECT
- 3.4 ENGINEERING AGREEMENT – REDWOOD STREET IMPROVEMENT PROJECT
- 3.5 GRANT AGREEMENT – MPCA STORMWATER GRANT
- 3.6 ENGINEERING AGREEMENT – MAPLE STREET IMPROVEMENT PROJECT
- 3.7 CONDITIONAL CANNABIS LICENSE APPLICATIONS
- 3.8 AUTHORIZE EXPENDITURE – PARK SIGNS
- 3.9 MPCA LOCAL ACTION PLANNING GRANT
- 3.10 DRAFT – TREE ORDINANCE
- 3.11 DRAFT – PARADE ORDINANCE
- 3.12 PERSONNEL COMMITTEE RECOMMENDATION

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4. UNFINISHED BUSINESS

4.1

5. MAYOR'S COMMENTS

5.1

6. STAFF CORRESPONDENCE/COMMITTEE UPDATES

6.1 Explore La Crosse

6.2

6.3

7. CORRESPONDENCE

7.1

8. CHAMBER OF COMMERCE

8.1

9. HOUSTON COUNTY

10. ITEMS FOR NEXT AGENDA

11. ADJOURNMENT

/ . /

MINUTES, REGULAR MEETING
CITY COUNCIL, CITY OF LA CRESCENT, MINNESOTA
JUNE 9, 2025

Pursuant to due call and notice thereof, the first meeting of the City Council of the City of La Crescent for the month of June was called to order by Mayor Mike Poellinger at 5:00 PM in the La Crescent Community Building, La Crescent, Minnesota, on Monday, June 9, 2025.

Upon a roll call taken and tallied by the City Clerk, the following members were present: Members Cherryl Jostad, Chris Langen, Teresa O'Donnell-Ebner, Dale Williams, and Mayor Mike Poellinger. Members absent: None. Also present were, City Administrator Bill Waller, City Attorney Skip Wieser, and City Clerk Angie Boettcher.

ITEM 1 – CONSENT AGENDA

At this time, the Mayor read the following items to be considered as part of the Consent Agenda for this regular meeting:

- 1.1 MINUTES – MAY 27, 2025
- 1.2 BILLS PAYABLE THROUGH – JUNE 6, 2025

At the conclusion of the reading of the Consent Agenda, Mayor Poellinger asked if the Council wished to have any of the items removed from the Consent Agenda for further discussion.

Member O'Donnell-Ebner made a motion, seconded by Member Langen, as follows:

A MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

Cherryl Jostad	Yes
Chris Langen	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mayor Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

ITEM 3.1 – ATV/UTV/GOLF CART ORDINANCE

City Attorney Wieser reviewed with City Council the March 13, 2023, City Council meeting minutes relating to an ordinance regulating atv/utv/golf carts in the City of La Crescent. The motion at that meeting was that further consideration would be given to the ordinance after the Walnut Street project is complete. In April of 2025 the City Council received an agenda request for atv/utv/golf cart usage in the City. At that time the City Council took no action on the request. Due to continued requests regarding an ordinance, it was recommended that City Council consider one of the following directives to provide for city staff:

1. Reaffirm the motion from March of 2023, with the understanding that the next time that this topic would be considered by the City Council would be in the Spring of 2027.
2. Direct the City Attorney to review the draft of the ordinance and present the ordinance for consideration at a future City Council meeting.
3. Deny the request, with the understanding that it will not be considered again until a City Council member requests that it be added to the agenda for consideration in the future by the City Council.

Following discussion, Member Jostad made a motion to allow public input from the members of the public in attendance. The motion failed due to no second.

Following discussion, Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

MOTION TO REAFFIRM THE MOTION FROM MARCH OF 2023 AND WAIT UNTIL THE WALNUT STREET PROJECT IS COMPLETE WHILE STILL OBTAINING ADDITIONAL INFORMATION FROM THE COUNTY ON THEIR ORDINANCE DECISION AND FROM THE CITY ATTORNEY REGARDING THE ATV/UTV/GOLF CART DRAFT ORDINANCE PRESENTED TO COUNCIL IN MARCH OF 2023.

Following discussion, Attorney Wieser recommended that the Members that made the motion and the second amend the motion to a two-step process.

Member O'Donnell-Ebner made a motion, seconded by Member Williams as follows:

1. **MOTION TO REAFFIRM THE MARCH 2023 ACTION AS PRESENTED IN THE COUNCIL MEMORANDUM, AND;**
2. **MOTION TO DIRECT THE CITY ATTORNEY AND CITY ADMINISTRATOR TO BRING THE ISSUE BACK TO THE CITY COUNCIL UPON COMPLETION OF THE WALNUT STREET PROJECT.**

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

Cherryl Jostad	Yes
Chris Langen	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mayor Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

ITEM 3.2 – CONDITIONAL CANNABIS LICENSE APPLICATIONS

City Attorney Wieser reviewed a copy of the building layout for 270 Strupp Avenue, which was provided to the council prior to the start of the meeting. It was recommended that City Council continue item 3.2 to the June 23rd City Council meeting to allow City Staff additional time to review the additional requests at that location to make sure it is consistent with the planned unit development waiver granted by the City. Following discussion, Member O'Donnell-Ebner made a motion, seconded by Member Jostad as follows:

MOTION TO CONTINUE ITEM 3.2 TO THE JUNE 23RD CITY COUNCIL MEETING TO ALLOW CITY STAFF ADDITIONAL TIME TO MAKE SURE THE PLAN IS CONSISTENT WITH THE PLANNED UNIT DEVELOPMENT WAIVER GRANTED BY THE CITY.

Upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

Cherryl Jostad	Yes
Chris Langen	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mayor Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

ITEM 3.3 – REVIEW OTHER CANNABIS RELATED ITEMS

City Attorney Wieser reviewed other cannabis related items with City Council including consideration of annexing the property at 1570 US Highway 14/16 East, formerly the site of the Kunes RV facility which is currently in the La Crescent Township and consideration of increasing the number of retail cannabis business licenses issued in the City of La Crescent due to the prospective parties interested in obtaining a cannabis license in the City of La Crescent. The City currently limits the number of retail cannabis business licenses to three. No action was taken regarding the annexation of the former Kunes RV facility

located at 1570 US Highway 14/16/ East. It was the consensus of the City Council to make no change to the number of retail cannabis business licenses in the City.

ITEM 3.4 – DONATION RESOLUTION

City Council reviewed a Resolution regarding the acceptance of donations to the city for the Month of May. Following review and discussion, Member Williams introduced the following Resolution and moved its passage and adoption:

RESOLUTION NO. 06-25-19

RESOLUTION ACCEPTING DONATIONS MADE TO THE CITY OF LA CRESCENT IN MAY 2025

WHEREAS, the following donations were made to the City of La Crescent in the month of May 2025:

1. TJ's Auto Glass wishes to donate \$100.00 to the LCPD/Neighbors Night Out.
2. Wieser Law Office wishes to donate \$100.00 to the LCPD/Neighbor's Night Out.
3. Thomas and Cindy Wright wish to donate \$1,000.00 to the La Crescent Fire Department.
4. Jim and Cindy Hobelsberger wish to donate \$50.00 to the La Crescent Fire Department in memory of Terry Meyer.
5. Dan and Karla Koch wish to donate \$20.00 to the La Crescent Fire Department in memory of Terry Meyer.
6. Alvin and Julia Forde wish to donate \$25.00 to the La Crescent Fire Department in memory of Terry Meyer.
7. Darlene Erickson wishes to donate \$20.00 to the La Crescent Fire Department in memory of Terry Meyer.
8. Joyce Allen wishes to donate \$50.00 to the La Crescent Fire Department in memory of Terry Meyer.
9. Cherryl Jostad wishes to donate \$25.00 to the La Crescent Fire Department in memory of Terry Meyer.
10. Karen Bennett wishes to donate \$50.00 to the La Crescent Fire Department in memory of Terry Meyer.
11. Hein Orchard wishes to donate \$100.00 to the LCPD/Neighbors Night Out.
12. Crest Precast wishes to donate \$500.00 to the LCPD/Neighbors Night Out.
13. Andrew and Kim Esser wish to donate \$200.00 to the La Crescent Fire Department in memory of Terry Meyer.
14. Peace of Mind Counseling wishes to donate \$300.00 to the LCPD/Neighbors Night Out.

15. Ready Bus Company wishes to donate \$100.00 to the LCPD/Neighbors Night Out.
16. Tom Niebeling Landscaping wishes to donate \$25.00 to the LCPD/Neighbors Night Out.
17. Robert and Katy Langen wish to donate \$25.00 to the La Crescent Fire Department in memory of Terry Meyer.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of La Crescent hereby accepts the donations as stated above.

ADOPTED this 9th Day of June 2025.

SIGNED:

Mayor

ATTEST:

City Clerk

The foregoing motion was duly seconded by Member O'Donnell-Ebner and upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

Christopher Lange	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mayor Poellinger	Yes

and Member Jostad abstained. The motion was declared duly carried by a 4-0 vote.

ITEM 3.5 – 2026 CAPITAL BUDGET APPLICATION RESOLUTION – PUBLIC SAFETY/EOC BUILDING PROJECT

City Administrator Waller reviewed with City Council for approval a 2026 Capital Budget Application Resolution. Following review and discussion, Member Jostad introduced the following Resolution and moved its passage and adoption:

RESOLUTION NO. 06-25-20

A RESOLUTION SUPPORTING THE 2025 CAPITAL PROJECT REQUEST TO THE STATE OF MINNESOTA AS PRIORITY NUMBER 2 AND AUTHORIZING STAFF TO PURSUE FUNDING FOR THE LA CRESCENT PUBLIC SAFETY/EOC BUILDING

WHEREAS, the city has been preparing long-range plans for a new Public Safety/EOC building for the La Crescent Police Department for over a decade and has prepared preliminary plans for the construction of a public safety and emergency operations center; and

WHEREAS, the city has held multiple council meetings and the city has spent the decade acquiring property adjacent to the current city hall and Community Building for a new City Hall/Library as well as a Public Safety/EOC building as part of the city's downtown revitalization efforts and there is wide community support for these projects; and

WHEREAS, the city has been working with the USDA Rural Community Facilities Program and has received approval of its preliminary application for a long-term loan and the city is in the process of completing the next steps for the program which include preparing a feasibility study; selecting an architectural firm to prepare a Preliminary Architectural Report; preparing an Environmental Assessment, and obtaining a Certified Appraisal; and

WHEREAS, La Crescent is the largest city in Houston County and is part of the La Crosse metropolitan area and the project will improve the city and county's public safety operations and efficiency by designating a portion of the new public safety building as an emergency operations center to assist the county and region during areawide emergency operations; and

WHEREAS, the project will meet or exceed the state's clean energy and B3 requirements and the city is a leader in environmental stewardship as a Step 5 Green Step Community; and

WHEREAS, investments in Southeast Minnesota in this project will result in benefits to the state, the region and residents of the City of La Crescent as well as to non-resident visitors and businesses; and

WHEREAS, the State's process for capital investment projects is underway this spring and will continue into the fall and 2026 legislative session.

IT IS RESOLVED, by the City Council of the City of La Crescent that the bonding priority for 2026 is as follows: SECOND: La Crescent Public Safety/EOC building project.

IT IS FURTHER RESOLVED, that the city submit the project for consideration by the Governor with the most recent estimated project amounts, and that the project amounts may be updated by the state's deadline.

IT IS FURTHER RESOLVED that the Mayor and the City Administrator are authorized to proceed with submitting the project as part of the State's 2026 Capital Budget request process.

ADOPTED this 9th day of June, 2025.

SIGNED:

Mayor

ATTEST:

City Administrator

The foregoing motion was duly seconded by Member Williams and upon a roll call vote taken and tallied by the City Clerk, the following Members voted in favor thereof, viz;

Cherryl Jostad	Yes
Christopher Lange	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mayor Poellinger	Yes

and none voted against the same. The motion was declared duly carried.

7. CHAMBER OF COMMERCE

A representative from the Chamber of Commerce was in attendance and provided an update.

8. HOUSTON COUNTY

Houston County Commissioner Cindy Wright was in attendance and provided an update.

There being no further business to come before the Council at this time, Member Williams made a motion, seconded by Member O'Donnell-Ebner to adjourn the meeting. Upon a roll call vote taken and tallied by the City Clerk, the following Members present voted in favor thereof, viz;

Cherryl Jostad	Yes
Chris Langen	Yes
Teresa O'Donnell-Ebner	Yes
Dale Williams	Yes
Mike Poellinger	Yes

and none voted against the same. The motion was declared duly carried and the meeting duly adjourned at 5:49 P.M.

APPROVAL DATE: _____

SIGNED:

Mayor

ATTEST:

City Administrator

1.2

Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
ABILITY BUILDING CENTER INC						
25730	CITY HALL - CLEANING	05/31/2025	96.60	.00		
25730	CITY HALL - SHREDDING	05/31/2025	24.26	.00		
25731	FD - CLEANING COMM RM	05/31/2025	321.60	.00		
25731	FD - CLEANING STATION	05/31/2025	152.10	.00		
Total 8085:			594.56	.00		
AMAZON CAPITAL SERVICES						
113D-XGNF-KYF	LIBRARY- OFFICE SUPPLIES	06/09/2025	6.87	.00		
139X-6JKY-3X9K	CITY HALL- OFFICE SUPPLIES	06/07/2025	55.48	.00		
139X-6JKY-3X9K	POOL- CHEMICALS	06/07/2025	7.72	.00		
14TV-GQGC-XR	PARKS- TREE STALKING SUPPLIES- RELEAF GRANT	06/10/2025	114.40	.00		
191K-DLPX-D79	POOL- CONCESSIONS	06/15/2025	56.77	.00		
1F7V-WRJ1-9RQ	POOL - CLEANING SUPPLIES	06/18/2025	25.99	.00		
1G3H-79X1-K9C	POOL - OFFICE SUPPLIES	06/05/2025	7.98	.00		
1H1W-7Q6N-YV	POOL - OFFICE SUPPLIES	06/17/2025	36.93	.00		
1H1W-7Q6N-YV	POOL - CLEANING SUPPLIES	06/17/2025	25.19	.00		
1HKV-FVD7-LWF	LIBRARY - BOOKS GRANT FUNDED	06/12/2025	50.23	.00		
1J34-XJYC-VFH	LIBRARY- PROGRAM SUPPLIES	06/17/2025	12.97	.00		
1J3Y-JDGW-YT7	PARKS- PAPER DISPENSER KEY	06/17/2025	22.00	.00		
1KG6-D4PV-WH	PARKS- SAFETY EQUIPMENT	06/10/2025	33.95	.00		
1KG6-D4PV-WH	PUBLIC WORKS- OFFICE SUPPLIES	06/10/2025	29.97	.00		
1KNP-MKMR-MF	LIBRARY- OFFICE SUPPLIES	06/16/2025	67.23	.00		
1LWQ-X147-79R	GOLF COURSE- 12 VOLT CONVERSION FORD TRACTOR	06/02/2025	216.47	.00		
1PWK-T6RF-KLY	POOL - OFFICE SUPPLIES	06/12/2025	49.89	.00		
1PWK-T6RF-KLY	CITY HALL- OFFICE SUPPLIES	06/12/2025	39.93	.00		
1QK3-XTKM-C49	LIBRARY - BOOKS GRANT FUNDED	06/18/2025	17.62	.00		
1RPY-WY61-M1	LIBRARY - BOOKS GRANT FUNDED	06/09/2025	118.97	.00		
1RXK-C3FV-4YJ	POOL- CHEMICALS	06/07/2025	22.99	.00		
1TP9-GGRR-KF	POOL - CLEANING SUPPLIES	06/05/2025	15.99	.00		
1TP9-GGRR-KF	POOL - OFFICE SUPPLIES	06/05/2025	6.98	.00		
1TP9-GGRR-KF	POOL - OFFICE SUPPLIES	06/05/2025	8.99	.00		
1TP9-GGRR-KF	POOL - OFFICE SUPPLIES	06/05/2025	9.49	.00		
1TZF-WC17-DKT	POOL- CONCESSIONS CHIPS	06/11/2025	83.79	.00		
1V41-6V9D-NKN	CITY HALL- LAPTOP EXTENDERS FINANCE DIRECTOR &	06/16/2025	519.94	.00		
1WKW-GG44-MT	LIBRARY - BOOKS GRANT FUNDED	06/09/2025	403.89	.00		
1WKW-GG44-V3	GOLF COURSE- REPAIR FOR 4700D ROUGH MOWER	06/10/2025	88.20	.00		
1WNN-9FW9-QL	LIBRARY- PROGRAM SUPPLIES	06/16/2025	278.68	.00		
1XVH-FT7G-FM	GOLF COURSE- 12 VOLT CONVERSION FORD TRACTOR	06/01/2025	36.38	.00		
1Y73-QTYW-JDJ	LIBRARY- CLEANING SUPPLIES	06/16/2025	152.00	.00		
1YRP-CD36-TLW	POOL - OFFICE SUPPLIES	06/01/2025	37.99	.00		
CM 119X-Y9TK-	LIBRARY - BOOKS GRANT FUNDED	06/11/2025	21.25-	.00		
Total 9956:			2,640.62	.00		
AUTO VALUE LA CROSSE						
516532230	GC - CREDIT- OIL FILTERS	05/21/2025	.44-	.00		
516532231	GC- FILTERS FOR 4700D ROUGH MOWER	05/21/2025	69.60	.00		
Total 2106:			69.16	.00		
BAKER & TAYLOR						
039088516	LIBRARY - BOOKS GRANT FUNDED	05/19/2025	195.17	.00		
2039069356	LIBRARY - BOOKS GRANT FUNDED	05/09/2025	423.59	.00		
2039096228	LIBRARY - BOOKS GRANT FUNDED	05/22/2025	93.00	.00		

Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Total 8022:			711.76	.00		
CALLAWAY GOLF COMPANY						
940073011	GC - GOLF BALLS FOR RESALE DIDN'T ORDER	04/09/2025	1,764.60	.00		
940467224	GC- CREDIT FOR RETURNED PRODUCTS WE DIDN'T OR	05/30/2025	1,682.10-	.00		
Total 8637:			82.50	.00		
CINTAS CORPORATION						
4229363767	CITY HALL - MATS, CLEANING RAGS & TOWELS	05/05/2025	83.75	.00		
4229363893	GC- CLEANING RAGS FOR CLUBHOUSE AND SHOP	05/05/2025	56.32	.00		
4230838597	GC- CLEANING RAGS FOR CLUBHOUSE AND SHOP	05/19/2025	46.70	.00		
4230838633	CITY HALL - MATS, CLEANING RAGS & TOWELS	05/19/2025	83.75	.00		
Total 9696:			270.52	.00		
CLASSIC ROCK PRODUCTS INC						
1075	GOLF COURSE- BARK PLANTING AROUND COURSE	05/31/2025	1,108.00	.00		
Total 278:			1,108.00	.00		
CLEARWAY COMMUNITY SOLAR LLC						
4/25 STMT	219 CHESTNUT ST - BRIDGE LIGHT	04/30/2025	50.63	.00		
4/25 STMT	400 LARCH AVE - WELL 2	04/30/2025	586.70	.00		
4/25 STMT	407 ORCHARDVIEW - BOOSTER STATION	04/30/2025	273.93	.00		
4/25 STMT	523 S CHESTNUT - ANIMAL SHELTER	04/30/2025	36.32	.00		
4/25 STMT	722 N 2ND ST (RADIUM PLANT)	04/30/2025	1,795.99	.00		
4/25 STMT	202 MAIN ST (FLAG LIGHT)	04/30/2025	2.87	.00		
4/25 STMT	321 MAIN ST (LIBRARY)	04/30/2025	147.80	.00		
4/25 STMT	219 MAIN ST (UNIT LIGHTS)	04/30/2025	70.64	.00		
4/25 STMT	1200 JONATHAN LN - PARK SHELTER	04/30/2025	38.65	.00		
4/25 STMT	110 MIDNIGHT ST - LIFT STATION	04/30/2025	46.95	.00		
4/25 STMT	31 MCINTOSH RD- BOOSTER STATION	04/30/2025	10.21	.00		
4/25 STMT	520 S 14TH ST. (ICE ARENA)	04/30/2025	2,312.77	.00		
4/25 STMT	336 S 1ST ST. (COMMUNITY BLDG)	04/30/2025	139.15	.00		
4/25 STMT	608 S 7TH ST - POOL	04/30/2025	462.22	.00		
4/25 STMT	608 S 7TH ST - TENNIS CT LIGHTS	04/30/2025	9.04	.00		
4/25 STMT	209 S WALNUT ST - LAC SIGN	04/30/2025	12.69	.00		
4/25 STMT	200 STONEY POINT - WELL HOUSE	04/30/2025	717.26	.00		
4/25 STMT	193 MCINTOSH RD - BOOSTER STATION	04/30/2025	165.59	.00		
4/25 STMT	1450 HWY 16 - LIFT STATION	04/30/2025	26.92	.00		
4/25 STMT	1323 SPRUCE DR - ABNET FIELDS	04/30/2025	28.38	.00		
Total 9854:			6,934.71	.00		
DEPT OF NATURAL RESOURCES						
6/3/25-6/9/25	WEEKLY RECREATIONAL VEH. REGIST.	06/09/2025	1,781.58	1,781.58	06/13/2025	
Total 318:			1,781.58	1,781.58		
DEPUTY #031 LA CRESCENT						
5/29 B. KOELLE	LIC BUR - NSF STATE REIMBURSEMENT	06/13/2025	1,471.80	1,471.80	06/13/2025	
Total 9750:			1,471.80	1,471.80		

Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
DRIFTLESS AREA NATIVES						
000117	MNDOT LANDSCAPE PARTNERSHIP 2025 PROJECT PLA	06/16/2025	2,676.31	.00		
000118	MNDOT LANDSCAPE PARTNERSHIP 2025 PROJECT PLA	06/17/2025	569.70	.00		
Total 9895:			3,246.01	.00		
EARL F ANDERSEN INC						
0139783-IN	STREET - SIGNS	06/11/2025	1,090.55	.00		
0139789-IN	PARKS - SIGNS	06/11/2025	55.00	.00		
Total 404:			1,145.55	.00		
EFTPS - ELECTRONIC FEDERAL TAX						
6/6/25 P/R	FED/FICA/MEDICARE	06/09/2025	25,183.90	25,183.90	06/09/2025	
Total 1127:			25,183.90	25,183.90		
GUNDERSEN HEALTH SYSTEM						
6/6/25	EMPLOYEE - DRUG SCREENS	06/06/2025	64.00	.00		
Total 622:			64.00	.00		
HAWKINS INC.						
7090835	POOL - CHEMICALS	06/03/2025	4,060.84	.00		
Total 512:			4,060.84	.00		
HOKAH CO-OP OIL ASSOCIATION						
9522	GC - LP	06/04/2025	808.64	.00		
Total 715:			808.64	.00		
IMPERIAL DADE						
4382033	CITY HALL - CLEANING SUPPLIES	05/22/2025	311.40	.00		
4382033	POOL- CLEANING SUPPLIES	05/22/2025	210.68	.00		
Total 10243:			522.08	.00		
INSTY-PRINTS OF LA CROSSE INC						
162738	SUMMER REC INVOICES	06/18/2025	115.89	.00		
Total 807:			115.89	.00		
KWIK TRIP INC						
5/25 STMT	PD- FUEL	05/31/2025	1,055.77	.00		
5/25 STMT	SEWER - FUEL	05/31/2025	26.51	.00		
5/25 STMT	STREETS - FUEL	05/31/2025	485.88	.00		
5/25 STMT	WATER - FUEL	05/31/2025	26.51	.00		
5/25 STMT	PARKS - FUEL	05/31/2025	274.56	.00		
5/25 STMT	FD - FUEL	05/31/2025	202.67	.00		
5/25 STMT	B&Z - FUEL	05/31/2025	43.93	.00		
5/25 STMT	POOL- SLUSHIE MIX & PIZZA	05/31/2025	146.52	.00		
5/25 STMT	ARBOR DAY TREE PLANTING SNACKS & WATER	05/31/2025	28.23	.00		
Total 1014:			2,290.58	.00		

Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
LA CROSSE GLASS & OVERHEAD DOOR CO.						
354900	FD- GLASS FOR FLAG DISPLAY	06/10/2025	279.71	.00		
Total 2471:			279.71	.00		
LA CROSSE SEED CORPORATION						
SI-2538807	SEWER- LAWN RESTORATION AROUND GRINDER PUMP	06/02/2025	278.69	.00		
SI-2539350	PARKS- COVER CROP SEED FOR NATURE PRAIRIE ESTA	06/03/2025	32.12	.00		
Total 1198:			310.81	.00		
MAYO CLINIC AMBULANCE SERVICE						
2812152	CPR CLASS	05/29/2025	240.00	.00		
Total 8150:			240.00	.00		
MENARDS-LA CROSSE						
13523	GC - CLEANING SUPPLIES	06/05/2025	127.79	.00		
13523	GC - CLEANING SUPPLIES REBATE	06/05/2025	66.32	.00		
13523	GC - SMALL TOOLS	06/05/2025	59.13	.00		
13523	GC - RESALE ITEMS BUGGINS	06/05/2025	336.60	.00		
13523	GC - OFFICE SUPPLIES	06/05/2025	14.99	.00		
13524	GC - RESALE ITEMS BUGGINS	06/05/2025	202.32	.00		
13524	GC- COURSE MAINTENANCE	06/05/2025	201.96	.00		
Total 1352:			876.47	.00		
MES I ACQUISITION INC						
IN2257490	FD- PPE	05/08/2025	1,958.38	.00		
IN2260096	FD- PPE	05/13/2025	427.67	.00		
IN2271960	FD- PPE	05/30/2025	954.45	.00		
Total 10276:			3,340.50	.00		
MIDWEST TAPE						
507307234	LIBRARY- BOOKS GRANT FUNDED	06/12/2025	206.92	.00		
Total 9851:			206.92	.00		
MIENERGY COOPERATIVE						
5/25 STMT	ELECT UTILITIES - HORSETRACK MEADOWS LIFT STATI	05/31/2025	148.26	148.26	06/13/2025	
5/25 STMT	ELECT UTILITIES-GC CLUBHOUSE	05/31/2025	1,091.79	1,091.79	06/13/2025	
5/25 STMT	ELECT UTIL-GC IRRIGATION & PARKING LOT LIGHTS	05/31/2025	1,140.05	1,140.05	06/13/2025	
5/25 STMT	ELECT UTILITIES-CRESC.HGTS.& WILDWOOD SEC LIGH	05/31/2025	253.00	253.00	06/13/2025	
5/25 STMT	ELECT UTILITIES-GC POP MACH.	05/31/2025	142.47	142.47	06/13/2025	
5/25 STMT	ELECT UTILITIES - WIESER PARK	05/31/2025	476.84	476.84	06/13/2025	
Total 2012:			3,252.41	3,252.41		
MINNCOR INDUSTRIES						
129325	MV - TITLE STOCK	06/10/2025	35.00	.00		
Total 9797:			35.00	.00		
MINNESOTA CHILD SUPPORT PAYMENT CENTER						
6/7P/R00156396	MN CHILD SUPPORT	06/09/2025	497.46	497.46	06/09/2025	

Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Total 9597:			497.46	497.46		
MINNESOTA DEPT OF REVENUE						
6/6/25 P/R	MN STATE WHT	06/10/2025	4,521.00	4,521.00	06/10/2025	
Total 227:			4,521.00	4,521.00		
MINNESOTA ENERGY RESOURCES INC						
5/25 STMT	ABNET RESTROOMS - GAS UTILITIES	05/31/2025	51.83	.00		
5/25 STMT	ANIMAL SHELTER - GAS UTILITIES	05/31/2025	59.78	.00		
5/25 STMT	COMMUNITY BLDG - GAS UTILITIES	05/31/2025	55.65	.00		
5/25 STMT	CONTROL BLDG - GAS UTILITIES	05/31/2025	40.77	.00		
5/25 STMT	ICE ARENA - GAS UTILITIES	05/31/2025	438.97	.00		
5/25 STMT	MAINT BLDG - GAS UTILITIES	05/31/2025	45.00	.00		
5/25 STMT	POOL - GAS UTILITIES	05/31/2025	1,413.87	.00		
5/25 STMT	PUMP HOUSE MCINTOSH	05/31/2025	40.78	.00		
5/25 STMT	PUMP HOUSE ORCHARDVIEW	05/31/2025	44.12	.00		
5/25 STMT	CITY HALL- GAS UTILITIES	05/31/2025	51.12	.00		
5/25 STMT	LIBRARY- GAS UTILITIES	05/31/2025	21.38	.00		
Total 8171:			2,263.27	.00		
MINNESOTA STATE RETIREMENT SYS						
6/6/25 P/R	DEFERRED COMP. DEDUCTIONS/CONTRIBUTIONS	06/10/2025	4,347.50	4,347.50	06/10/2025	
Total 1285:			4,347.50	4,347.50		
MN DEPT OF TRANSPORTATION						
P00019698	BRIDGE INSPECTION - SHORE ACRES	05/28/2025	641.08	.00		
Total 1364:			641.08	.00		
NORTHERN BATTERY						
550135205	GC - BATTERY FOR FORD CITY TRUCK	06/01/2025	175.38	.00		
Total 1461:			175.38	.00		
NORTHERN BEVERAGE DISTRIBUTING						
1502269	GC - BEER FOR RESALE	06/12/2025	786.60	.00		
Total 2311:			786.60	.00		
NORTHLAND SECURITIES INC						
INV-1458	TIF DISTRICT NO. 1-10 - PROFESSIONAL SERVICES	06/02/2025	2,750.00	.00		
Total 8272:			2,750.00	.00		
NUTRIEN AG SOLUTIONS, INC.						
57138065	STREETS - CHEMICALS	05/30/2025	296.56	.00		
Total 9812:			296.56	.00		
PENDELTON TURF SUPPLY INC						
11607	GC - CHEMICALS FOR THE COURSE	06/10/2025	1,470.00	.00		

Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Total 9169:			1,470.00	.00		
PETERS, DREW						
2025 BOOT	SAFETY BOOT REIMBURSEMENT	05/28/2025	100.00	.00		
Total 10275:			100.00	.00		
POINT C						
6/13/25 L. OLSON	MEDICAL REIMB P/R DEDUCTED- L. OLSON	06/16/2025	482.56	482.56	06/16/2025	
6/7/25 M. ERNST	MEDICAL REIMB P/R DEDUCTED- M. ERNSTER	06/10/2025	10.00	10.00	06/10/2025	
Total 10202:			492.56	492.56		
PUBLIC EMPLOYEES RETIREMENT						
6/6/25 P/R	RETIREMENT DEDUCTIONS/CONTRIB.-CORD & PF	06/11/2025	16,682.66	16,682.66	06/11/2025	
6/6/25 P/R	RETIREMENT DEDUCTIONS/CONTRIB.-DCP	06/11/2025	220.00	220.00	06/11/2025	
Total 1612:			16,902.66	16,902.66		
SCHOTT DISTRIBUTING CO., INC.						
670113	GC - BEER FOR RESALE	06/12/2025	185.00	.00		
Total 1931:			185.00	.00		
SOUTHEAST SERVICE COOPERATIVE						
SINC000006300	ANNUAL MEMBERSHIP FEE 2025-2026	06/16/2025	325.00	.00		
Total 8401:			325.00	.00		
THE BUYERS EX-PRESS						
4596	GC - ADVERTISING	06/02/2025	150.00	.00		
Total 9513:			150.00	.00		
THE DARNING GROUP						
DGSG #2024485	POOL- WSI TRAINING- 1 GUARD	06/18/2025	250.00	.00		
DGSG #2024499	POOL- WSI TRAINING- 9 GUARDS	06/18/2025	2,250.00	.00		
Total 10194:			2,500.00	.00		
THORSON GRAPHICS LLC						
9991 #2	POOL - STAFF SHIRTS - 2ND 1/2 PAYMENT	05/19/2025	378.33	.00		
9992 #2	POOL - SWIM TEAM SHIRTS - 2ND 1/2 PAYMENT	05/19/2025	273.60	.00		
Total 8998:			651.93	.00		
ULINE						
193857214	PARKS - DOG WASTER RECEPTACLE & SIGN	06/06/2025	208.21	.00		
Total 9422:			208.21	.00		
VERIZON WIRELESS						
6114636070	FD- DATA SERVICES	05/28/2025	180.09	.00		
6114659048	B&Z - COMPUTER DATA	05/28/2025	60.04	.00		
6114659048	WATER DEPT - DATA	05/28/2025	35.01	.00		
6114659048	SEWER DEPT - DATA	05/28/2025	35.01	.00		

Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
6114659048	PD - COMPUTER DATA & PHONE SERVICE	05/28/2025	496.44	.00		
6114963896	WATER DEPT - WIRELESS	05/31/2025	57.78	.00		
6114963896	SEWER DEPT - WIRELESS	05/31/2025	57.78	.00		
Total 8973:			922.15	.00		
VISION DESIGN GROUP						
125535	WEBSITE UPDATES	05/31/2025	60.00	.00		
Total 9254:			60.00	.00		
WHKS & CO.						
53730	MONTHLY STAFF MEETING	02/28/2025	531.00	.00		
53730	RAISE GRANT ASSISTANCE	02/28/2025	387.00	.00		
53730	TA TRAIL FEASIBILITY	02/28/2025	1,062.00	.00		
53730	BASEMAP REVISIONS	02/28/2025	240.00	.00		
53730	WIESER PARK COST OPINION	02/28/2025	540.00	.00		
53730	REDWOOD DRIVE DRAINAGE	02/28/2025	4,043.50	.00		
53730	MILEAGE	02/28/2025	102.20	.00		
54496	2025 SAFE ROUTES TO SCHOOL LA CRESCENT	05/30/2025	5,249.28	.00		
Total 8290:			12,154.98	.00		
WOODY'S TREE SERVICE						
6/11/25	CUT & TRIM TREES AND REMOVAL OF TREES AT HARRIS	06/11/2025	1,525.00	.00		
Total 10170:			1,525.00	.00		
XCEL ENERGY						
5/25 STMT	BOOSTER STATION - 193 MCINTOSH E	05/31/2025	261.84	.00		
5/25 STMT	CITY HALL GREEN SPACE - 322 S 1ST ST	05/31/2025	23.34	.00		
5/25 STMT	POOL (608 S. 7TH ST)	05/31/2025	24.18	.00		
5/25 STMT	WELL #3 (LOAD PROFILE - 417 WALNUT PL)	05/31/2025	1,626.08	.00		
5/25 STMT	RADIUM PLANT (722 N. 2ND)	05/31/2025	126.55	.00		
5/25 STMT	TENNIS COURT LIGHTS (608 S. 7TH ST)	05/31/2025	1.18	.00		
5/25 STMT	CITY HALL- 315 MAIN	05/31/2025	620.59	.00		
5/25 STMT	FLAG LITE (202 MAIN)	05/31/2025	5.73	.00		
5/25 STMT	FLAG LITE (226 MAIN)	05/31/2025	21.06	.00		
5/25 STMT	SIGN LITE (525 S. CHESTNUT)	05/31/2025	9.97	.00		
5/25 STMT	STREET LIGHTS (PO BOX 42)	05/31/2025	7,175.10	.00		
5/25 STMT	LIFT STATION (31 MCINTOSH RD E)	05/31/2025	8.77	.00		
5/25 STMT	RESERVOIR - 1026 CRESCENT HILLS	05/31/2025	11.11	.00		
5/25 STMT	SHORE ACRES - GRINDER PUMPS	05/31/2025	218.82	.00		
5/25 STMT	UNIT STREET LIGHTS - 33 S. WALNUT	05/31/2025	50.92	.00		
5/25 STMT	WELL #2 - 400 LARCH	05/31/2025	832.29	.00		
5/25 STMT	WELL HOUSE - 200 STONEY POINT ROAD	05/31/2025	949.79	.00		
5/25 STMT	WWTP - 222 HWY 16	05/31/2025	365.20	.00		
Total 1410:			12,332.52	.00		
ZIEBELL'S HIAWATHA FOODS INC						
430157	GC - FOOD FOR RESALE	06/12/2025	189.43	.00		
430157	GC - KITCHEN PRODUCTS	06/12/2025	20.94	.00		
430157	GC - CLEANING SUPPLIES	06/12/2025	90.36	.00		
Total 2417:			300.73	.00		

Invoice Number	Description	Invoice Date	Net Invoice Amount	Amount Paid	Date Paid	Voided
Grand Totals:			128,204.11	58,450.87		

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

City Treasurer: _____

Report Criteria:

Detail report.

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

5:00 Public Hearing



TO: Honorable Mayor and City Council Members
FROM: Bill Waller, City Administrator 
DATE: June 13, 2025
RE: 5:00 Public Hearing

At 5:00 the City Council will hold a public hearing to consider the tax increment financing plan for the proposed redevelopment of the property located at 338 Main Street. Tammy Omdal from Northland Securities will attend the meeting remotely to review this with the City Council.

The following items are attached to this memo:

- a. A memo from Tammy Omdal that summarizes the project and provides background information on tax increment financing assistance.
- b. The notice of public hearing.
- c. The tax increment financing plan for tax increment financing district no. 1-10.
- d. Resolution 06-25-21 establishing tax increment financing district no. 1-10.
- e. Resolution 06-25-22 approving a tax increment financing interfund loan related to the administrative cost for district no. 1-10.



a.

MEMORANDUM

To: Bill Waller, City of La Crescent
From: Tammy Omdal, Managing Director
Date: June 12, 2025
Re: Tax Increment Financing (Redevelopment) District No. 1-10

The City of La Crescent (the "City") received a request for financial assistance from 7 Rivers Mechanical Properties LLC (the "Developer") for the construction of a mixed-use building of approximately 10,800 square feet in size including up to four residential housing units on the second floor and commercial on the first floor. (the "Development").

The site for the Development is located on an approximately __-acre site consisting of parcel 250247001 described as follows: LOT 20 & W 10 FT LOT 19 BLK 50 LA CRESCENT PLAT DOC 245856; DOC 251965 (the "Property").

The City plans to hold a public hearing on June 23, 2025 to consider the establishment of Tax Increment Financing (Redevelopment) District No. 1-10 (the "TIF District") within Development District No. 1. Following the public hearing the City Council may consider adoption of a resolution to establish the TIF District. The establishment of the TIF District by the City provides the authority to consider approval of financial assistance to the Developer for the Development.

The purpose of this memorandum is to provide information on tax increment financing authority and process followed for establishing the TIF District, along with a summary of the plan for the TIF District.

Background on TIF Authority

The establishment of tax increment financing redevelopment district is a statutory financing tool that can be used to promote redevelopment in areas where it would otherwise not occur. The establishment of the TIF District will allow the City to "capture" the revenues generated by the increase in net tax capacity resulting from the Development within the TIF District. The revenue comes from the increase in property taxes, with some limited exceptions to the taxes that may be captured within a tax increment financing district. For example, referendum tax and state property tax cannot be captured with a tax increment financing district.

The statutory maximum duration to capture the tax increments from an economic development tax increment financing district is 25 years after the first year of tax increment collections for a total of 26 years. The City may approve a shorter duration than the statutory maximum.

The City may use tax increments to assist the developer with financing of site improvement costs related to the redevelopment of the Property. The City must make certain findings when approving

the TIF District, including a finding that the Development, as proposed, is feasible only through assistance, in part, from tax increment financing. This is commonly referred to as the “but for” finding.

The Property qualifies for inclusion in a redevelopment tax increment financing district as the Property consists of the construction of a new manufacturing facility. The Development meets the statutory criteria for a redevelopment district. A redevelopment district is governed by criteria that are more complicated than other forms of tax increment financing districts.

There are three basic findings that are needed to establish a redevelopment district:

1. Parcels consisting of 70% of the area of the district are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures.
2. More than 50% of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. Additional discussion of this finding appears below.
3. The conditions must be reasonably distributed throughout the district.

Process for Approval

As part of the process to establish the TIF District, the City must approve adoption of a Tax Increment Financing Plan for the TIF District (the “TIF Plan”). The TIF Plan provides documentation of the findings for the criteria to establishment a redevelopment district, information about the Development to be funded with tax increment from the TIF District and authorizes the use of tax increment from the district to pay TIF-eligible Project Costs, among other items. Project Costs means the public development costs of the development activities that will or are expected to occur within the Project Area or TIF District (“Project Costs”).

A tax increment financing district must be located within the boundaries of a specified development project area. The City has previously established Development District No. 1 (the “Project Area”), as modified over time, and set the boundaries of the Project Area as shown in the map included in Exhibit V of the TIF Plan. The boundaries of Development District No. 1 are coterminous with the boundaries of the City.

After the TIF District is established by the City, the City may consider its actions, including a contract for private development with the Developer for tax increment financing assistance.

Notice to County and School District

Before the public hearing and the establishment of the TIF District, the City must provide certain notices to the county and the school district, including providing a copy of a draft tax increment financing plan for the district. The county and school district may comment on the proposed TIF Plan but cannot prevent the creation of the TIF District. On behalf of the City, Northland will submit a letter and a draft copy of the TIF Plan to Houston County and the School District (ISD No. 300) on or before May 23, 2025, with a request for comments. Northland will inform the City of any comments that may be received from the County and/or School District.

Adoption of TIF Plan

Following the public hearing, the City Council may adopt the resolution approving the establishment of the TIF District within Development District No. 1 and the adoption of the TIF Plan relating thereto, among other actions.

TIF Plan Summary and Terms for Assistance

Pursuant to a proposed Tax Increment Financing Development Agreement by and among the City and the Developer (the "Agreement"), the City may execute a Tax Increment Revenue Note (the "Note") for the Development.

Pursuant to a proposed Agreement, the principal amount of the Note shall equal from time to time the principal amount no greater than \$309,367. The unpaid principal amount shall bear interest from the date of the Note at the simple non-compounded rate of 5.0% per annum.

The amounts due under the Note shall be payable on August 1, 2027, and on each February 1 and August 1 thereafter to and including February 1, 2042, pursuant to the Agreement. On each payment date the City shall pay an amount equal to the sum of the Tax Increments (as defined in the Agreement) received by the City during the six-month period preceding such payment date. Pursuant to the Agreement, all payments made by the City under the Note shall first be applied to accrued interest and then to principal. The Note shall be prepayable by the City, in whole or in part, on any date.

The Payment Amounts (as defined in the Agreement) due shall be payable solely from 90% of tax increments from the Development Property (as defined in the Agreement) within the TIF District which are paid to the City and which the City is entitled to retain pursuant to the provisions of Minnesota Statutes, Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the "TIF Act"). The Note shall terminate and be of no further force and effect following the last Payment Date, on any date upon which the City shall have terminated the Agreement or the Developer shall have terminated the Agreement pursuant to the terms in the Agreement, on the date the TIF District is terminated, or on the date that all principal and interest payable hereunder shall have been paid in full, whichever occurs earliest.

The summary that follows highlights the key elements of the draft TIF Plan. The TIF Plan provides for the City to capture 100% of the tax increments collected from the Property within the TIF District to reimburse City administrative costs for the TIF District and land acquisition and site improvement/preparation costs to be incurred by the Developer within the TIF District in an amount not to exceed \$360,820.

Item	Plan Section	Highlights from TIF Plan
City Plans and Development Program	3.02.2	The Section of the TIF Plan summarizes the proposed development and explains how this development is consistent with local plans and policies of the City.
Boundaries of TIF District	3.03.2	The TIF District includes one parcel. The parcel will be acquired and owned by the Developer.
Type of District	3.03.3	The TIF District is a redevelopment district. The district meets the statutory criteria for this type of district as documented by the inspection report and findings included in the TIF Plan.
Estimated Tax Increment	3.04.1	The Development is estimated to create annual tax increment revenue (net of State Auditor's fee) of \$31,628 in the first year of the TIF District, following completion of the Development. This amount is based on the following factors: • Total estimated taxable market value of the Property is \$1,729,000 after completion of the Development, with the property classified as commercial-industrial. The estimated completion date is 12/31/2025. • The original net tax capacity value of the TIF District is estimated based on the current market value of the Property for taxes payable in 2025. A property's net tax capacity is determined by multiplying the property's taxable market value by the relevant class rate or rates. Class rates are set by statute, vary by property type, and are uniform statewide. For purpose of calculating tax increments, the county auditor will set the original net tax capacity value of the TIF District based on the future use (commercial-industrial). • The estimated combined local tax rate is approximately 130.61% based on Pay 2025 tax rates. This rate is used to estimate tax increments. Upon request to the county auditor to certify the TIF District, and the anticipated timing of the request, it is anticipated the final certified tax rate for the TIF District will be based on the local tax rate for taxes payable in 2025. The County Assessor will set the actual estimated market value of the property. Changes in property values and tax rates will determine and alter the amount of tax increment revenue from

Item	Plan Section	Highlights from TIF Plan
		year-to-year. The TIF Plan includes estimates for planning purposes only and the actual amounts will vary.
Project Costs, Estimated Source and Uses of Funds, Administrative Expense	3.04.2	Tax increment revenue will be used to pay Project Costs related to development of the Property. The TIF Plan provides for the reimbursement of up to \$360,820 of total estimated Project costs.
	3.04.3	
	3.04.4	The Project Costs include developer costs for land acquisition (\$275,000) and site improvement/preparation costs (\$34,367) to be incurred by the Developer, and \$51,452 for City administrative costs.
		Reimbursement of Project Costs will be on a pay-go basis. As tax increment is collected by the City upon distribution of taxes from the County, the City will use the available tax increments to reimburse the Developer and itself for actual costs incurred. The terms for payment to the Developer will be detailed in a written contract between the City and the Developer.
Bonded Indebtedness	3.04.6	All payments made by the City will be on a "pay-go" basis payable solely from available tax increments and will not be a general obligation of the City.
Duration	3.04.7	The TIF Plan elects a duration of fifteen (15) years which is less than the statutory maximum duration allowed for redevelopment district. The estimated month and year of first receipt of tax increment is July 2027. The estimated required decertification date based on year 2027 as the first year of tax increment collection is December 31, 2041.

b.

CITY OF LA CRESCENT
COUNTY OF HOUSTON
STATE OF MINNESOTA

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council (the "Council") of the City of La Crescent, Houston County, Minnesota, will hold a public hearing on Monday, June 23, 2025, at 5:00 p.m., at the La Crescent Community Building, in the City of La Crescent, Minnesota, relating to the proposed modification of the Development Program for Municipal Development District No. 1, the proposed establishment of Tax Increment Financing District No. 1-10 within the Development District, and the proposed adoption of a Tax Increment Financing Plan for Tax Increment Financing District No. 1-10, all pursuant to and in accordance with Minnesota Statutes, Sections 469.124 through 469.133, as amended, and Sections 469.174 through 469.179, as amended, and to adopt business subsidy agreements, pursuant to Sections 1161.993 to 1161.995, all inclusive, as amended. The recipient of the proposed business subsidy is 7 Rivers Mechanical Properties, LLC (the "Developer"), in connection with the reimbursement of land acquisition and site improvements within the TIF District. The creation or retention of jobs is not a goal of the proposed business subsidy. A copy of the proposed Tax Increment Financing Plan and a summary of the agreements are on file and available for public inspection at the office of the City Administrator at City Hall.

A person with residence in or the owner of taxable property in the City may file a written complaint with the City if the City fails to comply with Sections 1161.993 to 1161.995, and no action may be filed against the City for the failure to comply unless a written complaint is filed.

The property included in Municipal Development District No. 1 is described in the Development Program on file in the office of the City Administrator. The property proposed to be included in Tax Increment Financing District No. 1-10 is described in the Tax Increment Financing Plan on file in the office of the City Administrator.

Maps of the Municipal Development District No. 1 and Tax Increment Financing Districts No. 1-10 are set forth in the adjacent map:

All interested persons may appear at the hearing and present their views orally or in writing prior to the hearing.

By order of the city council



City Administrator

DRAFT

CITY OF LA CRESCENT, MINNESOTA
DEVELOPMENT PROGRAM FOR
MUNICIPAL DEVELOPMENT DISTRICT NO. 1
AND
TAX INCREMENT FINANCING PLAN FOR
TAX INCREMENT FINANCING (REDEVELOPMENT)
DISTRICT NO. 1-10
(MIXED-USE PROJECT)

PUBLIC HEARING: JUNE 23, 2025

PLAN APPROVED: _____, 2025

REQUEST FOR CERTIFICATION: _____, 2025

DISTRICT CERTIFIED: _____, 2025

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ARTICLE I – INTRODUCTION AND DEFINITIONS

SECTION 1.01 INTRODUCTION

The City of La Crescent proposes to provide tax increment financing assistance to facilitate redevelopment of property within Municipal Development District No. 1.

The development involves the construction of a two-story mixed-use commercial and residential building in the downtown area of the City. The Development will be constructed on a parcel which is occupied by a substandard commercial building to be demolished and removed.

This document contains the plan for achieving the objectives of the Development Program for Municipal Development District No. 1 through the establishment and use of Tax Increment Financing District No. 1-10 within the Development District. The Tax Increment Financing Plan for the District authorizes the use of tax increments to pay for Project Costs.

SECTION 1.02 DEFINITIONS

For the purposes of this document, the terms below have the meanings given in this section, unless the context in which they are used indicates a different meaning:

1. "City" means the City of La Crescent, Minnesota.
2. "City Council" means the City Council of the City.
3. "County" means Houston County, Minnesota.
4. "Developer" means the party undertaking construction in the TIF District anticipated to be 7 Rivers Mechanical Properties LLC, its successors or assigns.
5. "Development" means the construction of a mixed-use building of approximately 10,800 square feet in size including up to four residential housing units on the second floor and commercial on the first floor.
6. "Development District" means Municipal Development District No. 1 in the City, created and established pursuant to and in accordance with the Development District Act.
7. "Development District Act" means Minnesota Statutes, Sections 469.124 through 469.133, as amended and supplemented from time to time.
8. "Development Program" means the Development Program for the Development District, as amended and supplemented from time to time.
9. "Project Area" means the geographic area of the Development District.
10. "Project Costs" means the public development costs of the development activities that will or are expected to occur within the Project Area or TIF District.
11. "School District" means La Crescent-Hokah Public Schools (Independent School District No. 300).
12. "State" means the State of Minnesota.
13. "TIF Act" means Minnesota Statutes, Sections 469.174 through 469.1794, as amended, both inclusive.
14. "TIF District" means Tax Increment Financing (Redevelopment) District No. 1-10 (Mixed-Use Project).
15. "TIF Plan" means the tax increment financing plan for the TIF District (this document).

SECTION 1.03 PLAN PREPARATION

This document was prepared for the City by Northland Securities, Inc., with information provided by City staff.

ARTICLE II - DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT

SECTION 2.01 OVERVIEW

The Development District and the related Development Program serve as a tool to achieve the objectives described in Section 2.02 of the Development Program. The Development District serves as the Project Area for the tax increment financing districts established within its boundaries. The Development Program describes the City's objectives for the development of this area and the use of tax increment financing.

Prior tax increment financing districts established within the Development District, which have since been decertified, include the following tax increment financing districts: 1-1, 1-2, 1-3, 1-4, 1-5, 1-6, and 1-7. TIF District No. 1-8 and TIF District No. 1-9 are the only active tax increment financing districts within the Development District as of the date of establishment of TIF District No. 1-10 within the Development District.

The Development Program as most recently adopted on January 25, 2025 is affirmed, without modification, and is restated below as follows.

SECTION 2.02 STATEMENT OF OBJECTIVES

The establishment of the Development District in the City pursuant to the Development District Act is necessary and in the best interests of the City and its residents and is necessary to give the City the ability to meet certain public purpose objectives that would not be obtainable in the foreseeable future without intervention by the City in the normal development process.

The City intends, to the extent permitted by law, to accomplish the following objectives through the implementation of the Development Program:

1. Provide for the acquisition of land and construction and financing of the private development in the Development District which are necessary for the orderly and beneficial development of the Development District and adjacent areas of the City.
2. Encourage the redevelopment of blighted and under-utilized areas of the City.
3. Facilitate the removal of deteriorated structures and encourage redevelopment in residential and commercial areas providing high levels of property maintenance and private investment.
4. Promote and secure the prompt and unified development of certain property in the Development District, which property is not now in productive use or in its highest and best use, with a minimum adverse impact on the environment, and thereby promote and secure the desirable development of other land in the City.
5. Promote and secure additional employment opportunities within the Development District and the City for residents of the City and the surrounding area, thereby improving living standards and reducing unemployment and the loss of skilled and unskilled labor and other human resources in the City.
6. Secure the increase in values of property subject to taxation by the City, the School District, the County, and other taxing jurisdictions in order to better enable such entities to pay for governmental services and programs that they are required to provide.
7. Promote the concentration of new unified development consisting of desirable residential and

commercial and other appropriate development in the Development District so as to maintain the area in a manner compatible with its accessibility and prominence in the City.

8. Encourage the expansion and improvement of residential property, local business, economic activity and development, whenever possible.
9. Create a desirable and unique character within the Development District through quality land use alternatives and design quality in new buildings.

SECTION 2.03 BOUNDARIES OF DEVELOPMENT DISTRICT

The boundaries of the Development District are contiguous with the municipal boundaries of the City and is depicted in Exhibit VI.

SECTION 2.04 DEVELOPMENT ACTIVITIES

The City will perform or cause to be performed, to the extent permitted by law, all development activities pursuant to the Development District Act, the TIF Act and other applicable state laws, and in doing so anticipates that the following may, but are not required, to be undertaken by the City:

1. The making of studies, planning, and other formal and informal activities relating to the Development Program.
2. The implementation and administration of the Development Program.
3. The rezoning of land within the Development District.
4. The acquisition of property, or interests in property, by purchase or condemnation, which acquisition is consistent with the objectives of the Development Program,
5. The preparation of property for use and development in accordance with applicable land use regulations and development agreements, including demolition of structures, clearance of sites, placement of fill and grading.
6. The resale of property to private parties.
7. The construction or reconstruction of site improvements to property within a tax increment financing district.
8. The issuance of tax increment bonds to finance the Project Costs of the Development Program, and the use of tax increments or other funds available to the City to pay or finance the Project Costs of a tax increment financing plan incurred or to be incurred by it pursuant to the Development Program.
9. The use of tax increments to pay debt service on tax increment bonds or otherwise pay or reimburse with interest the Project Costs of a tax increment financing plan.

SECTION 2.05 PAYMENT OF PROJECT COSTS

The Project Costs and the plan for their payment are described in the tax increment financing plans for the tax increment financing districts established within the Development District. It is anticipated that the Project Costs of the Development Program will be paid primarily from tax increments. The City reserves the right to utilize other available sources of revenue which the City may apply to pay a portion of the Project Costs.

SECTION 2.06 ENVIRONMENTAL CONTROLS; LAND USE REGULATIONS

All municipal actions, public improvements and private development shall be carried out in a

manner consistent with existing environmental controls and all applicable land use regulations.

SECTION 2.07 PARK AND OPEN SPACE TO BE CREATED

Park and open space within the Development District if created will be created in accordance with the City's Comprehensive Plan and zoning and subdivision ordinances.

SECTION 2.08 PROPOSED REUSE OF PROPERTY

The Development Program reserves the authority for the City to acquire property and reconvey the same to another entity. All parcels in the Development District are eligible for acquisition. In acquiring land, the City Council will require the execution of a binding development agreement with respect thereto and evidence that tax increments or other funds will be available to repay the Project Costs associated with acquisition. It is the intent of the City to negotiate the acquisition of property whenever possible. Appropriate restrictions regarding the reuse and redevelopment of property shall be incorporated into any development agreements to which the City is a party.

SECTION 2.09 ADMINISTRATION AND MAINTENANCE OF DEVELOPMENT DISTRICT

The City has not and does not anticipate incurring any annual maintenance and operations costs for the Development District.

Maintenance and operation of the Development District shall be the responsibility of the City Administrator who shall serve as administrator of the Development District. Pursuant to the provisions of Section 469.130 of the Development District Act, the City Administrator shall administer the Development District pursuant to the provisions of Section 469.131 of the Development District Act; provided, however, that such powers may only be exercised at the direction of the City Council. No action taken by the Administrator pursuant to the above-mentioned powers shall be effective without authorization by the City Council.

SECTION 2.10 AMENDMENTS

The City reserves the right to alter and amend the Development Program, subject to the provisions of state law regulating such action. The City specifically reserves the right to enlarge or reduce the size and scope of the Development District, the Development Program and the Project Costs of the Development.

ARTICLE III - TAX INCREMENT FINANCING PLAN FOR TIF DISTRICT

SECTION 3.01 STATUTORY AUTHORITY

The TIF District and this TIF Plan are established under the authority of the TIF Act (Minnesota Statutes 2024).

SECTION 3.02 PLANNED DEVELOPMENT

3.02.1 *Development Description*

The Development includes construction of a mixed-use building of approximately 10,800 square feet in size including up to four residential housing units on the second floor and commercial on the first floor.

3.02.2 City Plans and Development Program

In addition to achieving the objectives of the Development Program, the Development is consistent with and works to achieve the development objectives of the City. The TIF Plan for the TIF District conforms to the general plan for development or redevelopment of the City as a whole.

The reasons and facts supporting this finding are that the City Council has reviewed the Development Program and found that the TIF Plan is consistent with the goals of the comprehensive plan and zoning ordinances and serves to promote the development objectives for the City.

A major objective of the Development Program and the TIF Plan is to assist redevelopment and prevent the further deterioration of land located within the Development District and the TIF District. The City believes that the Development is in the best interests of the City, the health, safety, morals and welfare of residents of the City, and in accordance with the public purpose and provisions of the applicable state and local laws and requirements under which the Development is proposed to be undertaken and is being assisted.

3.02.3 Land Acquisition

The City will not acquire land within the TIF District.

3.02.4 Development Activities

As of the date of approval of the TIF Plan, there are no development activities in this TIF Plan that are subject to contracts.

3.02.5 Need for Tax Increment Financing

The reasons and facts supporting this finding are that this commercial area of the City includes parcels with blighted buildings and structures, and under-utilized areas which are a detriment to redevelopment by the private sector. Such conditions render the property within the TIF District unsuitable for redevelopment due to the excessive costs involved with redevelopment. It is only through a coordinated and comprehensive redevelopment effort using tax increment revenues to fund certain of these development expenses will private redevelopment occur.

In the opinion of the City, the Development would not reasonably be expected to occur solely through private investment within the foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the Development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan.

A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above and is shown in Exhibit I. This analysis indicates that the increase in estimated market value of the Development (less the present value of the projected tax increments for the maximum duration permitted by the TIF Plan) exceeds the estimated market value of the site prior to the establishment of the TIF District.

SECTION 3.03 TAX INCREMENT FINANCING DISTRICT**3.03.1 Designation**

The TIF District is designated Tax Increment Financing District No. 1-10 (Mixed-Use Project).

3.03.2 Boundaries of TIF District

The boundaries of the TIF District are depicted in Exhibit VI and includes the following property, inclusive of parcel 250247001 and the adjacent roads and right-of-way.

The property within the TIF District is described as follows: LOT 20 & W 10 FT LOT 19 BLK 50 LA CRESCENT PLAT DOC 245856; DOC 251965

3.03.3 *Type of TIF District*

The TIF District is established as a “redevelopment district” pursuant to Section 469.174, Subd. 10 of the TIF Act. The City has determined that the property in the TIF District meets the statutory criteria for a redevelopment district.

Section 469.174, Subdivision 10 (a) (1) of the TIF Act requires two tests for occupied parcels be met to qualify as a “redevelopment district”:

For a “redevelopment district” more than 50% of the buildings, not including outbuildings, must be found to be structurally substandard to a degree requiring substantial renovation or clearance.

The conditions test for structurally substandard is defined under Section 469.174, Subdivision 10(b) of the TIF Act. For purposes of this subdivision, “structurally substandard” means containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance.”

Buildings are not eligible to be considered structurally substandard unless they meet certain additional criteria, as set forth in Section 469.174, Subdivision 10(c) of the TIF Act. A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15% of the cost of constructing a new structure of the same square footage and type on the site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence. Items of evidence that support such a conclusion that the building is not disqualified include recent fire or police inspections, on-site property appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence.

Furthermore, for a “redevelopment district”, parcels consisting of 70% of the area of the district must be occupied by buildings, streets, utilities, or paved or gravel parking lots to meet the required coverage test. The coverage required by the parcel to be considered occupied is defined under Section 469.174, Subdivision 10(e) of the TIF Act. For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, or paved or gravel parking lots unless 15% of the area of the parcel contains building, streets, utilities, or paved or gravel parking lots.

As summarized in the table below, 100% of the area of the TIF District is occupied by improved parcels, and 100% of the buildings within the TIF District are found to be substandard. The substandard buildings are reasonably distributed.

The results of the building inspection and analysis performed by the City of La Crescent’s Building and Zoning Official, Shawn Wetterlin, are contained in the reports (dated April 7, 2025) and included in Exhibit V of the TIF Plan.

Number of Parcels.....	1
Site Area Included (sq.ft. without roads)	8,400
Area of Improved Parcels	8,400
Percent of Area Improved.....	100%
Number of Parcels with Buildings	1
Number of Buildings found Substandard.....	1
Percent of Buildings found Substandard.....	100%

SECTION 3.04 PLAN FOR USE OF TAX INCREMENT**3.04.1** *Estimated Tax Increment*

The original tax capacity of value of the TIF District will be set by the County upon request for certification. The original tax capacity value may change over time based on the use and tax classification of each parcel. For the purposes of this Plan, the estimated original tax capacity is \$3,790, calculated for commercial property. The estimated original tax capacity is based on the estimated total taxable market value of \$189,500 for the property within the TIF District.

The total tax capacity value of the Development after completion is estimated to be \$28,093. This amount is based on a total estimated taxable market value of \$1,729,000 with property classified as commercial and residential non-homestead. The difference between the total tax capacity value and the original tax capacity value is the captured tax capacity value for the creation of tax increment. It is the City's intent to retain 100% of the captured tax capacity Value for the duration of the TIF District.

The TIF Plan is based on the estimated rate for taxes payable 2025. The total local tax rate for taxes payable in 2025 is approximately 130.61%. The original tax rate for the TIF District will be based on the final total local tax rate for taxes payable in 2025, if the request for certification of the TIF District is made by June 30, 2025.

Under these assumptions, the estimated annual tax increment upon completion of the Development is \$31,628. The actual tax increment will vary according to the certified original tax capacity value and original tax rate, the actual property value produced by the Development and the changes in property value and State tax policy over the duration of the TIF District.

Exhibit II contains the projected tax increment for the duration of the TIF District.

3.04.2 *Development Activities*

The City will use tax increment to pay Project Costs. The City anticipates the use of tax increment financing to reimburse the Developer for Project Costs related to the redevelopment of the property within the TIF District. The Project Costs paid by the Developer to be eligible for reimbursement are site improvement and preparation costs, this includes activities needed to correct the redevelopment conditions under the TIF Act, including public improvements, earthwork, site utilities, paving, site concrete, landscaping, site accessories, fencing, public and private utility services, building demolition, clearance of the site, abatement of contaminants, on-site parking and other site development expenses, allowed by the TIF Act.

The City plans to enter into a development agreement that defines the means for verifying The Project Costs for reimbursement and the means of disbursing tax increments collected by the City to the Developer.

3.04.3 *Estimated Sources and Uses of Funds*

The Total Estimated Tax Increment Revenues and the Total Estimated Project/Financing Costs to be Paid from Tax Increments are itemized in Figure 3-1. These estimates are based on the best available information.

The City reserves the right to administratively adjust the amount of the items listed, or to incorporate additional eligible items, under Estimated Project/Financing Costs (to be paid or financed with tax increment) in Figure 3-1, so long as the Estimated Tax Increment Project Costs amount, before financing costs, is not increased. Any administrative adjustments shall be approved by a resolution of the City Council.

FIGURE 3-1
ESTIMATED SOURCES AND USES OF FUNDS

	Total
Estimated Tax Increment Revenues (from tax increment generated by the district)	
Tax increment revenues distributed from the county	\$514,524
Interest and investment earnings	\$5,000
Sales/lease proceeds	\$0
Market value homestead credit	\$0
Total Estimated Tax Increment Revenues	\$519,524
Estimated Project/Financing Costs (to be paid or financed with tax increment)	
Project costs	
Land/building acquisition	\$275,000
Site improvements/preparation costs	\$34,367
Utilities	\$0
Other public improvements	\$0
Administrative costs	\$51,452
Estimated Tax Increment Project Costs	\$360,820
Estimated financing costs	
Interest expense	\$158,704
Total Estimated Project/Financing Costs to be Paid from Tax Increment	\$519,524
Estimated Financing	
Total amount of bonds to be issued	\$519,524

3.04.4 Administrative Costs

The City plans to use tax increment revenues to pay for administrative expenses for the TIF District. The use of tax increment revenues to pay administrative expenses will not exceed the maximum amount of ten percent of tax increment revenues pursuant to the TIF Act. The City will use these monies to pay for and reimburse the City for costs of administering the TIF district as allowed by the TIF Act. The estimated amount of tax increment revenue planned to pay administrative expense is shown in Figure 3-1. Anticipated administrative expenses of the TIF District include annual audit of the fund for TIF District, preparation of annual reporting, legal publication of annual report, and administration of the development agreement, among other costs.

3.04.5 County Road Costs

The Development will not substantially increase the use of county roads and necessitate the need to use tax increments to pay for county road improvements.

3.04.6 Bonded Indebtedness

The total amount of bonds estimated to be issued is shown in Figure 3-1 in Section 3.04.3 of the TIF Plan. Any bonds to which payment for tax increment is pledged is a tax increment bond. A tax increment bond issued in connection with "any project for which tax increment financing has been undertaken" must be one of the types of bonds expressly authorized by Section 469.178

of the TIF Act. The types of bonds expressly authorized by Section 469.178 of the TIF Act are: municipality general obligation bonds; authority general obligation bonds; authority revenue bonds (including pay-go); and interfund loans or advances. The City reserves the right to use any of these types of bonds pursuant to the TIF Act and the TIF Plan.

3.04.7 Duration of TIF District

The duration of the TIF District is fifteen (15) years. No tax increments shall in any event be paid to the City after fourteen (14) years after receipt by the City of the first increment for the TIF District.

The anticipated first month and year of tax increment collection is July 2027 and the estimated decertification date is December 31, 2041. This is based on construction commencement of the Development in year 2021.

3.04.8 Estimated Impact on Other Taxing Jurisdictions

Exhibit III and IV shows the estimated impact on other taxing jurisdictions if the maximum projected retained captured net tax capacity of the TIF District was hypothetically available to the other taxing jurisdictions. The City believes that there will be no adverse impact on other taxing jurisdictions during the life of the TIF District, since the Development would not occur without the establishment of the TIF District and the provision of public assistance. A positive impact on other taxing jurisdictions will occur when the TIF District is decertified and the Development therein becomes part of the general tax base.

The City anticipates minimal impact of the Development on city-provided services. There should be minimal, if any, impact on water and sewer usage. The City does not anticipate any significant increase in police and fire protection duties due to the Development.

3.04.9 Prior Planned Improvements

There have been no building permits issued in the last 18 months in conjunction with any of the properties within the TIF District. The City will include this statement with the request for certification to the County Auditor. If building permits had been issued during this time period, then the County Auditor would increase the original net tax capacity of the TIF District by the net tax capacity of each improvement for which a building permit was issued.

ARTICLE IV – ADMINISTERING THE TIF DISTRICT

SECTION 4.01 FILING AND CERTIFICATION

The filing and certification of the TIF Plan consists of the following steps:

1. Upon adoption of the TIF Plan, the City shall submit a copy of the TIF Plan to the Minnesota Department of Revenue and the Office of the State Auditor.
2. The City shall request that the County Auditor certify the original net tax capacity and net tax capacity rate of the TIF District. To assist the County Auditor in this process, the City shall submit copies of the TIF Plan, the resolution establishing the TIF District and adopting the TIF Plan, and a listing of any prior planned improvements.
3. The City shall send the County Assessor any assessment agreement establishing the minimum market value of land and improvements within the TIF District and shall request that the County Assessor review and certify the assessment agreement as reasonable. The City does not expect to enter into an assessment agreement in connection with the Development.

SECTION 4.02 MODIFICATIONS OF THE TAX INCREMENT FINANCING PLAN

The City reserves the right to modify the TIF District and the TIF Plan. Under current State Law, the following actions can only be approved only after satisfying all the necessary requirements for approval of the original TIF Plan (including notifications and public hearing):

- Reduction or enlargement in the geographic area of the Development District or the TIF District.
- Increase in the amount of bonded indebtedness to be incurred.
- Increase in the amount of capitalized interest.
- Increase in that portion of the captured net tax capacity to be retained by the City.
- Increase in the total estimated Project Costs.
- Designation of additional property to be acquired by the City.

Other modifications can be made by resolution of the City Council. In addition, the original approval process does not apply if (1) the only modification is elimination of parcels from the TIF District and (2) the current net tax capacity of the parcels eliminated equals or exceeds the net tax capacity of those parcels in the TIF District's original net tax capacity, or the City agrees that the TIF District's original net tax capacity will be reduced by no more than the current net tax capacity of the parcels eliminated.

The City must notify the County Auditor of any modification that reduces or enlarges the geographic area of the TIF District. The geographic area of the TIF District may be reduced but not enlarged after five years following the date of certification.

SECTION 4.03 CORRECTING REDEVELOPMENT CONDITIONS

Section 469.176, Subd. 4j of the TIF Act requires that at least 90% of the revenues derived from tax increments from the TIF District be used to finance the cost of correcting conditions that allow designation as a redevelopment district. These costs include, but are not limited to, acquiring properties containing structurally substandard buildings or improvements or hazardous substances, pollution, or contaminants, acquiring adjacent parcels necessary to provide a site of sufficient size to permit development, demolition and rehabilitation of structures, clearing of the land, the removal of hazardous substances or remediation necessary to development of the land, and installation of utilities, roads, sidewalks, and parking facilities for the site. The allocated administrative expenses of the City, including the cost of preparation of the development action response plan, may be included in the qualifying costs.

SECTION 4.04 4-YEAR KNOCKDOWN RULE

The 4-Year Knockdown Rule requires that if after four years from certification of the TIF District no demolition, rehabilitation, renovation or site improvement, including a qualified improvement of an adjacent street, has commenced on a parcel located within the TIF District, then that parcel shall be excluded from the TIF District and the original net tax capacity shall be adjusted accordingly. Qualified improvements of a street are limited to construction or opening of a new street, relocation of a street, or substantial reconstruction or rebuilding of an existing street. The City must submit to the County Auditor, by February 1 of the fifth year, evidence that the required activity has taken place for each parcel in the TIF District.

If a parcel is excluded from the TIF District and the City or owner of the parcel subsequently commences any of the above activities, the City shall certify to the County Auditor that such activity has commenced and the parcel shall once again be included in the TIF District. The County Auditor shall certify the net tax capacity of the parcel, as most recently certified by the Commissioner of Revenue, and add such amount to the original net tax capacity of the TIF District.

SECTION 4.05 POOLING/5-YEAR RULE

An amount equal to at least 75% of the total revenue derived from tax increments paid by properties in the TIF District must be expended on activities in the TIF District or to pay bonds, to the extent that the proceeds of the bonds were used to finance activities in the TIF District or to pay, or secure payment of, debt service on credit enhanced bonds. Not more than 25% of the total revenue derived from tax increments paid by properties in the TIF District may be expended, through a development fund or otherwise, on activities outside of the TIF District but within the defined geographic area of the Project Area except to pay, or secure payment of, debt service on credit enhanced bonds.

Revenue derived from tax increments paid by properties in the TIF District are considered to have been “spent” within the TIF District if such amounts are:

- actually paid to a third party for activities performed within the TIF District within five years after certification of the district;
- used to pay bonds that were issued and sold to a third party, the proceeds of which are reasonably expected on the date of issuance to be spent within the later of the five-year period or a reasonable temporary period or are deposited in a reasonably required reserve or replacement fund.
- used to make payments or reimbursements to a third party under binding contracts for activities performed within the TIF District, which were entered into within five years after certification of the district; or
- used to reimburse a party for payment of eligible costs (including interest) incurred within five years from certification of the district.

It is anticipated that all revenue derived from tax increments paid by properties in the TIF District will be spent or obligated within the first five years of the TIF District and spent on Project Costs within the boundaries of the TIF District.

SECTION 4.06 FINANCIAL REPORTING AND DISCLOSURE REQUIREMENTS

The City will comply with the annual reporting requirements of State law pursuant to the guidelines of the Office of the State Auditor. Under current law, the City must prepare and submit a report on the TIF district on or before August 1 of each year. The City must also annually publish in a newspaper of general circulation in the City an annual statement for each tax increment financing district.

The reporting and disclosure requirements outlined above begin with the year the district was certified, and shall end in the year in which both the district has been decertified and all tax increments have been spent or returned to the county for redistribution. Failure to meet these requirements, as determined by the State Auditors Office, may result in suspension of distribution of tax increment.

SECTION 4.07 BUSINESS SUBSIDY COMPLIANCE

The City will comply with the business subsidies requirements as specified in Minnesota Statutes, Sections 116J.993 to 116J.995.

Exhibit I
City of La Crescent
Tax Increment Financing District No. 1-10
Present Value Analysis
Section 469.175(3)(b)(2) of the TIF Act
Mixed Use Project

1	Estimated Future Market Value w/ Tax Increment Financing	1,987,441 ¹
2	Payable 2025 Market Value	<u>189,500</u>
3	Market Value Increase (1-2)	1,797,941
4	Present Value of Future Tax Increments	<u>343,742</u>
5	Market Value Increase Less PV of Tax Increments	1,454,199
6	Estimated Future Market Value w/o Tax Increment Financing	217,825 ¹
7	Payable 2025 Market Value	<u>189,500</u>
8	Market Value Increase (6-7)	<u>28,325</u>
9	Increase in MV From TIF	<u><u>1,425,874</u></u> ²

¹ Assume 1.00% annual appreciation over 15 year life of district.

² Statutory compliance achieved if increase in market value from TIF (Line 9) is greater than or equal to zero.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 1-10

**Exhibit II
City of La Crescent
Tax Increment Financing District No. 1-10 (Redevelopment)
Mixed Use Project
Projected Tax Increment Cash Flow**

TIF District Year	Taxes Payable Year	Taxable Market Value (TMV)	Tax Capacity	Less Base Tax Capacity	Captured Tax Capacity	Original Tax Rate	Available TIF	Present Value of Available TIF	TIF for City Admin Costs	Net Available TIF to Developer	Present Value of Net Available TIF to
1	2027	1,729,000	28,093	(3,790)	24,303	130.61%	31,628	29,493	3,163	28,465	26,544
2	2028	1,746,290	28,373	(3,790)	24,583	130.61%	31,993	57,889	3,199	28,794	52,100
3	2029	1,763,753	28,657	(3,790)	24,867	130.61%	32,363	85,229	3,236	29,127	76,706
4	2030	1,781,390	28,944	(3,790)	25,154	130.61%	32,736	111,552	3,274	29,462	100,397
5	2031	1,799,204	29,233	(3,790)	25,443	130.61%	33,112	136,894	3,311	29,801	123,205
6	2032	1,817,196	29,525	(3,790)	25,735	130.61%	33,493	161,293	3,349	30,144	145,164
7	2033	1,835,368	29,821	(3,790)	26,031	130.61%	33,878	184,783	3,388	30,490	166,304
8	2034	1,853,722	30,119	(3,790)	26,329	130.61%	34,265	207,396	3,427	30,839	186,656
9	2035	1,872,259	30,420	(3,790)	26,630	130.61%	34,658	229,166	3,466	31,192	206,250
10	2036	1,890,982	30,724	(3,790)	26,934	130.61%	35,053	250,124	3,505	31,548	225,112
11	2037	1,909,892	31,032	(3,790)	27,242	130.61%	35,453	270,300	3,545	31,908	243,270
12	2038	1,928,991	31,342	(3,790)	27,552	130.61%	35,857	289,722	3,586	32,272	260,750
13	2039	1,948,280	31,655	(3,790)	27,865	130.61%	36,265	308,419	3,626	32,638	277,577
14	2040	1,967,763	31,972	(3,790)	28,182	130.61%	36,676	326,417	3,668	33,009	293,775
15	2041	1,987,441	32,292	(3,790)	28,502	130.61%	37,093	343,742	3,709	33,384	309,367
TOTAL =							514,524	343,742	51,452	463,072	309,367

Key Assumptions for Cash Flow:

- 1 Taxable market value (TMV) annual growth assumption = 1.00%.
- 2 Original Tax Capacity Rate estimated based on Taxes Payable Year 2025.
- 3 Election for captured tax capacity is 100.00%.
- 4 Base Tax Capacity is calculated based on a TMV = \$189,500. This includes PID: 250247001
- 5 Present value is calculated based on semi-annual payments, 5.0% interest rate, and date of 6/1/2026.
- 6 Present value of net available TIF equals the maximum amount of developer project costs that may be reimbursed from tax increments.
- 7 Assumption for TMV is preliminary. Analysis assumes TMV of 4 apartment units at \$216,200 per unit for total TMV \$865,000, and for commercial 5,000 SF at \$160/SF for total TMV \$800,000.
- 8 Assumes duration of TIF District will be limited to 15 years, which is consistent with the City's most recently approved redevelopment TIF District 1-9.
- 9 Available TIF is after deducting the State Auditor fee of 0.36% of the tax increment generated from the district.

Exhibit III
City of La Crescent
Tax Increment Financing District No. 1-10
Impact on Other Taxing Jurisdictions
(Taxes Payable 2025)
Mixed Use Project

Annual Tax Increment

Estimated Annual Captured Tax Capacity (Full Development)	\$28,502
Payable 2025 Local Tax Rate	130.614%
Estimated Annual Tax Increment	\$37,227

Percent of Tax Base

	Net Tax Capacity (NTC)	Captured Tax Capacity	Percent of Total NTC
City of La Crescent	6,566,988	28,502	0.43%
Houston County	30,237,090	28,502	0.09%
ISD 300	11,601,501	28,502	0.25%

Dollar Impact of Affected Taxing Jurisdictions

	Net Tax Capacity (NTC)	% of Total	Tax Increment Share	Added Local Tax Rate
City of La Crescent	56.933%	43.589%	16,227	0.247%
Houston County	47.894%	36.668%	13,651	0.045%
ISD 300	25.787%	19.743%	7,350	0.063%
Other	0.000%	0.000%	0	
Totals	130.614%	100.000%	37,228	

NOTE NO. 1: Assuming that ALL of the captured tax capacity would be available to all taxing jurisdictions even if the City does not create the Tax Increment District, the creation of the District will reduce tax capacities and increase the local tax rate as illustrated in the above tables.

NOTE NO. 2: Assuming that NONE of the captured tax capacity would be available to the taxing jurisdiction if the City did not create the Tax Increment District, then the plan has virtually no initial effect on the tax capacities of the taxing jurisdictions. However, once the District is established, allowable costs paid from the increments, and the District is terminated, all taxing jurisdictions will experience an increase in their tax base.

TAX INCREMENT FINANCING (REDEVELOPMENT) DISTRICT NO. 1-10

**Exhibit IV
City of La Crescent
Tax Increment Financing (Redevelopment) District No. 1-10
Mixed Use Project
Estimated Tax Increments Over Maximum Life of District**

Based on Pay 2025 Tax Rate = 130.614% 56.933% 47.894% 25.787% 0.000%

TIF District	Taxes Payable Year	New Taxable Market Value	New Tax Capacity	Base Tax Capacity	Captured Tax Capacity	Estimated Total Tax Increment	City TIF Related Share	County TIF Related Share	School TIF Related Share	Other TIF Related Share
1	2027	1,729,000	28,093	(3,790)	24,303	31,742	13,836	11,639	6,267	-
2	2028	1,746,290	28,373	(3,790)	24,583	32,109	13,996	11,774	6,339	-
3	2029	1,763,753	28,657	(3,790)	24,867	32,480	14,158	11,910	6,412	-
4	2030	1,781,390	28,944	(3,790)	25,154	32,854	14,321	12,047	6,486	-
5	2031	1,799,204	29,233	(3,790)	25,443	33,232	14,486	12,186	6,561	-
6	2032	1,817,196	29,525	(3,790)	25,735	33,614	14,652	12,326	6,636	-
7	2033	1,835,368	29,821	(3,790)	26,031	34,000	14,820	12,467	6,713	-
8	2034	1,853,722	30,119	(3,790)	26,329	34,389	14,990	12,610	6,789	-
9	2035	1,872,259	30,420	(3,790)	26,630	34,783	15,161	12,754	6,867	-
10	2036	1,890,982	30,724	(3,790)	26,934	35,180	15,335	12,900	6,946	-
11	2037	1,909,892	31,032	(3,790)	27,242	35,581	15,509	13,047	7,025	-
12	2038	1,928,991	31,342	(3,790)	27,552	35,987	15,686	13,196	7,105	-
13	2039	1,948,280	31,655	(3,790)	27,865	36,396	15,865	13,346	7,186	-
14	2040	1,967,763	31,972	(3,790)	28,182	36,809	16,045	13,497	7,267	-
15	2041	1,987,441	32,292	(3,790)	28,502	37,227	16,227	13,651	7,350	-
Total						516,383	225,087	189,350	101,949	-

Note: The Estimated Total Tax Increment shown above is before deducting the State Auditor's fee, which is payable at a rate of 0.36% of the Total Tax Increment collected. Exhibit II provides Estimated Total Tax Increment after deducting for the State Auditor's fee.

EXHIBIT V
DOCUMENTS AND REPORTS FOR REDEVELOPMENT FINDINGS



April 7, 2025

SUBJECT: 338 Main Street, Inspection Report
LOCATION: 338 Main Street, La Crescent, MN
Parcel Number: 250247001

This report represents the opinion of Shawn Wetterlin, Certified Building Official #BO667438, during an inspection of exposed elements. No testing, removal of roofing or wall coverings was done.

1. **ESTIMATED BUILDING VALUE:** \$ 189,500.00
2. **ESTIMATED COSTS TO CORRECT BUILDING CODE DEFICIENCIES:** \$ 40,000.00
3. **PERCENTAGE OF REPLACEMENT COST:** 21%
4. **DETAILS ON DEFECTS OF CODE DEFICIENCIES:**
 - Roof replacement \$ 12,000
 - ADA Restroom requirements \$ 12,000
 - ADA Accessible entrance ramp \$ 16,000

It is my opinion that this building is substandard as defined by Minnesota Statutes, Section 469.174, Subdivision 10c.

- a. Building Code deficiencies total more than 15% of replacement cost.
- b. Substantial renovation is required to correct conditions found.

Respectfully Submitted,

A handwritten signature in black ink that reads "Shawn Wetterlin".

Shawn Wetterlin
Building Official

Growing from River to Ridge

CITY OF LA CRESCENT
315 Main Street
P.O. BOX 142
La Crescent, MN 55947
P: (507) 895-2595
cityoflacrecent-mn.gov

338 Main Street





COVERAGE TEST MAP



Overview



Legend

Parcels

-  **Parcels**
-  **Mobile Home**
-  **Personal Property**
-  **Corporate Limits**

Roads

-  FEDERAL HIGHWAY
-  STATE HIGHWAY
-  COUNTY HIGHWAY
-  TOWNSHIP ROAD
-  MUNICIPAL ROAD
-  Political Townships

Parcel ID	250247001	Alternate ID	n/a	Owner Address	B&K PROPERTIES LA CRES III LLC
Sec/Twp/Rng	10-104-004	Class	201 - RESIDENTIAL		5000 COUNTY 21
Property Address	338 MAIN ST	Acreage	n/a		LA CRESCENT, MN 55947
	LA CRESCENT				
District	LCSTC/SD300/FD6				
Brief Tax Description	LOT 20 & W 10 FT LOT 19 BLK 50 LA CRESCENT PLAT DOC 245856; DOC 251965				
	(Note: Not to be used on legal documents)				

Date created: 2/13/2025
Last Data Uploaded: 2/13/2025 9:47:40 AM

Developed by **SCHNEIDER**
GEOSPATIAL

EXHIBIT VI

MAP OF BOUNDARIES OF DEVELOPMENT DISTRICT NO. 1 AND TAX
INCREMENT FINANCING DISTRICT NO. 1-10



d.

RESOLUTION NO. 06-25-21

RESOLUTION APPROVING THE MODIFICATION OF THE DEVELOPMENT PROGRAM
FOR MUNICIPAL DEVELOPMENT DISTRICT NO. 1 AND APPROVING THE
ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 1-10 WITHIN THE
DEVELOPMENT DISTRICT AND THE ADOPTION OF THE TAX INCREMENT
FINANCING PLAN RELATING TO THERETO

WHEREAS:

A. The City of La Crescent, Minnesota (the "City") has proposed (a) the modification of the Development Program for Municipal Development District No. 1 (the "Development District"); (b) the establishment of Tax Increment Financing District No. 1-10 (the "TIF District") within the Development District; and (c) the adoption of the Tax Increment Financing Plan (the "TIF Plan") relating to the TIF District all pursuant to Minnesota Statutes, Sections 469.124 through 469.133 and Minnesota Statutes, Sections 469.174 through 469.1794, both inclusive, as amended (the "Act"); and

B. The City has performed all actions required by law to be performed prior to the establishment of the TIF District within the Development District and the adoption of the proposed Modified Development Program and TIF Plan relating to thereto, including, but not limited to, notification of Houston County and La Crescent-Hokah Public Schools (ISD No. 300) having taxing jurisdiction over the property to be included in the TIF District; and

D. The City Council of the City has fully reviewed the contents of the Development Program and the TIF Plan, and on this date conducted a public hearing thereon at which the views of all interested persons were heard.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Crescent as follows:

1. Development District No. 1. The modification of the Development Program for Development District No. 1 is approved and adopted.

2. Tax Increment Financing (Redevelopment) District No 1-10. Tax Increment Financing (Redevelopment) District No. 1-10 is hereby established within the Development District. The initial boundaries of the TIF District are fixed and determined as described in the TIF Plan.

3. Tax Increment Financing Plan. The TIF Plan is adopted as the tax increment financing plan for the TIF District.

4. Findings. In taking these actions, the City Council makes the following findings:

(a) The TIF District is a redevelopment district as defined in Minnesota

(b) Statutes, Section 469.174, Subd. 10. Parcels consisting of 70 percent of the area of the TIF District are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. The basis for these findings is described in Section 3.03.3 of the TIF Plan.

(c) The proposed redevelopment, in the opinion of the City Council, would not occur solely through private investment within the reasonably foreseeable future. The anticipated Developer for the project has represented to the City that it will not undertake the project as proposed without the City's use of tax increment financing. Previous City planning attests to the difficulty of redeveloping this site solely through private financing. Due to the necessity of removing structurally substandard buildings, preparing property for redevelopment, and constructing public improvements, the City Council finds that public financing assistance for the redevelopment activities proposed in the TIF Plan is necessary so that other development by private enterprise will occur within the Development District and the TIF District.

(d) The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed redevelopment after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan. A comparative analysis of estimated market values both with and without establishment of the TIF District and the use of tax increments has been performed as described above. Such analysis is found in Exhibit I of the TIF Plan, and indicates that the increase in estimated market value of the proposed redevelopment (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the TIF District and the use of tax increments.

(e) The TIF Plan for the TIF District conforms to the general plan for development or redevelopment of the City as a whole. Section 3.02.2 of the TIF Plan contains information used in making this finding.

5. Public Purpose. The adoption of the Development Program for the Development and the TIF Plan for the TIF District conforms in all respects to the requirements of the Act and will help fulfill a need to develop an area of the State which is already built up to provide employment opportunities, to improve the tax base and to improve the general economy of the State and thereby serves a public purpose and will afford maximum opportunity, consistent with the sound needs for the City as a whole, for the development or redevelopment of the project area by private enterprise in that the intent is to provide only that public assistance necessary to make the private developments financially feasible.

6. Certification and Filing. The City Administrator is authorized and directed to transmit a certified copy of this resolution together with a certified copy of the TIF Plan for the TIF District to the Auditor of Houston County with a request that the original tax capacity of the property within the TIF District be certified to the City pursuant to Section 469.177, Subd. 1 of the TIF Act, and to file a copy of the Development Program and the TIF Plan with the Minnesota Commissioner of Revenue and State Auditor as required by the Act.

7. Administration. The administration of the Development District and the TIF District is assigned to the City Administrator who shall from time to time be granted such powers and duties pursuant to the Act as the City Council may deem appropriate.

Adopted by the City Council of the City of La Crescent, Minnesota, this 23rd day of June 2025.

SIGNED:

Mayor

ATTEST:

City Clerk

CITY OF LA CRESCENT

RESOLUTION NO. 06-25-22

**AUTHORIZING INTERFUND LOAN FOR
ADVANCE OF CERTAIN COSTS
IN CONNECTION WITH TAX INCREMENT
FINANCING DISTRICT NO. 1-10**

BE IT RESOLVED By the City Council of the City of La Crescent, Minnesota (the "City") as follows:

Section 1. Background.

1.01. The City of La Crescent (the "City") has established Tax Increment Financing District No. 1-10 (the "TIF District") within the Development District No. 1 (the "Development District") pursuant to Minnesota Statutes, Sections 469.174 to 469.1794, as amended (the "TIF Act") and Sections 469.124 to 469.134, as amended.

1.02. Subject to the approval by the City Council of the TIF District after a duly noticed public hearing on the date hereof, the City may incur certain costs related to the TIF District, which costs may be financed on a temporary basis from available City funds.

1.03. Under Section 469.178, Subdivision 7 of the TIF Act, the City is authorized to advance or loan money from any fund from which such advances may be legally made in order to finance expenditures that are eligible to be paid with tax increments under the TIF Act.

1.04 The City has determined that it may be necessary to finance up to \$30,000 in administrative costs associated with the TIF District (the "Administrative Costs") using City funds legally authorized for such purpose, and to reimburse such funds from tax increments from the TIF District when received

1.08. Accordingly, the City hereby designates the payment of Administrative Costs, as an interfund loan in accordance with the terms of this resolution and the TIF Act.

Section 2. Repayment of Interfund Loan.

2.01. The City hereby authorizes the advance of legally available City funds up to \$30,000 to reimburse the City for Administrative Costs, together with interest at the rate of 4% per annum (the "Interfund Loan"). Interest accrues on the principal amount from the date of closing on conveyance of the Development Property to the Developer under the Contract (hereafter, the "Closing Date"). The interest rate is no more than the greatest of the rate specified under

Minnesota Statutes, Section 270C.40 and Section 549.09, both in effect for calendar year 2018, and will not be adjusted.

2.02. Principal and interest ("Payments") on the Interfund Loan shall be paid semi-annually on each August 1 and February 1 (each a "Payment Date"), commencing on the first Payment Date on which the City has Available Tax Increment (defined below), or on any other dates determined by the City Administrator, through the date of last receipt of tax increment from the TIF District.

2.03. Payments on the Interfund Loan will be made solely from Available Tax Increment, which is defined as 10% of tax increment from the TIF District received by the City from Houston County, Minnesota in the six-month period before any Payment Date. Payments shall be applied first to accrued interest, and then to unpaid principal. Simple interest will accrue from the Closing Date, unless otherwise specified by the City Administrator.

2.04. The principal sum and all accrued interest payable under this resolution is pre-payable in whole or in part at any time by the City without premium or penalty.

2.05. This resolution is evidence of an internal borrowing by the City in accordance with Section 469.178, subdivision 7 of the TIF Act, and is a limited obligation payable solely from Available Tax Increment pledged to the payment hereof under this resolution. The Interfund Loan shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Interfund Loan or other costs incident hereto except out of Available Tax Increment. The City shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the final Payment Date.

2.06. The City may at any time make a determination to forgive the outstanding principal amount and accrued interest on the Interfund Loan to the extent permissible under law.

2.07. The City may from time to time amend the terms of this Resolution to the extent permitted by law, including without limitation amendment to the payment schedule and the interest rate; provided that the interest rate may not be increased above the maximum specified in Section 469.178. subd. 7 of the TIF Act.

Section 3. Effective Date. This resolution is effective upon execution in full of the Contract.

Adopted by the City Council of the City of La Crescent, Minnesota, this 23rd day of June 2025.

Mayor

ATTEST:

City Clerk

#3.1



TO: Honorable Mayor and City Council Members
FROM: Bill Waller, City Administrator *Bill*
DATE: June 13, 2025
RE: Development Agreement – 338 Main Street

Attached for review and consideration by the City Council is a resolution approving the development agreement with 7 Rivers Mechanical Properties, LLC for the improvement project located at 338 Main Street. A copy of the development agreement is also included.

The City Attorney will review the development agreement with the City Council at the meeting. We are suggesting that the City Council adopt the resolution approving the development agreement for the project.

This is an exciting project for the central business district, and is consistent with the goals that are included in the City's Comprehensive Plan.

RESOLUTION NO. 06-25-23

**RESOLUTION APPROVING DEVELOPMENT AGREEMENT
7 RIVERS MECHANICAL PROPERTIES, LLC**

A. WHEREAS, a Minnesota limited liability company (the "Developer") has requested that the City of La Crescent, Minnesota (the "City") assist with the financing of certain costs in connection with the construction of a commercial building with approximately 10,800 square feet including up to four residential housing units on the second floor which will be constructed on a parcel occupied by a substandard commercial building to be demolished and removed at 338 Main Street in the City (the "Project").

B. WHEREAS, the Developer and the City have determined to enter into a Development Agreement providing for the City's assistance in connection with the Project (the "Agreement").

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Crescent, Minnesota, as follows:

1. The City Council hereby approves the Agreement in substantially the form submitted, and the City is hereby authorized to execute the Agreement.

2. The approval hereby given to the Agreement 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 a resolution of the City to execute the Agreement. The execution of the Agreement shall be conclusive evidence of the approval of the Agreement in accordance with the terms hereof.

ADOPTED this 23rd day of June 2025.

SIGNED:

Mayor

ATTEST:

City Clerk

DEVELOPMENT AGREEMENT

BY AND BETWEEN

CITY OF LA CRESCENT, MINNESOTA

AND

7 RIVERS MECHANICAL PROPERTIES LLC

This document drafted by:

**WIESER LAW OFFICE, P.C.
Al Wieser, III
33 South Walnut Street
Suite 200
La Crescent, MN 55947**

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DEVELOPMENT AGREEMENT

THIS AGREEMENT, made as of the ____ day of _____, 2025, by and between the City of La Crescent, Minnesota (the "City"), a municipal corporation existing under the laws of the State of Minnesota and 7 Rivers Mechanical Properties LLC, a Minnesota limited liability company (the "Developer").

WITNESSETH:

WHEREAS, pursuant to Minnesota Statutes, Section 469.124 through 469.133, the City has heretofore established Municipal Development District No. 1 (the "Development District") and has adopted a development program therefor (the "Development Program"); and

WHEREAS, pursuant to the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended (hereinafter, the "Tax Increment Act"), the City has heretofore established, within the Development District, Tax Increment Financing District No. 1-10 (the "Tax Increment District") and has adopted a tax increment financing plan therefor (the "Tax Increment Plan") which provides for the use of tax increment financing in connection with certain development within the Development District; and

WHEREAS, the reimbursement by the City for costs of the acquisition of the Development Property and the construction of Site Improvements incurred by the Developer for a redevelopment project are objectives of the Development Program and Tax Increment Financing Plan; and

WHEREAS, in order to achieve the objectives of the Development Program and particularly to make the land in the Development District available for development by private enterprise in conformance with the Development Program, the City has determined to assist the Developer with the financing of certain costs of a Project (as hereinafter defined) to be constructed within the Tax Increment District as more particularly set forth in this Agreement; and

WHEREAS, a major objective of the Development Program and Tax Increment Financing Plan is to assist redevelopment and prevent the further deterioration of land located within the Development District; and

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

WHEREAS, the requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J.995, apply to this Agreement; and

WHEREAS, the City has adopted criteria for awarding business subsidies that comply with the Business Subsidy Law, after a public hearing for which notice was published; and

WHEREAS, the Council has approved this Agreement as a subsidy agreement under the Business Subsidy Law; and

WHEREAS, creation and retention of jobs is not a goal of this Agreement and the City will not require setting the wage and job goals for the Project; and

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

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

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

Business Day means any day except a Saturday, Sunday or a legal holiday or a day on which banking institutions in the City are authorized by law or executive order to close;

City means the City of La Crescent, Minnesota, its successors and assigns;

County means Houston County, Minnesota;

Developer means 7 Rivers Mechanical Properties LLC, a Minnesota limited liability company, its successors and assigns;

Development District means the real property included in Municipal Development District No. 1 heretofore established;

Development Program means the Development Program approved in connection with the Development District;

Development Property means the real property described in Exhibit A attached to this Agreement;

Event of Default means any of the events described in Section 6.1 hereof;

Note Payment Date means August 1, 2027, and each February 1 and August 1 of each year thereafter to and including February 1, 2042; provided, that if any such Note Payment Date should not be a Business Day, the Note Payment Date shall be the next succeeding Business Day;

Prime Rate means the rate of interest from time to time publicly announced by U.S. Bank National Association in St. Paul, Minnesota, as its "prime rate" or "reference rate" or any successor rate, which rate shall change as and when that rate or successor rate changes;

Project means the acquisition, construction and equipping of a mixed-use building of approximately 10,800 square feet in size including up to four (4) residential housing units on the second floor and commercial on the first floor, on the Development Property located in the City;

Site Improvements means the site improvements undertaken or to be undertaken on the Development Property, more particularly described on Exhibit C attached hereto;

State means the State of Minnesota;

Tax Increments means 90% of the tax increments derived from the Tax Increment District which have been received by the City in accordance with the provisions of Minnesota Statutes, Section 469.177 for any year;

Tax Increment Act means Minnesota Statutes, Sections 469.174 through 469.1794, as amended;

Tax Increment District means Tax Increment Financing District No. 1-10 located within the Development District, a description of which is set forth in the Tax Increment Financing Plan, which was qualified as a redevelopment district under the Tax Increment Act;

Tax Increment Financing Plan means the tax increment financing plan approved for the Tax Increment District by the City Council on June 23, 2025, and any future amendments thereto;

TIF Note means the Tax Increment Revenue Note (7 Rivers Mechanical Properties LLC Project) to be executed by the City and delivered to the Developer pursuant to Article III hereof, the form of which is attached hereto as Exhibit B; and

Unavoidable Delays means delays, outside the control of the party claiming its occurrence, which are the direct result of strikes, other labor troubles, unusually severe or prolonged bad weather, acts of God, fire or other casualty to the Project, litigation commenced by third parties which, by injunction or other similar judicial action or by the exercise of reasonable discretion, directly results in delays, or acts of any federal, state or local governmental unit (other than the City) which directly result in delays, government order or law, national or regional emergency, disease, pandemics or epidemics.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of the City. The City makes the following representations and warranties:

(1) The City is a municipal corporation and has the power to enter into this Agreement and carry out its obligations hereunder.

(2) The Tax Increment District is a "redevelopment district" within the meaning of Minnesota Statutes, Section 469.174, Subdivision 10, and was created, adopted, and approved in accordance with the terms of the Tax Increment Act.

(3) The development contemplated by this Agreement is in conformance with the development objectives set forth in the Development Program.

(4) To finance certain costs within the Tax Increment District, the City proposes, subject to the further provisions of this Agreement, to apply Tax Increments to reimburse the Developer for a portion of the costs of the acquisition of the Development Property and Site Improvements incurred in connection with the Project as further provided in this Agreement.

(5) The City makes no representation or warranty, either expressed or implied, as to the Development Property or its condition or the soil conditions thereon, or that the Development Property shall be suitable for the Developer's purposes or needs.

Section 2.2. Representations and Warranties of the Developer. The Developer makes the following representations and warranties:

(1) The Developer is a Minnesota limited liability company and has the power and authority to enter into this Agreement and to perform its obligations hereunder and doing so, is not in violation of any provisions of its articles of organization, member control agreement, operating agreement, or the laws of the State and by proper action has authorized the execution and delivery of this Agreement.

(2) The Developer shall cause the Project to be constructed in accordance with the terms of this Agreement, the Development Program, and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations).

(3) The construction of the Project would not be undertaken by the Developer, and in the opinion of the Developer would not be economically feasible within the reasonably foreseeable future, without the assistance and benefit to the Developer provided for in this Agreement.

(4) The Developer will obtain, or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed.

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

(6) The Developer will cooperate fully with the City with respect to any litigation commenced with respect to the Project.

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

(8) The Developer shall substantially complete the construction of the Project by December 31, 2025.

(9) The Developer acknowledges that Tax Increment projections contained in the Tax Increment Financing Plan are estimates only and the Developer acknowledges that it shall place no reliance on the amount of projected Tax Increments and the sufficiency of such Tax Increments to reimburse the Developer for a portion of the costs of the acquisition of the Development Property and a portion of the costs of the Site Improvements as provided in Article III.

ARTICLE III

UNDERTAKINGS BY DEVELOPER AND CITY

Section 3.1. Development Property and Site Improvements. The parties agree that the acquisition of the Development Property and the construction of the Site Improvements are essential to the successful completion of the Project. The costs of the acquisition of the Development Property and the construction of the Site Improvements shall be paid for by the Developer. The City shall reimburse the Developer for the lesser of (a) \$309,367, or (b) the actual costs of the acquisition of the Development Property and the construction of the Site Improvements actually incurred and paid for by the Developer (the "Reimbursement Amount") as further provided in Section 3.3 hereof.

Section 3.2. Limitations on Undertaking of the City. Notwithstanding the provisions of Section 3.1(1), the City shall have no obligation to the Developer under this Agreement to reimburse the Developer for the costs identified in Section 3.1(1), if the City, at the time or times such payment is to be made, is entitled under Section 6.2 to exercise any of the remedies set forth therein as a result of an Event of Default which has not been cured.

Section 3.3. Reimbursement: TIF Note. The City shall reimburse the Developer the Reimbursement Amount through the issuance of the City's TIF Note in substantially the form attached to this Agreement as Exhibit B, subject to the following conditions:

(1) The TIF Note shall be dated, issued and delivered when (a) the requirements in Article IV of this Development Agreement have been satisfied and the Building Plans as described in such Section have been approved by the City, (b) the Developer shall have demonstrated in writing to the reasonable satisfaction of the City that the construction of the Project has been completed and a certificate of occupancy has been issued by the City for the Project, and (c) that the Developer has incurred and paid all costs of the construction of the Site Improvements, as described in and limited by Section 3.1 and shall have submitted paid invoices for the costs of the Site Improvements and a settlement statement or other evidence of the payment of the costs of the acquisition of the Development Property in an aggregate amount that is not less than the Reimbursement Amount.

(2) The unpaid principal amount of the TIF Note shall bear simple non-compounding interest from the date of issuance of the TIF Note, at 5.00% per annum. Interest shall be computed on the basis of a 360-day year consisting of twelve (12) 30-day months.

(3) The principal amount of the TIF Note and the interest thereon shall be payable solely from the Tax Increments.

(4) On each Note Payment Date and subject to the provisions of the TIF Note, the City shall pay, against the principal and interest outstanding on the TIF Note, from the Tax Increments received by the City during the preceding six (6) months. All such payments shall be applied first to accrued interest and then to reduce the principal of the TIF Note.

(5) The TIF Note shall be a special and limited obligation of the City and not a general obligation of the City, and only the Tax Increments shall be used to pay the principal and interest on the TIF Note.

(6) The City's obligation to make payments on the TIF Note on any Note Payment Date or any date thereafter shall be conditioned upon the requirements that: (a) there shall not at that time be an Event of Default that has occurred and is continuing under this Agreement and in such event the City's obligation to make payments on the TIF Note shall be suspended unless the Agreement has been rescinded until the Event of Default is cured and (b) this Agreement shall not have been rescinded pursuant to Section 6.2.

(7) The TIF Note shall be governed by and payable pursuant to the additional terms thereof, as set forth in Exhibit B. In the event of any conflict between the terms of the TIF Note and the terms of this Section 3.3, the terms of the TIF Note shall govern. The issuance of the TIF Note pursuant and subject to the terms of this Agreement, and the taking by the City of such additional actions as City Attorney or their assigns for the TIF Note may require in connection therewith, are hereby authorized and approved by the City.

ARTICLE IV

CONSTRUCTION OF PROJECT

Section 4.1. Construction of Project. The Developer agrees that they will cause the Project on the Development Property to be constructed substantially in conformance with the approved Construction Plans. The Developer agrees that the scope and scale of the Project to be constructed shall not be significantly less than the scope and scale of the Project as detailed and outlined in the Construction Plans.

Section 4.2. Construction Plans. The Developer shall cause to be provided to the City Construction Plans, which shall be subject to approval by the City as provided in this Section 4.2. The Construction Plans shall provide for the Project to be constructed on the Development Property, and shall be in conformity with this Agreement, and all applicable state and local laws and regulations. The City shall approve the Construction Plans in writing if: (a) the Construction Plans conform to the terms and conditions of this Agreement; (b) the Construction Plans conform to all applicable federal, state and local laws, ordinances, rules and regulations; (c) the Construction Plans are adequate for purposes of this Agreement to provide for the construction of the Project; and (d) no Event of Default under the terms of this Agreement has occurred; provided, however, that any such approval of the Construction Plans pursuant to this Section 4.2 shall constitute approval for the purposes of this Agreement only and shall not be deemed to constitute approval or waiver by the City with respect to any building, zoning or other ordinances or regulation of the City, and shall not be deemed to be sufficient plans to serve as the basis for the issuance of a building permit if the Construction Plans are not as detailed or complete as the plans otherwise required for the issuance of a building permit.

The Construction Plans must be rejected in writing by the City within thirty (30) days of submission or shall be deemed to have been approved by the City. If the City rejects the Construction Plans in whole or in part, the Developer shall submit new or corrected Construction Plans within thirty (30) days after receipt by the Developer of written notification of the rejection, accompanied by a written statement of the City specifying the respects in which the Construction Plans submitted by the Developer fail to conform to the requirements of this Section 4.2. The provisions of this Section 4.2 relating to approval, rejection and resubmission of corrected Construction Plans shall continue to apply until the Construction Plans have been approved by the City; provided, however, that in any event the Developer shall submit Construction Plans which are approved prior to reconveyance of the Development Property to the Developer by the City or commencement of construction of the Project. Approval of the Construction Plans by the City shall not relieve the Developer of any obligation to comply with the terms and provisions of this Agreement, or the provision of applicable federal, state and local laws, ordinances and regulations, nor shall approval of the Construction Plans by the City be deemed to constitute a waiver of any Event of Default.

If the Developer desires to make any material change in the Construction Plans after their approval by the City, the Developer shall submit the proposed change to the City for its approval. If the Construction Plans, as modified by the proposed change, conform to the approval criteria listed in this Section 4.2 with respect to the original Construction Plans and do not constitute a material modification to the scope, size or use of the Project or to the site plan therefor, the City

shall approve the proposed change. Such change in the Construction Plans shall be deemed approved by the City unless rejected in writing within ten (10) days by the City with a statement of the City's reasons for such rejection.

Section 4.3. Completion of Construction. Subject to Unavoidable Delays the Developer shall have substantially completed the Project on or before December 31, 2025. All work with respect to the Project to be constructed or provided by the Developer on the Development Property shall be in substantial conformity with the Construction Plans as submitted by the Developer and approved by the City.

The Developer agrees that it shall cause to be allowed designated representatives of the City to enter upon the Development Property during the construction of the Project to inspect such construction during normal working hours, on reasonable advance written notice of such inspection.

ARTICLE V

INSURANCE

Section 5.1. Insurance.

(1) The Developer will provide and maintain or cause to be maintained at all times during the process of constructing the Project (and, from time to time at the request of the City, furnish the City with certificates of insurance on):

(a) Builder's risk insurance, written on the so-called "Builder's Risk - Completed Value Basis" in an amount equal to one hundred percent (100%) of the insurable value of the Project at the date of completion, and with coverage available on the so-called "all risk" form of policy; the interest of the City shall be protected by naming the City as an additional named insured;

(b) Commercial general liability insurance (including operations, premises, "X.C.U." where applicable, Products/Completed Operations, Contractual Liability, Broad Form Property Damage and Independent Contractors with limits against bodily injury and property damage of not less than \$1,000,000, together with excess umbrella limits of not less than \$1,000,000;

(c) Worker's compensation insurance, with statutory coverage; and

(d) Railroad protective policy, if any required.

(2) Upon completion of construction of the Project and prior to the expiration of this Agreement, the Developer shall maintain, or cause to be maintained, at its cost and expense, insurance as follows:

(a) Insurance against loss and/or damage to the Project under a policy or policies covering such risks as are ordinarily insured against by similar businesses, including (without limiting the generality of the foregoing) fire, extended coverage, vandalism and malicious mischief, explosion, water damage, demolition cost, debris removal, and collapse in an amount not less than the full insurable replacement value of the Project. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the City. The term "full insurable replacement value" shall mean the actual replacement cost of the Project (excluding foundation and excavation costs and costs of underground flues, pipes, drains and other uninsurable items) and equipment. All policies evidencing insurance required by this subparagraph (i) with respect to the Project shall be carried in the name of the Developer. The City and the holder of the first mortgage will be represented on such policies, as their respective interests may appear.

(b) Commercial general public liability insurance, including personal injury liability for injuries to persons and/or damages to property, including any injuries resulting from the operation of automobiles or other motorized vehicles on or about the Development

Property, in the minimum amount for each year of \$1,000,000 (together with excess umbrella limits of not less than \$1,000,000).

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

(3) All insurance required in this Article V shall be taken out and maintained in responsible insurance companies selected by the Developer which are authorized under the laws of the State to assume the risks covered thereby. The Developer shall deposit annually with the City a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. Unless otherwise provided in this Article V, each policy shall contain a provision that the insurer shall not cancel or materially modify it without giving written notice to the Developer and the City at least thirty (30) days before the cancellation or modification becomes effective. As soon as reasonably possible, the Developer shall furnish the City evidence satisfactory to the City that the policy has been renewed or replaced by another policy conforming to the provisions of this Article V, or that there is no necessity therefor under the terms hereof. In lieu of separate policies, the Developer may maintain a single policy, or blanket or umbrella policies, or a combination thereof, which provide the total coverage required herein, in which event the Developer shall deposit with the City a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Project.

(4) The Developer agrees to notify the City immediately in the case of damage exceeding \$100,000 in amount to, or destruction of, the Project or any portion thereof resulting from fire or other casualty. Subject to the provisions of any first mortgage, Net Proceeds of any insurance shall be paid directly to the Developer, and the Developer will forthwith repair, reconstruct and restore the Project to substantially the same or an improved condition or value as they existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction and restoration, the Developer will apply the Net Proceeds of any insurance relating to such damage received by the Developer to the payment or reimbursement of the costs thereof.

(5) The Developer shall complete the repair, reconstruction, and restoration of the Project, whether or not the Net Proceeds of insurance received by the Developer for such purposes are sufficient.

Section 5.2. Relationship to Mortgagee.

(1) The provisions of Section 5.1 shall be subject to the subordination, modification and waiver provisions of subsection (2) below but shall otherwise remain in full force and effect with respect to the Developer's obligations to maintain insurance, notify the City of any casualty and reconstruct the Project upon such casualty unless provision is made to the satisfaction of the City for the reimbursement of all public redevelopment costs incurred by the City in connection with the Project.

(2) In order to facilitate the obtaining of financing for the construction of the Project, the City agrees that they shall agree to any reasonable modification of this Article V, intercreditor agreement or waiver of its rights hereunder to accommodate the interests of the holder of the first mortgage, provided, however, that the City determines, in their reasonable judgment, that any such modification(s) will adequately protect the legitimate interests and security of the City with respect to the Project.

Section 5.3. Condemnation. In the event that title to and possession of the Project or any other material part thereof shall be taken in condemnation or by the exercise of the power of eminent domain by any governmental body or other person (except the City), so long as the this Agreement shall remain in effect, the Developer shall, with reasonable promptness after such taking, notify the City as to the nature and extent of such taking.

Section 5.4. Reconstruction or Payment. Upon receipt of any condemnation award or property insurance proceeds, the Developer shall use the entire condemnation award to reconstruct the Project (or, in the event only a part of Project have been taken, then to reconstruct such part) upon the Development Property or elsewhere within the Tax Increment District; provided, however, that the Developer may instead elect to pay to the City out of the condemnation award or property insurance proceeds, if and to the extent any such condemnation award or property insurance proceeds are sufficient for such purpose an amount to redeem the Bonds at their earliest call date.

ARTICLE VI

EVENTS OF DEFAULT

Section 6.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean whenever it is used in this Agreement any one or more of the following events:

(1) Failure by the Developer to timely pay any ad valorem real property taxes assessed and special assessments levied against the Development Property and all public utility or other City payments due and owing with respect to the Development Property.

(2) Failure by the Developer to cause the construction of the Project to be completed pursuant to the terms, conditions, and limitations of this Agreement.

(3) Failure of the Developer to observe or perform any covenant, condition, obligation, or agreement on its part to be observed or performed under this Agreement.

(4) The holder of any mortgage on the Development Property or any improvements thereon, or any portion thereof, commences foreclosure proceedings as a result of any default under the applicable mortgage documents.

(5) If the Developer shall:

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

(b) make an assignment for the benefit of its creditors; or

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

(d) be adjudicated a bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Developer as bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within sixty (60) days after the filing thereof; or a receiver, liquidator or trustee of the Developer, or of the Project, or part thereof, shall be appointed in any proceeding brought against the Developer, and shall not be discharged within sixty (60) days after such appointment, or if the Developer, shall consent to or acquiesce in such appointment.

Section 6.2. Remedies on Default. Whenever any Event of Default referred to in Section 6.1 occurs and is continuing, the City, as specified below, may take any one or more of the following actions after the giving of thirty (30) days' written notice to the Developer, but only if the Event of Default has not been cured within said thirty (30) days:

(1) The City may suspend its performance under this Agreement and the TIF Note until it receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under this Agreement.

(2) The City may cancel and rescind the Agreement and the TIF Note.

(3) The City may take any action, including legal or administrative action, in law or equity, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement.

Section 6.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 6.4. No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 6.5. Agreement to Pay Attorney's Fees and Expenses. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

Section 6.6. Indemnification of City.

(1) The Developer (a) releases the City and its governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees (collectively, the "Indemnified Parties") from, (b) covenants and agrees that the Indemnified Parties shall not be liable for, and (c) agrees to indemnify and hold harmless the Indemnified Parties against, any claim, cause of action, suit or liability for loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project or on the Development Property.

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of the Developer (or if other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; provided, that this indemnification shall not apply to the warranties made or obligations undertaken by the City in

this Agreement or to any actions undertaken by the City which are not contemplated by this Agreement but shall, in any event and without regard to any fault on the part of the City, apply to any pecuniary loss or penalty (including interest thereon from the date the loss is incurred or penalty is paid by the City at a rate equal to the Prime Rate) as a result of the Project causing the Tax Increment District to not qualify or cease to qualify as a "redevelopment district" under Section 469.174, Subdivision 10, of the Act and Section 469.176, Subdivision 4j. or to violate limitations as to the use of Tax Increments as set forth in Section 469.176, Subdivision 4j.

(3) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City.

ARTICLE VII

OTHER COVENANTS

Section 7.1. Real Property Taxes. Prior to the expiration of this Agreement, the Developer shall pay all real property taxes payable with respect to the Development Property until title to the property is vested in another person.

The Developer agrees that prior to the expiration of this Agreement:

(1) It will not seek administrative review or judicial review of the applicability of any tax statute relating to the ad valorem property taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or the Developer or raise the inapplicability of any such tax statute as a defense in any proceedings with respect to the Development Property, including delinquent tax proceedings; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(2) It will not seek administrative review or judicial review of the constitutionality of any tax statute relating to the taxation of real property contained on the Development Property determined by any tax official to be applicable to the Project or the Developer or raise the unconstitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings with respect to the Development Property; provided, however, "tax statute" does not include any local ordinance or resolution levying a tax;

(3) It will not seek any tax deferral or abatement, either presently or prospectively authorized under any State or federal law, of the ad valorem property taxation of the Development Property between the date of execution of this Agreement.

(4) It will not seek a reduction in the market value as determined by the Houston County Assessor of the Project or other facilities, if any, that it constructs on the Development Property, pursuant to the provisions of this Agreement, for so long as the TIF Note remain outstanding.

ARTICLE VIII

ADDITIONAL PROVISIONS

Section 8.1. Restrictions on Use. Until termination of this Agreement, the Developer agrees for itself, its successors and assigns and every successor in interest to the Development Property, or any part thereof, that the Developer and such successors and assigns shall operate, or cause to be operated, the Project as a mixed commercial use building of approximately 10,800 square feet in size for residential housing units on the second floor and commercial on the first floor.

Section 8.2. Conflicts of Interest. No member of the governing body or other official of the City shall have any financial interest, direct or indirect, in this Agreement, the Development Property or the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the City in the event of any default or breach by the Developer or successor or on any obligations under the terms of this Agreement.

Section 8.3. Titles of Articles and Sections. Any titles of the several parts, articles and sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 8.4. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- (1) in the case of the Developer is addressed to or delivered personally to:

7 Rivers Mechanical Properties LLC
Attention: Robert S. Radecki
190 North 1st Street
La Crescent, MN 55947

- (2) in the case of the City is addressed to or delivered personally to the City at:

City of La Crescent, Minnesota
Attention: Administrator
P.O. Box 142
315 Main Street
La Crescent, MN 55947

with a copy to:

Wieser Law Office, P.C.
Attention: Al Wieser, III
33 South Walnut Street
Suite 200
La Crescent, MN 55947

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.

Section 8.5. City Expense. Developer agrees to reimburse City the actual cost of services provided by Northland Securities, Inc. no later than July 15, 2025.

Section 8.6. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 8.7. Law Governing. This Agreement will be governed and construed in accordance with the laws of the State.

Section 8.8. Expiration. This Agreement shall expire on the earlier of (i) February 1, 2042, (ii) the date the TIF Note is paid in full or (iii) the date this Agreement is terminated or rescinded in accordance with its terms.

Section 8.9. Provisions Surviving Rescission or Expiration. Sections 6.5 and 6.6 shall survive any rescission, termination, or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof.

Section 8.10. Assignability of Agreement. This Agreement may be assigned only with the consent of the City. The TIF Note may only be assigned pursuant to the terms of the TIF Note.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and on its behalf and the Developer has caused this Agreement to be duly executed in its name and on its behalf, on or as of the date first above written.

CITY OF LA CRESCENT, MINNESOTA

By _____
Its Mayor

By _____
Its Administrator

This is a signature page to the Development Agreement by and between the City of La Crescent, Minnesota and 7 Rivers Mechanical Properties LLC.

7 RIVERS MECHANICAL PROPERTIES LLC

By _____
Its _____

This is a signature page to the Development Agreement by and between the City of La Crescent, Minnesota and 7 Rivers Mechanical Properties LLC.

EXHIBIT A

Description of Development Property

LOT TWENTY (20) AND THE WEST TEN (10) FEET OF LOT NINETEEN (19), BLOCK FIFTY (50), ORIGINAL PLAT OF LA CRESCENT, HOUSTON COUNTY, MINNESOTA.

Tax Parcel No. 25.0247.001

EXHIBIT B

Form of TIF Note

No. R-1

\$309,367.00

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF HOUSTON
CITY OF LA CRESCENT

TAX INCREMENT REVENUE NOTE (7 RIVERS MECHANICAL PROPERTIES LLC PROJECT)

The City of La Crescent, Minnesota (the "City"), hereby acknowledges itself to be indebted and, for value received, hereby promises to pay the amounts hereinafter described (the "Payment Amounts") to 7 Rivers Mechanical Properties LLC (the "Developer") or its registered assigns (the "Registered Owner"), but only in the manner, at the times, from the sources of revenue, and to the extent hereinafter provided.

The principal amount of this Note shall equal from time to time the principal amount stated above, as reduced to the extent that such principal installments shall have been paid in whole or in part pursuant to the terms hereof; provided that the sum of the principal amount listed above shall in no event exceed \$309,367.00 as provided in that certain Development Agreement, dated as of _____, 2025, as the same may be amended from time to time (the "Development Agreement"), by and between the City and the Developer. The unpaid principal amount hereof shall bear interest from the date of this Note at the simple non-compounded rate of five and no hundredths percent (5.00%) per annum. Interest shall be computed on the basis of a 360 day year consisting of twelve (12) 30-day months.

The amounts due under this Note shall be payable on August 1, 2027, and on each August 1 and February 1 thereafter to and including February 1, 2042, or, if the first should not be a Business Day (as defined in the Development Agreement), the next succeeding Business Day (the "Payment Dates"). On each Payment Date the City shall pay by check or draft mailed to the person that was the Registered Owner of this Note at the close of the last business day of the City preceding such Payment Date an amount equal to the sum of 90% the Tax Increments (hereinafter defined) received by the City during the six month period preceding such Payment Date. All payments made by the City under this Note shall first be applied to accrued interest and then to principal.

The Payment Amounts due hereon shall be payable solely from Tax Increments (as defined in the Development Agreement) derived from the City's Tax Increment Financing District No. 1-10 (the "Tax Increment District") within its Municipal Development District No. 1 which are paid to the City and which the City is entitled to retain pursuant to the provisions of Minnesota Statutes, Sections 469.174 through 469.1794, as the same may be amended or supplemented from time to time (the "Tax Increment Act"). This Note shall terminate and be of no further force and effect following the last Payment Date defined above, on any date upon which the City shall have

terminated the Development Agreement under Section 6.2(2) thereof, on the date the Tax Increment District is terminated, or on the date that all principal payable hereunder shall have been paid in full, whichever occurs earliest.

The City makes no representation or covenant, express or implied, that the Tax Increments will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

The City's payment obligations hereunder shall be further conditioned on the fact that no Event of Default under the Development Agreement shall have occurred and be continuing at the time payment is otherwise due hereunder, but such unpaid amounts shall become payable if said Event of Default shall thereafter have been cured; and, further, if pursuant to the occurrence of an Event of Default under the Development Agreement the City elects to cancel and rescind the Development Agreement, the City shall have no further debt or obligation under this Note whatsoever. Reference is hereby made to all of the provisions of the Development Agreement for a fuller statement of the rights and obligations of the City to pay the principal of this Note, and said provisions are hereby incorporated into this Note as though set out in full herein.

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

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

This Note is subject to prepayment in immediately available funds on any date with the option of the City, in whole or in part, and without penalty.

This Note may be assigned only with the consent of the City which consent shall not be unreasonably withheld. In order to assign the Note, the assignee shall surrender the same to the City either in exchange for a new fully registered note or for transfer of this Note on the registration records for the Note maintained by the City. Each permitted assignee shall take this Note subject to the foregoing conditions and subject to all provisions stated or referenced herein.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to have happened, and to be performed precedent to and in the issuance of this Note have been done, have happened, and have been performed in regular and due form, time, and manner as required by law; and that this Note, together with all other indebtedness of the City outstanding on the date hereof and on the date of its actual issuance and delivery, does not cause the indebtedness of the City to exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, City of La Crescent, Minnesota, by its City Council, has caused this Note to be executed by the manual signatures of its Mayor and Administrator and has caused this Note to be dated as of _____, 2025.

Administrator

Mayor

**DO NOT DATE AND EXECUTE UNTIL COMPLIANCE WITH THE PROVISIONS OF
SECTION 3.1(3).**

CERTIFICATION OF REGISTRATION

It is hereby certified that the foregoing Note was registered in the name of _____, and that, at the request of the Registered Owner of this Note, the undersigned has this day registered the Note in the name of such Registered Owner, as indicated in the registration blank below, on the books kept by the undersigned for such purposes.

<u>NAME AND ADDRESS OF REGISTERED OWNER</u>	<u>DATE OF REGISTRATION</u>	<u>SIGNATURE OF ADMINISTRATOR</u>
7 Rivers Mechanical Properties LLC Attention: Robert S. Radecki 190 North 1 st Street <u>La Crescent, MN 55947</u>	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

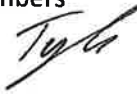
EXHIBIT C

Site Improvements

Landscaping, including irrigation
Foundations and Footings
Grading/earthwork
Engineering
Survey
Environmental Testing
Soil Borings
Site Preparation
Onsite Utilities
Storm Water/Ponding
Outdoor Lighting
Onsite Road, Curb, Gutter, Driveway, Sidewalk and Streetscape Improvements

3.2



TO: Honorable Mayor and City Council Members
FROM: Tyler Benish, Public Works Director 
DATE: June 20th, 2025
RE: Pine Creek improvement project bid results

The bids for the Pine Creek improvement project were opened at 10:00 am, on Tuesday, June 17th, 2025. A memo from Megan Funke with WHKS and the bid results are attached.

City Engineer Tim Hruska will be in attendance at the meeting to review the bid results with the City Council.

The total project cost for the Pine Creek restoration based on the low bid, with the addition of engineering is \$379,473.00. The project will be funded through the grants and donations that have been received by the City of La Crescent.

Conservation Partners Legacy Grant: \$500,000
Carl and Verna Schmidt Foundation: \$25,000
Winlac: \$35,000
Nature conservancy: \$10,000

In order to proceed with the project, we would suggest that the City Council accept the low bid from ACM LLC.

MEMORANDUM

TO: Bill Waller, City Administrator
Tyler Benish, Public Works Director

FROM: Meghan Funke, P.E.

DATE: June 17, 2025

RE: Pine Creek Restoration

Per City Council direction, the City received bids for the above referenced project.

Project Scope

The project will re-meander approximately 2,500 linear feet of Pine Creek near the Pine Creek Golf Course, stabilizing the streambanks with bank grading, toe wood, and native vegetation, and installing in-stream features such as J-hooks and boulder clusters.

Funding

The engineering estimate for this project was \$456,451. The project is planned to use the following funding sources:

MN DNR Conservation Partners Legacy Grant	\$500,000
---	-----------

The City received the following bids:

ACM LLC for \$329,473.00
Barth Construction for \$342,414.65
Ploetz Excavating LLC for \$417,592.60
Sunram Construction, Inc. for \$429,109.00
Nadeau Companies for \$441,427.00
BKC Construction LLC for \$469,825.61
Shoreline Landscaping & Contracting for \$976,566.30

Council Action Recommendation

We recommend that the Council award the project to ACM LLC. They were the low responsive, responsible bidder.

Pine Creek Restoration (#9694928)
Owner: City of LaCrescent
Solicitor: WHKS & Company
06/17/2025 10:00 AM CDT

Item Code	Item Description	Unit	Quantity	ACM LLC		Barth Construction		Ploetz Excavating LLC	
				Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	MOBILIZATION	LS	1	\$36,800.00	\$36,800.00	\$10,350.00	\$10,350.00	\$55,000.00	\$55,000.00
2	CLEARING & GRUBBING	ACRE	6.3	\$1,240.00	\$7,812.00	\$3,800.00	\$23,940.00	\$2,850.00	\$17,955.00
3	COMMON EXCAVATION (P)	CY	7900	\$11.45	\$90,455.00	\$7.00	\$55,300.00	\$11.50	\$90,850.00
4	FURNISH & INSTALL (F&I) SILT FENCE	LF	4745	\$3.30	\$15,658.50	\$3.50	\$16,607.50	\$3.50	\$16,607.50
5	FURNISH & INSTALL (F&I) STABILIZED CONSTRUCTION EXIT	EA	2	\$3,000.00	\$6,000.00	\$750.00	\$1,500.00	\$4,275.00	\$8,550.00
6	FURNISH & INSTALL (F&I) TEMPORARY STREAM CROSSING	EA	2	\$6,800.00	\$13,600.00	\$1,000.00	\$2,000.00	\$6,655.00	\$13,310.00
7	SEED AND MULCH WITH MNDOT RIPARIAN SOUTH & WEST 34-261	ACRE	6.9	\$2,400.00	\$16,560.00	\$1,461.00	\$10,080.90	\$3,500.00	\$24,150.00
8	SEED AND MULCH WITH WET MEADOW FORB, SEDGE, RUSH SOUTH & WEST 34-273	ACRE	0.5	\$1,200.00	\$600.00	\$1,350.00	\$675.00	\$3,225.00	\$1,612.50
9	SEED AND MULCH ACCESS ROUTES WITH MNDOT WOODLAND EDGE SOUTH & WEST 36-211	ACRE	0.4	\$2,800.00	\$1,120.00	\$1,325.00	\$530.00	\$2,850.00	\$1,140.00
10	SITE RESTORATION (HYDROSEED WITH MNDOT SEED MIX 25-151 HIGH MAINTENANCE TURF)	ACRE	2.1	\$1,800.00	\$3,780.00	\$6,350.00	\$13,335.00	\$3,625.00	\$7,612.50
11	SEED AND MULCH WITH TEMPORARY SEED MIX	ACRE	4.6	\$365.00	\$1,673.00	\$800.00	\$3,680.00	\$1,231.00	\$5,662.60
12	FURNISH & INSTALL (F&I) CATEGORY 3D EROSION CONTROL MATTING	SY	9985	\$2.90	\$28,956.50	\$3.25	\$32,451.25	\$3.50	\$34,947.50
13	RIPRAP CLASS V MATERIAL (FOR STONE TOE AND STORMWATER APRON)	CY	470	\$48.00	\$22,560.00	\$60.00	\$28,200.00	\$55.00	\$25,850.00
14	FURNISH & INSTALL (F&I) J-HOOK	EA	3	\$2,280.00	\$6,840.00	\$1,375.00	\$4,125.00	\$4,250.00	\$12,750.00
15	FURNISH & INSTALL (F&I) TOE WOOD	LF	1265	\$52.00	\$65,780.00	\$100.00	\$126,500.00	\$35.00	\$44,275.00
16	FURNISH & INSTALL (F&I) RANDOM BOULDERS	EA	104	\$43.00	\$4,472.00	\$100.00	\$10,400.00	\$155.00	\$16,120.00
17	FURNISH & INSTALL (F&I) WETLAND SCRAPE LOGS	EA	3	\$600.00	\$1,800.00	\$80.00	\$240.00	\$9,650.00	\$28,950.00
18	REMOVE EXISTING FENCE LINE	LS	1	\$1,200.00	\$1,200.00	\$100.00	\$100.00	\$1,750.00	\$1,750.00
19	FURNISH & INSTALL (F&I) 18-INCH HDPE PIPE	LF	100	\$38.00	\$3,800.00	\$24.00	\$2,400.00	\$105.00	\$10,500.00
TOTAL					\$329,473.00		\$342,414.65		\$417,592.60

Pine Creek Restoration (#9694928)
Owner: City of LaCrescent
Solicitor: WHKS & Company
06/17/2025 10:00 AM CDT

Item Code	Item Description	Unit	Quantity	Sunram Construction, Inc.		Nadeau Companies		BKC Construction LLC	
				Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	MOBILIZATION	LS	1	\$50,000.25	\$50,000.25	\$34,000.00	\$34,000.00	\$34,500.00	\$34,500.00
2	CLEARING & GRUBBING	ACRE	6.3	\$6,300.00	\$39,690.00	\$4,800.00	\$30,240.00	\$3,500.00	\$22,050.00
3	COMMON EXCAVATION (P)	CY	7900	\$5.70	\$45,030.00	\$9.00	\$71,100.00	\$17.10	\$135,090.00
4	FURNISH & INSTALL (F&I) SILT FENCE	LF	4745	\$2.50	\$11,862.50	\$4.00	\$18,980.00	\$2.81	\$13,333.45
5	FURNISH & INSTALL (F&I) STABILIZED CONSTRUCTION EXIT	EA	2	\$850.00	\$1,700.00	\$2,400.00	\$4,800.00	\$1,225.00	\$2,450.00
6	FURNISH & INSTALL (F&I) TEMPORARY STREAM CROSSING	EA	2	\$4,925.00	\$9,850.00	\$3,800.00	\$7,600.00	\$3,765.00	\$7,530.00
7	SEED AND MULCH WITH MNDOT RIPARIAN SOUTH & WEST 34-261	ACRE	6.9	\$2,310.00	\$15,939.00	\$13,000.00	\$89,700.00	\$1,367.00	\$9,432.30
8	SEED AND MULCH WITH WET MEADOW FORB, SEDGE, RUSH SOUTH & WEST 34-273	ACRE	0.5	\$2,310.00	\$1,155.00	\$13,000.00	\$6,500.00	\$3,863.36	\$1,931.68
9	SEED AND MULCH ACCESS ROUTES WITH MNDOT WOODLAND EDGE SOUTH & WEST 36-211	ACRE	0.4	\$2,310.00	\$924.00	\$8,400.00	\$3,360.00	\$2,312.00	\$924.80
10	SITE RESTORATION (HYDROSEED WITH MNDOT SEED MIX 25-151 HIGH MAINTENANCE TURF)	ACRE	2.1	\$2,940.00	\$6,174.00	\$2,800.00	\$5,880.00	\$935.00	\$1,963.50
11	SEED AND MULCH WITH TEMPORARY SEED MIX	ACRE	4.6	\$1,470.00	\$6,762.00	\$2,600.00	\$11,960.00	\$887.50	\$4,082.50
12	FURNISH & INSTALL (F&I) CATEGORY 30 EROSION CONTROL MATTING	SY	9985	\$2.55	\$25,461.75	\$3.00	\$29,955.00	\$3.42	\$34,148.70
13	RIPRAP CLASS V MATERIAL (FOR STONE TOE AND STORMWATER APRON)	CY	470	\$96.25	\$45,237.50	\$103.00	\$48,410.00	\$62.32	\$29,290.40
14	FURNISH & INSTALL (F&I) J-HOOK	EA	3	\$2,500.00	\$7,500.00	\$2,100.00	\$6,300.00	\$5,675.00	\$17,025.00
15	FURNISH & INSTALL (F&I) TOE WOOD	LF	1265	\$110.00	\$138,150.00	\$42.00	\$53,130.00	\$106.00	\$134,090.00
16	FURNISH & INSTALL (F&I) RANDOM BOULDERS	EA	104	\$137.00	\$14,248.00	\$78.00	\$8,112.00	\$160.32	\$16,673.28
17	FURNISH & INSTALL (F&I) WETLAND SCRAPE LOGS	EA	3	\$475.00	\$1,425.00	\$900.00	\$2,700.00	\$25.00	\$75.00
18	REMOVE EXISTING FENCE LINE	LS	1	\$2,500.00	\$2,500.00	\$2,100.00	\$2,100.00	\$500.00	\$500.00
19	FURNISH & INSTALL (F&I) 18-INCH HDPE PIPE	LF	100	\$45.00	\$4,500.00	\$66.00	\$6,600.00	\$47.35	\$4,735.00
	TOTAL				\$429,109.00		\$441,427.00		\$469,825.61

Pine Creek Restoration (#9694926)
Owner: City of LaCrescent
Solicitor: WHKS & Company
06/17/2025 10:00 AM CDT

Item Code	Item Description	Unit	Quantity	Shoreline Landscaping & Contracting	
				Unit Price	Extension
1	MOBILIZATION	LS	1	\$83,830.00	\$83,830.00
2	CLEARING & GRUBBING	ACRE	6.3	\$13,120.00	\$82,656.00
3	COMMON EXCAVATION (P)	CY	7900	\$45.00	\$355,500.00
4	FURNISH & INSTALL (F&I) SILT FENCE	LF	4745	\$3.00	\$14,235.00
5	FURNISH & INSTALL (F&I) STABILIZED CONSTRUCTION EXIT	EA	2	\$1,500.00	\$3,000.00
6	FURNISH & INSTALL (F&I) TEMPORARY STREAM CROSSING	EA	2	\$12,000.00	\$24,000.00
7	SEED AND MULCH WITH MNDOT RIPARIAN SOUTH & WEST 34-261	ACRE	6.9	\$2,300.00	\$15,670.00
8	SEED AND MULCH WITH WET MEADOW FORB, SEDGE, RUSH SOUTH & WEST 34-273	ACRE	0.5	\$2,800.00	\$1,400.00
9	SEED AND MULCH ACCESS ROUTES WITH MNDOT WOODLAND EDGE SOUTH & WEST 36-211	ACRE	0.4	\$3,450.00	\$1,380.00
10	SITE RESTORATION (HYDROSEED WITH MNDOT SEED MIX 25-151 HIGH MAINTENANCE TURF)	ACRE	2.1	\$5,300.00	\$11,130.00
11	SEED AND MULCH WITH TEMPORARY SEED MIX	ACRE	4.6	\$1,670.00	\$7,682.00
12	FURNISH & INSTALL (F&I) CATEGORY 30 EROSION CONTROL MATTING	SY	9985	\$2.98	\$29,755.30
13	RIPRAP CLASS V MATERIAL (FOR STONE TOE AND STORMWATER APRON)	CY	470	\$113.00	\$53,110.00
14	FURNISH & INSTALL (F&I) J-HOOK	EA	3	\$5,890.00	\$17,670.00
15	FURNISH & INSTALL (F&I) TOE WOOD	LF	1265	\$184.00	\$232,760.00
16	FURNISH & INSTALL (F&I) RANDOM BOULDERS	EA	104	\$138.00	\$14,352.00
17	FURNISH & INSTALL (F&I) WETLAND SCRAPE LOGS	EA	3	\$1,312.00	\$3,936.00
18	REMOVE EXISTING FENCE LINE	LS	1	\$3,000.00	\$3,000.00
19	FURNISH & INSTALL (F&I) 18-INCH HDPE PIPE	LF	100	\$213.00	\$21,300.00
TOTAL					\$976,566.30

3.3



TO: Honorable Mayor and City Council Members
FROM: Tyler Benish, Public Works Director 
DATE: June 20, 2025
RE: Engineering Agreement – Pine Creek Improvement Project

Attached for review and consideration by the City Council is an amendment to the engineering agreement with WHKS for the Pine Creek Improvement Project. City Engineer Tim Hruska will be in attendance at the meeting to review the amendment with the City Council.

The engineering costs incurred for construction administration and observation will be covered by grants or donated funds.

We suggest that the City Council approve the amendment to the engineering agreement with WHKS.



AMENDMENT NO. 01 TO PROFESSIONAL SERVICES AGREEMENT

WHEREAS, **City of La Crescent, MN** (Client) and WHKS & Co. (WHKS) executed a Professional Services Agreement dated **May 22, 2024** for certain engineering services for **Pine Creek Restoration, Phase 1** (Project), and

WHEREAS, the Agreement described a scope of services and was based on completion of certain services, and

WHEREAS, the Client has requested **Construction Administration and Observation** services for the **Pine Creek Restoration, Phase 1** as described in more detail in attached Exhibit A, and

NOW THEREFORE, the Client and WHKS hereby agree the amended compensation for services shall be increased by the following:

Basis of Compensation

For the services described above, the Client shall remunerate WHKS as follows:

Items 5-6 - Billed Hourly with an Estimated Fee of \$35,000. Expenses billed at actual cost and mileage at the current published IRS rate per mile. External expenses include an administrative charge of 10 percent.

Executed this _____ day of June, 2025

City of La Crescent, MN

WHKS & co.

By: _____

By: _____

Printed Name: Bill Waller

Printed Name: Timothy A. Hruska, P.E., L.S.

Title: City Administrator

Title: Vice President



Exhibit A to Amendment No. 01

A. Project Description:

The goal of this project is to restore fish habitat, stabilize banks, enhance wetland habitat, and incorporate native plantings along 3,000-feet of Pine Creek in Houston County, Minnesota.

The original agreement covered design engineering services for the Pine Creek restoration project. This amendment covers construction administration, staking, and observation for construction of the project. Construction is anticipated to begin late summer 2025 through March 2026 with final seeding in spring of 2026.

This Amendment includes construction engineering services as described below.

B. Scope of Services Provided Under This Agreement:

Note: Items 1-4 were previously defined in the AGREEMENT.

5. Construction Administration

- a. Provide construction administration assistance during construction. Contract administration assistance activities conducted during project construction include clarification of design details, periodic visits to the construction site to observe the progress of work, review of shop drawings, review periodic payment estimates for completed construction work and recommend payments for processing, prepare change orders when required, and prepare the final summary of construction costs.
- b. Conduct a preconstruction meeting with Client, Contractor and Utility Owners.
- c. Provide construction staking.
- d. Prepare record drawings from Contractor provided "mark-ups" at the completion of the construction.
- e. Provide construction updates to the Client.

6. Construction Observation

- a. Provide resident project observation services during the construction of the Project. Resident observation is a part-time function during construction. Duties are to provide on-site evaluations of the Project progress in accordance with the plans and specifications and report said progress to the Engineer. Additionally, the observer maintains a log book recording conditions at the job site, weather, record of visitors, summary of daily activities, actions taken, observations in general and assists in recording data for eventual preparation of Record Drawings. The observer duties do not include construction means, methods, procedures, and job-site safety. Fee based on 92 hours of observation.

3.4



TO: Honorable Mayor and City Council Members
FROM: Tyler Benish, Public Works Director *Tyler*
DATE: June 20, 2025
RE: Engineering Agreement – Redwood Street Improvement Project

Attached for review and consideration by the City Council is an engineering agreement with WHKS for the Redwood Street Improvement Project. City Engineer Tim Hruska will be in attendance at the meeting to review the project and the agreement with the City Council. The project is being planned for construction in 2026.

The engineering costs incurred in 2025 in advance of the bond issuance will be included in the 2026 bond issue.

For City Council information, the City has received just under \$1.25 million in grant funding towards the project. This includes a \$1.05 million Stormwater implementation grant and a \$196,000 Safe Routes to School grant.

The balance of the funding will come from Municipal State Aid funds and funding authorized under the City's Street Reconstruction Plan.

In order to continue to proceed with the project, we would suggest that the City Council approve the agreement with WHKS.

MEMORANDUM

TO: Bill Waller, City Administrator
Tyler Benish, Public Works Director

FROM: Tim Hruska, P.E.

DATE: June 12, 2025

RE: Redwood Street Storm Sewer Improvements

The City has received funding for increasing the storm sewer capacity along Redwood Street East between Welshire Drive and South 7th Street. There is also funding in place from Safe Routes to School to add a sidewalk along the east side of Redwood from South 11th Street to South 7th Street. The existing pavement in this area is also deteriorating and in need of replacement.

Staff are proposing to combine these projects into one project. The engineering included for consideration will provide plans and specifications for the storm sewer and roadway project and combine them with the sidewalk project to be bid as one project for simplicity during construction. The attached exhibit depicts the areas planned for the project.

The engineering estimate for this project is \$2,078,430. The project is planned to use the following funding sources:

Safe Routes to School	\$196,000
Stormwater Implementation	\$1,052,430
Street Reconstruction Bond	\$550,000
Engineering	\$280,000

I will be in attendance at the City Council Meeting to review the project.



PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT, by and between **City of La Crescent** hereinafter referred to as the "Client" and WHKS & Co., hereinafter referred to as "WHKS", is made as follows:

WHEREAS, the Client has a need for certain professional services relating to the project described as **Redwood Drive Storm Sewer Improvements**.

WHEREAS, WHKS proposes to furnish the professional services required by the Client for said project,

NOW THEREFORE, the Client hereby agrees to retain and compensate WHKS to perform the professional services in accordance with the terms and conditions of this Agreement and the attached Standard Terms and Conditions.

Scope of Services

WHKS shall perform the following described services for the Client:

Design, bid, and construction phase engineering services as described on the attached Scope of Services included in Exhibit A.

Basis of Compensation

For the services described above, the Client shall remunerate WHKS as follows:

Items 1-5 - Billed Hourly with an Estimated Fee of \$280,000. Expenses billed at actual cost and mileage at the current published IRS rate per mile. External expenses include an administrative charge of 10 percent.

Executed this _____ day of June, 2025

City of La Crescent

By: _____

Printed Name: Bill Waller

Title: City Administrator

WHKS & co.

By: _____

Printed Name: Timothy A. Hruska

Title: Vice President



Exhibit A to Professional Services Agreement

A. Project Description:

The Project consists of increasing the storm sewer capacity on the trunk line located on Redwood Street East between Welshire Drive and South 7th Street. The storm sewer main follows Redwood Street from Welshire Drive to 825 Redwood where it goes to the east between 821 and 825 Redwood Street to the rear lot line. The main turns north along the back lot line until it reaches South 7th Street. Redwood Street East will be reconstructed as part of the storm sewer project and will continue to the north to the intersection of South 7th Street. The Safe Routes to School project planned for this area will be incorporated into the plans. The project will be designed to MnDOT State Aid Standards. The storm water portion of the project is funded with a MPCA Stormwater Grant.

B. Scope of Services Provided Under This Agreement:

1. Project Management and Meetings

- Perform general project administrative duties including supervision and coordination of the project team, review of project costs and billings, prepare invoices using Consultant's standard forms, preparation of status reports, and general administrative activities.
- Hold kick-off meeting with Client to discuss the project and review the scope.
- Advise the Client of the necessity of obtaining Special Engineering Services as described in Paragraph C., and act as the Client's representative in connection with any such services not actually performed by WHKS.
- Attend three (3) meetings for the project.

2. Topographic Survey and Research of Existing Conditions

- Perform site topographical surveys to support new facilities, exclusive of boundary surveys for land and easement acquisition.
- Develop project control and base map for the project.
- Locate the existing underground utilities as located by the Gopher State One Call locate system.
- Collect, obtain and review relevant information from the Client.

3. Preliminary and Final Design

- Prepare preliminary and final plans and specifications to show the character and scope of work to be performed by contractors on the Project. Plans will follow MnDOT State Aid standards.
- Geotechnical Engineering services will be performed by a subcontractor to WHKS under this contract. Geotechnical services to include soil borings, material testing, and geotechnical evaluation.
- Prepare forms of advertisement for bids, contractor's proposal, construction agreement, payment bond and performance bond for approval by the Client, subject to prior review and approval by Client's Attorney, Bond Counsel, and/or Fiscal Agent.
- Prepare opinion of probable construction cost on completed plans and specifications.

- Furnish one (1) original signed copy of the plans, specifications, and other contract documents as required to the Client.
- Furnish plans and specifications to bidders through the use of a web based plan room.
- Answer contractor's questions during the bidding phase.
- Prepare addendums to the contract documents prior to bid letting, if necessary.
- Assist in the receiving and tabulation of Contractors' proposals and assist in awarding construction contract.
- A Storm Water Pollution Prevention Plan (SWPPP) will be prepared.
- Prepare and submit applicable construction permit application package to NPDES, and Houston County.

4. Construction Administration

- Provide construction administration assistance during construction. Contract administration assistance activities conducted during project construction include clarification of design details, periodic visits to the construction site to observe the progress of work, review of shop drawings, review periodic payment estimates for completed construction work and recommend payments for processing, prepare change orders when required, and prepare the final summary of construction costs.
- Conduct a preconstruction meeting with Client, Contractor, and Utility Owners.
- Provide construction staking.
- Prepare record drawings from Contractor provided "mark-ups" at the completion of the construction.
- Provide construction updates to the Client.

5. Construction Observation

- Provide resident project observation services during the construction of the Project. Resident observation is a full time function during construction. Duties are to provide on-site evaluations of the Project progress in accordance with the plans and specifications and report said progress to the Engineer. Additionally, the observer maintains a log book recording conditions at the job site, weather, record of visitors, summary of daily activities, actions taken, observations in general and assists in recording data for eventual preparation of Record Drawings. The observer duties do not include construction means, methods, procedures, and job-site safety. Fee based on 600 hours of observation and travel time.

C. Special Engineering Services:

Special Engineering Services are those services not listed above, but which may be required or advisable to accomplish the Project. Special Engineering Services shall be performed when authorized by the Client for additional fees, to be determined at the time authorized.

Special Engineering Services include:

1. Land surveying and platting
2. Negotiation for easements or land acquisition
3. Special assessment assistance
4. Quality control testing and construction materials testing
5. Permits other than those identified above

6. Wetland Delineations or mitigation plans
7. Floodplain and hydraulic/hydrologic modeling
8. Water and/or sanitary sewer rate studies
9. Geotechnical design/recommendations
10. Cultural resource survey or other studies or documentation that may be required by regulatory agencies that are not specifically listed in the scope of services
11. National Environmental Policy Act (NEPA) compliance, including historical and archeological investigations
12. Attendance at additional meetings (other than those listed above)

M E M O R A N D U M

TO: Honorable Mayor and City Council Members

FROM: Jason Ludwigson, Sustainability Coordinator

DATE: June 18th, 2025

SUBJECT: Redwood Flood Reduction Infrastructure Project Grant Agreement

The city submitted a grant application to MPCA in 2025 for an Implementation Stormwater Grant. The Implementation Stormwater Grant follows the work completed with the Small Cities Stormwater Grant from 2022 for \$89,845. The Small Cities Stormwater Grant produced the Climate Resiliency Grant which outlined the need to upsize the stormwater pipe in the Redwood Drive drainage area. The city was awarded \$1,052,430.00 for the Implementation Stormwater Grant. The grant funds will enable the city to upsize the stormwater pipe underneath Redwood Street East in conjunction with street replacement and SRTS sidewalk addition. We anticipate this project being constructed in 2026. The grant agreement is included in the packet. We would suggest that the City Council approve grant agreement between the City of La Crescent and the MPCA. I will be in attendance to answer any questions and to review the grant agreement with the council.



520 Lafayette Road North
St. Paul, MN 55155-4194

Grant Agreement
State of Minnesota

SWIFT Contract Number: 268979

AI: 90809

Activity ID: PRO20250001

This grant agreement is between the state of Minnesota, acting through its Commissioner of the **Minnesota Pollution Control Agency**, 520 Lafayette Road North, St. Paul, MN 55155-4194 ("MPCA" or "State"), and the **City of La Crescent**, 315 Main Street, La Crescent, MN 55947 ("Grantee").

Recitals

1. Under Minn. Stat. § 116.03, subd. 2, the State is empowered to enter into this grant.
2. The State is in need of the **Redwood Flood Reduction Infrastructure Project** ("Project").
3. Grantee will comply with required grants management policies and procedures set forth through Minn. Stat. § 16B.97, subd. 4(a)(1).
4. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant agreement to the satisfaction of the State. Pursuant to Minn. Stat. § 16B.98, subd. 1, the Grantee agrees to minimize administrative costs as a condition of this grant.

Grant Agreement

1. Term of Grant Agreement

- 1.1 **Effective date:** June 30, 2025, Per Minn. Stat. § 16B.98, subd. 5, the Grantee must not begin work until this grant contract is fully executed and the State's Authorized Representative has notified the Grantee that work may commence. Per Minn. Stat. § 16B.98, subd. 7, no payments will be made to the Grantee until this grant agreement is fully executed.
- 1.2 **Expiration date:** June 30, 2027, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of terms.** The following clauses survive the expiration or cancellation of this grant agreement: Indemnification; State Audits; Government Data Practices and Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; and Data Disclosure.

2. Grantee's duties

The Grantee will contract, manage, and implement the construction of the Project. The Grantee will construct the Project, project capacity and features in a way that is consistent with documented agreed upon attributes.

3. Time

The Grantee must comply with all the time requirements described in this grant agreement. In the performance of this grant agreement, time is of the essence.

4. Consideration and payment

- 4.1 **Consideration.** The State will pay for all services performed by the Grantee under this grant agreement as follows:

- (a) **Compensation.** The Grantee will be compensated for eligible costs related to the project listed in Clause 2 and as outlined in **Attachment A**, which is attached and incorporated into this agreement. Items that are determined ineligible will not be reimbursed. The total obligation includes **\$0.00 (Zero Dollars and Zero Cents)** for contingency costs. The Grantee must submit a request in writing to the MPCA for approval prior to using the contingency funds.
- (b) **Travel expenses.** Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee as a result of this grant agreement will not exceed \$0.00; provided that the Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget (MMB). The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.
- (c) **Total obligation.** The total obligation of the State for all compensation and reimbursements to the Grantee under this grant agreement will not exceed **\$1,052,430.00 (One Million Fifty Two Thousand Four Hundred Thirty Dollars and Zero Cents)**.

4.2 Payment

- (a) **Invoices.** The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule:

Invoices for expenses incurred to-date may be submitted as frequently as monthly. First invoice is encouraged no later than 6 (six) months or midway through the project, whichever comes first. Emailed progress reports about the status of the project are required to be provided to the State's Authorized Representative whenever an invoice is submitted to MPCA Accounts Payable. The State's Authorized Representative will not approve an invoice through the state system without this progress report. A final invoice for payment of remaining grant funds expended by the project is required to be submitted at the completion of the project after a Grant Project Final Report, in a format provided to the Grantee by the MPCA, has been submitted to the State's Authorized Representative and approved. Payment of the final 10% (ten percent) of grant funds will be held back until the project is completed satisfactorily and all deliverables have been submitted and approved.

Invoices must be emailed to mpca.ap@state.mn.us, and contain the following information:

- Name of Grantee
- Grantee project manager
- Project grant amount
- Grant funds expended this invoice
- Matching funds expended this invoice
- Grant funds expended to date
- Matching funds expended to date
- Invoice number
- Invoice date
- MPCA project manager;
- SWIFT Contract No.
- Invoicing period (actual working period)
- Consultant costs; invoices may be requested
- Time breakdown of invoice. Amount billed to date for work, including itemization of actual hourly rates
- Itemized per diem expenses; receipts may be requested to be submitted with invoice

- Copies of paid in full invoices
- Other items as requested

If there is a problem with submitting an invoice electronically, please contact the Accounts Payable Unit at 651-757-2491.

The Grantee shall submit an invoice for the final payment within 15 (fifteen) days of the original or amended end date of this grant agreement. The State reserves the right to review submitted invoices after 15 (fifteen) days and make a determination as to payment.

- (b) The Grantee must promptly return to the State any unexpended funds that have not been accounted for annually in a financial report to the State due at grant closeout.

4.3 Contracting and bidding requirements

Per Minn. Stat. §471.345, grantees that are municipalities as defined in Subd. 1 must follow the law.

- (a) For projects that include construction work and have a total project cost of \$25,000 or more, prevailing wage rules apply per Minn. Stat. §§ 177.41 through 177.44; consequently, the bid request must state the project is subject to prevailing wage. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals.
- (b) The grantee must not contract with vendors who are suspended or debarred in Minnesota (found on the Minnesota Department of Administration website at <https://mn.gov/admin/osp/government/suspended-debarred/>).

4.4 Prevailing Wage

Pursuant to Minnesota Statutes 177.41 to 177.44 and corresponding Minnesota Rules 5200.1000 to 5200.1120, this contract is subject to the prevailing wages as established by the Minnesota Department of Labor and Industry. Specifically, all contractors and subcontractors must pay all laborers and mechanics the established prevailing wages for work performed under the contract. Failure to comply with the aforementioned may result in civil or criminal penalties. Rates are listed in **Attachment B**.

In compliance with Minn. Stat. § 177.43, subd. 3 and §177.44, subd. 5, the wages of laborers, workers, and the mechanics on projects financed in whole or part by State Funds should be comparable to wages paid for similar work in the community as a whole. Project includes erection, construction, remodeling, or repairing of a public building or other public work financed in whole or part by State funds.

Any work on real property which uses the skill sets of any trades covered by Labor Code and Class under prevailing wages is construction and requires prevailing wages. See [Prevailing-wage information | Minnesota Department of Labor and Industry \(mn.gov\)](#) for a list of affected trades.

The Contractor shall pay prevailing wages to its employees when conducting construction activities under this agreement.

Applicability. In accordance with Minn. Stat. § 177.43, subd. 7. This does not apply to an agreement or work under an agreement, under which:

- A. the estimated total cost of completing the project is less than \$2,500 and only one trade or occupation is required to complete the work; or
- B. the estimated total cost of completing the project is less than \$25,000 and more than one trade or occupation is required to complete it.

Choose from Commercial, Highway/Heavy, or Residential Wage Rates:

The prevailing wage rate requirements are attached as **Attachment B**.

Prevailing Wage Payroll Information:

In accordance with Minn. Stat. § 177.30, subd. 4, and § 177.43, subd. 3, the Contractor and Subcontractor shall furnish to the Contracting Authority and the Project Owner:

- All payrolls, of all workers on the project, a certified payroll report via e-mail as attachments, a State of Minnesota Prevailing Wage Payroll Report as a Microsoft Excel file and Statement of Compliance Form as a PDF file to the appropriate e-mail addresses: prevailingwage.pca@state.mn.us and MPCA's Authorized Representative listed in Clause 6.
- The Subject line on the Contractor's or Subcontractor's e-mail must give their firm's name and the Contract or Purchase Order Number.
- These completed forms must be furnished not more than 14 days after the end of each pay period.
- The State of Minnesota Prevailing Wage Payroll Report and Statement of Compliance Form are available on the MMD website at [Certified payroll form; statement of compliance \(mn.gov\)](#). Submit the completed and signed State of Minnesota Prevailing Wage Payroll Report as a Microsoft Excel file and the Statement of Compliance Form as a PDF file, no other payroll forms will be accepted to meet this requirement.

The prevailing wage payroll information forms that are submitted shall be maintained by the contracting agency for a minimum of three years after final payment has been made on the project. All of the data provided on the Prevailing Wage Payroll Information Form will be public data, which is available to anyone upon request.

Refer vendor questions regarding the Prevailing Wage Laws to the Department of Labor and Industry at 651-284-5091 or visit the website for Labor Standards Section, Prevailing Wage [Prevailing-wage information | Minnesota Department of Labor and Industry \(mn.gov\)](#).

All construction work needs an IC-134 form submitted by the Contractor before payment can be made. The Contractor can find a copy of the IC-134 online at the Minnesota Department of Revenue website at <https://www.revenue.state.mn.us/sites/default/files/2019-01/ic134.pdf>.

5. Conditions of Payment

All services provided by the Grantee under this grant agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6. Authorized Representative

The State's Authorized Representative is **Aimee Duchene**, 714 Lake Avenue, Suite 220, Detroit Lakes, MN 56501, 218-846-8133, aimee.duchene@state.mn.us, or their successor, and has the authority to monitor the Grantee's performance and to accept the services provided under this agreement.

The Grantee's Authorized Representative is **Jason Ludwigson**, 315 Main Street, La Crescent, MN 55947, 507-313-9633, jludwigson@cityoflacscent-mn.gov, or their successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must immediately notify the State.

7. Assignment, Amendments, Change Orders, Waiver, and Grant Agreement complete

- 7.1 Assignment.** The Grantee shall neither assign nor transfer any rights or obligations under this grant agreement without the prior written consent of the State, approved by the same parties who executed and approved this grant agreement, or their successors in office.
- 7.2 Amendments.** Any amendments to this grant agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant agreement, or their successors in office.
- 7.3 Change Orders.** If the State's Project Manager or the Grantee's Authorized Representative identifies a change needed in the budget, either party may initiate a Change Order using the Change Order Form provided by the MPCA. Change Orders may not delay or jeopardize the success of the Project, alter the overall scope of the Project, increase or decrease the overall amount of the Contract/Agreement, or cause an extension of the term of this Agreement. Major changes require an Amendment rather than a Change Order.
- The Change Order Form must be approved and signed by the State's Project Manager and the Grantee's Authorized Representative **in advance of doing the work**. Documented changes will then become an integral and enforceable part of the Agreement. The MPCA has the sole discretion on the determination of whether a requested change is a Change Order or an Amendment. The state reserves the right to refuse any Change Order requests.
- 7.4 Waiver.** If the State fails to enforce any provision of this grant agreement, that failure does not waive the provision or the State's right to enforce it.
- 7.5 Grant Agreement complete.** This grant agreement contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant agreement, whether written or oral, may be used to bind either party.

8. Indemnification

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant agreement.

9. State audits

Under Minn. Stat. § 16B.98, subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10. Government data practices and intellectual property

- 10.1 Government data practices.** The Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this grant agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

10.2 Intellectual property rights

- (a) **Intellectual property rights.** The State owns all rights, title and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under this grant agreement. Works means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies,

photographs, negatives, designs, drawings specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Grantee, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this grant agreement. Works includes "Documents." Documents are the originals of any databases, computer programs, reports, notes studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Grantee, its employees, agents, or subcontractors, in the performance of this grant agreement. The Documents shall be the exclusive property of the State and all such Documents must be immediately returned to the State by the Grantee, at the Grantee's expense, upon the written request of the State, or upon completion, termination, or cancellation of this grant agreement. To the extent possible, those Works eligible for copyright protection under the United States' Copyright Act will be deemed to be "works made for hire." The Grantee assigns all right, title, and interest it may have in the Works and the Documents to the State. The Grantee must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the Works and Documents.

(b) Obligations.

- (1) **Notification.** Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Grantee, including its employees and subcontractors, in the performance of this grant agreement, the Grantee shall immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the Authorized Representative with complete information and/or disclosure therein.
- (2) **Representation.** The Grantee must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of the State, and that neither Grantee nor its employees, agents, or subcontractors retain any interest in and to the Works and Documents. The Grantee represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause Liability, the Grantee shall indemnify, defend, to the extent permitted by the Attorney General, and hold harmless the State, at the Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. The Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including, but not limited to, attorney fees. If such a claim or action arises or in Grantee's or the State's opinion is likely to arise, the Grantee must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing Works or Documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.
- (3) **License.** The State hereby grants a limited, no-fee, noncommercial license to the Grantee to enable the Grantee's employees engaged in research and scholarly pursuits to make, have made, reproduce, modify, distribute, perform, and otherwise use the Works, including Documents, for research activities or to publish in scholarly or professional journals, provided that any existing or future intellectual property rights in the Works or Documents (including patents, licenses, trade or service marks, trade secrets, or copyrights) are not prejudiced or infringed upon, that the Minnesota Data Practices Act is complied with, and that individual rights to privacy are not violated. The Grantee shall indemnify and hold harmless the State for any claim or action based on the Grantee's use of the Works or Documents under the provisions of Clause 10.2(b)(2). Said license is subject to the State's publicity and acknowledgement requirements set forth in this grant agreement. The Grantee may reproduce and retain a copy of the Documents for research and academic use. The Grantee is responsible for security of the Grantee's copy of the Documents. A copy of any articles, materials or documents produced by the Grantee's employees, in any form, using or derived from the subject matter of this license, shall be promptly delivered without cost to the State.

11. Workers' compensation

The Grantee certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12. Publicity and endorsement

12.1 Publicity. Any publicity regarding the subject matter of this grant agreement must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant agreement.

12.2 Endorsement. The Grantee must not claim that the State endorses its products or services.

13. Governing law, jurisdiction, and venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant agreement. Venue for all legal proceedings out of this grant agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14. Termination

14.1 Termination by the State.

14.1 (a) Without Cause

The State may terminate this grant contract agreement without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.1 (b) With Cause

The State may immediately terminate this grant contract agreement if the State finds that there has been a failure to comply with the provisions of this grant contract, that reasonable progress has not been made or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14.2 Termination by the Commissioner of Administration

The Commissioner of Administration may immediately and unilaterally cancel this grant contract agreement if further performance under the agreement would not serve agency purposes or is not in the best interest of the State.

14.3 Termination for Insufficient Funding

The State may immediately terminate this grant contract if:

(a) Funding is withdrawn by the Minnesota Legislature;

(b) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

15. Data disclosure

Under Minn. Stat. § 270C.65, subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state

obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any. To protect Grantee's personal data, Grantee is strongly encouraged to obtain and use a Minnesota tax identification number.

16. Reporting requirements

Construction. The Grantee shall notify the MPCA when project construction begins and ends. The project needs to be available to MPCA staff during and after construction.

Progress Report. The Grantee shall provide a progress report (in a format provided by the MPCA) on a six-month schedule and whenever an invoice is submitted, or upon request. This progress report will include metrics as appropriate for the project.

Final Report. By the date specified in the grant agreement and in a format provided by the MPCA, the Grantee shall submit a final report to the MPCA, including as-builts, relevant metrics and all project deliverables identified in the application. MPCA will need to certify that the project has been constructed as described in the application.

If the MPCA determines that the information submitted in the Final Report and/or Project Deliverables is inadequate, the Grantee shall prepare and submit additional / corrected information reasonably requested by the MPCA. The Final Report and Project Deliverables shall not be approved by the MPCA and final payment shall not be disbursed unless the Report and Deliverables contains the specified information to the satisfaction of the MPCA.

17. Payment to subcontractors (if applicable)

As required by Minn. Stat. § 16A.1245, the prime contractor must pay all subcontractors, less any retainage, within 10 calendar days of the prime contractor's receipt of payment from the State for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one-half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).

Signatures

Title	Name	Signature	Date
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3.6



TO: Honorable Mayor and City Council Members
FROM: Tyler Benish, Public Works Director *Tyler Benish*
DATE: June 20, 2025
RE: Engineering Agreement – Maple Street Improvement Project

Attached for review and consideration by the City Council is an engineering agreement with WHKS for the Maple Street Improvement Project. City Engineer Tim Hruska will be in attendance at the meeting to review the project and the agreement with the City Council. The project is being planned for construction in 2026.

The engineering costs incurred in 2025 in advance of the bond issuance will be included in the 2026 bond issue.

For City Council information, the city has received \$363,366 in grant funding towards sidewalk infill and ADA ramp improvements on Maple Street and South 4th street.

The balance of the funding will come from Municipal State Aid funds and funding authorized under the City's Street Reconstruction Plan.

In order to continue to proceed with the project, we would suggest that the City Council approve the agreement with WHKS.

MEMORANDUM

TO: Bill Waller, City Administrator
Tyler Benish, Public Works Director

FROM: Tim Hruska, P.E.

DATE: June 12, 2025

RE: Maple Street and Active Transportation Improvements

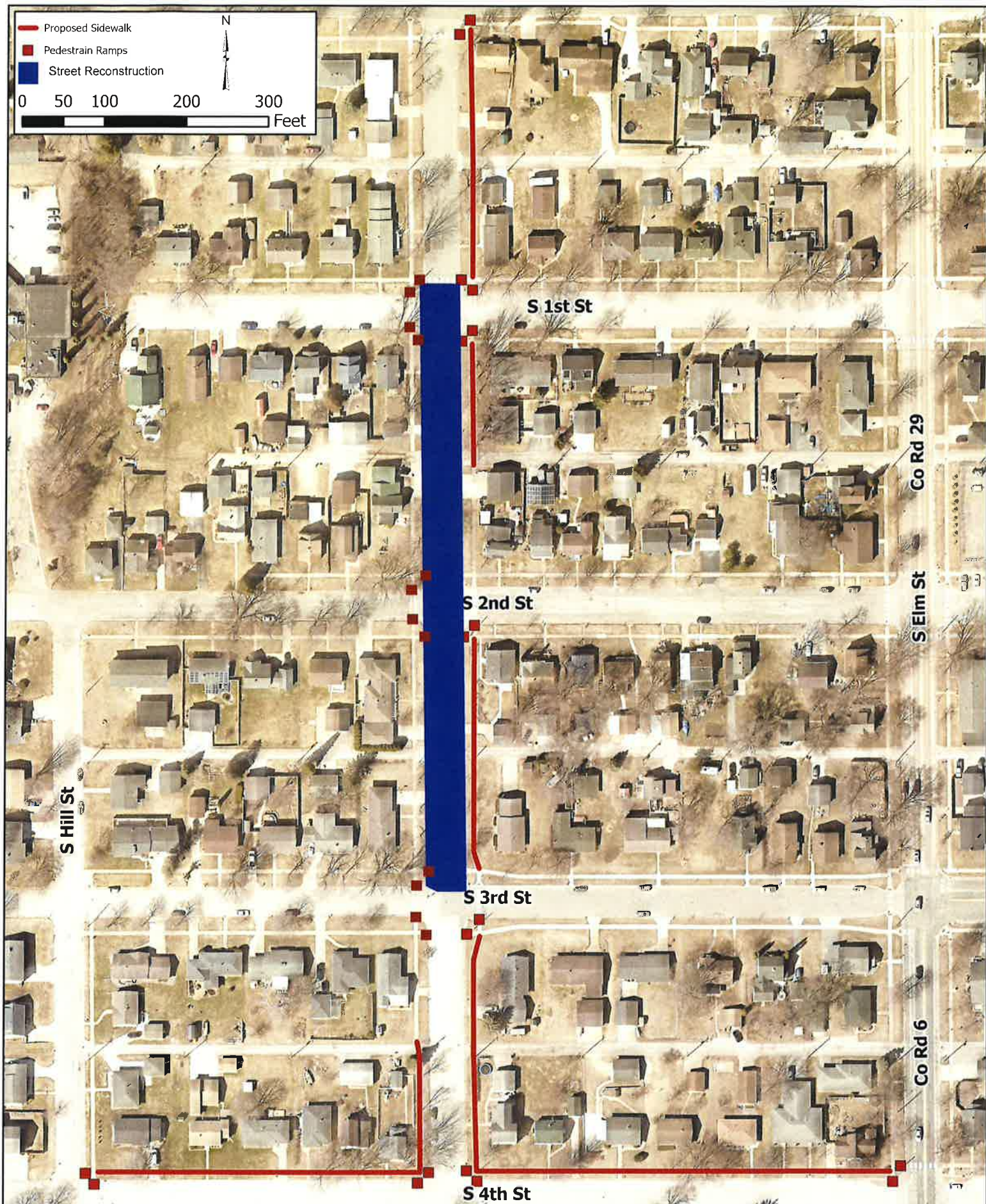
The City has received funding for sidewalk infill along stretches of Maple and South 4th Street as shown on the attached exhibit. The existing pavement on Maple Street between South 3rd and South 1st Street is also deteriorating and in need of replacement. The existing pedestrian ramps will be reconstructed to ADA standards as well as the replacement of damaged sidewalk.

Staff are proposing to combine these projects into one project. The engineering included for consideration will provide plans and specifications for the roadway project and the sidewalk project to be bid as one project for simplicity during construction.

The engineering estimate for this project is \$1,185,366. The project is planned to use the following funding sources:

Active Transportation	\$363,366
Street Reconstruction Bond	\$650,000
Engineering	\$172,000

I will be in attendance at the City Council Meeting to review the project.



**THE CITY OF LA CRESCENT
HOUSTON COUNTY, MN**

**MAPLE STREET RECONSTRUCTION
ACTIVE TRANSPORTATION**

DATE: 01/15/2025





PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT, by and between **City of La Crescent** hereinafter referred to as the "Client" and WHKS & Co., hereinafter referred to as "WHKS", is made as follows:

WHEREAS, the Client has a need for certain professional services relating to the project described as **Maple Street and Active Transportation Improvements**.

WHEREAS, WHKS proposes to furnish the professional services required by the Client for said project,

NOW THEREFORE, the Client hereby agrees to retain and compensate WHKS to perform the professional services in accordance with the terms and conditions of this Agreement and the attached Standard Terms and Conditions.

Scope of Services

WHKS shall perform the following described services for the Client:

Design, bid, and construction phase engineering services as described on the attached Scope of Services included in Exhibit A.

Basis of Compensation

For the services described above, the Client shall remunerate WHKS as follows:

Items 1-5 - Billed Hourly with an Estimated Fee of \$172,000. Expenses billed at actual cost and mileage at the current published IRS rate per mile. External expenses include an administrative charge of 10 percent.

Executed this _____ day of June, 2025

City of La Crescent

By: _____

Printed Name: Bill Waller

Title: City Administrator

WHKS & co.

By: _____

Printed Name: Timothy A. Hruska

Title: Vice President



Exhibit A to Professional Services Agreement

A. Project Description:

The Project consists of sidewalk infill and roadway reconstruction as shown on the attached exhibit along Maple and South 4th Streets. The City has received funding through MnDOT's Active Transportation program for the sidewalk infill portion of the project. The project will be designed to MnDOT State Aid Standards.

B. Scope of Services Provided Under This Agreement:

1. Project Management and Meetings

- Perform general project administrative duties including supervision and coordination of the project team, review of project costs and billings, prepare invoices using Consultant's standard forms, preparation of status reports, and general administrative activities.
- Hold kick-off meeting with Client to discuss the project and review the scope.
- Advise the Client of the necessity of obtaining Special Engineering Services as described in Paragraph C., and act as the Client's representative in connection with any such services not actually performed by WHKS.
- Attend three (3) meetings for the project.

2. Topographic Survey and Research of Existing Conditions

- Perform site topographical surveys to support new facilities, exclusive of boundary surveys for land and easement acquisition.
- Develop project control and base map for the project.
- Locate the existing underground utilities as located by the Gopher State One Call locate system.
- Collect, obtain and review relevant information from the Client.

3. Preliminary and Final Design

- Prepare preliminary and final plans and specifications to show the character and scope of work to be performed by contractors on the Project. Plans will follow MnDOT State Aid standards.
- Geotechnical Engineering services will be performed by a subcontractor to WHKS under this contract. Geotechnical services to include soil borings, material testing, and geotechnical evaluation.
- Prepare forms of advertisement for bids, contractor's proposal, construction agreement, payment bond and performance bond for approval by the Client, subject to prior review and approval by Client's Attorney, Bond Counsel, and/or Fiscal Agent.
- Prepare opinion of probable construction cost on completed plans and specifications.
- Furnish one (1) original signed copy of the plans, specifications, and other contract documents as required to the Client.
- Furnish plans and specifications to bidders through the use of a web based plan room.
- Answer contractor's questions during the bidding phase.

- Prepare addendums to the contract documents prior to bid letting, if necessary.
- Assist in the receiving and tabulation of Contractors' proposals and assist in awarding construction contract.
- A Storm Water Pollution Prevention Plan (SWPPP) will be prepared.
- Prepare and submit applicable construction permit application package to NPDES, and Houston County.

4. Construction Administration

- Provide construction administration assistance during construction. Contract administration assistance activities conducted during project construction include clarification of design details, periodic visits to the construction site to observe the progress of work, review of shop drawings, review periodic payment estimates for completed construction work and recommend payments for processing, prepare change orders when required, and prepare the final summary of construction costs.
- Conduct a preconstruction meeting with Client, Contractor, and Utility Owners.
- Provide construction staking.
- Prepare record drawings from Contractor provided "mark-ups" at the completion of the construction.
- Provide construction updates to the Client.

5. Construction Observation

- Provide resident project observation services during the construction of the Project. Resident observation is a full time function during construction. Duties are to provide on-site evaluations of the Project progress in accordance with the plans and specifications and report said progress to the Engineer. Additionally, the observer maintains a log book recording conditions at the job site, weather, record of visitors, summary of daily activities, actions taken, observations in general and assists in recording data for eventual preparation of Record Drawings. The observer duties do not include construction means, methods, procedures, and job-site safety. Fee based on 560 hours of observation and travel time.

C. Special Engineering Services:

Special Engineering Services are those services not listed above, but which may be required or advisable to accomplish the Project. Special Engineering Services shall be performed when authorized by the Client for additional fees, to be determined at the time authorized.

Special Engineering Services include:

1. Land surveying and platting
2. Negotiation for easements or land acquisition
3. Special assessment assistance
4. Quality control testing and construction materials testing
5. Permits other than those identified above
6. Wetland Delineations or mitigation plans
7. Floodplain and hydraulic/hydrologic modeling
8. Water and/or sanitary sewer rate studies
9. Geotechnical design/recommendations

10. Cultural resource survey or other studies or documentation that may be required by regulatory agencies that are not specifically listed in the scope of services
11. National Environmental Policy Act (NEPA) compliance, including historical and archeological investigations
12. Attendance at additional meetings (other than those listed above)

3.7



TO: Honorable Mayor and City Council Members

FROM: Josh Tarrence- Building Inspector

DATE: June 16th, 2025

RE: Continuation of Conditional Cannabis Applications

Attached are the two cannabis applications presented to the City Council at the June 9th, 2025, City Council meeting. The council moved to continue the discussion on the applications at the June 23rd, 2025, City Council meeting. The City Attorney will again discuss the applications with the City Council at the June 23rd, 2025, City Council meeting, with possible findings of facts. Also attached is the waiver application for the proposed property, submitted to the Planning Commission. The two application packets to consider are:

Duki Holdings LLC
270 Strupp Ave STE 101

Happy Multiverse LLC
270 Strupp Ave STE 102



BUILDING DEPARTMENT

Cannabis Application Checklist

- [X] City of La Crescent License Application Received 5/21/2025 3:59PM
- [X] OCM Number or Letter of Preapproval Received 5/21/2025 3:59PM
- [X] Building Permit Application or site location established
Received 5/21/2025 3:59PM
- [X] Fee Submitted- X Initial Registration X Annual Registration
Total \$1500.00 Received 5/22/2025
- [X] Application packet deemed complete
Date 06/03/2025 Time 11:01AM



Building Department Representative



City of La Crescent
315 Main Street, La Crescent, MN 55947
Office: (507) 895-2595 Fax: (507) 895-8694

REGISTRATION APPLICATION FOR CANNABIS RETAIL BUSINESS

Applicant Note:

Print, type, or check all applicable information. Incomplete applications will not be accepted, and penalties may be assessed. The information contained in this application becomes part of City of La Crescent's official records upon receipt by the department and is thereafter accessible to the public.

MAKE CHECKS PAYABLE TO CITY OF LA CRESCENT

Registration Type	
☒ ¹ Initial registration (New Establishment) Date of Opening: <u>Q1 2026</u> ²	☐ Existing Establishment Registration (change in Ownership) Date of Reopening: _____ Previous Owner: _____ Date of Change of Ownership: _____
☒ ³ New Development* ☐ Renewal Registration ☐ Change in location (business Relocating) Old Location: _____ New Location: _____	☐ Other _____
Business Information	
Business (dba) Name: <u>Duki Holdings LLC</u> ⁴ Business Address: <u>270 Strupp Ave STE 101</u> ⁶ (must be physical location) <u>La Crescent, MN 55947</u> ⁸ Parcel ID: <u>251251000</u> ⁹ Telephone Number: <u>(763) 237-6125</u> ¹⁰ Email: <u>pedropiquer@myappmgmt.com</u> ¹²	Owner Name: <u>MNRE 270 Strupp LLC</u> ⁵ Owner Mailing Address: <u>6609 CHEROKEE LN N</u> ⁷ <u>BROOKLYN PARK MN 55428</u> Telephone Number: <u>(763) 237-6219</u> ¹¹ Email: <u>info@mnrellc.com</u> ¹³
Office of Cannabis Management Number: <u>MICRO-A25-000457</u> ¹⁵ ☒ ¹⁴ Copy of written Office of Cannabis Management license preapproval letter	
Office of Cannabis Management License Type: <u>Microbusiness Retail</u> ¹⁶	
Is applicant current on all property tax and assessments at retail location? ☒ ¹⁷ Yes ☐ No	
Local ordinance compliance? ☒ ¹⁸ Yes ☐ No	
Registration/Business Type (each location requires a separate application) See supplement for description of each business type	
☐ RETAILER ☒ ¹⁹ MICROBUSINESS ☐ MEZZOBUSINESS ☐ MEDICAL CANNABIS COMBINATION BUSINESS ☐ LOWER-POTENCY HEMP EDIBLE RETAILER ☐ EVENT ORGANIZER Location of Event: _____ Date(s) and Time(s) of Event: _____	
Total Annual Fee (See City of La Crescent Fee Schedule) \$ <u>500</u> ²⁰	
I declare under the penalties of perjury and criminal liability for willfully making a false statement that this application is, to the best of my knowledge and belief, true, correct, and complete.	
Signature of owner, partner, or principal officer <u>P. Piquer</u>	Title Principal
Date May 21, 2025	

Summary of Comments on 270 E Strupp Ave_Suite101_RegistrationApplication_05212025.pdf

Page: 1

Number: 1 Author: Aaron Bosh Date: 5/16/2025 12:18:33 PM

X

Number: 2 Author: Aaron Bosh Date: 5/16/2025 12:18:58 PM

Q1 2026

Number: 3 Author: Aaron Bosh Date: 5/16/2025 12:25:31 PM

X

Number: 4 Author: Aaron Bosh Date: 5/16/2025 12:29:27 PM

Duki Holdings LLC

Number: 5 Author: Aaron Bosh Date: 5/16/2025 12:23:34 PM

MNRE 270 Strupp LLC

Number: 6 Author: Aaron Bosh Date: 5/16/2025 12:45:29 PM

270 Strupp Ave STE 101

Number: 7 Author: Aaron Bosh Date: 5/16/2025 12:21:19 PM

6609 CHEROKEE LN N BROOKLYN PARK MN 55428

Number: 8 Author: Aaron Bosh Date: 5/16/2025 12:22:11 PM

La Crescent, MN 55947

Number: 9 Author: Aaron Bosh Date: 5/16/2025 12:22:32 PM

251251000

Number: 10 Author: Aaron Bosh Date: 5/16/2025 12:46:25 PM

(763) 237-6125

Number: 11 Author: Aaron Bosh Date: 5/16/2025 12:23:57 PM

(763) 237-6219

Number: 12 Author: Aaron Bosh Date: 5/16/2025 12:30:18 PM

pedropiquer@myappmgmt.com

Number: 13 Author: Aaron Bosh Date: 5/16/2025 12:24:09 PM

info@mnrellc.com

Number: 14 Author: Aaron Bosh Date: 5/16/2025 12:25:41 PM

X

Number: 15 Author: Aaron Bosh Date: 5/16/2025 12:30:32 PM

MICRO-A25-000457

Number: 16 Author: Aaron Bosh Date: 5/16/2025 12:25:51 PM

Microbusiness Retail

Number: 17 Author: Aaron Bosh Date: 5/16/2025 12:26:02 PM

X

Number: 18 Author: Aaron Bosh Date: 5/16/2025 12:26:04 PM

X

Number: 19 Author: Aaron Bosh Date: 5/16/2025 12:26:09 PM

X

Number: 20 Author: Aaron Bosh Date: 5/16/2025 12:27:13 PM

500

----- Forwarded message -----

From: **NoReply@accela.com** <NoReply@accela.com>

Date: Mon, Apr 28, 2025 at 5:00 PM

Subject: Congratulations on receiving preliminary license approval for MICRO-A25-000457

To: <ppiquer1@gmail.com>

Dear Applicant,

We are pleased to inform you that you have received preliminary license approval. Please note that you have 18 months to obtain a cannabis business license upon receiving this notification.

Please be aware this notice does not convey license approval. Your application is moving forward, but you are not yet authorized to conduct any of the activities for any license type. To continue the process and receive your license, you must first complete the following steps:

1. **Engage with local governments.** Begin discussions with your local government early to understand and meet all local requirements, including zoning, any necessary conditional use permits, and retail registration (if applicable). You must secure a physical location that complies with local zoning ordinances and update your application documents showing you are compliant with all local requirements. You are strongly encouraged to do this at the earliest stage possible before you invest in any location.
2. **Submit final documents.** Preliminarily approved applicants will submit final application materials to OCM when they can demonstrate compliance with all applicable rules. The materials include details about the site location, final operational documentation, and documentation of any ownership changes, and are referred to as final plans of record. Links to complete online fillable forms that will make up your final plans of record are at:
<https://mn.gov/ocm/businesses/licensing/final-plan-of-record.jsp>.
3. Once you have completed and submitted the online forms, you will receive PDFs of your final plans of record via email that must be uploaded to the Office of Cannabis Management (OCM) through Accela. OCM will forward your application to the local government indicated on your application.
4. **Local government zoning compliance certification.** Local governments have 30 days to certify that your application complies with zoning and land use ordinances. Important: be sure to engage early with your local government so that you understand their timelines and process for local zoning compliance certification. OCM recommends that preliminarily approved applicants wait until all the required items for local approval have been met with their local government before they submit their site registration. Additionally, be sure to remain in close communication with the local government to ensure that they are prepared to review the application. Please

review the guidance for local governments regarding zoning compliance certification located here: <https://mn.gov/ocm/local-governments/localgovs.jsp> for awareness on what local governments will be required to complete for this stage.

5. **Site inspection.** After receiving local zoning compliance certification, OCM will schedule a pre-opening site inspection to verify that your physical location complies with all applicable laws and rules.

6. **Pay license fee.** Upon a successful site inspection, you will be able to pay the required license fee through Accela. Once payment is received, OCM will issue your cannabis business license with the appropriate endorsements.

7. **Retail registration (only for license types engaging in retail direct to consumers).** If your license involves retail sales, you must obtain a local retail registration from your local government after you have received your cannabis business license. The approval process for this is determined by the local government.

The licensing guidebook detailing the above steps is available on the [OCM licensing webpage](#); please review the information carefully. The guidebook contains important information about how to successfully complete the licensing process and also includes several suggestions about working on securing local approvals for zoning compliance and local retail registration. You should also review [Minnesota Statutes Chapter 342](#) for more information about statutory requirements.

OCM does not provide legal or business advice. To the extent that you feel you may need such services, you are encouraged to seek those out independently. Starting any business, including a cannabis business, carries risk, and you should never invest more than you are willing to lose.

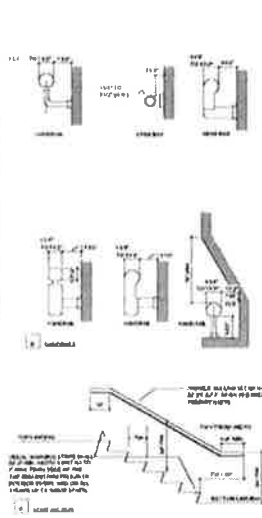
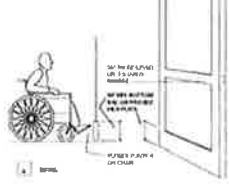
Visit mn.gov/ocm for more information and resources. If you have questions related to your application, please contact the Licensing Division at ocm.licensing@state.mn.us. When contacting the licensing email, please include your application number at the beginning of the email subject line followed by the topic (example: Application Number – Background Check).

Again, congratulations on reaching this milestone in your ongoing efforts to secure a cannabis business license.

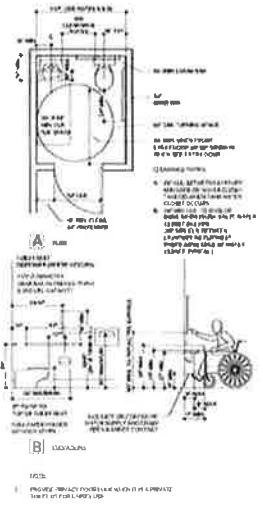
Thank you,

Minnesota Office of Cannabis Management

- MINIMUM CLEARANCE**
1. MINIMUM CLEARANCE UNDER DOORS SHALL BE 27 INCHES (685 mm) MINIMUM.
 2. MINIMUM CLEARANCE UNDER DOORS SHALL BE 27 INCHES (685 mm) MINIMUM.
 3. MINIMUM CLEARANCE UNDER DOORS SHALL BE 27 INCHES (685 mm) MINIMUM.
 4. MINIMUM CLEARANCE UNDER DOORS SHALL BE 27 INCHES (685 mm) MINIMUM.
 5. MINIMUM CLEARANCE UNDER DOORS SHALL BE 27 INCHES (685 mm) MINIMUM.



ADA STAIR AND HANDRAIL DETAILS
NOT TO SCALE



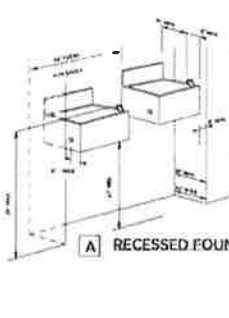
ADA TOILET ROOMS
NOT TO SCALE



- LEGIBLE AND DURABLE**
1. ALL SIGNAGE MUST BE LEGIBLE AND DURABLE. SIGNAGE SHALL BE MADE OF A DURABLE MATERIAL AND SHALL BE MAINTAINED TO REMAIN LEGIBLE AND DURABLE.
 2. SIGNAGE SHALL BE MADE OF A DURABLE MATERIAL AND SHALL BE MAINTAINED TO REMAIN LEGIBLE AND DURABLE.
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NOT FOR CONSTRUCTION

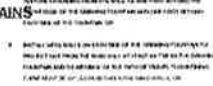


RECESSED FOUNTAINS:

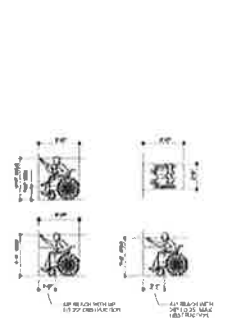
1. RECESSED FOUNTAINS SHALL BE DESIGNED TO PROVIDE ACCESS TO THE FOUNTAIN FOR A PERSON IN A WHEELCHAIR.
2. RECESSED FOUNTAINS SHALL BE DESIGNED TO PROVIDE ACCESS TO THE FOUNTAIN FOR A PERSON IN A WHEELCHAIR.

PROJECTED FOUNTAINS

1. PROJECTED FOUNTAINS SHALL BE DESIGNED TO PROVIDE ACCESS TO THE FOUNTAIN FOR A PERSON IN A WHEELCHAIR.
2. PROJECTED FOUNTAINS SHALL BE DESIGNED TO PROVIDE ACCESS TO THE FOUNTAIN FOR A PERSON IN A WHEELCHAIR.



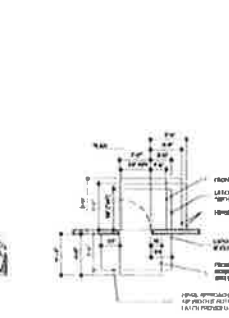
ADA DRINKING FOUNTAINS
NOT TO SCALE



ADA HIGH FORWARD REACH LIMIT
NOT TO SCALE



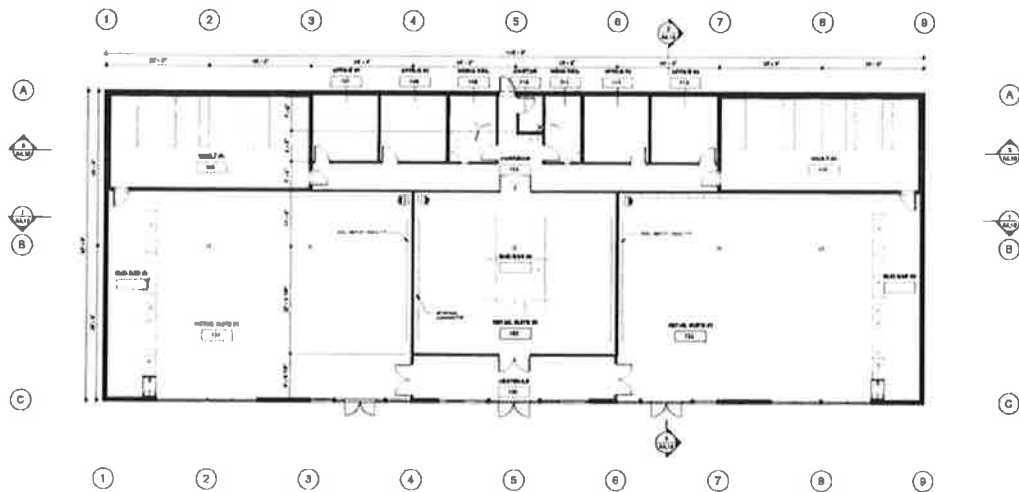
ADA SIDE REACH LIMIT
NOT TO SCALE



ADA DOOR CLEAR SPACE MINIMUM
NOT TO SCALE

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

G2.01 ACCESSIBILITY DETAILS



SCHMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

A3.01

LEVEL 1 - FLOOR
PLAN

NOT FOR
CONSTRUCTION

NO.	REVISION	DATE
1	ISSUED FOR PERMIT	4/28/25

[us]
UNIVERSITY & DESIGN
ARCHITECTS, P.C.
12155 W. 13TH AVE.
DENVER, CO 80231
(303) 751-1000
www.usarchitects.com

NOT FOR CONSTRUCTION

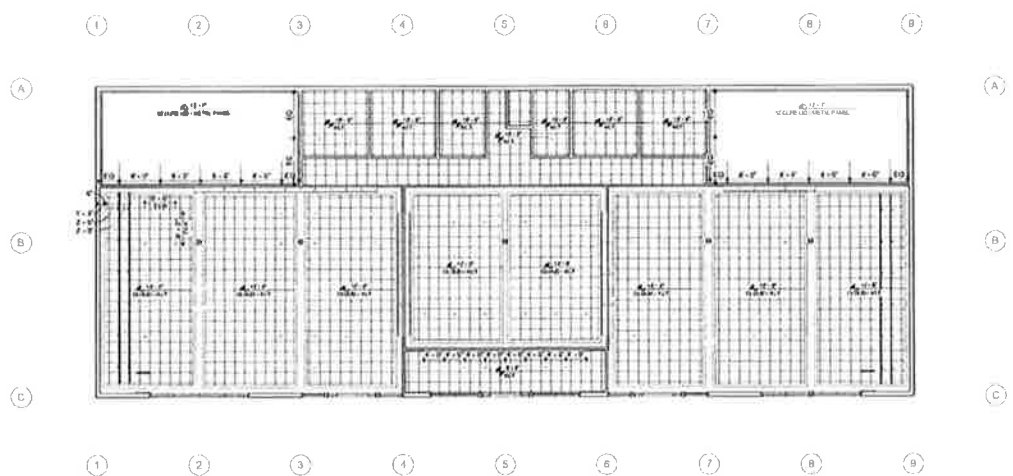
[us]

UNIVERSITY STUDIOS, INC.
ARCHITECTS

UNIVERSITY STUDIOS, INC.
1000 W. 10TH AVE.
MINNEAPOLIS, MN 55408

NOT FOR
CONSTRUCTION

NO.	REVISION	DATE
1	ISSUED FOR PERMIT	4/28/25



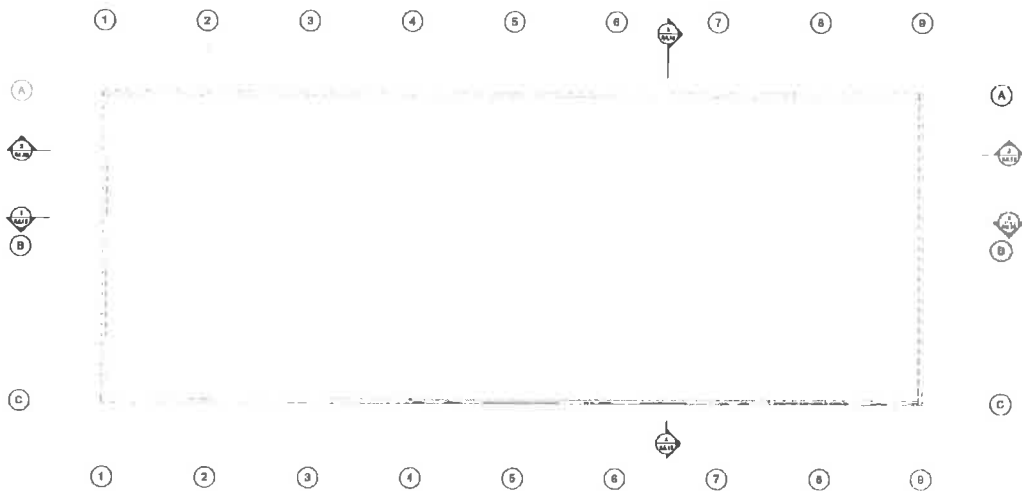
LEVEL 1 - REFLECTED CEILING PLAN
1/8" = 1'-0"

SCHEMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

A3.05
LEVEL 1-RCP

ROOF PLAN - 50% SCALE



ROOF PLAN
1/8" = 1'-0"

[us]
UNIVERSITY STUDIOS

UNIVERSITY STUDIOS, INC.
5555 WAY

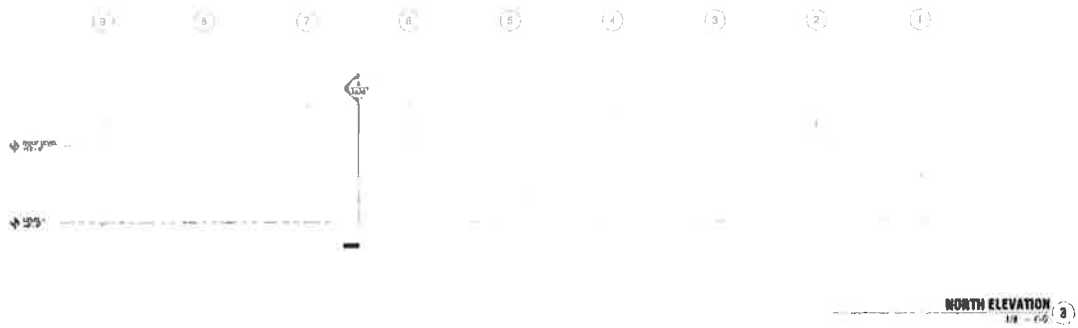
NOT FOR
CONSTRUCTION

NO.	REVISION	DATE
1	ISSUED FOR PERMIT	04/15/10
2	REVISED	04/15/10
3	REVISED	04/15/10
4	REVISED	04/15/10
5	REVISED	04/15/10
6	REVISED	04/15/10
7	REVISED	04/15/10
8	REVISED	04/15/10
9	REVISED	04/15/10

SCHEMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

A3.10
ROOF PLAN

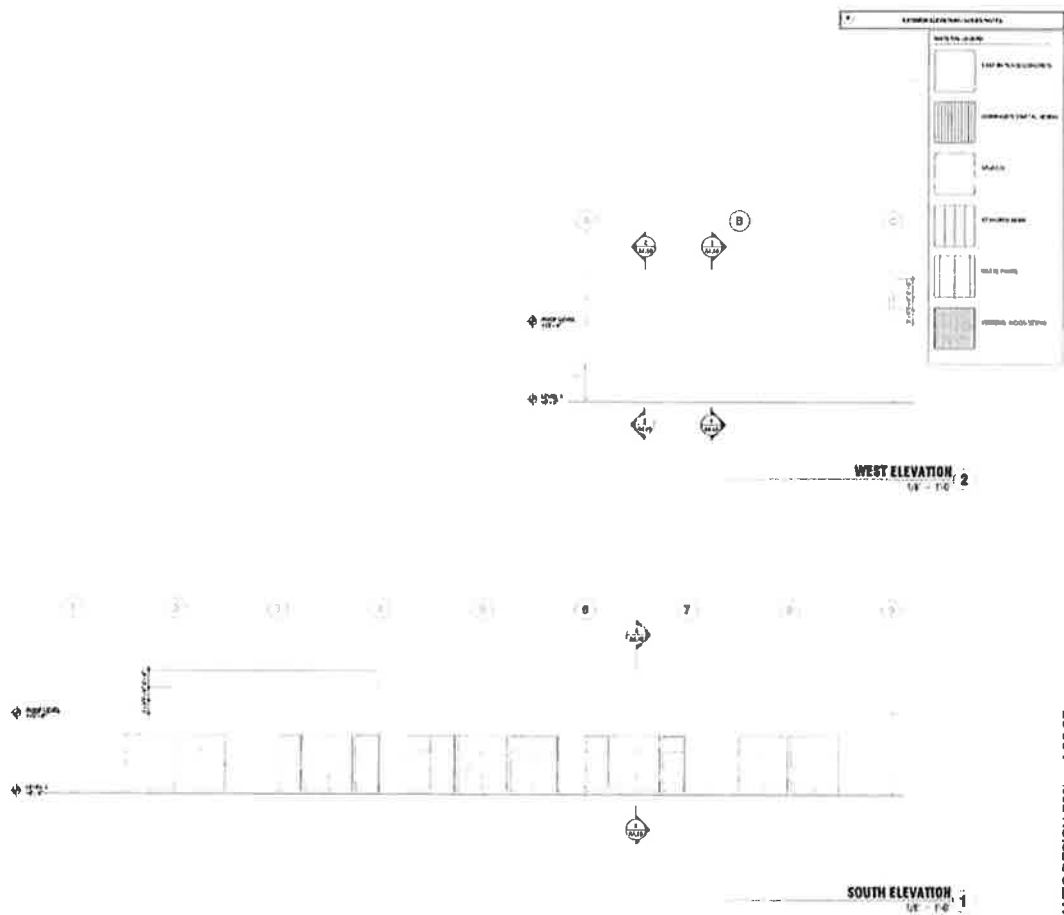


BUILDING ELEVATION	
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97	98
99	100

NOT FOR CONSTRUCTION

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

A4.02
BUILDING ELEVATIONS



SCHEMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

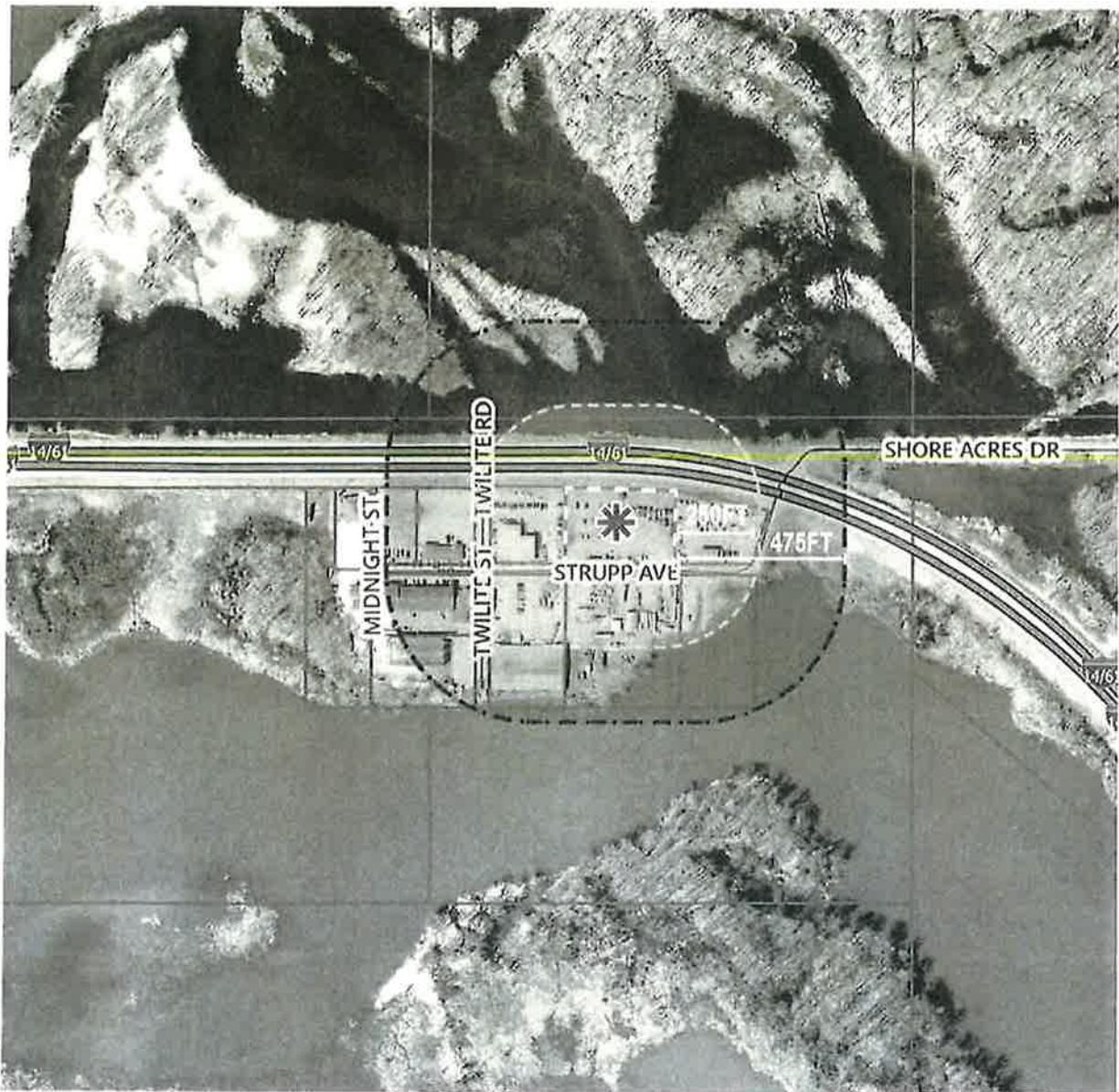
A4.01
BUILDING
ELEVATIONS



NOT FOR
CONSTRUCTION

270 E STRUPP | LA CRESCENT, MN

BUFFER MAP



 0 250 500
Source: Rock County GIS, Beacon

LEGEND

-  270 E STRUPP
-  250 FT BUFFER
-  475 FT BUFFER



BUILDING DEPARTMENT

Cannabis Application Checklist

- [X] City of La Crescent License Application Received 5/21/2025 4:35PM
- [X] OCM Number or Letter of Preapproval Received 5/21/2025 4:35PM
- [X] Building Permit Application or site location established
Received 5/21/2025 4:35PM
- [X] Fee Submitted- X Initial Registration X Annual Registration
Total \$1500.00 Received 5/22/2025
- [X] Application packet deemed complete
Date 06/03/2025 Time 11:07AM



Building Department Representative



City of La Crescent
315 Main Street, La Crescent, MN 55947
Office: (507) 895-2595 Fax: (507) 895-8694

REGISTRATION APPLICATION FOR CANNABIS RETAIL BUSINESS

Applicant Note:

Print, type, or check all applicable information. Incomplete applications will not be accepted, and penalties may be assessed. The information contained in this application becomes part of City of La Crescent's official records upon receipt by the department and is thereafter accessible to the public.

MAKE CHECKS PAYABLE TO CITY OF LA CRESCENT

Registration Type		
☒ Initial registration (New Establishment) Date of Opening: <u>Q1 2026</u>	☐ Existing Establishment Registration (change in Ownership) Date of Reopening: _____ Previous Owner: _____ Date of Change of Ownership: _____	
☒ New Development* ☐ Renewal Registration ☐ Change in location (business Relocating) Old Location: _____ New Location: _____	☐ Other _____	
Business Information		
Business (dba) Name: <u>Happy Multiverse LLC</u> Business Address: <u>270 Strupp Ave STE 102</u> (must be physical location) <u>La Crescent, MN 55947</u> Parcel ID: <u>251251000</u> Telephone Number: <u>(763) 237-6126</u> Email: <u>charlescinqmars@myappmgmt.com</u>	Owner Name: <u>MNRE 270 Strupp LLC</u> Owner Mailing Address: <u>6809 CHEROKEE LN N</u> <u>BROOKLYN PARK MN 55428</u> Telephone Number: <u>(763) 237-6219</u> Email: <u>info@mnrellc.com</u>	
Office of Cannabis Management Number: <u>MICRO-A25-000943</u> or ☒ copy of written Office of Cannabis Management license preapproval letter Office of Cannabis Management License Type: <u>Microbusiness Retail</u> Is applicant current on all property tax and assessments at retail location? ☒ Yes ☐ No Local ordinance compliance? ☒ Yes ☐ No		
Registration/Business Type		
(each location requires a separate application) See supplement for description of each business type		
☐ RETAILER ☒ MICROBUSINESS ☐ MEZZOBUSINESS ☐ MEDICAL CANNABIS COMBINATION BUSINESS ☐ LOWER-POTENCY HEMP EDIBLE RETAILER ☐ EVENT ORGANIZER Location of Event: _____ Date(s) and Time(s) of Event: _____		
Total Annual Fee (See City of La Crescent Fee Schedule) \$ <u>500</u>		
I declare under the penalties of perjury and criminal liability for willfully making a false statement that this application is, to the best of my knowledge and belief, true, correct, and complete.		
Signature of owner, partner, or principal officer 	Title <u>Principal</u>	Date <u>5/21/2025</u>

From: <OCM_NOREPLY@accela.com>

Date: Thu, May 1, 2025 at 1:31 PM

Subject: Congratulations on receiving a preliminary license approval for MICRO-A25-000943

To: <cingmars7@gmail.com>

Dear Charles Cinq-Mars,

We are pleased to inform you that you have received preliminary license approval. Please note that you have 18 months to obtain a cannabis business license upon receiving this notification. Please be aware this notice does not convey license approval. Your application is moving forward, but you are not yet authorized to conduct any of the activities for any license type. To continue the process and receive your license, you must first complete the following steps:

1. **Engage with local governments.** Begin discussions with your local government early to understand and meet all local requirements, including zoning, any necessary conditional use permits, and retail registration (if applicable). You must secure a physical location that complies with local zoning ordinances and update your application documents showing you are compliant with all local requirements. You are strongly encouraged to do this at the earliest stage possible before you invest in any location.
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MN Office of Cannabis Management
Cannabis.info@state.mn.us

PROJECT:

STRUPP AVE RETAIL

270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

BUILDING INFORMATION

NAME OF PROJECT: STRUPP AVE RETAIL
ADDRESS: 270 STRUPP AVE, LA CRESCENT, MN 55957
OWNER: STRUPP AVE RETAIL, LLC
DESIGNER: STRUPP AVE RETAIL, LLC
CONTRACT NO.: 251251000
DATE: 01/15/2015
SHEET NO.: 1 OF 1

PROJECT TEAM:

ARCHITECT: STRUPP AVE RETAIL, LLC
OWNER: STRUPP AVE RETAIL, LLC
STRUCTURAL: STRUPP AVE RETAIL, LLC
CONTRACTOR: STRUPP AVE RETAIL, LLC
MECHANICAL: STRUPP AVE RETAIL, LLC
ELECTRICAL: STRUPP AVE RETAIL, LLC
CML: STRUPP AVE RETAIL, LLC
LANDSCAPE ARCHITECT: STRUPP AVE RETAIL, LLC



VICINITY MAP



LEGAL DESCRIPTION:

270 STRUPP AVE, LA CRESCENT, MN 55957
270 STRUPP AVE, LA CRESCENT, MN 55957

LIMITED SERVICE DOCUMENTS:

THE CLIENT HAS REVIEWED AND APPROVED THE GENERAL SERVICE DOCUMENTS FOR THE PROJECT. THE CLIENT HAS REVIEWED AND APPROVED THE GENERAL SERVICE DOCUMENTS FOR THE PROJECT. THE CLIENT HAS REVIEWED AND APPROVED THE GENERAL SERVICE DOCUMENTS FOR THE PROJECT.

GOVERNING CODES:

ALL CONSTRUCTION SHALL COMPLY WITH THE MINNESOTA BUILDING CODE, 13.01000, AND THE MINNESOTA ELECTRICAL CODE, 13.02000. THE MINNESOTA MECHANICAL CODE, 13.03000, AND THE MINNESOTA PLUMBING CODE, 13.04000, SHALL ALSO APPLY.

DRAWING INDEX:

NO.	DESCRIPTION
1	GENERAL NOTES
2	FOUNDATION
3	WALLS
4	FLOOR
5	CEILING
6	MECHANICAL
7	ELECTRICAL
8	PLUMBING
9	LANDSCAPE



NOT FOR CONSTRUCTION

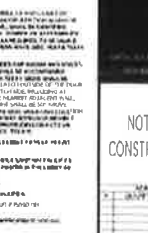
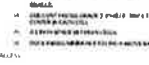
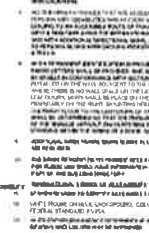
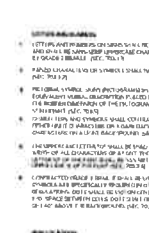
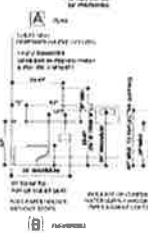
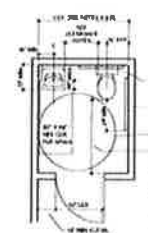
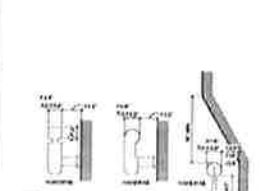
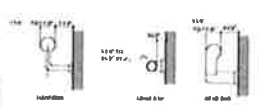
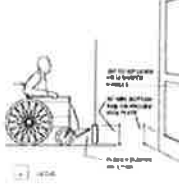
STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

G0.01
COVER PAGE

SCHEMATIC DESIGN 50% 4.28.25

MINOR FIXES

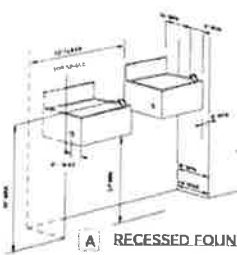
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2. MINOR FIXES TO THE SURFACE AT DOOR THRESHOLDS. EITHER ATTACHED TO THE SURFACE OR TO THE DOOR.
3. MINOR FIXES TO THE SURFACE AT DOOR THRESHOLDS. EITHER ATTACHED TO THE SURFACE OR TO THE DOOR.
4. MINOR FIXES TO THE SURFACE AT DOOR THRESHOLDS. EITHER ATTACHED TO THE SURFACE OR TO THE DOOR.



ADA STAIR AND HANDRAIL DETAILS

ADA TOILET ROOMS

ADA SIGNS / PICTOGRAMS

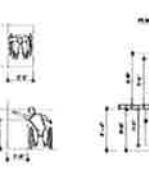
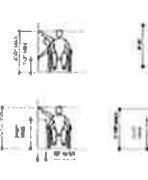
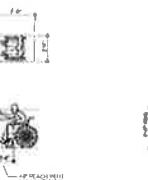


RECESSED FOUNTAINS:

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4. MINOR FIXES TO THE SURFACE AT DOOR THRESHOLDS. EITHER ATTACHED TO THE SURFACE OR TO THE DOOR.

PROJECTED FOUNTAINS

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ADA DRINKING FOUNTAINS

ADA HIGH FORWARD REACH LIMIT

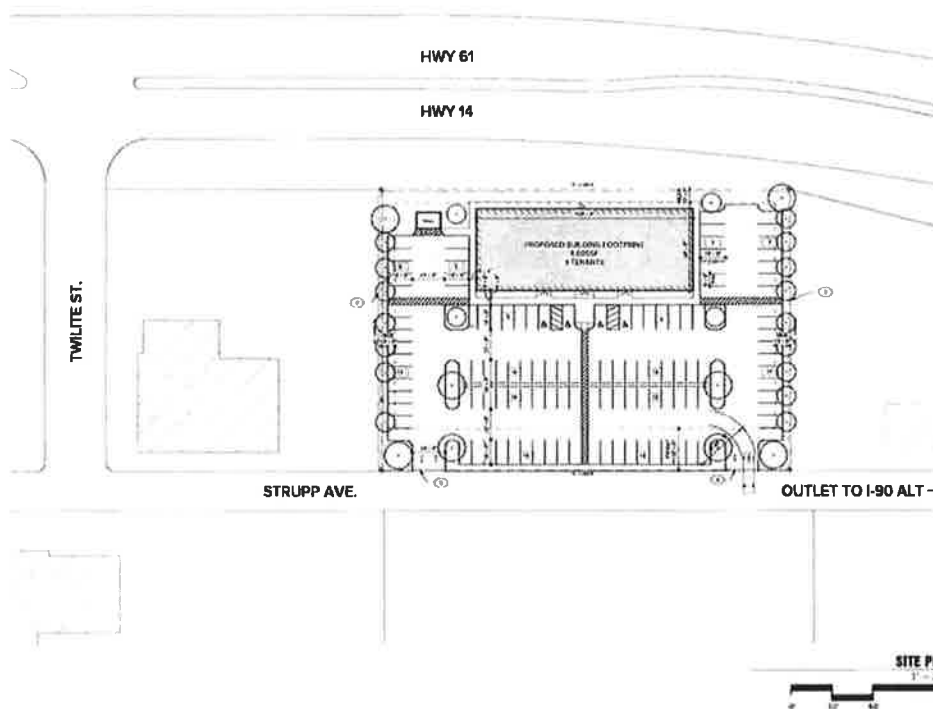
ADA SIDE REACH LIMIT

ADA DOOR CLEAR SPACE MINIMUM

SCHEMATIC DESIGN 50% 4.28.25

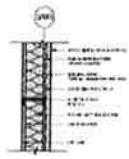
STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

G2.01
ACCESSIBILITY
DETAILS

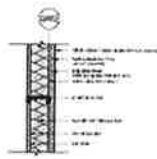
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SCHEMATIC SITE

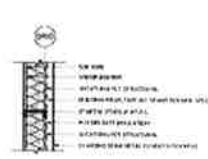
ALL DIMENSIONS IN INCHES UNLESS NOTED OTHERWISE



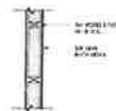
W4 EXTERIOR WALL (WOOD SIDING)



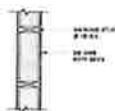
W5 EXTERIOR WALL (HARDBOARD PANEL SIDING)



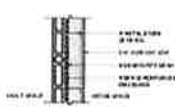
W7 EXTERIOR WALL (STANDING SEAM METAL)



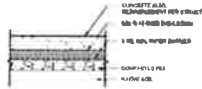
P1 INTERIOR WALL (4" MITL)



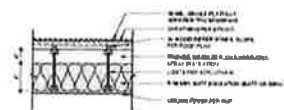
P3 INTERIOR WALL (8" MITL)



P2 INTERIOR WALL (VADLT)



F2 FLOOR (0.5.0)



R2 ROOF (MEMBRANE)

2017 IBC COMPLIANCE	
WALL TYPE	W4, W5, W7
WALL THICKNESS	4, 5, 7 INCHES
WALL TYPE	W4, W5, W7
WALL TYPE	W4, W5, W7
WALL TYPE	W4, W5, W7
WALL TYPE	W4, W5, W7

NOTE: ALL VALUES ARE APPROXIMATE AND DO NOT INCLUDE FILLS, AIR SPACE, GUTS, OR OTHER MATERIALS.

NOTE: WALL ASSEMBLIES DO NOT ACCOUNT FOR PL WINDS PROVIDED FOR WOOD FRAMED SHEAR WALLS. CONTRACTOR RESPONSIBLE FOR COORDINATION / IMPLEMENTATION PER STRUCTURAL.

SCHEMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN. 55957
PIN: 251251000

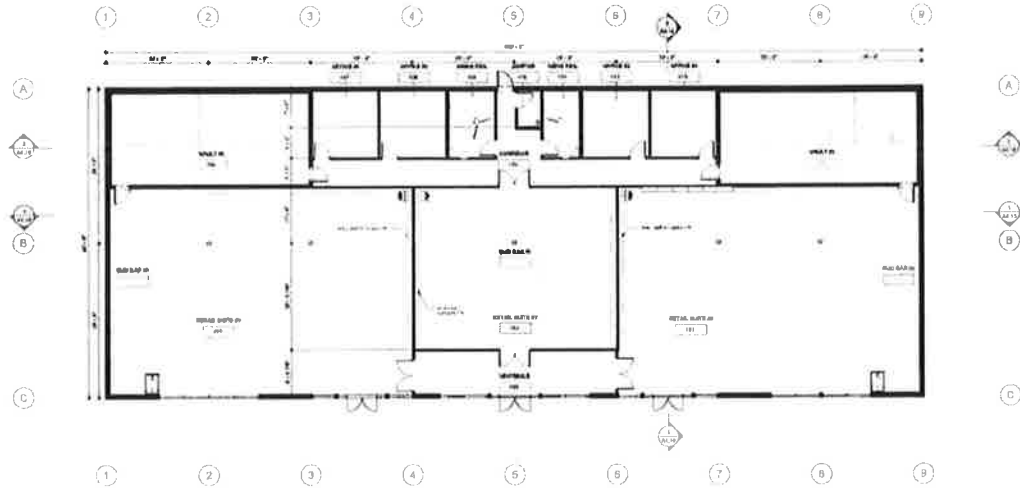
A3.00
ASSEMBLY TYPES

NOT FOR CONSTRUCTION

NO.	DESCRIPTION	DATE
1	ISSUED FOR PERMIT	4/28/25
2	REVISION	
3	REVISION	
4	REVISION	
5	REVISION	
6	REVISION	
7	REVISION	
8	REVISION	
9	REVISION	
10	REVISION	

Architect: [illegible]

DATE: 01/11/2017



LEVEL 1 - FLOOR PLAN

1/8" = 1'-0"



SCHEMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
 270 STRUPP AVE
 LA CRESCENT, MN, 55957
 PIN: 251251000

A3.01

LEVEL 1 - FLOOR
 PLAN

NOT FOR
 CONSTRUCTION

NO.	REVISION	DATE
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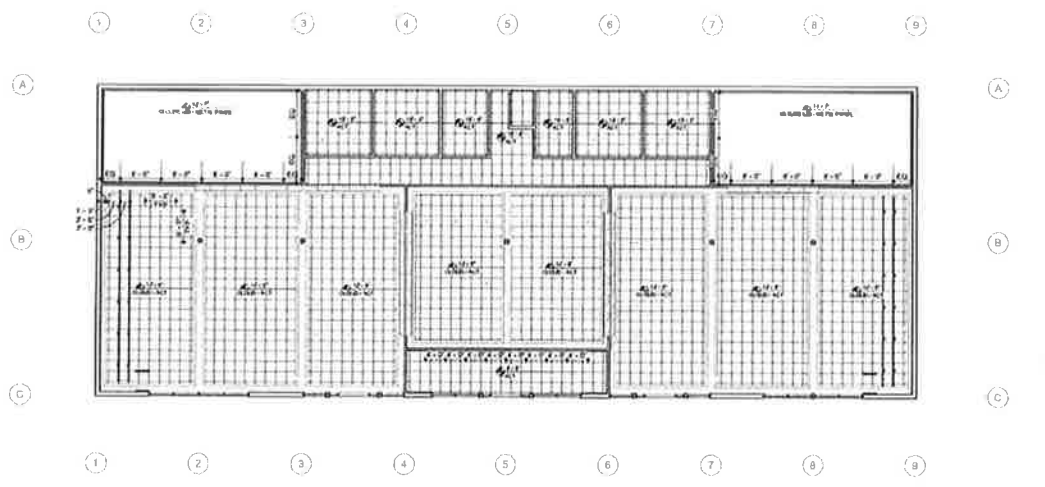
PROPOSED RETAIL SPACE

NOT FOR CONSTRUCTION

[us]
ARCHITECTURE & DESIGN

NOT FOR
CONSTRUCTION

DATE	DESCRIPTION
11/11/11	REVISION
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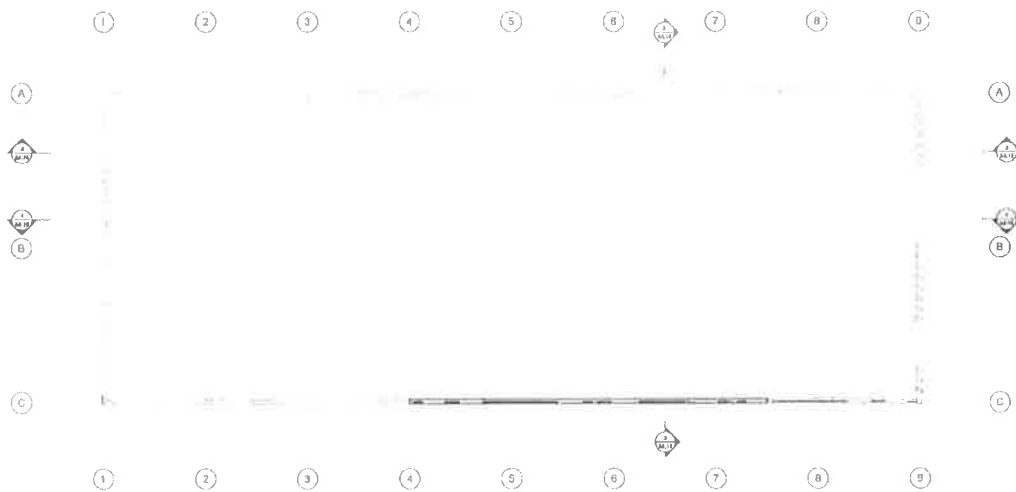


LEVEL 1 - REFLECTED CEILING PLAN
1/8" = 1'-0"

SCHEMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

A3.05
LEVEL 1 - RCP



Ref A-90-1026076

ROOF PLAN
178' x 140'

SCHEMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

A3.10

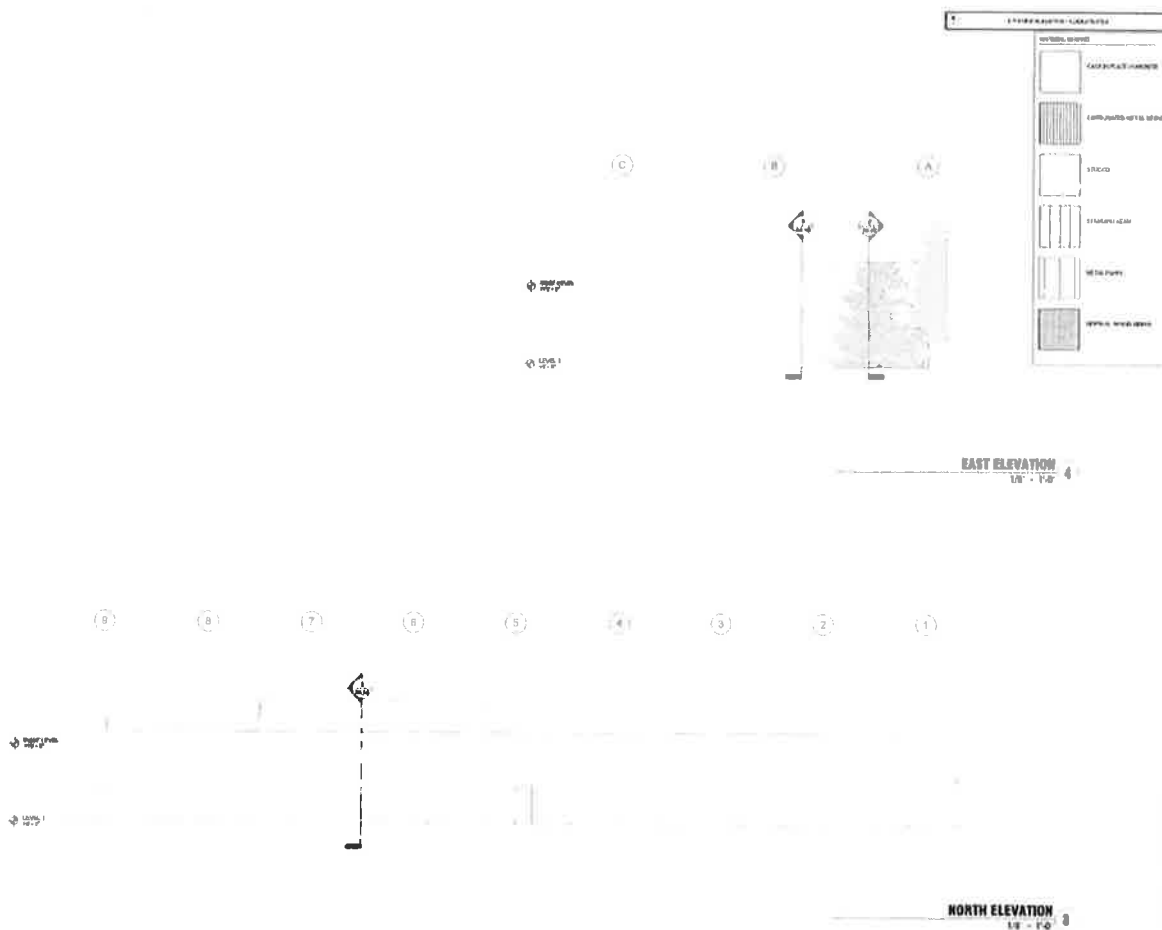
ROOF PLAN

[us]

NOT FOR
CONSTRUCTION

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STRUPP AVE RETAIL - 4.28.25



SCHEMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

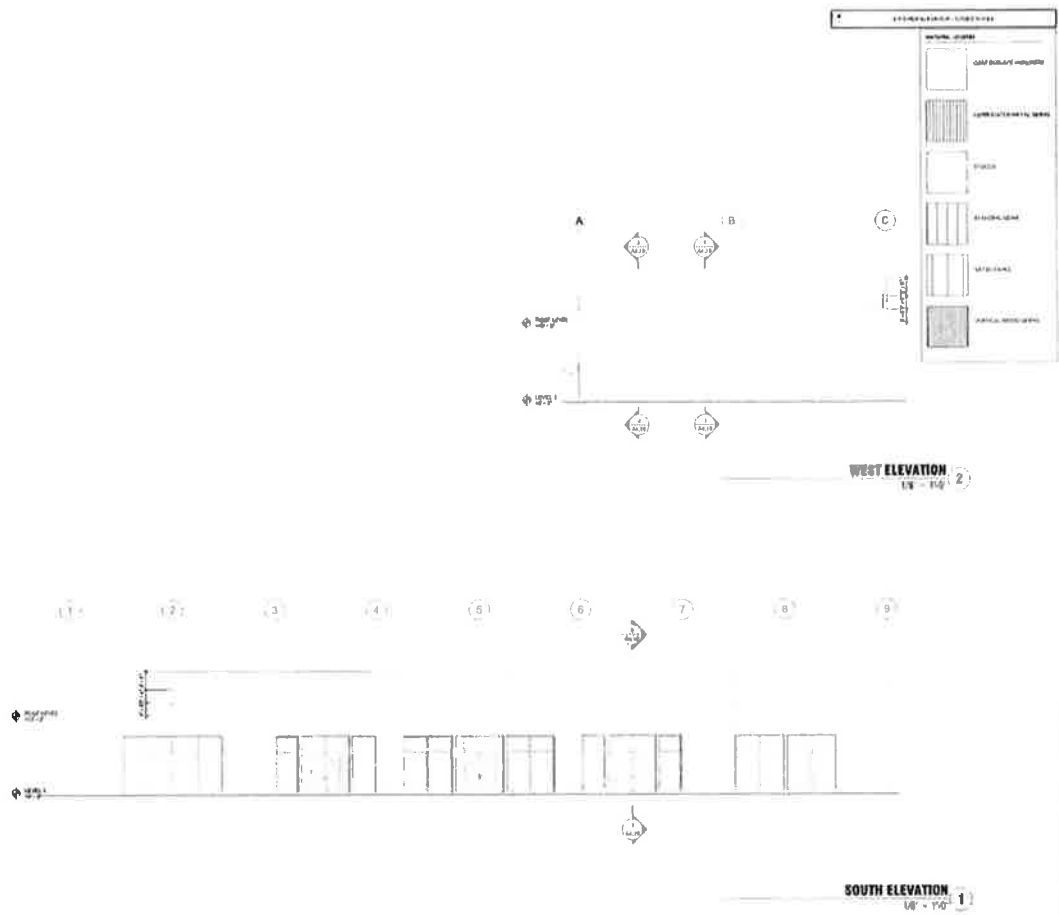
A4.02
BUILDING
ELEVATIONS



NOT FOR
CONSTRUCTION

NO.	REVISION	DATE
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2024.04.04 10:00 AM (10:00 AM)



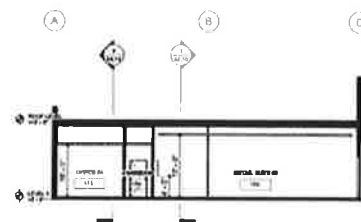
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NO.	DESCRIPTION	DATE
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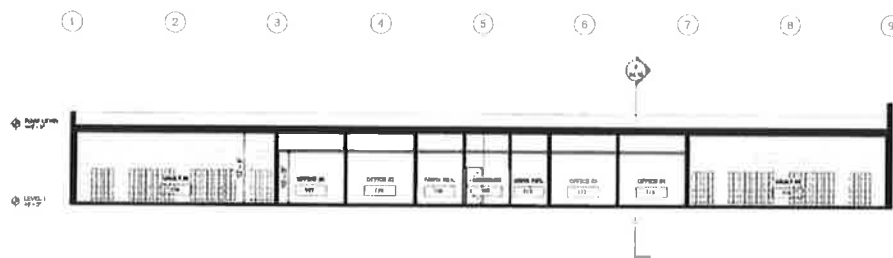
SCHEMATIC DESIGN 50% 4.28.25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

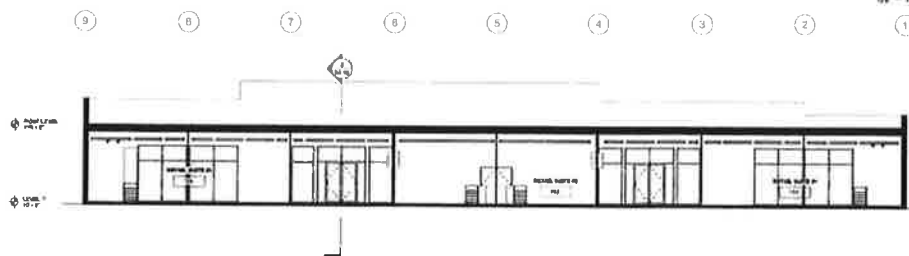
A4.01
BUILDING
ELEVATIONS



SECTION B



SECTION C (2)



SECTION A (1)

NOT FOR
CONSTRUCTION

附錄 2-2		
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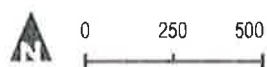
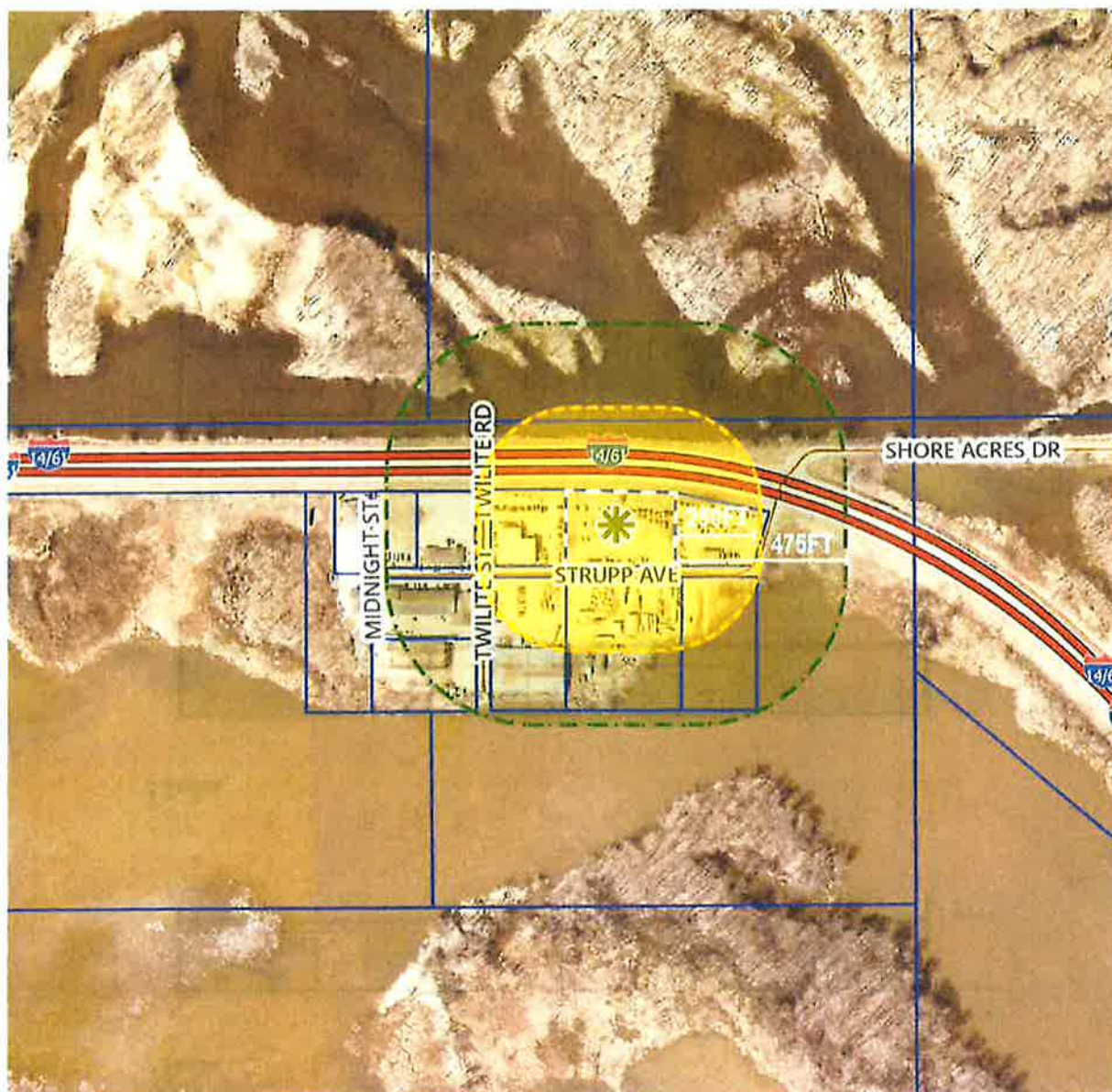
SCHEMATIC DESIGN 50% 4.28,25

STRUPP AVE RETAIL
270 STRUPP AVE
LA CRESCENT, MN, 55957
PIN: 251251000

A4.10

270 E STRUPP | LA CRESCENT, MN

BUFFER MAP



Source: Rock County GIS, Beacon

LEGEND

- 270 E STRUPP
- 250 FT BUFFER
- 475 FT BUFFER



November 27, 2024

Mayor, City Council and Planning Commission
City of La Crescent
315 Main Street
La Crescent, MN 55947

Transmitted via email to:

Josh Tarrance, Building Inspector, jtarrance@cityoflacrescent-mn.gov

Bill Waller, City Administrator, bwaller@cityoflacrescent-mn.gov

Skip Wieser, City Attorney, EMAIL

Shawn Wetterlin, Building Official, swetterlin@cityoflacrescent-mn.gov

RE: Request for Waiver from Master Plan and PUD Requirements for property located at
270 E. Strupp Ave., La Crescent MN (PID 2512510000)

Dear Mayor, Members of the City Council and Planning Commission,

Please accept this letter on behalf of Cannabis & Glass as a formal request for a Waiver from the City Code requirements established in City Code Section 12.23 C-PD Commercial Planned Unit Development Overlay for the property located at 270 E. Strupp Ave., in La Crescent, MN. The Applicant, Cannabis & Glass, is proposing to construct a new ~12,000 square foot Cannabis Dispensary on the subject parcel and to utilize the C-1 Commercial zoning standards to develop the site.

Per City Code Section 12.23 Subd. 5 Waiver states:

"The City Council may waive the requirement that a master plan be prepared and reviewed in accordance with the Planned Unit Development (PUD) standards of this title, if what is proposed for the site is in accordance with all other provisions of the Zoning Ordinance, is consistent with the City's Comprehensive Plan and is presented to the Planning Commission, who shall hold a public meeting, and provide a recommendation prior to City Council action."

On November 21, 2024 the Cannabis & Glass team met with City Staff to discuss the proposed development of the subject parcel with a new commercial/retail cannabis dispensary. The discussion helped our team understand the process and timeline for development of the site, and it was determined that the first step in the process was to submit a formal request for 1) a Waiver from the PUD and Master Plan process so that the C-1 Zoning District standards would guide the site development; and 2) to submit a Concept Plan for concurrent consideration demonstrating how the site lays using the C-1 dimensional and site standards.



To that end, the following summary of the attached Concept Plan is provided to help in your evaluation of granting the Waiver for the subject request.

Dimensional Standard	Proposed Site Plan Summary	C-1 Highway Commercial Code Reference
Proposed Use	Cannabis Dispensary	A Cannabis Dispensary is a permitted use in the draft Cannabis and Hemp Business ordinance. Per the C-1 requirements, Retail goods and services within a fully enclosed building are permitted by-right. The proposed use is consistent with this standard.
Lot Area, Width and Depth	1.41 Ac. (61,400 Square Feet) ~300' (width) ~204' (depth)	Subd. 5 Lot Area, Lot Width and Yard Requirements establishes a minimum lot area of 12,000 SF, minimum width is 80' and minimum depth is 120'. The configuration of the existing lot meets all lot dimensional requirements.
Front Yard Setback	30-40'	Subd. 5 Lot Area, Lot Width and Yard Requirements sets a minimum 30-foot front yard setback. Due to the curvature of the road, the front yard setback varies from the Hwy 14 right-of-way line. As shown on the concept plan, this standard is met.
Side Yard Setback (building)	~25' east, ~72' west	Subd. 5 Lot Area, Lot Width and Yard Requirements establishes a minimum structural setback of 10-feet from a side yard property line. Drive aisles and parking lots are required to be setback a minimum of 5' from the property line, which is a typical standard. As shown on the concept plan, this standard is met.
Side Yard Setback (parking lot)	~7' east and west	
Rear Yard (building)	123'	Subd. 5 Lot Area, Lot Width and Yard Requirements establishes a minimum structural setback of 10' from a rear yard.
Rear Yard (parking lot)	16'6"	
Parking Stalls	75 - 85	The concept plan shows 85 parking stalls, however the 10-stalls located in the northwest corner may need to be adjusted/reduced based on the final stormwater pond design and configuration. A parking ratio of 1:160 SF to 1:140 SF is adequate to meet the dispensary needs and expectations for both customers and employees.
Building Area & Design	~12,000 SF	Subd. 6 General Requirements establishes building design standards. A rendering of the proposed building is shown to demonstrate the anticipated building materials. As shown, the intent is to construct a high-quality structure that is consistent with cannabis industry expectations for construction. (e.g. strategic window placement, door placement/access, etc.) The building façade is broken up into several planes through material changes, window and door articulation.
Landscape Requirements	25% of the site is landscaped, with internal islands within the parking lot area	Subd. 6 General Requirements subsection E. establishes that a minimum of 10% of the total land area within the perimeter of the development area must be landscape. As shown, more than 25% of the total site is landscaped, and landscape boulevards, islands, and other softscape features are integrated into the site plan.
Stormwater	Potential location in northwest corner	The Applicant understands that full stormwater plan and design will need to be submitted as part of the application process. Conceptually, the pond may be located in the northwest corner; however, final design will be completed as part of the development review approval process.



As demonstrated by the summary table, the proposed Cannabis & Glass dispensary use and conceptual plans are consistent with the following:

- The City's stated goals and objectives in the adopted Comprehensive Plan that promotes redevelopment, development and investment of the subject parcel.
- The City's C-1 zoning and site dimensional standards.
- The City's requirements in the C-1 zoning district for high-quality, well-designed buildings and architecture to promote redevelopment and development.

For the reasons stated herein, we respectfully request that 1) the Planning Commission recommend approval of our request for a Waiver from the C-PD Master Plan and PUD standards; and 2) that the City Council grant the Waiver for the subject property.

We look forward to working with the City on this exciting project. If you have any questions regarding this request prior to the meetings please do not hesitate to contact us.

Sincerely,

Jennifer Haskamp, AICP
Swanson Haskamp Consulting, LLC
jhaskamp@swansonhaskamp.com

PROJECT SUMMARY:

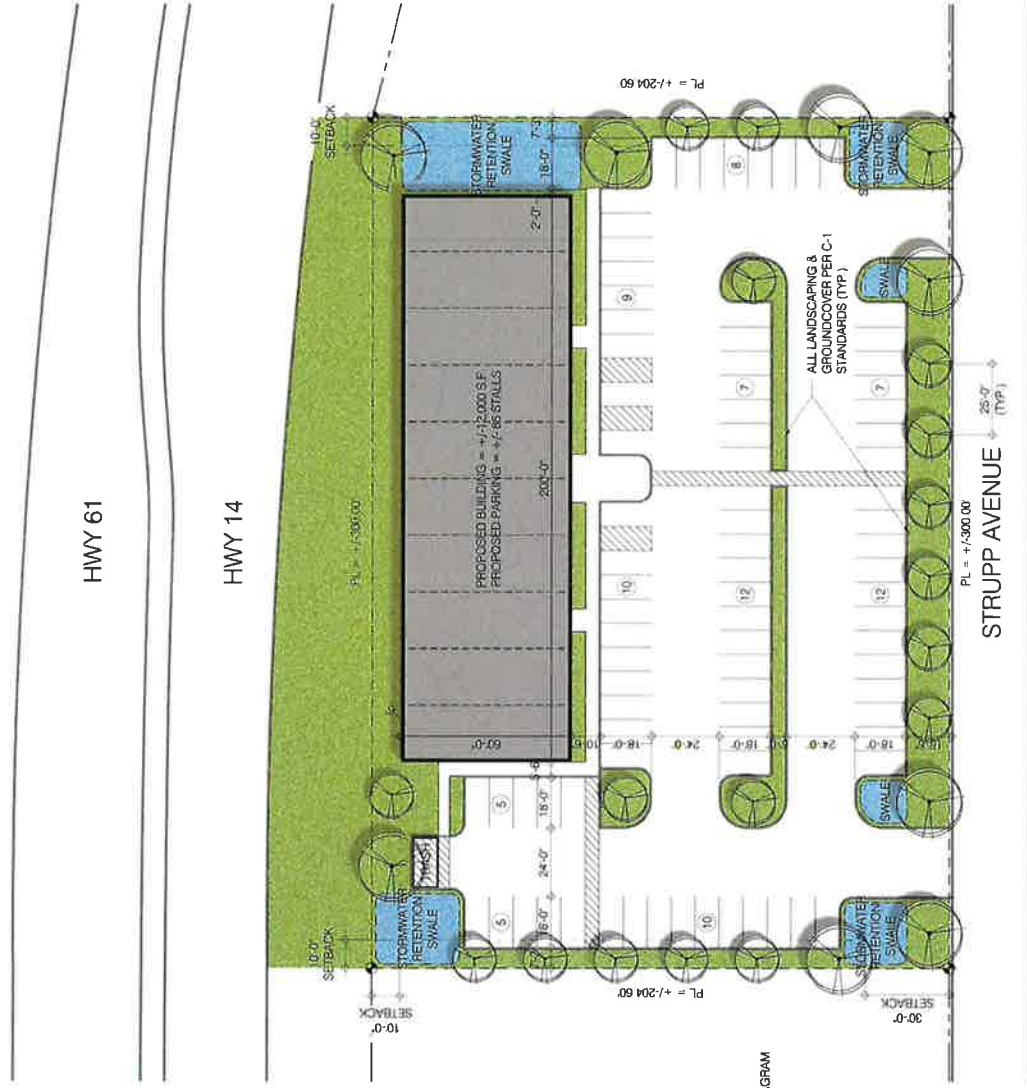
LOT COVERAGE: N/A
MAX. HEIGHT: 40' MAX AND MIN. EQUAL TO CBD 2(P4)
FRONT SETBACK: 30'-0"
REAR SETBACK: 10'-0"
SIDEYARD SETBACK: 10'-0"
MAX. BUILDABLE AREA: 48,108 S.F.
PARKING MIN/MAX: PARKING TO BE PROVIDED WITH
LANDSCAPING AND AREA SIZED PER 12-13 SUBD. 3(10%
OF PAVED AREA) - 4,959 SFT.

PROPOSED PROJECT:

TOTAL BUILDING AREA = 12,000 S.F.
TOTAL PARKING AREA = 33,250 S.F.
TOTAL IMPERVIOUS SURFACE = 45,250 S.F.

TOTAL PARKING STALLS = 85

TOTAL LANDSCAPE WITHIN SETBACKS = 5,468 S.F.
TOTAL LANDSCAPE AREA = 15,217 S.F. (25%)





A1.02
SCHEMATIC
ELEVATION

M E M O R A N D U M

TO: Honorable Mayor and City Council Members

FROM: Jason Ludwigson, Sustainability Coordinator

DATE: June 16th, 2025

SUBJECT: SHIP Grant Park Entrance Signs Authorize Expenditure

The city has been awarded a \$5,000 grant from the Statewide Health Improvement Partnership known as SHIP. The grant will help fund the purchase of new signs for our city parks. We are requesting authorization for \$4,152.00 to purchase 4 new park signs. The design for the new park signs is include in the packet. I will be in attendance to answer questions from the council.

**The City
La Crescent, MN**

3/4" Thick Plastic
Flat-Routed

Double-sided
Quantity: 1

Tan/Green/Tan*

*Digital representation of color is approximate. Contact us for a material color sample if needed



Front



Back

3.9

MEMORANDUM

TO: Honorable Mayor and City Council Members

FROM: Jason Ludwigson, Sustainability Coordinator

DATE: June 18th, 2025

SUBJECT: Local Climate Action Grant Agreement

The city submitted a grant application to MPCA in 2025 for a Local Climate Action plan. The FY25 Local Climate Action Planning Grant was awarded to the City of La Crescent for \$47,500.80. We will be working the PaleBlueDot as the consultant to develop the plan in 2025 and 2026. A copy of the grant agreement is attached. We would suggest that the City Council approve grant agreement between the City of La Crescent and the MPCA. I will be in attendance to answer any questions and to review the grant agreement with the council.



520 Lafayette Road North
St. Paul, MN 55155-4194

Grant Agreement
State of Minnesota

SWIFT Number: 269067

AI: 90809

Activity ID: PRO20250002

This grant agreement is between the state of Minnesota, acting through its Commissioner of the **Minnesota Pollution Control Agency**, 520 Lafayette Road North, St. Paul, MN 55155-4194 ("MPCA" or "State"), and **City of La Crescent**, 315 Main Street, La Crescent, MN 55947 ("Grantee").

Recitals

1. Under Minn. Stat. § 116.03, subd. 2, the State is empowered to enter into this grant.
2. The State is in need of the **City of La Crescent Climate Action and Resilience Plan** (project).
3. Grantee will comply with required grants management policies and procedures set forth through Minn. Stat. § 16B.97, subd. 4(a)(1).
4. The Grantee represents that it is duly qualified and agrees to perform all services described in this grant agreement to the satisfaction of the State. Pursuant to Minn. Stat. § 16B.98, subd. 1, the Grantee agrees to minimize administrative costs as a condition of this grant.

Grant Agreement

1. Term of Grant Agreement

- 1.1 **Effective Date:** **June 18, 2025**, Per Minn. Stat. § 16B.98, subd. 5, the Grantee must not begin work until this grant agreement is fully executed and the State's Authorized Representative has notified the Grantee that work may commence. Per Minn. Stat. § 16B.98, subd. 7, no payments will be made to the Grantee until this grant agreement is fully executed.
- 1.2 **Expiration Date:** **June 30, 2026**, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of Terms.** The following clauses survive the expiration or cancellation of this grant agreement: Indemnification; State Audits; Government Data Practices and Intellectual Property; Publicity and Endorsement; Governing Law, Jurisdiction, and Venue; and Data Disclosure.

2. Grantee's Duties

The Grantee, who is not a state employee, will perform the duties specified in **Attachment A**, which is attached and incorporated into this grant agreement.

3. Time

The Grantee must comply with all the time requirements described in this grant agreement. In the performance of this grant agreement, time is of the essence.

4. Consideration and Payment

- 4.1 **Consideration.** The State will pay for all services performed by the Grantee under this grant agreement as follows:

(a) **Compensation.** The Grantee will be paid according to the breakdown of costs contained in **Attachment A**, which is attached and incorporated into this grant agreement. Grantee certifies they will provide no less than 50% (fifty percent) of the total grant amount as cash match for a local jurisdiction whose population equals or exceeds 20,000; OR no less than 5% (five percent) of the total grant amount as cash match or in-kind services for a local jurisdiction whose population is under 20,000.

- (b) **Travel Expenses.** Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Grantee as a result of this grant agreement will not exceed \$0.00; provided that the Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget (MMB). The Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.
- (c) **Total Obligation.** The total obligation of the State for all compensation and reimbursements to the Grantee under this grant agreement will not exceed **\$47,500.80 (Forty Seven Thousand Five Hundred Dollars and Eighty Cents).**

4.2 Payment

- (a) **Invoices.** The State will promptly pay the Grantee after the Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices must be submitted timely and according to the following schedule:

Invoices for expenses incurred to-date may be submitted as frequently as monthly. First invoice is encouraged no later than 6 (six) months or midway through the project, whichever comes first. Email updates about the status of the project are required to be provided to the State's Authorized Representative whenever an invoice is submitted to MPCA Accounts Payable. The State's Authorized Representative will not approve an invoice through the state system without this project update. A final invoice for payment of remaining grant funds expended by the project is required to be submitted at the completion of the project after a Grant Project Final Report, in a format provided to the Grantee by the MPCA, has been submitted to the State's Authorized Representative and approved. Payment of the final 10% (ten percent) of grant funds will be held back until the project is completed satisfactorily and all deliverables have been submitted and approved.

Invoices must be emailed to mpca.ap@state.mn.us, and contain the following information:

- Name of Grantee
- Grantee's Authorized Representative
- State's Authorized Representative
- SWIFT Number
- Total amount requested for this invoicing period
- Invoice number
- Invoice date
- Invoicing period (actual working period covered by the invoice)
- Cumulative amount of grant expended to date
- Amount of match expended this invoicing period
- Cumulative amount of match expended to date
- Time and material breakdown for invoicing period:
 - Itemization **by each task worked on that period and for each position that worked on it** showing actual hourly rates, hours worked and total dollar amounts (divided into grant-funded and match); consultant invoices may be requested
 - Receipts for supplies and any other itemized materials costs to be reimbursed with grant funds or counted as match
 - Itemized per diem expenses, stipends or similar; receipts may be requested to be submitted with invoice
- Other items as requested

If there is a problem with submitting an invoice electronically, please contact the Accounts Payable Unit at 651-757-2491.

The Grantee shall submit an invoice for the final payment within 15 (fifteen) days of the original or amended end date of this grant agreement. The State reserves the right to review submitted invoices after 15 (fifteen) days and make a determination as to payment.

- (b) The Grantee must promptly return to the State any unexpended funds that have not been accounted for annually in a financial report to the State due at grant closeout.

4.3 Contracting and Bidding Requirements

Per Minn. Stat. §471.345, grantees that are municipalities as defined in Subd. 1 must follow the law.

- (a) For projects that include construction work and have a total project cost of \$25,000 or more, prevailing wage rules apply per Minn. Stat. §§ 177.41 through 177.44; consequently, the bid request must state the project is subject to prevailing wage. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals.
- (b) The grantee must not contract with vendors who are suspended or debarred in Minnesota (found on the Minnesota Department of Administration website at <https://mn.gov/admin/osp/government/suspended-debarred/>).

5. Conditions of Payment

All services provided by the Grantee under this grant agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6. Authorized Representative

The State's Authorized Representative is **Liz Wiese**, 7678 College Road, Suite 105, Baxter, MN 56425, 651-757-2072, liz.wiese@state.mn.us, or their successor, and has the authority to monitor the Grantee's performance and to accept the services provided under this agreement.

The Grantee's Authorized Representative is **Jason Ludwigson**, 315 Main Street, La Crescent, MN 55947, 507-313-9633, jludwigson@cityoflacrescent-mn.gov, or their successor. If the Grantee's Authorized Representative changes at any time during this grant agreement, the Grantee must immediately notify the State.

7. Assignment, Amendments, Change Orders, Waiver, and Grant Agreement Complete

- 7.1 **Assignment.** The Grantee shall neither assign nor transfer any rights or obligations under this grant agreement without the prior written consent of the State, approved by the same parties who executed and approved this grant agreement, or their successors in office.
- 7.2 **Amendments.** Any amendments to this grant agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original grant agreement, or their successors in office.
- 7.3 **Change Orders.** If the State's Project Manager or the Grantee's Authorized Representative identifies a change needed in the workplan and/or budget, either party may initiate a Change Order using the Change Order Form provided by the MPCA. Change Orders may not delay or jeopardize the success of the Project, alter the overall scope of the Project, increase or decrease the overall amount of the grant agreement, or cause an extension of the term of this Agreement. Major changes require an Amendment rather than a Change Order.

The Change Order Form must be approved and signed by the State's Project Manager and the Grantee's Authorized Representative **in advance of doing the work**. Documented changes will then become an integral and enforceable part of the Agreement. The MPCA has the sole discretion on the determination of whether a requested change is a Change Order or an Amendment. The state reserves the right to refuse any Change Order requests.
- 7.4 **Waiver.** If the State fails to enforce any provision of this grant agreement, that failure does not waive the provision or the State's right to enforce it.
- 7.5 **Grant Agreement complete.** This grant agreement contains all negotiations and agreements between the State and the Grantee. No other understanding regarding this grant agreement, whether written or oral, may be used to bind either party.

8. Indemnification

The Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this grant agreement by the Grantee or the Grantee's agents or employees. This clause will not be construed to bar any legal remedies the Grantee may have for the State's failure to fulfill its obligations under this grant agreement.

9. State Audits

Under Minn. Stat. § 16B.98, subd.8, the Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this grant agreement or transaction are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this grant agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

10. Government Data Practices and Intellectual Property

10.1 Government Data Practices. The Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this grant agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this grant agreement. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this clause by either the Grantee or the State. If the Grantee receives a request to release the data referred to in this Clause, the Grantee must immediately notify the State. The State will give the Grantee instructions concerning the release of the data to the requesting party before the data is released. The Grantee's response to the request shall comply with applicable law.

10.2 Intellectual Property Rights

(a) Intellectual property rights. The State owns all rights, title and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under this grant agreement. Works means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Grantee, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this grant agreement. Works includes "Documents." Documents are the originals of any databases, computer programs, reports, notes studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Grantee, its employees, agents, or subcontractors, in the performance of this grant agreement. The Documents shall be the exclusive property of the State and all such Documents must be immediately returned to the State by the Grantee, at the Grantee's expense, upon the written request of the State, or upon completion, termination, or cancellation of this grant agreement. To the extent possible, those Works eligible for copyright protection under the United States' Copyright Act will be deemed to be "works made for hire." The Grantee assigns all right, title, and interest it may have in the Works and the Documents to the State. The Grantee must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the Works and Documents.

(b) Obligations.

- (1) Notification.** Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Grantee, including its employees and subcontractors, in the performance of this grant agreement, the Grantee shall immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the Authorized Representative with complete information and/or disclosure therein.
- (2) Representation.** The Grantee must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of the State, and that neither Grantee nor its employees, agents, or subcontractors retain any interest in and to the Works and Documents. The Grantee represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause Liability, the Grantee shall indemnify, defend, to the extent permitted by the Attorney General, and

hold harmless the State, at the Grantee's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. The Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including, but not limited to, attorney fees. If such a claim or action arises or in Grantee's or the State's opinion is likely to arise, the Grantee must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing Works or Documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

- (3) **License.** The State hereby grants a limited, no-fee, noncommercial license to the Grantee to enable the Grantee's employees engaged in research and scholarly pursuits to make, have made, reproduce, modify, distribute, perform, and otherwise use the Works, including Documents, for research activities or to publish in scholarly or professional journals, provided that any existing or future intellectual property rights in the Works or Documents (including patents, licenses, trade or service marks, trade secrets, or copyrights) are not prejudiced or infringed upon, that the Minnesota Data Practices Act is complied with, and that individual rights to privacy are not violated. The Grantee shall indemnify and hold harmless the State for any claim or action based on the Grantee's use of the Works or Documents under the provisions of Clause 10.2(b)(2). Said license is subject to the State's publicity and acknowledgement requirements set forth in this grant agreement. The Grantee may reproduce and retain a copy of the Documents for research and academic use. The Grantee is responsible for security of the Grantee's copy of the Documents. A copy of any articles, materials or documents produced by the Grantee's employees, in any form, using or derived from the subject matter of this license, shall be promptly delivered without cost to the State.

11. Workers' Compensation

The Grantee certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12. Publicity and Endorsement

12.1 Publicity. Any publicity regarding the subject matter of this grant agreement must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant agreement.

12.2 Endorsement. The Grantee must not claim that the State endorses its products or services.

13. Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this grant agreement. Venue for all legal proceedings out of this grant agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14. Termination

Termination by the State

14.1 (a) Without Cause

The State may terminate this grant agreement without cause, upon 30 days' written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.1 (b) With Cause

The State may immediately terminate this grant agreement if the State finds that there has been a failure to comply with the provisions of this grant agreement, that reasonable progress has not been made or that the

purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14.2 Termination by the Commissioner of Administration

The Commissioner of Administration may immediately and unilaterally cancel this grant agreement if further performance under the agreement would not serve agency purposes or is not in the best interest of the State.

14.3 Termination for Insufficient Funding

The State may immediately terminate this grant agreement if:

- (a) It does not obtain funding from the Minnesota Legislature
- (b) Or, if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

15. Data Disclosure

Under Minn. Stat. § 270C.65, subd. 3, and other applicable law, the Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

To protect Grantee's personal data, Grantee is strongly encouraged to obtain and use a Minnesota tax identification number.

16. Reporting Requirements

Final Report. By the date specified in the project workplan and in a format provided by the MPCA, the Grantee shall submit a final report to the MPCA, plus all project deliverables identified in the workplan.

If the States Authorized Representative determines that the information submitted in the Final Report and/or Project Deliverables is inadequate, the Grantee shall prepare and submit additional/corrected information reasonably requested by the State's Authorized Representative. The Final Report and Project Deliverables shall not be approved by the State's Authorized Representative and final payment shall not be disbursed unless the Report and Deliverables contains the specified information to the satisfaction of the State's Authorized Representative.

Signatures

Encumbrance Verification

Kohn, Amelia Marie

Signed by:
Kohn, Amelia Marie
EC1E8F24152A4EF...

June 18, 2025



520 Lafayette Road North
St. Paul, MN 55155-4194

Attachment A
Workplan and Budget

SWIFT Number: 269067
AI: 90809
Activity ID: PRO20250002

Project Title: City of La Crescent Climate Action and Resilience Plan

1. Project Summary

Organization: City of La Crescent (The City)
Contractor contact Name: Jason Ludwigson
Title: Sustainability Coordinator
Address: 315 Main Street
La Crescent, MN 55947
Phone: 507-313-9633
Email: jludwigson@cityoflacrescent-mn.gov

Minnesota Pollution Control Agency (MPCA) Contact:

MPCA Project Manager: Liz Wiese
Title: State Program Administrator
Address: 7678 College Road, Suite 105
Baxter, MN 56425
Phone: 651-757-2072
Email: liz.wiese@state.mn.us

Project Description

The Climate Action and Resilience Plan will guide municipal operations and support community-wide action to increase the community's resilience to climate change impacts while reducing Greenhouse Gas (GHG) emissions and the community's contributions to climate change. Project goals, to be finalized by a collaborative, broad stakeholder planning team, will include decreasing community-wide GHG emissions in line with State of Minnesota's Climate Action Framework. The project scope includes extensive climate action baseline assessments, community engagement, plan development through a collaborative multi-stakeholder planning team, strategy and action development prioritization and potential resource identification, compilation of final deliverables including the Climate Action and Resilience Plan and Implementation Matrix, and plan presentations. See Workplan for a detailed description of the scope of work.

Project Deliverables:

This project will result in resilience strategic goals across multiple sectors and concrete short, mid, and long-term actions to advance municipal operations and community-wide GHG emission reductions and climate resilience. An implementation plan (Implementation Matrix) will be developed including an identification of measurement metrics/tools for assessing effectiveness of strategies. Final deliverables will include the City Climate Action and Resilience Plan, Implementation Matrix, and a database of example relevant municipal policies and ordinances to support plan implementation efforts. The effort will also include the development of actions to guide internal City initiation of implementation including creation of a climate action implementation team, implement strategies in strategic plan, budget, process Capital Improvement Project (CIP), etc.

Workplan:

Task 1 of 6: Climate Action Baseline Assessment

Brief description of activities involved: Development of a Climate Vulnerabilities Assessment for the City (example: <https://view.publitas.com/palebluedot/city-of-fitchburg-vulnerability-assessment-ldmrbykzvzlg/>), community-wide and municipal operations GHG Inventory (example: <https://view.publitas.com/palebluedot/city-of-omaha-ghg-inventory-bydmlwl469bk/>) and the development of a Climate Action Baseline Assessment which collects existing data/documentation related to community sustainability, climate mitigation potential, and climate resilience across multiple sectors including transportation, buildings and energy, local food and agriculture, greenspace and trees, water and wastewater, solid waste, community health and safety, and economy. The Climate Action Baseline Assessment will include metrics and foundational content that can inform the collaborative development of the Climate Action and Resilience Plan. A summary of findings and an overview of potential goals for each sector will be compiled into the Climate Action Baseline Assessment report to provide a resource for information to the collaborative planning team in later tasks (example: <https://view.publitas.com/palebluedot/city-of-omaha-climate-aciton-baseline-and-reduction-recommendations/>).

Task 2 of 6: Community Engagement

Brief description of activities involved: Establish a public project webpage for communications and information sharing. Develop an online engagement survey and conduct outreach via social media, newsletters, and announcements with community members, particularly those from vulnerable populations, to enable community members to learn about and contribute their experiences of local climate vulnerabilities, as well as participate in the development of climate and energy resilience and adaptation strategies and initiatives. Following the development of a Draft Climate Action and Resilience Plan conduct outreach via social media, newsletters, and announcements with community members, particularly those from vulnerable populations, to provide community members and provide community workshop/open house events at both the initial planning phase and draft plan review phase to provide opportunity for plan input. Summary presentation(s) will be provided to City Council.

Task 3 of 6: Organize Collaborative, Multi-stakeholder Planning Team

Brief description of activities involved: Solicit community members for participation on the planning team and establish a submission form on project webpage. Convene a multi-stakeholder planning team including City staff and community representatives to serve as a focus group to collaboratively define the goals of the plan, contribute action ideas, review, and finalize the actions to be included in the plan under the facilitation and leadership of paleBLUEdot. Multi-stakeholder planning team will be involved in the review, contribution of ideas, and refinement of the plan (tasks 4 and 5). Planning team process will include deeply collaborative workshop sessions throughout the planning timeframe. A preliminary workplan can be found here: [La Crescent Planning Team Workshop Overview 112124.pdf](#).

Task 4 of 6: Strategy Development and Prioritization

Brief description of activities involved: Working collaboratively with the Planning Team to conduct Goal setting and Strategy identification and refinement workshops, conduct best practice review of mobility and energy resilience actions from communities in Minnesota, Midwest region, and nationally, conduct workshops for identification review and refinement of detailed actions to support plan goals and strategies, conduct strategy and action Finalization workshop, identify strategy and action outcomes, metrics, and measurement tools.

Task 5 of 6: Develop Climate Action and Resilience Plan

Brief description of activities involved: Working collaboratively with the Planning Team to identify strategy implementation requirements, Review City policies/ordinances, develop a database of example municipal ordinances and policies which support actions included in the Climate Action and Resilience Plan; develop and finalize final plan components including the Action Plan, Implementation Matrix tool, and Example Policy and Ordinance Database.

Task 6 of 6: Final Report and Project Deliverables

Subtask 6a: Submit Grant Final Report

Brief description of activities involved: The grantee will provide a final grant project report using the MPCA template approximately one month prior to the end of the grant agreement of June 30, 2026, or at completion of the project, whichever occurs first. The grantee will respond promptly to any requests by the MPCA authorized representative for additional information and/or corrections to the report.

Subtask 6b: Submit Project Deliverables

Brief description of activities involved: The grantee will provide electronic files of all project deliverables to the MPCA authorized representative one month prior to the end of the grant agreement of June 30, 2026, or at the completion of the project, whichever occurs first.

2. Budget

Cost Category	Grant Funds	Budgeted In-Kind Match	Total Budget
PaleBLUEdot Staff	\$45,920.00	\$11,480.00	\$57,400.00
City of La Crescent Staff	\$1,580.80	\$6,639.36	\$8,220.16
Project Totals (not to exceed)	\$47,500.80	\$18,119.36	\$65,620.16

3.10

MEMORANDUM

TO: Honorable Mayor and City Council Members

FROM: Jason Ludwigson, Sustainability Coordinator

DATE: June 16th, 2025

SUBJECT: Tree Care Ordinance June 2025

Included in the packet is a new Tree Care Ordinance for La Crescent. La Crescent is fortunate to have a robust inventory of mature trees that form an integral part of the unique character and history of the city, and that contribute to the long-term aesthetic, environmental, and economic well-being of the city. The goal of this ordinance is to preserve La Crescent's high valued trees, while allowing reasonable development to take place and not interfering with how existing property owners use their property. The new ordinance has been reviewed numerous times by the Natural Recourses Advisory Group and GreenSteps committee. The city has an existing tree ordinance and we would ask that the city council rescind tree ordinance No. 105 and adopt the new Tree Care Ordinance No.591. Best practice action 16.5 in the Minnesota GreenStep cities program is to add city tree and plant cover that conserves topsoil's and increases community health, wealth, quality of life. Among other items the new ordinance includes a boulevard tree list, tree planting standards, and establishes a tree advisory board. The city shall maintain jurisdiction over trees planted in public road right-of-way and maintain the current policy of property owners caring for trees in the public road right-of-way. Appendix B has been added for reference to the tree trimming clearance standards for sidewalks and streets. I will be in attendance to review the ordinance and answer questions from the council.

ORDINANCE NO. 591
AN ORDINANCE OF THE CITY OF LA CRESCENT
REGULATING TREE CARE IN THE CITY OF LA CRESCENT,
MINNESOTA

The City Council of the City of La Crescent, Houston County, Minnesota, hereby ordains:

SECTION I. FINDINGS. The La Crescent City Council hereby finds and declares as follows:

1. By taking in carbon dioxide and releasing oxygen, trees are important to improving air quality.
2. The planting of trees results in less runoff and erosion, which improves water quality. Trees recharge the ground water supply.
3. Trees planted in and around buildings can reduce heating and cooling costs. Trees also cool the city by breaking up urban "heat islands" and releasing water vapor into the air through their leaves.

SECTION II. PURPOSE. La Crescent is fortunate to have a robust inventory of mature trees that form an integral part of the unique character and history of the city, and that contribute to the long-term aesthetic, environmental, and economic well-being of the city. The goal of this ordinance is to preserve La Crescent's high valued trees, while allowing reasonable development to take place and to limit interference with how existing property owners use their property. The purpose of the ordinance is to:

- a. Establish, maintain, and grow La Crescent's tree canopy cover by protecting mature trees throughout the city; ensuring maximum tree cover.
- b. Maintain trees in a healthy condition through good cultural practices.
- c. Promote conservation of tree resources.
- d. Establish and maintain species diversity.
- e. Improve the quality of life for all stakeholders, including city residents, visitors and wildlife.
- f. Protect the environment by the filtering of air and soil pollutants, increasing oxygen levels and reducing CO₂; preventing and reducing erosion and stormwater by stabilizing soils; reducing heat convection; decreasing wind speeds; reducing noise pollution and decreasing the urban heat island effect.
- g. Enhance energy conservation through natural insulation and shading.
- h. Increase and maintain property values.

SECTION III. DEFINITIONS.

As used in the Article, the following words and phrases shall have the meanings indicated:

Damage – any injury to or destruction of a tree, including but not limited to: uprooting; severance of all or part of the root system or main trunk; storage of material on or compaction of surrounding soil; a substantial change in the natural grade above a root system or around a trunk; surrounding the tree with impervious paving materials; or any trauma caused by accident or collision.

Nuisance – any tree, or limb thereof, that has an infectious disease or insect; is dead or dying; obstructs the view of traffic signs or the free passage of pedestrians or vehicles; or threatens public health, safety, and welfare.

Boulevard – the area along a public street between the curb and the sidewalk; or if there is no curb or sidewalk, the unpaved portion of the area between the street right-of-way line and the paved portion of the street or alley.

Public property – all grounds and rights-of-way (ROWs) owned or maintained by the City.

Public tree – any tree or woody vegetation on city-owned or city-maintained property or rights-of-way.

Top or Topping – the non-standard practice of cutting back of limbs to stubs within a tree's crown to such a degree so as to remove the normal canopy and disfigure the tree.

SECTION IV. AUTHORITY AND POWER.

a. Delegation of authority and responsibility. The Public Works Director, in consultation with the Natural Resources Advisory Group, and/or their designee, hereinafter referred to as the "Director", shall have full authority to plant, prune, maintain and remove trees and woody plants growing in or upon all municipal streets, municipal rights-of-ways, city parks, and other public property. This shall include the removal of trees that may threaten electrical, telephone, gas, or any municipal water or sewer line, or any tree that is affected by fungus, insect, or other pest disease.

b. Coordination among city departments. All city departments will coordinate as necessary with the Director and will provide services as required to ensure compliance with this Ordinance as it relates to streets, alleys, rights-of-way, drainage, easements, and other public properties not under direct jurisdiction of the Director.

c. Interference. No person shall hinder, prevent, delay, or interfere with the Director or his agents while engaged in carrying out the execution or enforcement of this Ordinance.

SECTION V. TREE ADVISORY BOARD.

The City Council hereby creates a "Tree Advisory Board," hereinafter referred to as the "Board."

a. Duties. The Natural Resources Advisory Group shall constitute the "Tree Advisory Board". The board shall act in an advisory capacity to the Director and shall:

1. Coordinate and promote Arbor Day activities;
2. Review and update a five-year plan to plant and maintain trees on city property;
3. Support public awareness and education programs relating to trees;
4. Review city department concerns relating to tree care;
5. Submit an annual report of its activities to the city council;
6. Assist with the annual application to renew the Tree City USA designation;
7. Recommend a list of tree species for planting on city property, and a list of prohibited species; and
8. Other duties that may be assigned by City Council.

b. Membership. The Board shall consist of members of the Natural Resource Advisory Group, appointed by the City Council. Members of the Board will serve without compensation.

c. Officers. The Board shall annually select one of the members to serve as chair, may appoint a second member to serve as vice-chair, and may appoint a third member to serve as secretary.

d. Meetings. The Board shall meet a minimum of four times each year. All meetings shall be open to the public. The Board chair may schedule additional meetings as needed.

SECTION VI. TREE CARE AND PLANTING STANDARDS.

a. Standards. All planting and maintenance of public trees shall conform to the USDA Tree Owner's Manual for the Northeastern and Midwestern United States.

b. Requirements of franchise utility companies: The maintenance of public trees for utility clearance shall conform to all applicable utility industry standards.

c. Species list. The Director shall maintain an official list of desirable tree species for planting on public property in three size classes: Small (approx. 25 feet or less in height at maturity), Medium (25-40 feet at maturity) and Large (greater than 40 feet at maturity). Trees from this approved list may be planted without special permission; other species may be planted with written approval from the Director.

The official tree list for La Crescent can be found in Appendix A.

d. No property owner shall plant a conifer tree in the boulevard.

e. Planting distances. The Director shall develop and maintain an official set of spacing requirements for the planting of trees on public property.

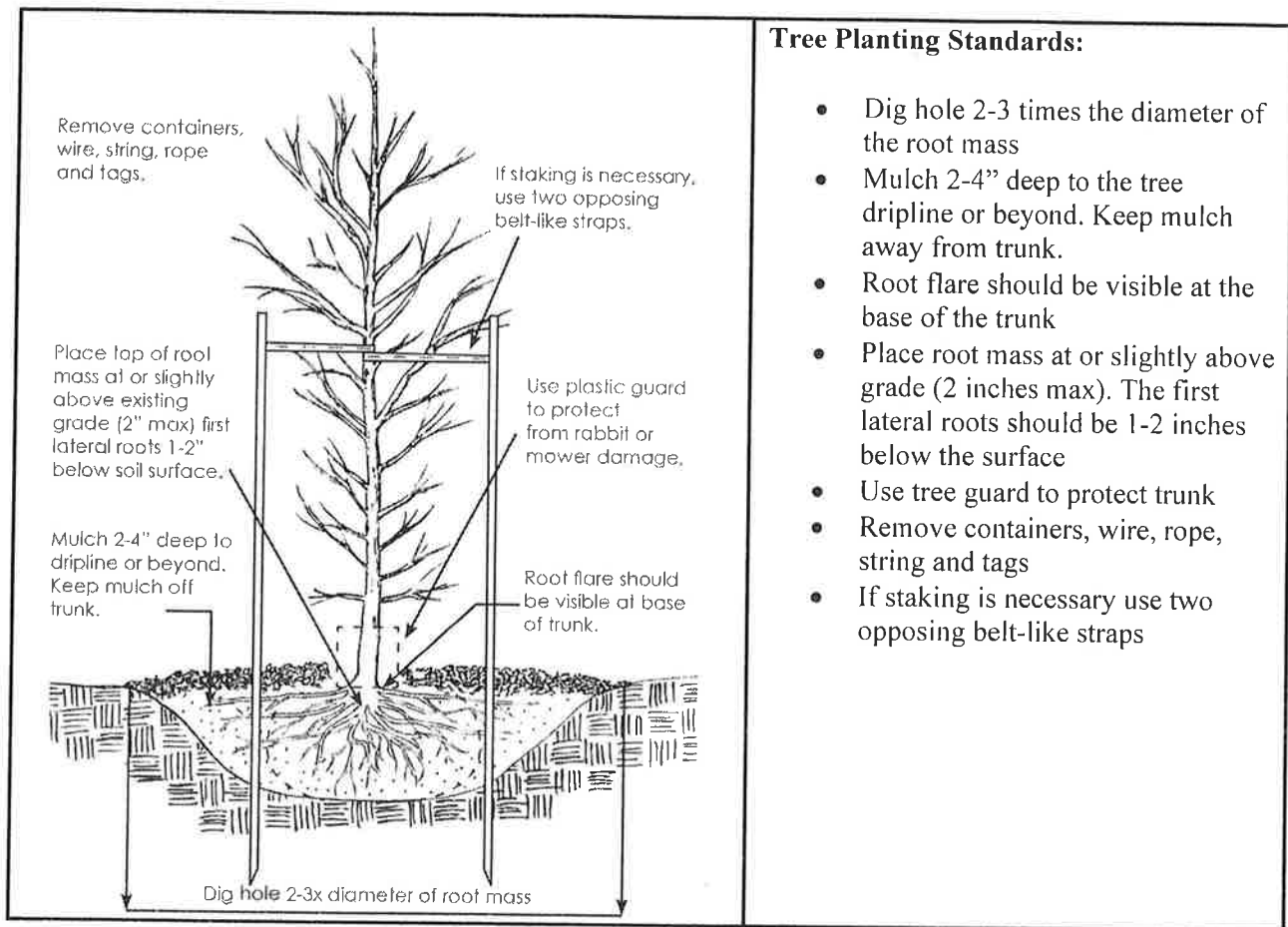
- No tree may be planted within the visibility triangle of a street intersection.
- Trees shall not be planted closer than: 25' from the curb line of an intersection, 25' from adjacent trees, or 25' from street lights.
- If a narrower-growing species of tree is selected, the distance may be reduced to 20' or more from adjacent trees. This is determined by the species of tree selected and the species of adjacent trees.
- Trees should be planted at least:
 - 20' from stop or yield signs.
 - 10' from fire hydrants and directional traffic signs.
 - 5' from alley margins, driveways, underground utilities, and utility poles.
 - 2' from property lines.

f. Planting trees under electric utility lines. Only trees listed as small trees on the official city tree species list may be planted under or within 15 lateral feet of any overhead utility wire.

g. Newly planted trees shall be watered regularly by the property owner for the first two to three years. During the summer dry season (roughly June to October), deep-root watering to a depth of 30" is recommended. Begin with 15 gallons of water per tree per week, and adjust as needed. During the remaining months of the year, monitor the root zone for dryness and water as needed.

h. Newly planted trees shall be mulched. Do not pile mulch up around the trunk of the tree. This creates an environment which can lead to trunk decay.

i. Trees planted in the central business mixed use district (CBD-1 and CBD-2) shall comply with section 12.21 of the city Zoning Code.



i. All stumps of boulevard trees shall be removed by the abutting property owner below the surface of the ground so that the top of the stump shall not project above the surface of the ground.

SECTION VII. PROHIBITION AGAINST HARMING PUBLIC TREES.

a. A property owner shall obtain written permission for the removal of a tree on public property from the Director.

b. It shall be unlawful for any person, firm, or corporation to attach any cable, wire, sign, or any other object to any boulevard, park, or public tree, unless for the expressed purpose of staking or guying tree.

c. It shall be unlawful as a normal practice for any person, firm, or city department to top any Boulevard Tree, Park Tree, or other tree on public property. Trees severely damaged by storms or other causes, or certain trees under utility wires or other obstructions where other pruning practices are impractical may be exempted from this ordinance at the determination of the Director.

e. Any person, firm, corporation, or city department performing construction near any public tree(s) shall consult with the Director and shall employ appropriate measures to protect the tree(s), according to procedures contained in the USDA Tree Owner's Manual for the Northeastern and Midwestern United States.

f. Each violation of this section as determined and notified by the Director shall constitute a separate violation, punishable by fines and penalties under Section X, in addition to mitigation values placed on the tree(s) removed or damaged in violation of this section.

SECTION VIII. BOULEVARD TREES AND ADJACENT OWNER RESPONSIBILITY.

- a. The owner of land adjacent to any city street, when acting within the provisions of this Ordinance, may plant and maintain trees in the adjacent boulevard area. The owner shall contact utility locating services before any digging takes place.
- b. Trees planted in the boulevard should be selected from the official species list for La Crescent. Trees in the boulevard should be maintained (mulched, watered, pruned, etc.) by the abutting property owner.
- c. If the abutting property owner wishes to remove a boulevard tree they should consult with the Director.
- d. No property owner shall allow a tree, or other plant growing on his or her property to obstruct or interfere with pedestrians or the view of drivers, thereby creating a hazard. If an obstruction persists, the Director, or staff under the direction of the Director, shall notify the property owner to prune or remove the tree. If the owner fails to comply with the notice, the City may undertake the necessary work and charge the cost to the property owner.
- e. Where curb and sidewalks now exist, all trees shall be planted on the centerline between the curb and sidewalk edge line.
- f. Tree trimming clearances shall meet the requirements found in Appendix B tree trimming.

SECTION IX. NUISANCE TREES.

- a. Any tree, or limb thereof, on private property determined by the Director to have contracted a lethal, communicable disease or insect; to be dead or dying; to obstruct the view of traffic signs or the free passage of pedestrians or vehicles; or that threatens public health, safety, and welfare is declared a nuisance and the city may require its treatment or removal.

SECTION X. VIOLATIONS AND PENALTY.

A violation of this ordinance is a petty misdemeanor subject to a penalty charge not to exceed \$300.00.

SECTION XI. APPEALS.

Appeals to decisions by the Director or to penalties imposed after violations of this ordinance, shall be heard by City Council.

SECTION XII. SAVINGS AND REPEAL.

All ordinances or parts of ordinances in conflict with this Ordinance are repealed to the extent of such conflict.

Severability. Should any word, sentence, clause, paragraph, or provision of this Ordinance be held to be invalid or unconstitutional the remaining provisions of this Ordinance shall remain in full force and effect.

SECTION XIII. PUBLIC TREE CARE

The city shall have the right to plant, prune, maintain and remove trees, plants and shrubs within the lines of all streets, alleys, avenues, lanes, squares and public grounds, as may be necessary to ensure public safety or to preserve or enhance the symmetry and beauty of such public grounds. This Section does not prohibit the planting of Boulevard Trees by adjacent property owners providing that the selection and location of said trees is in accordance with Sections 6 through 10 of this ordinance.

SECTION XIV. PRUNING, CORNER CLEARANCE

Every owner of any tree overhanging any street or right-of-way within the City shall prune the branches so that such branches shall not obstruct the light from any street lamp or obstruct the view of any street intersection and so that there shall be a clear space of thirteen feet, six inches (13' 6") above the surface of the street and eight feet (8') above the surface of the sidewalk. Said owners shall remove all dead, diseased or dangerous trees, or broken or decayed limbs which constitute a menace to the safety of the public. The City shall have the right to prune any tree or shrub on private property when it interferes with the proper spread of light along the street from a street light or interferes with visibility of any traffic control device or sign.

SECTION XV. REPEAL

Repeal Ordinance No. 105 of the City (formerly Village) of La Crescent is hereby repealed upon approval and publication.

SECTION XVI. EFFECTIVE DATE

This ordinance shall become effective upon passage, adoption, and publication according to law.

PASSED AND ENACTED this _____ day of _____, 2025.

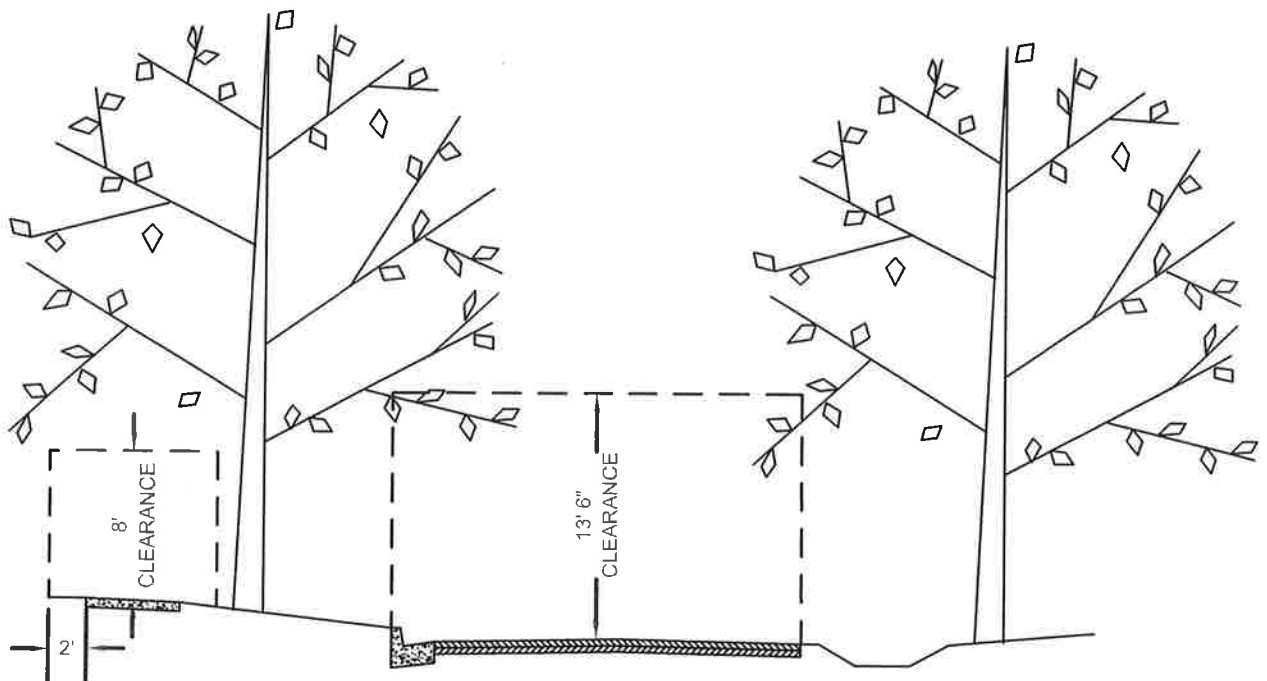
Mayor

ATTEST:

City Administrator

APPENDIX A: Approved tree list

Common Name	Cultivar (as available)	Mature Height	Mature Spread	Growth rate	Canopy Form	Recommended Boulevard Width	Minimum Planting Distance to Curb with No Sidewalk	Distribution Powerline Compatible	Native to Minnesota
Small Trees									
Hawthorn	Thornless	20-30 ft	20-35 ft	Slow to moderate; 1-2 ft/yr	Round	5-6 ft	5 ft	Yes	Yes
Redbud	MN Strain	20-30 ft	25-35 ft	Moderate; 12-18 in/yr	Round	5-6 ft	5 ft	Yes	No
Japanese Tree Lilac	Ivory Silk, Bailance (Snowdance), Golden Eclipse, Ivory Pillar	20-30 ft	15-25 ft	Moderate; 1-2 ft/yr	Oval	5 ft	2.5-5 ft depending on cultivar	Yes	No
Viburnum, nannyberry		8-25 ft	10-15 ft	Moderate	Round	5 ft		Yes	Yes
Serviceberry, Allegheny		15-25 ft	15-25 ft	Moderate; 8-24 in/yr	Oval/round	5 ft	5 ft	Yes	Yes
Crabapple	Adams, Adirondack, Donald Wyman, Prairifire, Red Jewel, Royal Raindrops, Select A (Firebird), Jamin (Marilee), Sutyam (Sugar Thyme)	10-30 ft	5-30 ft	Moderate; 1-2 ft/yr	Round	5 ft	2.5-5 ft depending on cultivar	Yes	No
Blue Beech		25-40 ft	15-20 ft	Moderate; 1 ft/yr	Oval	5-6 ft	2.5-4 ft	No	Yes
Pin Cherry		15-35 ft	18-25 ft	Fast; 8-10 in diameter in 25 years	Pyramidal	5 ft		Yes	Yes
Medium Trees									
American Linden		25-45 ft	25-30 ft	Moderate; 12-18 in/yr	Pyramidal	5-6 ft		No	Yes
Pear, Ussurian		15-30 ft	15-20 ft	Moderate; 12-18 in/yr	Oval	5-6 ft		No	No
Littleleaf Linden	Sentry	60-70 ft	30-40 ft	Moderate	Pyramidal	6-8 ft	4 ft	No	No
Ironwood		25-40 ft	15-40 ft	Slow; max 12 ft/yr	Pyramidal	5-6 ft	2.5-4 ft	No	Yes
Alder	Prairie Horizon	25-40 ft	20-30 ft	Fast; 3.3+ ft/yr	Pyramidal	5-6 ft	2.5-4 ft	No	No
Cherry		40-50 ft	40-50 ft	Fast; up to 3 ft/yr	Oval	5-6 ft		No	No
Yellowwood		30-50 ft	40-55 ft	Slow; usually about 1 ft/yr	Round	5-6 ft	2.5-4 ft	No	No
Ohio Buckeye		20-40 ft	20-40 ft	Moderate; 1-2 ft/yr	Round	5-6 ft		No	Yes
River Birch		30-40 ft	20-30 ft	Moderate; 1-2 ft/yr	Oval	5-6 ft	2.5 to 4 ft	No	Yes
Large Trees									
Swamp White Oak		50-60 ft	50-60 ft	Moderate; 1-2 ft/yr	Pyramidal/oval	6-8 ft	4 ft	No	Yes
White Oak		50-80 ft	80-100 ft	Slow; 1 ft/yr	Oval/round	6-8 ft	4 ft	No	Yes
Northern Red Oak		60-75 ft	60-75 ft	Moderate; 2 ft/yr	Pyramidal	6-8 ft	4 ft	No	Yes
Northern Pin Oak	Bailskies (Majestic Skies)	40-75 ft	40-75 ft	Moderate; 2+ ft/yr	Pyramidal	6-8 ft	4 ft	No	Yes
Common Hackberry		40-60 ft	40-50 ft	Moderate; 1-2 ft/yr	Oval	6-8 ft	4 ft	No	Yes
Honey locust (thornless)	Skyline, Street Keeper, Imperial	30-70 ft	30-70 ft	Moderate; 1-2+ ft/yr	Round	5-6 ft	2.5-4 ft	No	Yes
Hybrid Elm	Cathedral, New Horizon, Princeton	50-70 ft	30-60 ft	Moderate; 1-1.5 ft/yr	Varies depending on cultivar	8+ ft	4 ft	No	Varies
Shagbark Hickory		60-80 ft	30-50 ft	Moderate; 1-2 ft/yr	Round	6-8 ft	10 ft	No	Yes
American Basswood	Boulevard, Frontyard	60-80 ft	30-60 ft	Moderate; 1-2 ft/yr	Oval	6-8 ft	4 ft	No	Yes
Black Oak		50-60 ft	40-70 ft	Moderate; 1-2 ft/yr	Oval/round	6-8 ft	4 ft	No	Yes
Bur Oak		70-80 ft	70-80 ft	Slow; up to 1 ft/yr	Oval/round	6-8 ft	4 ft	No	Yes
Sugar Maple		40-70 ft	30-50 ft	Moderate; 1-2 ft/yr	Round	6-8 ft		No	Yes
Kentucky Coffeetree	Espresso, True North, McKBranded (Decaf)	60-75 ft	40-50 ft	Moderate; 1-2 ft/yr	Oval	6-8 ft	2.5-4 ft	No	Yes



NOTE:
 TRIM TREES TO THE EDGE OF THE ROAD AT 13' 6"
 MINIMUM HEIGHT.

ORDINANCE NO. 105

AN ORDINANCE REGULATING THE PLANTING AND REMOVAL OF TREES ON
BOULEVARDS WITHIN THE VILLAGE OF LA CRESCENT

The Village Council of the Village of La Crescent, Houston County,
Minnesota, does ordain as follows:

SECTION 1. The Village Council of the Village of La Crescent is hereby granted exclusive jurisdiction over the planting and removal of trees from the boulevard in the Village of La Crescent and in the parks and any other property owned by the Village of La Crescent.

SECTION 2. No trees shall be removed on the boulevards without obtaining a written permit signed by the Clerk-Administrator of the Village of La Crescent. Such permits shall be filed with the Clerk-Administrator before any trees are removed.

SECTION 3. The Village Council shall adopt regulations from time to time for the planting and removal of trees on boulevards and other lands and property owned by the Village of La Crescent. Such regulations shall include the variety of trees that may or may not be planted, the space to be maintained between the trees and the spacing within the boulevard and any other regulations deemed necessary and expedient for the maintenance of uniformity and aesthetic enhancement of the streets, boulevards and other lands of the Village in the Village of La Crescent. The varieties of trees to be considered approved varieties for purposes of this ordinance are: Hard Maple, Red Maple, Norway Maple, Linden, Hackberry, Ash and Oak. The provisions of Ordinance No. 11 of the Village of La Crescent relative to the approved varieties of trees and any other ordinances of the Village of La Crescent to the contrary are hereby expressly repealed.

SECTION 4. The planting, maintenance, trimming and removal of trees on the boulevards shall be the responsibility of the adjoining property owners subject to the control of the Village Council as provided hereinafter. The Village Council shall have the power to order the adjoining property owner to plant, trim or remove trees, and if such orders are not complied with, the Village Council may order the work done and the adjoining property shall be assessed for the cost thereof, said costs in such event to be certified by resolution adopted by the Village Council to the County Auditor for collection with real estate taxes on such assessed properties.

SECTION 5. Violation of this ordinance shall be punishable by a fine not to exceed \$300 or imprisonment for a term not to exceed 90 days.

SECTION 6. This ordinance shall become effective upon passage and adoption and publication according to law.

Adopted by the Village Council of the Village of La Crescent, November 4,
1970.

..... Martin Miller

Mayor

Attest: Richard J. Kujak
Clerk

3.11

CITY OF LA CRESCENT

Department of Police

Chief Luke M. Ahlschlager



June 13, 2025

Honorable Mayor and City Council Members

City Administrator Bill Waller

In light of a few recent incidents and ongoing concerns regarding overall parade safety, noise levels, and candy distribution practices identified through discussions among city leadership, I believe it is both timely and necessary to establish clear and consistent regulations for parades held within the City of La Crescent. These concerns reflect the importance of ensuring public safety while preserving the community-centered spirit of our events.

Attached for your review is a **Draft Ordinance** developed to address these concerns. I respectfully request that the City Council review this draft with the intent to discuss and consider its adoption at a future Council meeting. The ordinance is structured around three core areas of concern, each with corresponding recommendations aimed at improving the overall parade experience for participants, spectators, and residents.

Noise Level Regulation

Excessive noise during parades can cause undue stress or discomfort for spectators, particularly young children, individuals with sensory sensitivities, residents living near the parade route, and animals.

- **Prohibit Excessive Noise-Making Devices:** Restrict the use of sirens, horns, and other high-decibel noise-making devices, with the following exceptions:
 - ✓ Emergency vehicles participating in an official capacity
 - ✓ Military observances, including ceremonial gun salutes
 - ✓ Other exceptions as approved by the La Crescent City Council upon formal request, with any conditions deemed appropriate to ensure public safety

This measure promotes an inclusive, family-friendly environment and minimizes disruption to residential neighborhoods.

Candy Distribution Policy

The practice of throwing candy from moving vehicles creates preventable safety hazards, especially for children who may attempt to enter the roadway to retrieve items.

CITY OF LA CRESCENT

Department of Police

Chief Luke M. Ahlschlager

- **Prohibit Candy Throwing from Moving Vehicles:** Ban the act of tossing candy or other items from moving floats or vehicles.
- **Require Hand-Delivered Candy:** Allow parade participants to distribute candy only by walking alongside their float or vehicle and handing items directly to spectators.

Risk Management and Public Safety

Consistent planning and interdepartmental coordination are essential to mitigate safety risks and ensure well-organized public events.

- **Mandatory Safety Plan Submission:** Require all parade organizers to submit a safety plan with their permit application. This plan should address traffic control, security staffing, emergency vehicle access, and first aid coordination.
- **Interdepartmental Review:** Require all safety plans to be reviewed and approved by both the La Crescent Police Department and the City's Department of Public Works to ensure safety compliance and logistical feasibility.

Insurance Requirements

To protect public interests and ensure liability coverage for all parade events:

- **Proof of Insurance:** Prior to permit issuance, the applicant must furnish a certificate of liability insurance in amounts not less than \$500,000 per occurrence and \$1,000,000 annual aggregate.
- **City as Additional Insured:** The City of La Crescent must be named as an additional insured on the certificate.

Enforcement Provisions

- **Authority to Enforce:** The La Crescent Police Department and other City-authorized personnel shall have the authority to enforce all parade regulations before, during, and immediately following the event.
- **Permit Violations:** Violations of parade regulations may result in immediate corrective action, including warnings, removal from the parade, citation issuance, or event suspension if deemed necessary to protect public safety.

I respectfully request that the Council consider discussing and adopting a formal ordinance that incorporates these recommendations. Thank you for your time.

Respectfully,





CITY OF LA CRESCENT PARADE APPLICATION AND PERMIT

Instructions: Complete this form and submit it to the City of La Crescent at least 30 days prior to the proposed parade date. All applications must include a safety plan as outlined in the City's Parade Ordinance. Incomplete applications will not be considered.

NOTE: Approval of the permit is required before the event can proceed.

SECTION 1: APPLICANT INFORMATION

Name of Applicant/Organization: _____

Contact Person: _____ Cell: _____

Email Address: _____

Mailing Address: _____

SECTION 2: EVENT INFORMATION

Name of Parade/Event: _____

Date of Parade: _____ Start Time: _____ End Time: _____

_____ **Map of Proposed Parade Route Attached.** (Required)

Estimated: Number of Participants: _____ Number of Vehicles / Floats: _____

Type of Noise-Making Devices (e.g., sirens, music, bells): _____

SECTION 3: SAFETY PLAN _____ **Safety Plan Attached.** (Required)

Attach a Safety Plan that includes:

__ Traffic control measures. __ Security provisions. __ Emergency vehicle access.

SECTION 4: NOISE LEVEL CONTROL

The City of La Crescent prohibits use of sirens, horns, and other high decibel noise-making devices. Does your participation in the parade include added noise? __ Yes __ No

If Yes, describe your compliance with this policy: _____



SECTION 5: CANDY DISTRIBUTION POLICY

The city prohibits throwing candy or objects from moving vehicles.
Candy may only be distributed by walking participants handing items directly to spectators.

Will candy or items be distributed? ☐ Yes ☐ No

If Yes, describe your compliance with this policy:

SECTION 6: INSURANCE

Per City of La Crescent Ordinance _____, the City of La Crescent requires permittees to furnish evidence of a liability insurance policy in amounts of not less than \$500,000 per occurrence and \$1,000,000 annual aggregate, naming the City of La Crescent as additional insured for said usage.

Is a certificate of insurance attached? ☐ Yes ☐ No

SECTION 7: SIGNATURE AND AGREEMENT

By signing this application, I certify that I have read and understand the City of La Crescent's Parade Ordinance. I agree to comply with all regulations and requirements outlined in the ordinance and this application. I understand that failure to comply may result in the revocation of the permit or denial of future permits.

Applicant Signature: _____ **Date:** _____

FOR CITY USE ONLY

Date Application Received: _____ Application Reviewed By: _____

Required Documents Attached: ☐ Map of Proposed Parade ☐ Safety Plan ☐ Insurance

Permit Status: ☐ Approved ☐ Denied

Conditions of Approval (if any):

Authorized Signature (City Official): _____

Title: _____ Date: _____

PERMIT NUMBER: _____

Draft Parade Ordinance
City of La Crescent
Ordinance No. [Insert Number]

AN ORDINANCE REGULATING PARADE SAFETY AND CONDUCT WITHIN THE CITY OF LA CRESCENT

SECTION 1. PURPOSE

The purpose of this ordinance is to promote the safety of parade participants and spectators, minimize noise-related disturbances, and ensure responsible event management practices during parades held within the City of La Crescent.

SECTION 2. DEFINITIONS

1. Parade: A public procession, including floats, vehicles, or participants, organized for celebratory, commemorative, or promotional purposes along a defined route within the City of La Crescent.
2. Parade Participant: Any individual, group, organization, or entity participating in a parade.
3. Safety Plan: A document prepared by parade organizers outlining measures to ensure traffic control, security, and emergency access during the event.

SECTION 3. REGULATIONS

A. Noise Level Control

1. The use of sirens, horns, or other high-decibel noise-making devices is prohibited.

B. Candy Distribution

1. Throwing candy or any other objects from moving vehicles during parades is strictly prohibited.
2. Parade participants may distribute candy or other small items by walking alongside their floats or vehicles and handing them directly to spectators.
3. Guidelines for candy distribution shall be incorporated into the parade permit application process, and all participants must adhere to these rules.

C. Application for Parade Permit

1. Any individual or organization seeking to host a parade within the City of La Crescent must apply for a parade permit no less than 60 days prior to the scheduled date of the parade.
2. The application must be submitted to the City Clerk and must include:
 - a. Proposed date, time, and route of the parade.
 - b. Estimated number of participants and vehicles.
 - c. Contact information of the responsible organizer(s).
 - d. Complete Safety Plan, as outlined in Section D.
 - e. Proof of insurance policy naming the City of La Crescent as additional insured.
3. The City reserves the right to deny or revoke a parade permit if the applicant fails to meet safety, timing, insurance requirements or procedural requirements, or if prior violations are on record.

D. Safety Plan Requirement

1. All parade organizers must submit a Safety Plan to the City as part of the parade permit application process. The plan must address:
 - a. Traffic control measures.
 - b. Security provisions.
 - c. Emergency vehicle access.
2. The Safety Plan must be reviewed and approved by the La Crescent Police Department and Public Works Department prior to the issuance of a parade permit.

E. Nighttime Parade Safety (Torchlight Parades)

1. Parades occurring after sunset, including torchlight parades, must include additional safety measures in the submitted Safety Plan. These measures must address visibility and lighting concerns to protect both participants and spectators.
2. All floats, vehicles, and walking participants must be equipped with appropriate lighting such as LED lights, reflective materials, or other illumination devices that ensure visibility in low-light conditions.
3. Open flames (e.g., torches or fire performances) are prohibited unless specifically approved by the La Crescent Fire Department and included in the Safety Plan with detailed fire safety precautions.
4. Organizers must ensure adequate street lighting along the parade route and may be required to supplement with temporary lighting if existing infrastructure is insufficient.

D. Insurance

1. Prior to issuance of the permit by the City of La Crescent, each permittee shall furnish evidence of a liability insurance policy in amounts of not less than \$500,000 per occurrence and \$1,000,000 annual aggregate and shall be in force and effect at the time such usage is to take place. Said evidence of insurance shall include a certificate of insurance naming the City of La Crescent as additional insured in connection with said usage.

SECTION 4. ENFORCEMENT

1. Any violation of the provisions of this ordinance may result in:
 - a. Immediate suspension or termination of the parade permit.
 - b. Fines as established by the City's fee schedule.
 - c. Denial of future parade permits for the violating organization or individual.
2. Enforcement of this ordinance shall be the responsibility of the La Crescent Police Department and other City-designated personnel.

SECTION 5. EXCEPTIONS

1. Emergency vehicles participating in parades may use sirens or loud horns as necessary for public safety purposes.
2. Military observances, including ceremonial gun salutes, are permitted.
3. Other exceptions may be granted by the City Council upon request and subject to conditions deemed appropriate to ensure public safety.

SECTION 6. EFFECTIVE DATE

This ordinance shall take effect upon its adoption and publication as required by law.

TO: Honorable Mayor and City Council Members
FROM: Bill Waller, City Administrator
DATE: June 18, 2025
RE: Personnel Committee Recommendation

The Personnel Committee has the following recommendations for consideration by the City Council:

1. On July 1, 2025, Tyler Benish will have completed his second year of employment as the City's Public Works Director. Mr. Benish continues to perform the functions and duties of this position in a positive manner. As the Public Works Director Mr. Benish has worked to move numerous public improvement projects forward while also assuming responsibility for coordinating ongoing community activities. Based on his performance it is recommended that effective July 1, 2025, Mr. Benish be moved from step 3 to step 4 in the Public Works Director salary schedule.
2. On June 24, 2025, that the City Council promote Bill Kreibich to the position of Assistant Fire Chief. Mr. Kreibich will serve a 12-month probationary status as the Assistant Fire Chief. Mr. Kreibich has been on the La Crescent Fire Department since 2008 and is currently a Captain with the department. A letter from the Fire Chief regarding this recommendation is included.
3. The Personnel Committee is recommending that the City Council Approve the internal posting for the position of Captain. A letter from the Fire Chief regarding this recommendation is included.



To: Personnel Committee
Honorable Mayor and City Council Members
Bill Waller – City Administrator

From: Chief Josh Tarrence

Date: June 18th, 2025

RE: Personnel Changes

The recruitment and interview process for the second Assistant Chief position has been completed. Two letters of interest were submitted for the position. Both submitting parties were interviewed by Assistant Chief Greg Payne and myself. After consideration, we ask the council to approve promoting Captain Bill Kreibich to the position of Assistant Chief, effective June 24th, 2025. Pursuant to the terms and conditions of the Fire Department Rules and Regulations, Mr. Kreibich will serve a twelve month probationary period as Assistant Chief.

Upon approval of Bill Kreibich, a Captain's position would be open. I ask for approval to open the recruitment process to fill the open Captain's position.

Thank you for your attention and support.

Respectfully,

Josh Tarrence

Fire Chief

La Crescent Fire Department

6.1



**La Crosse County Convention & Visitors Bureau
Board Meeting
Explore La Crosse Office
123 7th Street South
Tuesday, June 17, 2025
8:00 a.m.**

Board of Directors: Jen Burch, Chair; Pete Boese, Vice Chair; Chris Roderique, Treasurer; Ryan Johnson, Secretary; Dave Ring, Pat Stephens, Nathan Franklin, Patrick Barlow, Mike Mielke, Barb Janssen, Cherryl Jostad, Dan Wick, Kalynn Kruger, Jay Patel, Ashley Santolin, Dan Kapanke, Kapena Faitau, Vicki Markussen, Brody Meier, Billy Bergeron, David Pierce, Nadia Turner, Austin Wells & Stephanie Pope

Ad Hoc: Kathleen Pielhop (DMI), Lauren Harris (La Crosse Chamber), Jay Odegaard (City of La Crosse Parks and Rec), Elizabeth Poh (La Crosse Center), Brian Meeter (La Crescent Chamber), Debbie Hosch (La Crescent Area Event Center)

Executive Director: A.J. Frels

AGENDA

1. Call to Order

Vision Statement:

A destination that inspires exploration and elevates celebrations.

Mission Statement:

Explore La Crosse strives to create a thriving and inclusive community where tourism enriches lives and uplifts all who visit or call this region home.

2. 2024 Wisconsin Impact Numbers

3. Consent Items

a. Board Minutes

May 2025

b. Financial Committee

Minutes

June 2025

Statements

May 2025

c. Community Updates

4. 2024 Audit Review – Hawkins & Ash

5. Executive Director's Report – A.J. Frels

6. Committees

- a. Membership & Grants - Pat Stephens
- b. Convention/Sales – Jen Burch
- c. Marketing/Media - Jay Patel
- d. Belonging and Mattering Committee – Jen Burch

7. Old Business

- a. Beer, Wine, and Cheese Recap
- b. Trolley Sponsorships
- c. Explore La Crosse/Loggers – July 8
- d. Annual Luncheon, July 22 – Onalaska Community Center
- e. Highway Cleanup Recap (WI 9/16 & MN 9/23)

8. New Business

- a. Potential New Advisory Board Member - Shawwna Bortz
- b. C D Renewal
- c. WIAA State Track and Field
- d. Conflict of Interest Form

9. Adjournment

The Next Scheduled Board Meeting is scheduled for July 29, starting at 8:00 a.m.
at the LCCVB Office at 123 7th Street South, La Crosse.

Celebrating Staff Birthdays and Anniversaries

Birthdays

Ben 6/19

Dayle 7/28

Explore La Crosse Employment Anniversaries

None at this time



LA CROSSE COUNTY CONVENTION & VISITORS BUREAU
BOARD MEETING
May 20, 2025– 8:00 a.m.

Board Members:

Present: Jen Burch, Pete Boese, Dan Wick, Ryan Johnson, Dave Ring, Brody Meier, Ashley Santolin, Barb Janssen,

Cherryl Jostad, Austin Wells, Patrick Barlow, David Pierce, Kalynn Krueger, Pat Stephens, Jay Patel, Billy Bergeron,

Mike Mielke, Stephanie Pope, Kapena Faitau, Elizabeth Poh

Excused: Chris Roderique, Lauren Harris, Kathleen Pielhop, Brian Meeter, Jay Odegard, Debbie Hosch

Absent: Nadia Turner, Dan Kapanke, Nathan Franklin, Vicki Markussen

Others Present: Executive Director: A.J. Frels, Director of Finance & Human Resources: Michelle Hoch

PROCEEDINGS:

J. Burch brought the meeting to order at 8:04 a.m.

Vision, Mission and Values

Introduction: Mike Mielke, City of Onalaska, Welcome to the Explore La Crosse Board of Directors

Consent Items:

MOTION: to approve the Board minutes-April 2025, Finance May 2025 Minutes, Statements April 2025, and Community Updates. (P. Stephens, D. Ring) Carried.

EXECUTIVE DIRECTOR REPORT:

-AJ attended the Destinations Wisconsin day at the Capitol on April 29th in Madison. Topics of discussion included the budget needs for the department, September 1st school start date, funding for the one-time grants program, and funding for the arts program.

-AJ's term with the Wisconsin Tourism Council will conclude on June 30th after serving six years and 11 months.

-Jeremiah and AJ attended the Community Trail Farm groundbreaking on April 11th.

-The event planning is progressing for the WIAA State Track and Field Championships. The breakfast format has been changed to grab-and-go at fieldhouse to help on cost savings, and the Volunteer recognition will occur at the stadium in front of the audience.

-AJ met with Zartico to obtain information regarding travel and tourism for the 2025 season. The information was included in the meeting packet for review. The report is showing the biggest impact of the decline in international travel, primarily Canadian travel to the USA. The reports shows that we may see a drop of as much as 51% in this area.

-Due to revenue being down, AJ has had discussions with all departments regarding controlling expenses and cut back on spending at this time.

COMMUNITY PARTNER UPDATE:

N/A

EVENT CENTER UPDATE:

a. La Crosse Center-Elizabeth reported several items including the upcoming Propane convention, Dwight Yoakam concert, Trivia on the Terrace Friday evenings in the summer months, Four State Nutrition for 2026, and the Christian Leadership Conference.

b. Omni Center-Dan reported that they are moving into the ice season in the back arena. Move in to the new Dash Center beginning May 24th. The Senior meal site moving to the new facility starting June 16th.

COMMITTEE REPORTS:

Membership - Reports were distributed. Revenue for April 2025 was \$7,250.00 budgeted for \$8,200.

Grants- Reports were distributed. Thus far, \$33,250 has been awarded in grants.

Convention/Sales- The recent May Impact meeting was held aboard the La Crosse Queen.

Marketing/Media-Updates and work continue with Madden Media on the website design.

Belonging and Mattering Committee- The next meeting will be held on July 16th. The dedication for the Ho-Chunk Gardens will be held in September.

OLD BUSINESS:

- Beer, Wine and Cheese Update-the report was distributed for review. Ticket sales were down this year, and the plan is to look into other options to revamp the event to adapt to changing consumer preferences.
- Trolley Sponsorships-the goal is to have six sponsor logos on the trolley; at this time we have three sponsors, including; Radisson, Courtyard, and Home 2.
- New Council Members Meetings Update-AJ has reached out the council members of the City of La Crosse and City of Onalaska to schedule one-on-one meetings. Between both communities, only four people have not yet scheduled a time to meet with AJ.
- WisDOT Adopt A Highway Dates- Thank you to everyone who signed up to participate in the highway clean up project. The following dates have been set, May 27&29, August 5&12, and September 16&23. Please let AJ know if you are able to help with the project by accepting the calendar invites that have been sent. Your help is greatly appreciated.

NEW BUSINESS:

- Membership Media Kit-Haleigh created a "Media Kit" for meeting with stakeholders and for Kaytlin to use when talking with potential new members.
- Annual Luncheon-has been set for July 22 and will be held at the Onalaska Community Center. The keynote speaker will be Melissa Luebbe, Vice President of Client Development with Longwoods International. Melissa will speak on The Outlook for American Travel in 2025.
- 2024 Audit Update- the audit is close to being completed, Michelle is following up with Hawkins on a couple additional items. We will let the committee know when Hawkins is ready to present the audit for review.

Meeting adjourned at 8:52 am

Next Board Meeting: June 17 at 8:00am.

Respectfully submitted, Michelle Hoch