HOPKINS CITY COUNCIL
AGENDA
Tuesday, December 21, 2021
7:00 pm

THIS AGENDA IS SUBJECT TO CHANGE
UNTIL THE START OF THE CITY COUNCIL MEETING

Schedule HRA Special Meeting, 7 p.m. – City Council Meeting immediately following HRA Special Meeting

I. CALL TO ORDER

II. ADOPT AGENDA

III. PRESENTATIONS

1. Recognition of Mayor Gadd, Council Member Brausen and Council Member Halverson

IV. CONSENT AGENDA

1. Minutes of the December 6, 2021 City Council Special Meeting Proceedings
2. Minutes of the December 7, 2021 City Council Regular Meeting Proceedings
3. Minutes of the December 14, 2021 City Council Work Session Proceedings
4. Resolution Designating Polling Places; Domeier
5. Resolution Approving the Memorandum of Agreement between the State of Minnesota and Local Governments and Authorizing Participation in National Opioid Settlement; Domeier
6. Resolution Approving State of Minnesota Joint Powers Agreement with the City of Hopkins on behalf of its City Attorney and Police Department; Domeier
7. Second Reading: Ordinance 2021-1177 Rezoning Property at 325 Blake Road North Lindahl
8. 325 Blake Road North – Mile 14 on Minnehaha Creek Final Plat; Lindahl
9. Contract for Private Redevelopment - 325 Blake Road; Elverum

V. PUBLIC HEARING

VI. OLD BUSINESS

VII. NEW BUSINESS

1. Approve Final Plans and Order Bids – 2022 Street and Utility Improvements, City Project 2021-010; Klingbeil
2. 325 Blake Road Planned Unit Development (PUD) Agreement; Lindahl
3. Resolution Calling for a Public Hearing and Providing Preliminary Approval for the Issuance of Housing Revenue Bonds for the Benefit of Alatus LLC; Bishop

VIII. PUBLIC COMMENT

IX. ANNOUNCEMENTS

- Next City Council Regular Meeting: Tuesday, January 4 at 7 p.m.

X. ADJOURN

HOPKINS CITY COUNCIL
SPECIAL MEETING PROCEEDINGS
DECEMBER 6, 2021

CALL TO ORDER

Pursuant to due call and notice thereof a regular meeting of the Hopkins City Council was held on Monday, December 6, 2021 at 7:00 p.m. in the Council Chambers at City Hall, 1010 1st Street South.

Mayor Pro Tempore Halverson called the meeting to order with Council Members Beck, Brausen and Hunke attending. Mayor Gadd was absent. Others attending included City Manager Mornson, City Clerk Domeier, Assistant City Manager Lenz and Finance Director Bishop.

ADOPT AGENDA

Motion by Hunke. **Second** by Brausen.

Motion to Adopt the Agenda.

Ayes: Beck, Brausen, Halverson, Hunke, Gadd
Nays: None. Motion carried.

PUBLIC HEARINGS

III.1. 2022 Budget Meeting, 2022 Tax Levy and General and Special Revenue Fund Budgets; Bishop

Finance Director Bishop provided a summary of Council Report 2021-121. The budget in its current form recommends spending in the general fund at $16,173,620 and a total tax levy of $18,140,100. The recommended levy has been reduced by $269,608 from the preliminary levy. In addition, a proposed HRA levy of $391,302 is also being recommended.

Mayor Pro Tempore Halverson opened the Public Hearing at 7:13 p.m.

Vick Harveth, 5901 Laurel Avenue, Unit #129, Golden Valley, manager of condo units in Hopkins, spoke of the affordable housing units, rising taxes and impact to renters.

Bryan Bjornson, 11th Avenue South, encouraged the City Council to find ways to reduce the debt and limit future debt increases.

Lee Browning, 130 20th Avenue South, spoke of the property increases to her property over the past ten years. She questioned what the City was going to do to increase the tax base. Council Member Brausen provided history on the Mainstreet vacancies, infrastructure improvements and programs available to help residents. Council Member Hunke spoke to the increase in the valuation of homes.

Ben Goodlund, 306 9th Avenue North, questioned use of upcoming Covid relief funds for tax relief, ways to generate tax growth and requirements for retail projects, and the inflated property values.

Motion by Brausen. **Second** by Beck.

Motion to close the Public Hearing.

Ayes: Beck, Brausen, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

Council Member Hunke explained the use of TIF at the 325 Blake Road project. Council Member Beck also commented that the retail market is not doing well and developers are not investing in vacant retail spaces. He also spoke to the restrictions for using the American Rescue Act funds. Mr. Bishop reiterated the rules moving forward. Brief discussion was held on the property values.

Motion by Brausen. **Second** by Beck.

Motion to Adopt Resolution 2021-084 approving the 2022 tax levy and adopting the 2022 General and Special Revenue Fund budgets.

Ayes: Beck, Brausen, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

ANNOUNCEMENTS
Mayor Pro Tempore Halverson provided the upcoming meeting schedule.

ADJOURNMENT
There being no further business to come before the City Council and upon a motion by Brausen, second by Hunke, the meeting was unanimously adjourned at 8:00 p.m.

Respectfully Submitted,
Amy Domeier, City Clerk

ATTEST:

_____
Jason Gadd, Mayor

_____
Amy Domeier, City Clerk

HOPKINS CITY COUNCIL
REGULAR MEETING PROCEEDINGS
DECEMBER 7, 2021

CALL TO ORDER

Pursuant to due call and notice thereof a regular meeting of the Hopkins City Council was held on Tuesday, December 7, 2021 at 7:05 p.m. in the Council Chambers at City Hall, 1010 1st Street South.

Mayor Pro Tempore Halverson called the meeting to order with Council Members Beck, Brausen and Hunke attending. Mayor Gadd was absent. Others attending included City Manager Mornson, City Clerk Domeier, Assistant City Manager Lenz, City Attorney Riggs, Director of Planning and Development Elverum, Community Development Coordinator Youngquist, City Planner Lindahl, Fire Chief Specken, Finance Director Bishop and Director of Public Works Stanley.

ADOPT AGENDA

Mayor Pro Tempore Halverson stated that the Presentation order will be reversed with Item 2 TIF Management Plan Update discussed first followed by Item 1 Financial Assistance Request – 325 Blake.

Motion by Hunke. **Second** by Beck.

Motion to Adopt the Agenda as Amended.

Ayes: Beck, Brausen, Halverson, Hunke
Nays: None. Absent: Gadd. Motion carried.

CONSENT AGENDA

Motion by Brausen. **Second** by Hunke.

Motion to Approve the Consent Agenda.

1. Minutes of the November 16, 2021 City Council Regular Meeting Proceedings
2. Amendment to 2022 City Council Meeting Schedule; Domeier
3. Ratify Checks Issued in November 2021; Bishop
4. Second Reading of Ordinance Amending Fees in Appendix A; Imihy Bean
5. Renewal of General Liability and Property Insurance and Authorize not Waiving the Statutory Tort Liability of the League of Minnesota Cities Insurance Trust Policy; Bishop
6. Resolution Approving Increase in Relief Association Benefit; Specken

Ayes: Beck, Brausen, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

NEW BUSINESS

VI.1. Conditional Use Permit for the Blake School Campus Improvements; Lindahl

City Planner Lindahl provided a summary of Council Report 2021-112. The Blake School, requests approval of a conditional use permit to allow for the construction of an Early Learning Center (ELC), pedestrian and vehicle improvements to Campus Drive and the construction of a Transportation and Grounds Maintenance Facility.

Council Member Brausen requested more information on the neighborhood meetings held. Dan Kelley, CFOO for Blake Schools, provided an update on neighborhood meetings and noise mitigation measures. Brief discussion was held about the tree canopy on the trail. Mr. Kelley indicated that trees removed will be replaced.

Motion by Beck. **Second** by Brausen.

> **Motion** to adopt Resolution 2021-075, approving a conditional use permit for The Blake School located at 110 Blake Road, subject to conditions.
>
> **Ayes: Beck, Brausen, Halverson, Hunke**
> **Nays: 0. Absent: Gadd. Motion carried.**

VI.2. 325 Blake Road Environmental Assessment Worksheet (EAW); Lindahl

City Planner Lindahl stated that Bob Lux, CEO of Atlatus and Walter Hughes, Humphries and Partners were present to give an overall presentation of the 325 Blake Road North Redevelopment Project.

Alison Harwood, Director of Natural Resources with WSB & Associates provided a summary of Council Report 2021-113. Pursuant to Minnesota Rule 4410.4300, the City of Hopkins is the Responsible Government Unit (RGU) for the Environmental Assessment Worksheet (EAW) for the proposed 325 Blake Road Development (Project).

Motion by Hunke. **Second** by Brausen.

> **Motion** to adopt Resolution 2021-076 making a negative declaration of need regarding an Environmental Impact Statement for the 325 Blake Road Development.
>
> **Ayes: Beck, Brausen, Halverson, Hunke**
> **Nays: 0. Absent: Gadd. Motion carried.**

VI.3. First Reading: 325 Blake Road Rezoning and Planned Unit Development (PUD); Lindahl

City Planner Lindahl provided a summary of Council Report 2021-114. Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), requests rezoning and planned unit development (PUD) approvals for the property located at 325 Blake Road.

The City Council thanked Alatus for their design work on the site and the many opportunities and connections created.

Motion by Beck. **Second** by Hunke.

Motion to adopt Resolution 2021-077 approving the first reading of Ordinance 2021-1177 rezoning the property at 325 Blake Road North (PID 19-117-21-14-0002) from I-2, General Industrial to Mixed Use with a Planned Unit Development (PUD), subject to conditions.

Ayes: Beck, Brausen, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

VI.4. Preliminary Plat Review – Mile 14 on Minnehaha Creek Addition; Lindahl
City Planner Lindahl provided a summary of Council Report 2021-115. Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), requests approval of the Mile 14 on Minnehaha Creek preliminary plat.

Brief discussion was held regarding the proposed outlots. Mr. Lindahl confirmed that MCWD is aware and supportive of the proposed outlots.

Motion by Hunke. **Second** by Beck.

Motion to adopt Resolution 2021-078, approving the Mile 14 on Minnehaha Creek preliminary plat.

Ayes: Beck, Brausen, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

VI.5. 325 Blake Road Site Plan Review – Site A; Lindahl
City Planner Lindahl summarized Council Report 221-116. Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), requests site plan approval for Site A within the overall 325 Blake Road redevelopment.

Motion by Brausen. **Second** by Beck.

Motion to adopt Resolution 2021-079 approving the site plan for 325 Blake Site A, subject to conditions.

Ayes: Beck, Brausen, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

VI.6. 325 Blake Road Site Plan Review – Site B; Lindahl
City Planner Lindahl summarized Council Report 2201-117. Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), requests site plan approval for Site B within the overall 325 Blake Road redevelopment.

Motion by Beck. **Second** by Hunke.

Motion to adopt Resolution 2021-080 approving the site plan for 325 Blake Road Site B, subject to conditions.

Ayes: Beck, Brausen, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

VI.7. 325 Blake Road Site Plan Review – Site C; Lindahl

City Planner Lindahl summarized Council Report 2021-118. Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), requests site plan approval for Site C within the overall 325 Blake Road redevelopment.

Brief discussion was held about integrating public art along the bike trail.

Motion by Hunke. **Second** by Beck.

Motion to adopt Resolution 2021-081 recommending the City Council approve the site plan for 325 Blake Site C, subject to conditions.

Ayes: Beck, Brausen, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

VI.8. 325 Blake Road Site Plan Review – Site D; Lindahl

City Planner Lindahl provided a summary of Council Report 2021-119. Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), requests site plan approval for Site D within the overall 325 Blake Road redevelopment.

Motion by Beck. **Second** by Hunke.

Motion to adopt Resolution 2021-082 approving the site plan for 325 Blake Road Site D, subject to conditions.

Ayes: Beck, Brausen, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

PRESENTATIONS

VII.1. TIF Management Plan Update; Elverum

Stacie Kvilvang, Ehlers Public Municipal Advisors, presented an update of Hopkins TIF Management Plan including the use of Spending Plan dollars, incorporation of special legislation received in 2019 and allowing an additional 10% to be spent on affordable housing from TIF 2-11, and modification to TIF Note C in TIF 1-5 to allow for payment from TIF 2-11.

Council Member Brausen asked if other options are available and questioned how the recommendations were developed. Ms. Kvilvang provided the reasoning behind the recommendations and future modifications. Council Member Beck confirmed the

decertification process. Council Member Mornson requested an explanation of the special legislative authority and how it affects the spending plan.

VII.2. Financial Assistance Request – 325 Blake; Elverum

Stacie Kvilvang, Ehlers Public Municipal Advisors, presented the preliminary request for financial assistance and draft terms for the redevelopment project by Alatus for 325 Blake Road.

ANNOUNCEMENTS

Mayor Pro Tempore Halverson provided the upcoming meeting schedule.

ADJOURNMENT

There being no further business to come before the City Council and upon a motion by Brausen, second by Hunke, the meeting was unanimously adjourned at 9:35 p.m.

Respectfully Submitted,
Amy Domeier, City Clerk

ATTEST:

_____
Jason Gadd, Mayor

_____
Amy Domeier, City Clerk

HOPKINS CITY COUNCIL
REGULAR MEETING PROCEEDINGS
DECEMBER 14, 2021

CALL TO ORDER

Pursuant to due call and notice thereof a special meeting of the Hopkins City Council was held on Tuesday, December 14, 2021 at 6:30 p.m. in the Council Chambers at City Hall, 1010 1st Street South.

Mayor Gadd called the meeting to order with Council Members Beck, Brausen, Halverson and Hunke attending. Others attending included City Manager Mornson, City Clerk Domeier, Assistant City Manager Lenz, City Attorney Riggs, Finance Director Bishop and Management Analyst Imihy Bean.

ADOPT AGENDA

Motion by Brausen. **Second** by Beck.

> **Motion** to Adopt the Agenda.
>
> **Ayes: Beck, Brausen, Gadd, Halverson, Hunke**
> **Nays: None. Motion carried.**

NEW BUSINESS

VII.1. Discussion Regarding the 2022 Park Board Work Plan; Imihy Bean

Management Analyst Imihy Bean provided a summary of Council Report 2021-126. The Park Board has been working to develop a work plan which guides the direction of the board for the 2022 year. The Park Board identified three priorities for the year: developing a Parks Master Plan; study and develop a recommendation on how sustainability does or does not fit within the scope of the Park Board; and develop a document outlining the decision-making abilities of the park board, policies, and identifying best practices for working with partners within the parks system. Vice Chair Meg Slindee represented the Park Board by providing details on each initiative.

Discussion was held regarding the new youth members, the parks master plan, future of Central Park, various types of playground equipment, community engagement, the comprehensive plan goals and expanding the definition of parks.

VII.2. Adoption of 2022-2026 Equipment Replacement Plan; Bishop

Finance Director Bishop provided a summary of Council Report 2021-123. The equipment replacement plan is a detailed summary of the next five years projected equipment purchases. General and Special Revenue (except Arts Center) fund equipment items are placed in the Equipment Replacement Fund budget which derives its revenues from service charges to the General and Special Revenue funds, tax levy, equipment sales and interest earnings.

Motion by Beck. **Second** by Halverson.

> **Motion** to adopt the 2022-2026 Equipment Replacement Plan.

Ayes: Beck, Brausen, Gadd, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

VII.3. Adoption of 2022-2026 Capital Improvement Plan; Bishop
Finance Director Bishop provided a summary of Council Report 2021-124. The Capital Improvements Plan is a planning document intended to help the City anticipate major capital items and to consider the financial impact of proceeding with those planned improvements.

Council Member Brausen commented on the permanent revolving fund in relation to the street projects. He was supportive of the staff pushing forward with the street projects.

Council Member Hunke commented on the parking improvement fund. He questioned delaying the Central Park updates until the Park Master Plan is completed. Management Analyst Imihy Bean concurred that the funds should not be spent until the plan is completed.

Mayor Gadd commented on both plans setting the expectations for 2023-2026 and the focus on long term goals.

Motion by Halverson. **Second** by Hunke.

Motion to adopt the 2022-2026 Capital Improvements Plan.

Ayes: Beck, Brausen, Gadd, Halverson, Hunke
Nays: 0. Absent: Gadd. Motion carried.

ANNOUNCEMENTS
Mayor Gadd provided the upcoming meeting schedule.

ADJOURNMENT
There being no further business to come before the City Council and upon a motion by Brausen, second by Hunke, the meeting was unanimously adjourned at 7:05 p.m.

Respectfully Submitted,
Amy Domeier, City Clerk

ATTEST:

_____
Jason Gadd, Mayor

_____
Amy Domeier, City Clerk

December 21, 2021 **Council Report 2021-125**

Resolution Designating Polling Places

Staff recommends approval of the following motion: Move to approve Resolution 2021-085 Designating Polling Places for the 2022 elections.

Overview

According to State law, municipalities must designate polling places for each election precinct for the following calendar year. This must be done by December 31. A polling place must be located within the boundaries of the precinct or within one mile of those boundaries.

There are currently 6 voting precincts in Hopkins and no polling location changes are proposed at this time. After legislative redistricting is completed next year, precinct boundaries will have to be reestablished and polling places will have to be designated again at least 19 weeks before the state primary.

Primary Issues to Consider

- Law requires the designation of polling places.
- Staff is not recommending any changes to the current polling locations.

Supporting Information

- Resolution 2021-085

Amy Domeier, City Clerk

Financial Impact: $_____ Budgeted: Y/N ____ Source: _____
Related Documents (CIP, ERP, etc.): _____
Notes: _____

CITY OF HOPKINS
HENNEPIN COUNTY, MINNESOTA

RESOLUTION 2021-085

A RESOLUTION DESIGNATING POLLING PLACES

WHEREAS, Minnesota Statutes 204B.16, subd. 1 requires the City Council, by ordinance or resolution, to designate polling locations for the upcoming year; and

WHEREAS, polling places shall be located within the boundaries of the precinct or within one mile of one of those boundaries; and

WHEREAS, changes to the polling locations may be made at least 90 days before the next election if one or more of the authorized polling places becomes unavailable for use; and

WHEREAS, changes to the polling locations may be made in the case of an emergency when it is necessary to ensure a safe and secure location for voting.

THEREFORE, NOW BE IT RESOLVED by the City Council of the City Hopkins hereby designates the following polling places for elections conducted in the City in 2022:

Precinct 1:	Mizpah United Church of Christ – Spirit of Peace, 412 5th Ave. N.
Precinct 2:	Zion Lutheran Church, 241 5th Ave. N.
Precinct 3:	Hopkins Pavilion, 11000 Excelsior Boulevard
Precinct 4:	Hopkins Activity Center, 33 14th Ave. N.
Precinct 5:	Alice Smith Elementary School, 801 Minnetonka Mills Rd
Precinct 6:	Hopkins Fire Station, 101 17th Ave. S.

ADOPTED this 21st day of December, 2021, by the City Council of the City of Hopkins.

By _____
Jason Gadd, Mayor

ATTEST:

_____
Amy Domeier, City Clerk

December 21, 2021 **Council Report 2021-129**

Resolution Approving the Memorandum of Agreement between the State of Minnesota and Local Governments and Authorizing Participation in National Opioid Settlement

Proposed Action

Staff recommends that the Council approve the following motion: Approve Resolution 2021-129 Approving the Memorandum of Agreement between the State of Minnesota and Local Governments and Authorizing Participation in National Opioid Settlement.

Overview

After years of negotiations, two proposed nationwide settlement agreements ("Settlements") have been reached that would resolve all opioid litigations brought by states and local political subdivisions against the three largest pharmaceutical distributors, McKesson, Cardinal Health and AmerisourceBergen ("Distributors"), and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson (collectively, "Janssen"). The proposed Settlements require the Distributors and Janssen to pay billions of dollars to abate the opioid epidemic.

Minnesota has elected to participate in both of the two national Settlements against the Distributors, and Janssen, which allows the City of Hopkins (as a subdivision) the opportunity to opt-in to the Settlements to which our state has agreed. The more subdivisions that participate, the greater the amount of funds that flow to that state and its participating subdivisions. The sign-on period for subdivisions ends on January 2, 2022, which requires Council action at the December 21 meeting.

It is estimated that Minnesota could receive more than $296 million spread out across 18 years as part of this multi-state settlement. The funds would be allocated to participating localities (75%) and the State of Minnesota (25%). Additional details on the allocation to cities and counties is expected in the near future.

Supporting Information

- Resolution 2021-099
- Letter From Attorney General Keith Ellison
- Memorandum of Agreement
- Janssen National Opioids Settlement Form
- Subdivision Settlement Participation Form
- Pre-Approved Abatement Uses

Amy Domeier, City Clerk

CITY OF HOPKINS
HENNEPIN COUNTY, MINNESOTA

RESOLUTION 2021-099

RESOLUTION APPROVING THE MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE STATE OF MINNESOTA AND LOCAL GOVERNMENTS AND AUTHORIZING PARTICIPATION IN NATIONAL OPIOID SETTLEMENTS

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

Section 1. Recitals

1.01. The State of Minnesota, Minnesota counties and cities, and their people, have been harmed by misconduct committed by certain entities that engage in the manufacture, marketing, promotion, distribution, or dispensing of opioids.

1.02. The State of Minnesota and numerous Minnesota cities and counties joined with thousands of local governments across the country to file lawsuits against opioid manufacturer and pharmaceutical distribution companies and hold those companies accountable for their misconduct.

1.03. Representatives of local Minnesota governments, the League of Minnesota Cities, the Association of Minnesota Counties, the Coalition of Greater Minnesota Cities, the State of Minnesota, and the Minnesota Attorney General's Office have negotiated and prepared a Memorandum of Agreement (MOA) to provide for the equitable distribution of proceeds to the State of Minnesota and to individual local governments from recent settlements in the national opioid litigation.

1.04. By signing onto the MOA, the state and local governments maximize Minnesota's share of opioid settlement funds, demonstrate solidarity in response to the opioid epidemic, and ensure needed resources reach the most impacted communities.

1.05. It is in the best interests of the State of Minnesota and the residents of the City of Hopkins, and the County of Hennepin, that the City participate in the national opioid litigation settlements.

Section 2. Findings for the Adoption and Approval of the Memorandum of Agreement

2.01. The recitals set forth above are incorporated into and made part of this Resolution.

2.02. Participation in the opioid litigation settlements promotes the public health, safety, and welfare of the residents of the City of Hopkins.

2.03. The City of Hopkins supports and opts-in to the national opioid litigation settlements with the Distributors McKesson, Cardinal Health, and Amerisource Bergen, and with the Manufacturer Johnson & Johnson.

2.04. The Memorandum of Agreement (MOA) between the State of Minnesota and Local Governments relating to the distribution of settlement funds is hereby approved by the City of Hopkins.

2.05. The Mayor and City Administrator are hereby authorized to take such measures as necessary to sign the MOA and otherwise participate in the national opioid settlements, including executing the Participation Agreement and accompanying Release.

2.06. The Mayor and City Administrator are hereby authorized and directed to execute all appropriate documents to effectuate the action contemplated by this Resolution.

2.07. The Mayor and City Administrator, staff, and consultants are hereby authorized and directed to take any and all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution, including but not limited to all compliance with all necessary settlement requirements and procurement procedures.

Adopted by the City Council of the City of Hopkins this 21st day of December, 2021.

By _____
Jason Gadd, Mayor

ATTEST:

_____
Amy Domeier, City Clerk

The Office of
Minnesota Attorney General Keith Ellison
helping people afford their lives and live with dignity and respect • www.ag.state.mn.us

December 8, 2021

Dear Minnesota Cities and Counties:

I'm pleased to announce that counties, cities, and the State of Minnesota have reached an agreement that will govern how funds from recently announced settlements with opioid companies will be distributed within Minnesota. In order to finalize this agreement, I am asking you to sign the enclosed State-Subdivision Memorandum of Agreement (MN MOA) and also to join both settlements with opioid distributors McKesson, AmerisourceBergen, and Cardinal Health, and opioid manufacturer Johnson & Johnson by **January 2, 2022**. Minnesota stands to receive more than $300 million from these settlements, the vast majority of which will go to cities and counties, but we need your cities and counties to sign on to the settlements to maximize the resources to fight the epidemic. Simply put, the more cities and counties that sign on by January 2, 2022, the more money we will have for treatment, prevention, and a whole host of programs and strategies to abate this crisis.

Over the last few months, my Office has been working tirelessly with cities and counties to come to an agreement on allocation and distribution of opioid settlement funds. We have been working alongside the Association of Minnesota Counties, the League of Minnesota Cities, the Coalition of Greater Minnesota Cities, representatives from litigating cities and counties, members of the Opioid Epidemic Response Advisory Council, the Governor's Office, and numerous state agencies, among others. The MN MOA is the result of this work.

Since 2000, the opioid epidemic has cost more than 5,400 Minnesotans their lives, and has torn families apart and ravaged communities. The last year has been especially hard, as the COVID-19 pandemic has caused a surge in opioid overdoses, both fatal and nonfatal. No amount of money will ever be enough to make up for the damage and destruction caused by these companies, but these historic agreements are at least a measure of accountability, if not justice.

Enclosed with this letter are several documents with more information about these agreements. Additional information about the settlements and how they will be implemented in Minnesota can be found on our website at www.ag.state.mn.us/opioids. Also, please do not hesitate to contact my Office with any questions you may have. You can send an email to opioids@ag.state.mn.us, or leave a voicemail at (612) 429-7126.

Sincerely,

Keith Ellison

KEITH ELLISON
Attorney General

Enclosures: *Minnesota Opioids State-Subdivision Memorandum of Agreement*
Executive Summary
One-Page Overview
Frequently Asked Questions
Checklist

MINNESOTA OPIOIDS STATE-SUBDIVISION MEMORANDUM OF AGREEMENT

WHEREAS, the State of Minnesota, Minnesota counties and cities, and their people have been harmed by misconduct committed by certain entities that engage in or have engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic;

WHEREAS, certain Minnesota counties and cities, through their counsel, and the State, through its Attorney General, are separately engaged in ongoing investigations, litigation, and settlement discussions seeking to hold opioid manufacturers and distributors accountable for the damage caused by their misconduct;

WHEREAS, the State and Local Governments share a common desire to abate and alleviate the impacts of the misconduct described above throughout Minnesota;

WHEREAS, while the State and Local Governments recognize the sums which may be available from the aforementioned litigation will likely be insufficient to fully abate the public health crisis caused by the opioid epidemic, they share a common interest in dedicating the most resources possible to the abatement effort;

WHEREAS, the investigations and litigation with Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson have resulted in National Settlement Agreements with those companies, which the State has already committed to join;

WHEREAS, Minnesota's share of settlement funds from the National Settlement Agreements will be maximized only if all Minnesota counties, and cities of a certain size, participate in the settlements;

WHEREAS, the National Settlement Agreements will set a default allocation between each state and its political subdivisions unless they enter into a state-specific agreement regarding the distribution and use of settlement amounts;

WHEREAS, this Memorandum of Agreement is intended to facilitate compliance by the State and by the Local Governments with the terms of the National Settlement Agreements and is intended to serve as a State-Subdivision Agreement under the National Settlement Agreements;

WHEREAS, this Memorandum of Agreement is also intended to serve as a State-Subdivision Agreement under resolutions of claims concerning alleged misconduct in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic entered in bankruptcy court that provide for payments (including payments through a trust) to both the State and Minnesota counties and cities and allow for the allocation between a state and its political subdivisions to be set through a state-specific agreement; and

WHEREAS, specifically, this Memorandum of Agreement is intended to serve under the Bankruptcy Resolutions concerning Purdue Pharma and Mallinckrodt as a qualifying Statewide Abatement Agreement.

I. Definitions

As used in this MOA (including the preamble above):

"Approved Uses" shall mean forward-looking strategies, programming, and services to abate the opioid epidemic that fall within the list of uses on **Exhibit A.** Consistent with the terms of the National Settlement Agreements and Bankruptcy Resolutions, "Approved Uses" shall include the reasonable administrative expenses associated with overseeing and administering Opioid Settlement Funds. Reimbursement by the State or Local Governments for past expenses are not Approved Uses.

"Backstop Fund" is defined in Section VI.B below.

"Bankruptcy Defendants" mean Purdue Pharma L.P. and Mallinckrodt plc.

"Bankruptcy Resolution(s)" means resolutions of claims concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic by the Bankruptcy Defendants entered in bankruptcy court that provide for payments (including payments through a trust) to both the State and Minnesota counties and municipalities and allow for the allocation between the state and its political subdivisions to be set through a state-specific agreement.

"Counsel" is defined in Section VI.B below.

"County Area" shall mean a county in the State of Minnesota plus the Local Governments, or portion of any Local Government, within that county.

"Governing Body" means (1) for a county, the county commissioners of the county, and (2) for a municipality, the elected city council or the equivalent legislative body for the municipality.

"Legislative Modification" is defined in Section II.C below.

"Litigating Local Governments" mean a Local Government that filed an opioid lawsuit(s) on or before December 3, 2021, as defined in Section VI.B below.

"Local Abatement Funds" are defined in Section II.B below.

"Local Government" means all counties and cities within the geographic boundaries of the state of Minnesota.

"MDL Matter" means the matter captioned *In re National Prescription Opiate Litigation*, MDL 2804, pending in the United States District Court for the Northern District of Ohio.

"Memorandum of Agreement" or "MOA" mean this agreement, the Minnesota Opioids State-Subdivision Memorandum of Agreement.

"National Settlement Agreements" means the national opioid settlement agreements with the Parties and one or all of the Settling Defendants concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic.

"Opioid Settlement Funds" shall mean all funds allocated by the National Settlement Agreements and any Bankruptcy Resolutions to the State and Local Governments for purposes of opioid remediation activities or restitution, as well as any repayment of those funds and any interest or investment earnings that may accrue as those funds are temporarily held before being expended on opioid remediation strategies.

"Opioid Supply Chain Participants" means entities that engage in or have engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic, including their officers, directors, employees, or agents, acting in their capacity as such.

"Parties" means the State and the Participating Local Governments.

"Participating Local Government" means a county or city within the geographic boundaries of the State of Minnesota that has signed this Memorandum of Agreement and has executed a release of claims with the Settling Defendants by signing on to the National Settlement Agreements. For the avoidance of doubt, a Local Government must sign this MOA to become a "Participating Local Government."

"Region" is defined in Section II.H below.

"Settling Defendants" means Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson, as well as their subsidiaries, affiliates, officers, and directors named in a National Settlement Agreement.

"State" means the State of Minnesota by and through its Attorney General, Keith Ellison.

"State Abatement Fund" is defined in Section II.B below.

II. Allocation of Settlement Proceeds

A. Method of distribution. Pursuant to the National Settlement Agreements and any Bankruptcy Resolutions, Opioid Settlement Funds shall be distributed directly to the State and directly to Participating Local Governments in such proportions and for such uses as set forth in this MOA, provided Opioid Settlement Funds shall not be considered funds of the State or any Participating Local Government unless and until such time as each annual distribution is made.

B. Overall allocation of funds. Opioid Settlement Funds will be initially allocated as follows: (i) 25% directly to the State ("State Abatement Fund"), and (ii) 75% directly to abatement funds established by Participating Local Governments ("Local Abatement Funds"). This initial allocation is subject to modification by Sections II.F, II.G, and II.H, below.

C. Statutory change.

1. The Parties agree to work together in good faith to propose and lobby for legislation in the 2022 Minnesota legislative session to modify the distribution of the State's Opiate Epidemic Response Fund under Minnesota Statutes section 256.043, subd. 3(d), so that "50 percent of the remaining amount" is no longer appropriated to county social services, as related to Opioid Settlement Funds that are ultimately placed into the Minnesota Opiate Epidemic Response Fund ("Legislative Modification").[1] Such efforts include, but are not limited to, providing testimony and letters in support of the Legislative Modification.

2. It is the intent of the Parties that the Legislative Modification would affect only the county share under section 256.043, subd. 3(d), and would not impact the provision of funds to tribal social service agencies. Further, it is the intent of the Parties that the Legislative Modification would relate only to disposition of Opioid Settlement Funds and is not predicated on a change to the distribution of the Board of Pharmacy fee revenue that is deposited into the Opiate Epidemic Response Fund.

D. Bill Drafting Workgroup. The Parties will work together to convene a Bill Drafting Workgroup to recommend draft legislation to achieve this Legislative Modification. The Workgroup will meet as often as practicable in December 2021 and January 2022 until recommended language is completed. Invitations to participate in the group shall be extended to the League of Minnesota Cities, the Association of Minnesota Counties, the Coalition of Greater Minnesota Cities, state agencies, the Governor's Office, the Attorney General's Office, the Opioid Epidemic Response Advisory Council, the Revisor's Office, and Minnesota tribal representatives. The Workgroup will host meetings with Members of the Minnesota House of Representatives and Minnesota Senate who have been involved in this matter to assist in crafting a bill draft.

E. No payments until August 1, 2022. The Parties agree to take all steps necessary to ensure that any Opioid Settlement Funds ready for distribution directly to the State and Participating Local Governments under the National Settlement Agreements or Bankruptcy Resolutions are not actually distributed to the Parties until on or after August 1, 2022, in order to allow the Parties to pursue legislative change that would take effect before the Opioid Settlement Funds are received by the Parties. Such steps may include, but are not limited to, the Attorney General's Office delaying its filing of Consent Judgments in Minnesota state court memorializing the National Settlement Agreements. This provision will cease to apply upon the effective date of the Legislative Modification described above, if that date is prior to August 1, 2022.

[1] It is the intent of the Parties that counties will continue to fund child protection services for children and families who are affected by addiction, in compliance with the Approved Uses in **Exhibit A**.

F. Effect of no statutory change by August 1, 2022. If the Legislative Modification described above does not take effect by August 1, 2022, the allocation between the Parties set forth in Section II.B shall be modified as follows: (i) 40% directly to the State Abatement Fund, and (ii) 60% to Local Abatement Funds. The Parties further agree to discuss potential amendment of this MOA if such legislation does not timely go into effect in accordance with this paragraph.

G. Effect of later statutory change. If the Legislative Modification described above takes effect after August 1, 2022, the allocation between the Parties will be modified as follows: (i) 25% directly to the State Abatement Fund, and (ii) 75% to Local Abatement Funds.

H. Effect of partial statutory change. If any legislative action otherwise modifies or diminishes the direct allocation of Opioid Settlement Funds to Participating Local Governments so that as a result the Participating Local Governments would receive less than 75 percent of the Opioid Settlement Funds (inclusive of amounts received by counties per statutory appropriation through the Minnesota Opiate Epidemic Response Fund), then the allocation set forth in Section II.B will be modified to ensure Participating Local Governments receive 75% of the Opioid Settlement Funds.

I. Participating Local Governments receiving payments. The proportions set forth in **Exhibit B** provide for payments directly to: (i) all Minnesota counties; and (ii) all Minnesota cities that (a) have a population of more than 30,000, based on the United States Census Bureau's Vintage 2019 population totals, (b) have funded or otherwise managed an established health care or treatment infrastructure (e.g., health department or similar agency), or (c) have initiated litigation against the Settling Defendants as of December 3, 2021.

J. Allocation of funds between Participating Local Governments. The Local Abatement Funds shall be allocated to Participating Local Governments in such proportions as set forth in **Exhibit B**, attached hereto and incorporated herein by reference, which is based upon the MDL Matter's Opioid Negotiation Class Model.[2] The proportions shall not change based on population changes during the term of the MOA. However, to the extent required by the terms of the National Settlement Agreements, the proportions set forth in **Exhibit B** must be adjusted: (i) to provide no payment from the National Settlement Agreements to any listed county or municipality that does not participate in the National Settlement Agreements; and (ii) to provide a reduced payment from the National Settlement Agreements to any listed county or city that signs on to the National Settlement Agreements after the Initial Participation Date.

K. Redistribution in certain situations. In the event a Participating Local Government merges, dissolves, or ceases to exist, the allocation percentage for that Participating Local

[2] More specifically, the proportions in Exhibit B were created based on Exhibit G to the National Settlement Agreements, which in turn was based on the MDL Matter's allocation criteria. Cities under 30,000 in population that had shares under the Exhibit G default allocation were removed and their shares were proportionally reallocated amongst the remaining subdivisions.

Government shall be redistributed equitably based on the composition of the successor Local Government. In the event an allocation to a Local Government cannot be paid to the Local Government, such unpaid allocations will be allocated to Local Abatement Funds and be distributed in such proportions as set forth in Exhibit B.

L. City may direct payments to county. Any city allocated a share may elect to have its full share or a portion of its full share of current or future annual distributions of settlement funds instead directed to the county or counties in which it is located, so long as that county or counties are Participating Local Governments[s]. Such an election must be made by January 1 each year to apply to the following fiscal year. If a city is located in more than one county, the city's funds will be directed based on the MDL Matter's Opioid Negotiation Class Model.

III. Special Revenue Fund

A. Creation of special revenue fund. Every Participating Local Government receiving Opioid Settlement Funds through direct distribution shall create a separate special revenue fund, as described below, that is designated for the receipt and expenditure of Opioid Settlement Funds.

B. Procedures for special revenue fund. Funds in this special revenue fund shall not be commingled with any other money or funds of the Participating Local Government. The funds in the special revenue fund shall not be used for any loans or pledge of assets, unless the loan or pledge is for an Approved Use. Participating Local Governments may not assign to another entity their rights to receive payments of Opioid Settlement Funds or their responsibilities for funding decisions, except as provided in Section II.L.

C. Process for drawing from special revenue funds.

1. Opioid Settlement Funds can be used for a purpose when the Governing Body includes in its budget or passes a separate resolution authorizing the expenditure of a stated amount of Opioid Settlement Funds for that purpose or those purposes during a specified period of time.

2. The budget or resolution must (i) indicate that it is an authorization for expenditures of opioid settlement funds; (ii) state the specific strategy or strategies the county or city intends to fund, using the item letter and/or number in **Exhibit A** to identify each funded strategy, if applicable; and (iii) state the amount dedicated to each strategy for a stated period of time.

D. Local government grantmaking. Participating Local Governments may make contracts with or grants to a nonprofit, charity, or other entity with Opioid Settlement Funds.

E. Interest earned on special revenue fund. The funds in the special revenue fund may be invested, consistent with the investment limitations for local governments, and may be

placed in an interest-bearing bank account. Any interest earned on the special revenue funds must be used in a way that is consistent with this MOA.

IV. Opioid Remediation Activities

A. Limitation on use of funds. This MOA requires that Opioid Settlement Funds be utilized only for future opioid remediation activities, and Parties shall expend Opioid Settlement Funds only for Approved Uses and for expenditures incurred after the effective date of this MOA, unless execution of the National Settlement Agreements requires a later date. Opioid Settlement Funds cannot be used to pay litigation costs, expenses, or attorney fees arising from the enforcement of legal claims related to the opioid epidemic, except for the portion of Opioid Settlement Funds that comprise the Backstop Fund described in Section VI. For the avoidance of doubt, counsel for Litigating Local Governments may recover litigation costs, expenses, or attorney fees from the common benefit, contingency fee, and cost funds established in the National Settlement Agreements, as well as the Backstop Fund described in Section VI.

B. Public health departments as Chief Strategists. For Participating Local Governments that have public health departments, the public health departments shall serve as the lead agency and Chief Strategist to identify, collaborate, and respond to local issues as Local Governments decide how to leverage and disburse Opioid Settlement Funds. In their role as Chief Strategist, public health departments will convene multi-sector meetings and lead efforts that build upon local efforts like Community Health Assessments and Community Health Improvement Plans, while fostering community focused and collaborative evidence-informed approaches that prevent and address addiction across the areas of public health, human services, and public safety. Chief Strategists should consult with municipalities located within their county in the development of any Community Health Assessment, and are encouraged to collaborate with law enforcement agencies in the county where appropriate.

C. Administrative expenses. Reasonable administrative costs for the State or Local Government to administer its allocation of the Opioid Settlement Funds shall not exceed actual costs, 10% of the relevant allocation of the Opioid Settlement Funds, or any administrative expense limitation imposed by the National Settlement Agreements or Bankruptcy Resolution, whichever is less.

D. Regions. Two or more Participating Local Governments may at their discretion form a new group or utilize an existing group ("Region") to pool their respective shares of settlement funds and make joint spending decisions. Participating Local Governments may choose to create a Region or utilize an existing Region under a joint exercise of powers under Minn. Stat. § 471.59.

E. Consultation and partnerships.

1. Each county receiving Opioid Settlement Funds must consult annually with the municipalities in the county regarding future use of the settlement funds in the

county, including by holding an annual meeting with all municipalities in the county in order to receive input as to proposed uses of the Opioid Settlement Funds and to encourage collaboration between Local Governments both within and beyond the county. These meetings shall be open to the public.

2. Participating Local Governments within the same County Area have a duty to regularly consult with each other to coordinate spending priorities.

3. Participating Local Governments can form partnerships at the local level whereby Participating Local Governments dedicate a portion of their Opioid Settlement Funds to support city- or community-based work with local stakeholders and partners within the Approved Uses.

F. Collaboration. The State and Participating Local Governments must collaborate to promote effective use of Opioid Settlement Funds, including through the sharing of expertise, training, and technical assistance. They will also coordinate with trusted partners, including community stakeholders, to collect and share information about successful regional and other high-impact strategies and opioid treatment programs.

V. Reporting and Compliance

A. Construction of reporting and compliance provisions. Reporting and compliance requirements will be developed and mutually agreed upon by the Parties, utilizing the recommendations provided by the Advisory Panel to the Attorney General on Distribution and Allocation of Opioid Settlement Funds.

B. Reporting Workgroup. The Parties will work together to establish a Reporting Workgroup that includes representatives of the Attorney General's Office, state stakeholders, and city and county representatives, who will meet on a regular basis to develop reporting and compliance recommendations. The Reporting Workgroup must produce a set of reporting and compliance measures by June 1, 2022. Such reporting and compliance measures will be effective once approved by representatives of the Attorney General's Office, the Governor's Office, the Association of Minnesota Counties, and the League of Minnesota Cities that are on the Workgroup.

VI. Backstop Fund

A. National Attorney Fee Fund. The National Settlement Agreements provide for the payment of all or a portion of the attorney fees and costs owed by Litigating Local Governments to private attorneys specifically retained to file suit in the opioid litigation ("National Attorney Fee Fund"). The Parties acknowledge that the National Settlement Agreements may provide for a portion of the attorney fees of Litigating Local Governments.

B. Backstop Fund and Waiver of Contingency Fee. The Parties agree that the Participating Local Governments will create a supplemental attorney fees fund (the "Backstop Fund") to be used to compensate private attorneys ("Counsel") for Local Governments that filed opioid lawsuits on or before December 3, 2021 ("Litigating Local Governments"). By

order[3] dated August 6, 2021, Judge Polster capped all applicable contingent fee agreements at 15%. Judge Polster's 15% cap does not limit fees from the National Attorney Fee Fund or from any state backstop fund for attorney fees, but private attorneys for local governments must waive their contingent fee agreements to receive payment from the National Attorney Fee Fund. Judge Polster recognized that a state backstop fund can be designed to incentivize private attorneys to waive their right to enforce contingent fee agreements and instead apply to the National Attorney Fee Fund, with the goals of achieving greater subdivision participation and higher ultimate payouts to both states and local governments. Accordingly, in order to seek payment from the Backstop Fund, Counsel must agree to waive their contingency fee agreements relating to these National Settlement Agreements and first apply to the National Attorney Fee Fund.

C. Backstop Fund Source. The Backstop Fund will be funded by seven percent (7%) of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), based upon the initial allocation of 25% directly to the State Abatement Fund and 75% directly to Local Abatement Funds, and will not include payments resulting from the Purdue or Mallinckrodt Bankruptcies. In the event that the initial allocation is modified pursuant to Section II.F. above, then the Backstop Fund will be funded by 8.75% of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), based upon the modified allocation of 40% directly to the State Abatement Fund and 60% directly to the Local Abatement Funds, and will not include payments resulting from the Purdue or Mallinckrodt Bankruptcies. In the event that the allocation is modified pursuant to Section II.G. or Section II.H. above, back to an allocation of 25% directly to the State Abatement Fund and 75% directly to Local Abatement Funds, then the Backstop Fund will be funded by 7% of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), and will not include payments resulting from the Purdue or Mallinckrodt Bankruptcies.

D. Backstop Fund Payment Cap. Any attorney fees paid from the Backstop Fund, together with any compensation received from the National Settlement Agreements' Contingency Fee Fund, shall not exceed 15% of the total gross recovery of the Litigating Local Governments' share of funds from the National Settlement Agreements. To avoid doubt, in no instance will Counsel receive more than 15% of the amount paid to their respective Litigating Local Government client(s) when taking into account what private attorneys receive from both the Backstop Fund and any fees received from the National Settlement Agreements' Contingency Fee Fund.

E. Requirements to Seek Payment from Backstop Fund. A private attorney may seek payment from the Backstop Fund in the event that funds received by Counsel from the National Settlement Agreements' Contingency Fee Fund are insufficient to cover the amount that would be due to Counsel under any contingency fee agreement with a Litigating Local Government based on any recovery Litigating Local Governments receive from the National Settlement Agreements. Before seeking any payment from the Backstop Fund,

[3] Order, In re: Nat'l Prescription Opiate Litig., Case No. 17-MD-02804, Doc. No. 3814 (N.D. Ohio August 6, 2021).

private attorneys must certify that they first sought fees from the National Settlement Agreements' Contingency Fee Fund, and must certify that they agreed to accept the maximum fees payments awarded to them. Nothing in this Section, or in the terms of this Agreement, shall be construed as a waiver of fees, contractual or otherwise, with respect to fees that may be recovered under a contingency fee agreement or otherwise from other past or future settlements, verdicts, or recoveries related to the opioid litigation.

F. Special Master. A special master will administer the Backstop Fund, including overseeing any distribution, evaluating the requests of Counsel for payment, and determining the appropriate amount of any payment from the Backstop Fund. The special master will be selected jointly by the Minnesota Attorney General and the Hennepin County Attorney, and will be one of the following individuals: Hon. Jeffrey Keyes, Hon. David Lillehaug; or Hon. Jack Van de North. The special master will be compensated from the Backstop Fund. In the event that a successor special master is needed, the Minnesota Attorney General and the Hennepin County Attorney will jointly select the successor special master from the above-listed individuals. If none of the above-listed individuals is available to serve as the successor special master, then the Minnesota Attorney General and the Hennepin County Attorney will jointly select a successor special master from a list of individuals that is agreed upon between the Minnesota Attorney General, the Hennepin County Attorney, and Counsel.

G. Special Master Determinations. The special master will determine the amount and timing of any payment to Counsel from the Backstop Fund. The special master shall make one determination regarding payment of attorney fees to Counsel, which will apply through the term of the recovery from the National Settlement Agreements. In making such determinations, the special master shall consider the amounts that have been or will be received by the private attorney's firm from the National Settlement Agreements' Contingency Fee Fund relating to Litigating Local Governments; the contingency fee contracts; the dollar amount of recovery for Counsel's respective clients who are Litigating Local Governments; the Backstop Fund Payment Cap above; the complexity of the legal issues involved in the opioid litigation; work done to directly benefit the Local Governments within the State of Minnesota; and the principles set forth in the Minnesota Rules of Professional Conduct, including the reasonable and contingency fee principles of Rule 1.5. In the interest of transparency, Counsel shall provide information in their initial fee application about the total amount of fees that Counsel have received or will receive from the National Attorney Fee Fund related to the Litigating Local Governments.

H. Special Master Proceedings. Counsel seeking payment from the Backstop Fund may also provide written submissions to the special master, which may include declarations from counsel, summaries relating to the factors described above, and/or attestation regarding total payments awarded or anticipated from the National Settlement Agreements' Contingency Fee Fund. Private attorneys shall not be required to disclose work product, proprietary or confidential information, including but not limited to detailed billing or lodestar records. To the extent that counsel rely upon written submissions to support their application to the special master, the special master will incorporate said submission or summary into the record. Any proceedings before the special master and documents filed with the special master shall be public, and the special master's determinations regarding

any payment from the Backstop Funds shall be transparent, public, final, and not appealable.

I. Distribution of Any Excess Funds. To the extent the special master determines that the Backstop Fund exceeds the amount necessary for payment to Counsel, the special master shall distribute any excess amount to Participating Local Governments according to the percentages set forth in **Exhibit B**.

J. Term. The Backstop Fund will be administered for (a) the length of the National Litigation Settlement payments; or (b) until all Counsel for Litigating Local Governments have either (i) received payments equal to the Backstop Fund Payment Cap above or (ii) received the full amount determined by the special master; whichever occurs first.

K. No State Funds Toward Attorney Fees. For the avoidance of doubt, no portion of the State Abatement Fund will be used to fund the Backstop Fund or in any other way to fund any Litigating Local Government's attorney fees and expenses. Any funds that the State receives from the National Settlement Agreements as attorney fees and costs or in lieu of attorney fees and costs, including the Additional Restitution Amounts, will be treated as State Abatement Funds.

VII. General Terms

A. Scope of agreement. This MOA applies to all settlements under the National Settlement Agreements with Settling Defendants and the Bankruptcy Resolutions with Bankruptcy Defendants.[4] The Parties agree to discuss the use, as the Parties may deem appropriate in the future, of the settlement terms set out herein (after any necessary amendments) for resolutions with Opioid Supply Chain Participants not covered by the National Settlement Agreements or a Bankruptcy Resolution. The Parties acknowledge that this MOA does not excuse any requirements placed upon them by the terms of the National Settlement Agreements or any Bankruptcy Resolution, except to the extent those terms allow for a State-Subdivision Agreement to do so.

B. When MOA takes effect.

1. This MOA shall become effective at the time a sufficient number of Local Governments have joined the MOA to qualify this MOA as a State-Subdivision Agreement under the National Settlement Agreements or as a Statewide Abatement Agreement under any Bankruptcy Resolution. If this MOA does not thereby qualify as a State-Subdivision Agreement or Statewide Abatement Agreement, this MOA will have no effect.

2. The Parties may conditionally agree to sign on to the MOA through a letter of intent, resolution, or similar written statement, declaration, or pronouncement declaring

[4] For the avoidance of doubt, this includes settlements reached with AmerisourceBergen, Cardinal Health, and McKesson, and Janssen, and Bankruptcy Resolutions involving Purdue Pharma L.P., and Mallinckrodt plc.

their intent to sign on to the MOA if the threshold for Party participation in a specific Settlement is achieved.

C. Dispute resolution.

1. If any Party believes another Party has violated the terms of this MOA, the alleging Party may seek to enforce the terms of this MOA in Ramsey County District Court, provided the alleging Party first provides notice to the alleged offending Party of the alleged violation and a reasonable opportunity to cure the alleged violation.

2. If a Party believes another Party, Region, or individual involved in the receipt, distribution, or administration of Opioid Settlement Funds has violated any applicable ethics codes or rules, a complaint shall be lodged with the appropriate forum for handling such matters.

3. If a Party believes another Party, Region, or individual involved in the receipt, distribution, or administration of Opioid Settlement Funds violated any Minnesota criminal law, such conduct shall be reported to the appropriate criminal authorities.

D. Amendments. The Parties agree to make such amendments as necessary to implement the intent of this MOA.

E. Applicable law and venue. Unless otherwise required by the National Settlement Agreements or a Bankruptcy Resolution, this MOA, including any issues related to interpretation or enforcement, is governed by the laws of the State of Minnesota. Any action related to the provisions of this MOA must be adjudicated by the Ramsey County District Court. If any provision of this MOA is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision which can be given effect without the invalid provision.

F. Relationship of this MOA to other agreements and resolutions. All Parties acknowledge and agree that the National Settlement Agreements will require a Participating Local Government to release all its claims against the Settling Defendants to receive direct allocation of Opioid Settlement Funds. All Parties further acknowledge and agree that based on the terms of the National Settlement Agreements, a Participating Local Government may receive funds through this MOA only after complying with all requirements set forth in the National Settlement Agreements to release its claims. This MOA is not a promise from any Party that any National Settlement Agreements or Bankruptcy Resolution will be finalized or executed.

G. When MOA is no longer in effect. This MOA is effective until one year after the last date on which any Opioid Settlement Funds are being spent by the Parties pursuant to the National Settlement Agreements and any Bankruptcy Resolution.

H. No waiver for failure to exercise. The failure of a Party to exercise any rights under this MOA will not be deemed to be a waiver of any right or any future rights.

I. No effect on authority of Parties. Nothing in this MOA should be construed to limit the power or authority of the State of Minnesota, the Attorney General, or the Local Governments, except as expressly set forth herein.

J. Signing and execution. This MOA may be executed in counterparts, each of which constitutes an original, and all of which constitute one and the same agreement. This MOA may be executed by facsimile or electronic copy in any image format. Each Party represents that all procedures necessary to authorize such Party's execution of this MOA have been performed and that the person signing for such Party has been authorized to execute the MOA in an official capacity that binds the Party.

This **Minnesota Opioids State-Subdivision Memorandum of Agreement** is signed this ___day of _____, _____ by:

_____

Name and Title: _____

On behalf of: _____

EXHIBIT A

List of Opioid Remediation Uses

Settlement fund recipients shall choose from among abatement strategies, including but not limited to those listed in this Exhibit. The programs and strategies listed in this Exhibit are not exclusive, and fund recipients shall have flexibility to modify their abatement approach as needed and as new uses are discovered.

PART ONE: TREATMENT

A. TREAT OPIOID USE DISORDER (OUD)

Support treatment of Opioid Use Disorder ("*OUD*") and any co-occurring Substance Use Disorder or Mental Health ("*SUD/MH*") conditions through evidence-based or evidence-informed programs[5] or strategies that may include, but are not limited to, those that:[6]

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of Medication for Opioid Use Disorder ("MOUD")[7] approved by the U.S. Food and Drug Administration.

2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine ("*ASAM*") continuum of care for OUD and any co-occurring SUD/MH conditions.

3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including MOUD, as well as counseling, psychiatric support, and other treatment and recovery support services.

4. Improve oversight of Opioid Treatment Programs ("*OTPs*") to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.

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[5] Use of the terms "evidence-based," "evidence-informed," or "best practices" shall not limit the ability of recipients to fund innovative services or those built on culturally specific needs. Rather, recipients are encouraged to support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions.

[6] As used in this Exhibit, words like "expand," "fund," "provide" or the like shall not indicate a preference for new or existing programs.

[7] Historically, pharmacological treatment for opioid use disorder was referred to as "Medication-Assisted Treatment" ("MAT"). It has recently been determined that the better term is "Medication for Opioid Use Disorder" ("MOUD"). This Exhibit will use "MOUD" going forward. Use of the term MOUD is not intended to and shall in no way limit abatement programs or strategies now or into the future as new strategies and terminology evolve.

5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.

6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.

7. Support detoxification (detox) and withdrawal management services for people with OUD and any co-occurring SUD/MH conditions, including but not limited to medical detox, referral to treatment, or connections to other services or supports.

8. Provide training on MOUD for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including telementoring to assist community-based providers in rural or underserved areas.

9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH or mental health conditions.

10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.

11. Offer scholarships and supports for certified addiction counselors, licensed alcohol and drug counselors, licensed clinical social workers, licensed mental health counselors, and other mental and behavioral health practitioners or workers, including peer recovery coaches, peer recovery supports, and treatment coordinators, involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, continuing education, licensing fees, or other incentives for providers to work in rural or underserved areas.

12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 ("*DATA 2000*") to prescribe MOUD for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.

13. Dissemination of web-based training curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service–Opioids web-based training curriculum and motivational interviewing.

14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service for Medication–Assisted Treatment.

B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.

2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.

3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.

4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved medication with other support services.

5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.

6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.

7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.

8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.

9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.

10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.

11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.

12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.

13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including but not limited to new Americans, African Americans, and American Indians.

14. Create and/or support recovery high schools.

15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED (CONNECTIONS TO CARE)

Provide connections to care for people who have—or are at risk of developing—OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.

2. Fund Screening, Brief Intervention and Referral to Treatment ("SBIRT") programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.

3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.

4. Purchase automated versions of SBIRT and support ongoing costs of the technology.

5. Expand services such as navigators and on-call teams to begin MOUD in hospital emergency departments.

6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MOUD, recovery case management or support services.

7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.

8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co-occurring SUD/MH conditions or persons that have experienced an opioid overdose.

9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid-related adverse event.

10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.

11. Expand warm hand-off services to transition to recovery services.

12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.

13. Develop and support best practices on addressing OUD in the workplace.

14. Support assistance programs for health care providers with OUD.

15. Engage non-profits and the faith community as a system to support outreach for treatment.

16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:

    1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative ("*PAARI*");

    2. Active outreach strategies such as the Drug Abuse Response Team ("*DART*") model;

3. "Naloxone Plus" strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;

4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion ("*LEAD*") model;

5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or

6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.

2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MOUD, and related services.

3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.

4. Provide evidence-informed treatment, including MOUD, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are incarcerated in jail or prison.

5. Provide evidence-informed treatment, including MOUD, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.

6. Support critical time interventions ("*CTI*"), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.

7. Provide training on best practices for addressing the needs of criminal justice-involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

E. ADDRESS THE NEEDS OF THE PERINATAL POPULATION, CAREGIVERS, AND FAMILIES, INCLUDING BABIES WITH NEONATAL OPIOID WITHDRAWAL SYNDROME.

Address the needs of the perinatal population and caregivers with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with

neonatal opioid withdrawal syndrome ("*NOWS*"), through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MOUD, recovery services and supports, and prevention services for the perinatal population—or individuals who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to caregivers and families affected by Neonatal Opioid Withdrawal Syndrome.

2. Expand comprehensive evidence-based treatment and recovery services, including MOUD, for uninsured individuals with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.

3. Provide training for obstetricians or other healthcare personnel who work with the perinatal population and their families regarding treatment of OUD and any co-occurring SUD/MH conditions.

4. Expand comprehensive evidence-based treatment and recovery support for NOWS babies; expand services for better continuum of care with infant-caregiver dyad; and expand long-term treatment and services for medical monitoring of NOWS babies and their caregivers and families.

5. Provide training to health care providers who work with the perinatal population and caregivers on best practices for compliance with federal requirements that children born with NOWS get referred to appropriate services and receive a plan of safe care.

6. Provide child and family supports for caregivers with OUD and any co-occurring SUD/MH conditions, emphasizing the desire to keep families together.

7. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.

8. Offer home-based wrap-around services to persons with OUD and any co-occurring SUD/MH conditions, including, but not limited to, parent skills training.

9. Provide support for Children's Services—Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

PART TWO: PREVENTION

F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).

2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.

3. Continuing Medical Education (CME) on appropriate prescribing of opioids.

4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.

5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs ("*PDMPs*"), including, but not limited to, improvements that:

    1. Increase the number of prescribers using PDMPs;

    2. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or

    3. Enable states to use PDMP data in support of surveillance or intervention strategies, including MOUD referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.

6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation's Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.

7. Increasing electronic prescribing to prevent diversion or forgery.

8. Educating dispensers on appropriate opioid dispensing.

G. PREVENT MISUSE OF OPIOIDS

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse, including but not limited to focusing on risk factors and early interventions.

2. Corrective advertising or affirmative public education campaigns based on evidence.

3. Public education relating to drug disposal.

4. Drug take-back disposal or destruction programs.

5. Funding community anti-drug coalitions that engage in drug prevention efforts.

6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration ("*SAMHSA*").

7. Engaging non-profits and faith-based communities as systems to support prevention.

8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.

9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.

10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co-occurring SUD/MH conditions.

11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.

12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health

workers or other school staff, to address mental health needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.

2. Public health entities providing free naloxone to anyone in the community.

3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.

4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.

5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.

6. Public education relating to emergency responses to overdoses.

7. Public education relating to immunity and Good Samaritan laws.

8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.

9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.

10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.

11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.

12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co-occurring SUD/MH conditions.

13. Supporting screening for fentanyl in routine clinical toxicology testing.

PART THREE: OTHER STRATEGIES

I. FIRST RESPONDERS

In addition to items in section C, D and H relating to first responders, support the following:

1. Law enforcement expenditures related to the opioid epidemic.

2. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.

3. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.

J. LEADERSHIP, PLANNING AND COORDINATION

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.

3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

4. Provide resources to staff government oversight and management of opioid abatement programs.

5. Support multidisciplinary collaborative approaches consisting of, but not limited to, public health, public safety, behavioral health, harm reduction, and others at the state, regional, local, nonprofit, and community level to maximize collective impact.

K. TRAINING

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.

2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (*e.g.*, health care, primary care, pharmacies, PDMPs, etc.).

L. RESEARCH

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.

2. Research non-opioid treatment of chronic pain.

3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.

4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.

5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.

6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (*e.g.*, Hawaii HOPE and Dakota 24/7).

7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring ("*ADAM*") system.

8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.

9. Geospatial analysis of access barriers to MOUD and their association with treatment engagement and treatment outcomes.

M. POST-MORTEM

1. Toxicology tests for the range of opioids, including synthetic opioids, seen in overdose deaths as well as newly evolving synthetic opioids infiltrating the drug supply.

2. Toxicology method development and method validation for the range of synthetic opioids observed now and in the future, including the cost of installation, maintenance, repairs and training of capital equipment.

3. Autopsies in cases of overdose deaths resulting from opioids and synthetic opioids.

4. Additional storage space/facilities for bodies directly related to opioid or synthetic opioid related deaths.

5. Comprehensive death investigations for individuals where a death is caused by or suspected to have been caused by an opioid or synthetic opioid overdose, whether intentional or accidental (overdose fatality reviews).

6. Indigent burial for unclaimed remains resulting from overdose deaths.

7. Navigation-to-care services for individuals with opioid use disorder who are encountered by the medical examiner's office as either family and/or social network members of decedents dying of opioid overdose.

8. Epidemiologic data management and reporting to public health and public safety stakeholders regarding opioid overdose fatalities.

EXHIBIT B

Local Abatement Funds Allocation

Subdivision	Allocation Percentage
AITKIN COUNTY	0.5760578506020%
Andover city	0.1364919450741%
ANOKA COUNTY	5.0386504680954%
Apple Valley city	0.2990817344560%
BECKER COUNTY	0.6619330684437%
BELTRAMI COUNTY	0.7640787092763%
BENTON COUNTY	0.6440948102319%
BIG STONE COUNTY	0.1194868774775%
Blaine city	0.4249516912759%
Bloomington city	0.4900195550092%
BLUE EARTH COUNTY	0.6635420704652%
Brooklyn Center city	0.1413853902225%
Brooklyn Park city	0.2804136234778%
BROWN COUNTY	0.3325325415732%
Burnsville city	0.5135361296508%
CARLTON COUNTY	0.9839591749060%
CARVER COUNTY	1.1452829659572%
CASS COUNTY	0.8895681513437%
CHIPPEWA COUNTY	0.2092611794436%
CHISAGO COUNTY	0.9950193750117%
CLAY COUNTY	0.9428475281726%
CLEARWATER COUNTY	0.1858592042741%
COOK COUNTY	0.1074594959729%
Coon Rapids city	0.5772642444915%
Cottage Grove city	0.2810994719143%
COTTONWOOD COUNTY	0.1739065270025%
CROW WING COUNTY	1.1394859174804%
DAKOTA COUNTY	4.4207140602835%
DODGE COUNTY	0.2213963257778%
DOUGLAS COUNTY	0.6021779472345%
Duluth city	1.1502115379896%
Eagan city	0.3657951576014%
Eden Prairie city	0.2552171572659%
Edina city	0.1973054822135%
FARIBAULT COUNTY	0.2169409335358%
FILLMORE COUNTY	0.2329591105316%
FREEBORN COUNTY	0.3507169823793%
GOODHUE COUNTY	0.5616542387089%

Subdivision	Allocation Percentage
GRANT COUNTY	0.0764556498477%
HENNEPIN COUNTY	19.0624622261821%
HOUSTON COUNTY	0.3099019273452%
HUBBARD COUNTY	0.4582368775192%
Inver Grove Heights city	0.2193400520297%
ISANTI COUNTY	0.7712992707537%
ITASCA COUNTY	1.1406408131328%
JACKSON COUNTY	0.1408950443531%
KANABEC COUNTY	0.3078966749987%
KANDIYOHI COUNTY	0.1581167542252%
KITTSON COUNTY	0.0812834506382%
KOOCHICHING COUNTY	0.2612581865885%
LAC QUI PARLE COUNTY	0.0985665133485%
LAKE COUNTY	0.1827750320696%
LAKE OF THE WOODS COUNTY	0.1123105027592%
Lakeville city	0.2822249627090%
LE SUEUR COUNTY	0.3225703347466%
LINCOLN COUNTY	0.1091919983965%
LYON COUNTY	0.2935118186364%
MAHNOMEN COUNTY	0.1416417687922%
Mankato city	0.3698584320930%
Maple Grove city	0.1814019046900%
Maplewood city	0.1875101678223%
MARSHALL COUNTY	0.1296352091057%
MARTIN COUNTY	0.2543064014046%
MCLEOD COUNTY	0.1247104517575%
MEEKER COUNTY	0.3744031515243%
MILLE LACS COUNTY	0.9301506695846%
Minneapolis city	4.8777618689374%
Minnetonka city	0.1967231070869%
Moorhead city	0.4337377037965%
MORRISON COUNTY	0.7178981419196%
MOWER COUNTY	0.5801769148506%
MURRAY COUNTY	0.1348775389165%
NICOLLET COUNTY	0.1572381052896%
NOBLES COUNTY	0.1562005111775%
NORMAN COUNTY	0.1087596675165%
North St. Paul city	0.0575844069340%
OLMSTED COUNTY	1.9236715094724%
OTTER TAIL COUNTY	0.8336175418789%
PENNINGTON COUNTY	0.3082576394945%
PINE COUNTY	0.5671222706703%

Subdivision	Allocation Percentage
PIPESTONE COUNTY	0.1535154503112%
Plymouth city	0.1762541472591%
POLK COUNTY	0.8654291473909%
POPE COUNTY	0.1870129873102%
Proctor city	0.0214374127881%
RAMSEY COUNTY	7.1081424150498%
RED LAKE COUNTY	0.0532649128178%
REDWOOD COUNTY	0.2809842366614%
RENVILLE COUNTY	0.2706888807449%
RICE COUNTY	0.2674764397830%
Richfield city	0.2534018444052%
Rochester city	0.7363082848763%
ROCK COUNTY	0.2043437335735%
ROSEAU COUNTY	0.2517872793025%
Roseville city	0.1721905548771%
Savage city	0.1883576635033%
SCOTT COUNTY	1.3274301645797%
Shakopee city	0.2879873611373%
SHERBURNE COUNTY	1.2543449471994%
SIBLEY COUNTY	0.2393480708456%
ST LOUIS COUNTY	4.7407767169807%
St. Cloud city	0.7330089009029%
St. Louis Park city	0.1476314588229%
St. Paul city	3.7475206797569%
STEARNS COUNTY	2.4158085321227%
STEELE COUNTY	0.3969975262520%
STEVENS COUNTY	0.1439474275223%
SWIFT COUNTY	0.1344167568499%
TODD COUNTY	0.4180909816781%
TRAVERSE COUNTY	0.0903964133868%
WABASHA COUNTY	0.3103038996965%
WADENA COUNTY	0.2644094336575%
WASECA COUNTY	0.2857912156338%
WASHINGTON COUNTY	3.0852862512586%
WATONWAN COUNTY	0.1475626355615%
WILKIN COUNTY	0.0937962507119%
WINONA COUNTY	0.7755267356126%
Woodbury city	0.4677270171716%
WRIGHT COUNTY	1.6985269385427%
YELLOW MEDICINE COUNTY	0.1742264836427%

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Minnesota Opioid Settlement Executive Summary

Minnesota has joined a broad multistate coalition in reaching nationwide settlements with the three largest opioid distributors – AmerisourceBergen, Cardinal Health, and McKesson – and opioid manufacturer Johnson & Johnson. The settlements resolve investigations and lawsuits against these companies for their role in the opioid crisis. If the settlements are fully adopted nationally, the distributors will pay $21 billion over 18 years and Johnson & Johnson will pay $5 billion over 10 years. Most states have already joined the settlements, but for the agreements to become effective, a critical mass of cities and counties must sign onto the settlements by January 2, 2022.

Settlement Structure

If a critical mass of subdivisions sign on and the settlements become effective:

- Minnesota will be eligible to receive more than $296 million over 18 years. Up to $222 million of that will be paid directly to Minnesota cities and counties. The total amount of payments to Minnesota will be determined by the overall degree of participation by cities and counties. The more cities and counties that join, the more money everyone in Minnesota will receive. Distribution within Minnesota will be determined by the state-subdivision agreement (see below).
    - Each state's share of the funding was determined by agreement among the states using a formula that takes into account the impact of the crisis on the state—the number of overdose deaths, the number of residents with substance use disorder, and the number of opioids prescribed—and the population of the state.
- Payments will begin to flow to the state and cities and counties as soon as April 2022. The Johnson & Johnson settlement provides for payments to be accelerated if cities and counties sign on early.
- The vast majority of the settlement funds must be used to support any of a wide variety of strategies to fight the opioid crisis. The Attorney General's Office convened an expert panel of local, state, and community providers with experience and expertise in public health and delivery of health care services to determine the best and most effective use of the settlement funds. The panel selected a comprehensive list of future opioid abatement and remediation programs that will benefit all regions of the state.
- In addition to the financial components, the settlements also require the companies to make changes in how opioids are distributed and sold. The companies will be subject to far more oversight and accountability throughout that process to prevent deliveries of opioids to pharmacies where diversion and misuse occur. The distributors will be required to establish and fund a centralized, independent clearinghouse using detailed data analytics to keep close track of opioid distribution throughout the country and raise red flags for

suspicious orders. Johnson & Johnson will be prohibited from selling or promoting opioids for ten years.

Minnesota Framework

Minnesota has been preparing for these settlements and the opportunity they present to deliver substantial funding to needed abatement and remediation programs. In 2019, the Legislature passed the Opiate Epidemic Response bill, creating a special opioid abatement account and the Opioid Epidemic Response Advisory Council, which will oversee the spending of the state's share of settlement funds.

Additionally, a months-long partnership between the state and cities and counties has resulted in a state-subdivision agreement (or "Minnesota Memorandum of Agreement") that is designed to maximize the settlement funds coming to the State of Minnesota and get them to where they are needed most. The state-subdivision agreement details how the settlement money will be allocated within the state and also sets out a structure for the distribution of opioid abatement funds from pending bankruptcy plans with Purdue Pharma and Mallinckrodt. A copy of the state-subdivision agreement can be found on the Attorney General's website at www.ag.state.mn.us/opioids.

Pursuant to the state-subdivision agreement—and assuming maximum payments—approximately $296 million in funds paid to Minnesota and its cities and counties from the Distributor and Johnson & Johnson settlements, as well as tens of millions of additional dollars from the Purdue Pharma and Mallinckrodt bankruptcies, will be allocated as follows:

- **Local Government Abatement Fund.** Seventy-five percent (75%) of the abatement funds will be paid directly to counties and certain municipalities that participate in the settlement. Local government funds will be directly allocated to all participating counties, and all participating municipalities that: (a) have populations of 30,000 or more, (b) have filed lawsuits against the settling defendants, or (c) have public health departments. To promote efficiency in the use of abatement funds and limit the administratively burdensome disbursements of amounts that are too small to add a meaningful abatement response, smaller, non-litigating municipalities will not receive a direct allocation of settlement funds. The allocation percentages for each county and municipality were determined by counsel for the subdivisions negotiating the national settlement agreements and were calculated using data reflect the impact of the opioid crisis on the subdivision.

- **State Fund.** Twenty-five percent (25) of the abatement funds will be paid directly to the State. Pursuant to state law, these funds will go into the special opioid abatement account to be overseen and distributed by the Opioid Epidemic Response Advisory Council. Under current law, after certain appropriations are made, approximately 50% of the funds paid into the opioid abatement account are distributed to county social service agencies to provide child protection services to children and families who are affected by addiction.

The state-subdivision agreement anticipates a change to this law to allow counties to receive their share of the settlement funds directly. The agreement requires the state and subdivisions to work together to achieve this change in law during the 2022 legislative session, and includes a provision changing the allocation between state and local governments if the statutory change is not accomplished.

Some municipalities in Minnesota retained attorneys on a contingency fee basis to file lawsuits against the opioid companies. The national settlements establish an Attorney Fee Fund for attorneys representing cities and counties that join the settlements. The settlements require attorneys who recover from this fund to waive enforcement of their contingency fee agreements. The state-subdivision agreement includes a Backstop Fund, which will be overseen by a Special Master, that will allow for the payment of reasonable attorney fees to private attorneys to make up for the difference between what they receive from the national fund and their contingency fee agreements, which are capped at 15%. Any funds that remain in the Backstop Fund after payment of reasonable attorney fees will revert to cities and counties for abatement.

Subdivision Participation

It is vital for subdivisions to join the settlements during the initial sign-on period, which ends January 2, 2022. First, very high levels of subdivision participation nationally are necessary for the companies to move forward with the settlements and for everyone to benefit from them. Second, cities or counties cannot receive any portion of the direct settlement funds if they do not sign on to the settlements. Third, in order to maximize the settlement payments that come to Minnesota, full joinder by certain categories of counties and cities is needed. Finally, joinder during the initial sign-on period maximizes the amount of funds available to an individual city or county.

Next Steps

Now: Cities and counties should have received a settlement notice with additional information about the sign on process, which begins by registering on the national settlement website: www.nationalopioidsettlement.com. Registering is a necessary step toward participation in the settlements. The notice each subdivision received by mail and email provides its unique subdivision registration code, which must be used to register. Registering does not mean that the subdivision has accepted the terms of the national settlement agreements or the state-subdivision agreement.

Next: Each subdivision, via its local legislative body, should adopt a resolution that authorizes a representative of the subdivision to execute Minnesota's state-subdivision agreement and *both* subdivision settlement participation forms (Distributors and Johnson & Johnson), which are required to join the settlements. Cities and counties can obtain model resolutions by contacting the Association of Minnesota Counties or the League of Minnesota Cities. The resolutions should be submitted to the subdivisions' legislative body (*i.e.*, county commission or city council) for approval.

By January 2, 2022: After the appropriate resolution is passed by each subdivision, the authorized representative should sign the Minnesota Memorandum of Agreement, the Distributor Agreement, and the Johnson & Johnson Agreement. The Distributor and Johnson & Johnson agreements can be signed electronically via DocuSign. Subdivisions should receive an email with a link to sign electronically upon registering at www.nationalopioidsettlement.com. Subdivisions are encouraged to sign onto the Minnesota Memorandum of Agreement and the settlement agreements as soon as possible to avoid scheduling challenges and to ensure that we meet the national subdivision participation threshold for the settlements to become effective.

Additional information about the settlements and how they are implemented in Minnesota can be found on the Attorney General's website: www.ag.state.mn.us/opioids. Subdivisions that are represented by an attorney with respect to opioid claims should consult with their attorney. Additionally, specific questions for the Attorney General's Office can be emailed to opioids@ag.state.mn.us, or left via voicemail at (612) 429-7126.

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Minnesota Opioid State-Subdivision Agreement Overview

What It Is

The Minnesota Memorandum of Agreement (MN MOA) governs how Minnesota will distribute settlement funds from two national settlements with opioid distributors McKesson, Cardinal Health, and AmerisourceBergen and opioid manufacturer Johnson & Johnson. These settlements could bring more than $296 million to Minnesota over an 18-year period to support state and local efforts to fight the opioid epidemic.[1]

How It Works

Enables Minnesota to maximize resources to fight the epidemic. For Minnesota to receive the maximum payout under the two national settlements, cities and counties must join the state and sign on to the MN MOA and the settlement agreements. To maximize resources flowing to communities on the front lines of the epidemic, the MN MOA directs settlement funds as follows:

- 75 percent to local governments, including all counties and 33 cities.
- 25 percent to the state, to be overseen and distributed by the Opioid Epidemic Response Advisory Council.

Dedicates funds to addressing the opioid epidemic. The Attorney General's Office convened an expert panel of local, state, and community providers with experience and expertise in public health and delivery of health care services to determine the best and most effective use of the settlement funds. The panel selected a comprehensive list of future opioid abatement and remediation programs to which these settlement funds must be dedicated.

Why It Matters

Personal Cost. More than 5,400 Minnesotans have died of opioid overdoses since 2000. The epidemic has torn families apart and ravaged communities, particularly American Indian populations and communities of color. Individuals, families, and communities continue to suffer, as the COVID-19 pandemic has caused a surge in both fatal and nonfatal overdose deaths.

Accountability. Opioid manufacturers and distributors created and fueled the opioid epidemic with irresponsible and misleading marketing and inadequate monitoring of these dangerous products. In addition to potentially over $296 million to fight the epidemic, settlements with the three largest drug distributors in the country, as well as one of the largest manufacturers, will shine a light on these companies' conduct and help make sure nothing like this ever happens again.

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[1] The MN MOA also governs how opioid abatement funds from the bankruptcy resolutions with Purdue Pharma and Mallinckrodt are distributed within Minnesota. The $296 million figure does not include payments from the Purdue Pharma and Mallinckrodt bankruptcies, which are not yet finalized.

FREQUENTLY ASKED QUESTIONS ABOUT SETTLEMENTS WITH OPIOID DISTRIBUTORS AND JOHNSON & JOHNSON

This document is intended to assist Minnesota subdivisions evaluating the settlement agreements resolving opioid claims with the three largest opioid distributors—McKesson, Cardinal Health, and AmerisourceBergen ("Distributors")—and opioid manufacturer Janssen Pharmaceuticals, and its parent company, Johnson & Johnson ("J&J") (collectively, the "Settlements"). This document is subject to being updated as additional information is gathered. The terms of the Settlements and the Minnesota Opioids State-Subdivision Memorandum of Agreement ("MN MOA") are controlling and are not amended or in any way affected by this document. Copies of these settlements, agreement, and other materials can be found at the Attorney General's website: www.ag.state.mn.us/opioids.

1. **My city or county received a notice in the mail and by email about two opioid settlements. What do we do with this and how do we join the Settlements?**

   The notice your city or county received relates to two Settlements resolving opioid claims against the country's three largest drug distributors, McKesson, Cardinal Health, and AmerisourceBergen, and opioid manufacturer Johnson & Johnson for their role in the opioid epidemic. The notice went out to all Minnesota counties, as well as cities that have a population greater than 10,000 and those that have filed lawsuits against these companies.

   Under the Settlements, Minnesota and its cities and counties stand to receive up to $296 million in Opioid Settlement Funds to fight the opioid crisis over the next 18 years, starting in early to mid-2022. The more cities and counties that join, the more the Distributors and J&J will pay under the Settlements.

   The Notice you received should have a unique subdivision registration code. The Attorney General's Office also sent your city or county a letter attaching this same registration code. Cities or counties must visit www.nationalopioidsettlement.com and use that code to register to receive participation agreements for the Settlements. You will then receive information about how to submit your Subdivision Settlement Participation Forms electronically via DocuSign. **You must submit two forms, one for each Settlement.**

2. **How large are the Settlements?**

   Under the terms of the Settlements, the Distributors and J&J will provide up to $26 billion to states, cities, and counties throughout the country. The Distributors will make payments over a period of 18 years, and J&J will make payments over nine years.

3. **Is there a deadline for cities and counties to join the Settlements?**

   Yes. Cities and counties should complete their Subdivision Settlement Participation Forms by **January 2, 2022**. Cities and counties that join after that date risk reducing the entire amount that goes to the State of Minnesota as well as having their own payments reduced.

4. **How many Minnesota cities and counties are engaged in litigation against the Distributors and J&J?**

   Twenty-six counties and seven cities have filed lawsuits against the Distributors and/or J&J. Under the MN MOA (see additional information below), all 87 counties and every city that meets the eligibility criteria would receive settlement payments regardless of whether they filed lawsuits, but they must join the Settlements. The Settlements prohibit payments to counties or cities that do not join the Settlements.

5. **What is the status of these cases?**

   All Minnesota city and county cases have been consolidated for pretrial proceedings into a Multi-District Litigation (MDL) in federal court in Cleveland, Ohio. The opioid MDL has roughly 3,000 lawsuits from nearly every state. The lawsuits allege that opioid manufacturers misrepresented the risks associated with prescription opioids; that opioid distributors did not properly monitor shipments of prescription opioids to pharmacies across the country; and that these actions contributed to the opioid epidemic that continues to ravage Minnesota and the rest of the country. Until the Settlements are finalized, these cases will remain pending.

6. **Has the State of Minnesota joined the Settlements?**

   Yes. The Minnesota Attorney General's Office, together with the majority of state Attorneys General across the country, has signed on to the Settlements. Those Attorneys General, lawyers representing thousands of municipalities in the national opioid litigation, and the Association of Minnesota Counties, League of Minnesota Cities, and the Coalition of Greater Minnesota Cities strongly encourage cities and counties to join. Cities and counties that join will be helping to bring additional abatement resources to communities and families throughout the state for substance use prevention, harm reduction, treatment, and recovery.

7. **How much will Minnesota receive from the Settlements?**

   Minnesota is eligible to receive a maximum payment of approximately $296 million under the Settlements with the Distributors and J&J. The settlement funds are allocated among states based on population and the impact of the opioid crisis on each state, taking into account several public health measures. The precise amount of settlement funds Minnesota as a whole receives is highly dependent on the level of city and county participation and the avoidance of penalties that would result from cities or counties filing new lawsuits.

8. **What is the Minnesota Opioids State-Subdivision Memorandum of Agreement?**

   The MN MOA governs how Minnesota will distribute settlement funds from the Settlements with Distributors and J&J. It also governs how opioid abatement funds from the bankruptcy resolutions with Purdue Pharma and Mallinckrodt are distributed within Minnesota. The Purdue Pharma and Mallinckrodt bankruptcies are not yet finalized, and

it is not yet known how much money will be coming to the state from these bankruptcies, although the Attorney General's Office expects the figure to be in the tens of millions.

9. Why is it so important to join the Settlements and the MN MOA?

The opioid epidemic has taken the lives of more than 5,400 Minnesotans since 2000. The epidemic has torn families apart and ravaged communities, particularly American Indian populations and communities of color. Individuals, families, and communities continue to suffer, as the COVID-19 pandemic has caused a surge in both fatal and nonfatal overdose deaths.

The epidemic was fueled by irresponsible marketing and inadequate monitoring on the part of opioid makers and distributors. In addition to potentially over $296 million to fight the epidemic, settlements with the Distributors and J&J will shine a light on these companies' conduct and help make sure nothing like this ever happens again. The MN MOA is an important step forward in holding these companies accountable and directing much-needed resources to communities across the state.

10. What are the most important features of the MN MOA?

The Settlements require state and local governments to use the vast majority of settlement funds to address the opioid epidemic. Consistent with this principle, the MN MOA dedicates funds to that purpose. The Attorney General's Office convened an expert panel of local, state, and community providers with experience and expertise in public health and delivery of health care services to determine the best and most effective use of the settlement funds (the "Advisory Panel to the Attorney General on Distribution and Allocation of Opioid Settlement Funds" or the "panel"). The panel selected a comprehensive list of future opioid abatement and remediation programs to which these settlement funds must be dedicated, whether those funds are received by the State, cities, or counties.

The MN MOA also enables Minnesota to maximize resources to fight the epidemic. The MN MOA was designed to incentivize cities and counties to join in order to earn the maximum amount of payments from the Settlements. To maximize resources flowing to communities on the front lines of the epidemic, the MN MOA directs settlement funds as follows:

- 75 percent to local governments, including all counties and 33 cities.
- 25 percent to the state, to be overseen and distributed by the Opioid Epidemic Response Advisory Council.

11. How does my city or county sign onto the MN MOA?

The county board, city council, or equivalent legislative body can pass a resolution stating its intent to sign onto the MOA and directing the appropriate county or city official to execute the MOA. Sample resolutions are available from the Association of Minnesota Counties and the League of Minnesota Cities.

12. If my city or county signs onto the MN MOA, does that mean it automatically signs onto the Settlements with the Distributors or J&J?

No. A city or county that signs the MN MOA is agreeing to a framework for how settlement funds will flow in the event the Settlements become effective. However, the city or county must separately sign on to the Settlements in order to receive payments pursuant to the MN MOA.

13. If my city or county joins the Settlements, will we receive direct payments?

It depends. All counties that join are set to receive direct allocation under the terms of the MN MOA, as well as all cities that join and meet the following eligibility criteria:

- Have a population of 30,000 or more, based on the U.S. Census Bureau's Vintage 2019 population totals;
- Have funded or otherwise managed an established health care or treatment infrastructure (*e.g.*, health department or similar agency); or
- Have initiated litigation against the Distributors or J&J as of December 3, 2021.

The population threshold for non-litigating cities to receive a direct allocation of funds recognizes that the efficient delivery of opioid abatement services is hindered if the funds are divided into hundreds of small allocations. Even with potentially upwards of $300 million coming into Minnesota, allocating funds among several hundred smaller cities and towns would result in minimal payments for most subdivisions, in many cases less than a few dollars a year. For that same reason, under the MN MOA cities allocated a share may elect to have their full share or a portion of their share instead directed to the county in which the city is located.

Although not all cities will receive a direct allocation of opioid abatement funds, those cities will still benefit from the opioid remediation efforts that take place in their communities. Moreover, under the MN MOA, each county receiving opioid settlement funds must consult annually with the cities in the county regarding use of the settlement funds. Finally, cities that are not eligible for a direct share may also request grants for opioid remediation programs from the state's opioid remediation fund, which are distributed via the Opioid Epidemic Response Advisory Council and the Department of Human Services.

14. If my city or county joins, how much money will we receive?

Under the terms of the MN MOA, local governments (including cities and counties) that join the Settlements will directly receive 75% of the total abatement funds, divided among the counties and eligible cities in the percentages reflected in Exhibit B to the MN MOA. The percentages reflected in Exhibit B are based upon the MDL's Opioid Negotiation Class Model. Experts and attorneys representing local governments in the MDL developed the

allocation model based on nationally available federal data on opioid use disorder, overdose deaths, and opioid shipments into Minnesota, by region and community.

15. When will my city or county get payments?

Payments from the Settlements will begin to flow to the state and directly to cities and counties as soon as April 2022. The Distributors will make payments over a period of 18 years, and J&J will make payments over nine years. The J&J settlement provides for payments to be accelerated if cities and counties sign on early.

16. How much money will the State receive, and where will it go?

Under the terms of the MN MOA, the statewide abatement share is 25% of the total abatement funds. By statute, these funds will go into a special opioid abatement account and are designated to be used solely for opioid abatement purposes pursuant to the Approved Uses in the MN MOA, overseen and distributed by the Opioid Epidemic Response Advisory Council.[1]

17. What about attorney fees?

The state's investigation and litigation against the opioid industry is handled by government lawyers in the Attorney General's Office. No money from these Settlements will go to pay any state lawyers. Some cities and counties in Minnesota retained attorneys on a contingency fee basis to file lawsuits against the opioid companies. The national settlements establish an Attorney Fee Fund for attorneys representing cities and counties that join the settlements. The settlements require attorneys who recover from this fund to waive enforcement of their contingency fee agreements. The MN MOA includes a Backstop Fund, which will be overseen by a Special Master, that will allow for the payment of reasonable attorney fees to private attorneys to make up for the difference between what they receive from the national fund and their contingency fee agreements, which are capped at 15%. The Backstop Fund is funded by a percentage of the local government share of settlement funds, and any funds that remain in the Backstop Fund after payment of reasonable attorney fees will revert to cities and counties for abatement.

18. How will the money coming into Minnesota be tracked?

The Advisory Panel to the Attorney General on Distribution and Allocation of Opioid Settlement Funds agreed upon a set of reporting and compliance recommendations to make

[1] Under current law, after certain appropriations are made, approximately 50% of the funds paid into the opioid abatement account are distributed to county social service agencies to provide child protection services to children and families who are affected by addiction. The state-subdivision agreement anticipates a change to this law to allow counties to receive their share of the settlement funds directly. The agreement requires the state and subdivisions to work together to achieve this change in law during the 2022 legislative session, and includes a provision changing the allocation between state and local governments if the statutory change is not accomplished.

sure that the abatement money coming into Minnesota is effectively tracked and spent on strategies and programs that have a real impact in the state. The MN MOA will be supplemented to include provisions that will be mutually agreed upon by the State and cities and counties utilizing the panel's recommendations.

19. Can a city join the Settlements even if it does not receive a direct allocation of abatement funds?

Yes. The Settlements allow for all cities and counties to join, even ones that are not directly allocated amounts from the 75% local government share. For cities with populations greater than 10,000, joining the Settlements will assist Minnesota in earning the maximum amount possible.

Non-litigating cities with populations under 10,000 were not sent notices and are not able to use the DocuSign process, but may still want to join the Settlements. If such cities want to join the settlements, they can contact the Attorney General's Office to receive the subdivision joinder forms by emailing opioids@ag.state.mn.us.

20. Does the MN MOA apply to matters other than the Distributor and J&J Settlements?

Yes. The MN MOA replaces default provisions in the Purdue Pharma L.P. and Mallinckrodt plc bankruptcy plans. The Attorney General's Office anticipates that the Purdue Pharma and Mallinckrodt bankruptcy proceedings will provide tens of millions of additional dollars to Minnesota to support state and local efforts to address the opioid epidemic across the state. These funds will be distributed throughout the state according to the provisions MN MOA, just like the settlement funds from the Distributor and J&J Settlements.

21. Do the Settlements require the companies to do more than pay money?

Yes. In addition to paying billions of dollars, the companies are also required to make changes in how opioids are distributed and sold. The companies will be subject to far more oversight and accountability throughout that process to prevent deliveries of opioids to pharmacies where diversion and misuse occur. The Distributors will be required to establish and fund a centralized, independent clearinghouse using detailed data analytics to keep close track of opioid distribution throughout the country and raise red flags for suspicious orders. J&J will be prohibited from selling or promoting opioids for ten years.

22. How do the Settlements and the MN MOA relate to the McKinsey settlement that was announced in February?

The McKinsey settlement is separate from the Settlements with the Distributors and J&J, and from the Purdue and Mallinckrodt bankruptcy proceedings.

In February 2021, Attorney General Keith Ellison and other attorneys general from across the country reached a $573 million settlement with one of the world's largest consulting

firms, McKinsey & Company, over the company's role in advising opioid companies how to promote their drugs and profit from the opioid epidemic.

As part of the settlement with McKinsey, Minnesota will receive nearly $8 million, $6.6 million of which has already been paid. The remainder will be paid over four years. The entire settlement sum will be placed into the special opioid abatement account and used to abate the opioid crisis in the state.

23. Apart from the Distributors and J&J Settlements, the Purdue and Mallinckrodt bankruptcy proceedings, and the recent McKinsey settlement, is there other opioid-related litigation brought by state and local governments?

Yes. In addition to these cases, the Attorney General's Office continues to be engaged in multistate investigations and settlement negotiations with numerous other pharmaceutical manufacturers and distributors for violations of state consumer protection laws. The Office is leading nationwide efforts to ensure public disclosure of opioid-related documents, which are designed to achieve accountability, transparency, and prevention of future harm. The Office is also coordinating with the Opioid Epidemic Response Advisory Council to ensure any potential settlement funds are used as effectively as possible throughout Minnesota to remedy the ongoing opioid crisis.

24. Where can I get more information about the Settlements?

Cities or counties that hired attorneys to file opioid litigation should consult their attorneys. Additional information on the Settlements can be found at the national settlement website, www.nationalopioidsettlement.com, or the Attorney General's website: www.ag.state.mn.us/opioids. To speak with someone on the Attorney General's opioids team, email opioids@ag.state.mn.us or call (612) 429-7126 and leave a voicemail.

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Minnesota Opioids Settlement Checklist

Cities and counties must complete the following steps:

☐ Register your city or county on the national settlement website: www.nationalopioidsettlement.com.

a. Notice with a unique registration code was sent to cities and counties in late September. If your city or county did not receive this notice or cannot find its unique registration code and wishes to participate in the settlements, contact the Attorney General's Office.
b. Once registered, your designated contact will receive settlement participation packets, including two (2) Subdivision Settlement Participation Forms – one for each of the Distributors and Janssen (Johnson & Johnson) settlements. The settlement sign-on forms can be completed electronically via DocuSign.

☐ Adopt a county board or city council resolution authorizing a representative of the subdivision to execute the following:

a. The Minnesota Opioids State-Subdivision Memorandum of Agreement (MN MOA)
b. The Distributor Subdivision Settlement Participation Form
c. The Janssen Subdivision Settlement Participation Form

☐ Have the authorized representative execute the following documents:

a. The MN MOA
b. The Distributor Subdivision Settlement Participation Form (via DocuSign)
c. The Janssen Subdivision Settlement Participation Form (via DocuSign)

☐ Return the following documents to the Attorney General's Office by email to opioids@ag.state.mn.us:

a. Copy of the completed resolution passed by your city or county
b. Executed signature page for the MN MOA

Additional information about the settlements and how they are implemented in Minnesota can be found on the Attorney General's website: www.ag.state.mn.us/opioids. Subdivisions that are represented by an attorney with respect to opioid claims should consult with their attorney. Additionally, specific questions for the Attorney General's Office can be emailed to opioids@ag.state.mn.us, or left via voicemail at (612) 429-7126.

MINNESOTA OPIOIDS STATE-SUBDIVISION MEMORANDUM OF AGREEMENT

WHEREAS, the State of Minnesota, Minnesota counties and cities, and their people have been harmed by misconduct committed by certain entities that engage in or have engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic;

WHEREAS, certain Minnesota counties and cities, through their counsel, and the State, through its Attorney General, are separately engaged in ongoing investigations, litigation, and settlement discussions seeking to hold opioid manufacturers and distributors accountable for the damage caused by their misconduct;

WHEREAS, the State and Local Governments share a common desire to abate and alleviate the impacts of the misconduct described above throughout Minnesota;

WHEREAS, while the State and Local Governments recognize the sums which may be available from the aforementioned litigation will likely be insufficient to fully abate the public health crisis caused by the opioid epidemic, they share a common interest in dedicating the most resources possible to the abatement effort;

WHEREAS, the investigations and litigation with Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson have resulted in National Settlement Agreements with those companies, which the State has already committed to join;

WHEREAS, Minnesota's share of settlement funds from the National Settlement Agreements will be maximized only if all Minnesota counties, and cities of a certain size, participate in the settlements;

WHEREAS, the National Settlement Agreements will set a default allocation between each state and its political subdivisions unless they enter into a state-specific agreement regarding the distribution and use of settlement amounts;

WHEREAS, this Memorandum of Agreement is intended to facilitate compliance by the State and by the Local Governments with the terms of the National Settlement Agreements and is intended to serve as a State-Subdivision Agreement under the National Settlement Agreements;

WHEREAS, this Memorandum of Agreement is also intended to serve as a State-Subdivision Agreement under resolutions of claims concerning alleged misconduct in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic entered in bankruptcy court that provide for payments (including payments through a trust) to both the State and Minnesota counties and cities and allow for the allocation between a state and its political subdivisions to be set through a state-specific agreement; and

WHEREAS, specifically, this Memorandum of Agreement is intended to serve under the Bankruptcy Resolutions concerning Purdue Pharma and Mallinckrodt as a qualifying Statewide Abatement Agreement.

I. Definitions

As used in this MOA (including the preamble above):

"Approved Uses" shall mean forward-looking strategies, programming, and services to abate the opioid epidemic that fall within the list of uses on **Exhibit A.** Consistent with the terms of the National Settlement Agreements and Bankruptcy Resolutions, "Approved Uses" shall include the reasonable administrative expenses associated with overseeing and administering Opioid Settlement Funds. Reimbursement by the State or Local Governments for past expenses are not Approved Uses.

"Backstop Fund" is defined in Section VI.B below.

"Bankruptcy Defendants" mean Purdue Pharma L.P. and Mallinckrodt plc.

"Bankruptcy Resolution(s)" means resolutions of claims concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic by the Bankruptcy Defendants entered in bankruptcy court that provide for payments (including payments through a trust) to both the State and Minnesota counties and municipalities and allow for the allocation between the state and its political subdivisions to be set through a state-specific agreement.

"Counsel" is defined in Section VI.B below.

"County Area" shall mean a county in the State of Minnesota plus the Local Governments, or portion of any Local Government, within that county.

"Governing Body" means (1) for a county, the county commissioners of the county, and (2) for a municipality, the elected city council or the equivalent legislative body for the municipality.

"Legislative Modification" is defined in Section II.C below.

"Litigating Local Governments" mean a Local Government that filed an opioid lawsuit(s) on or before December 3, 2021, as defined in Section VI.B below.

"Local Abatement Funds" are defined in Section II.B below.

"Local Government" means all counties and cities within the geographic boundaries of the state of Minnesota.

"MDL Matter" means the matter captioned *In re National Prescription Opiate Litigation*, MDL 2804, pending in the United States District Court for the Northern District of Ohio.

"Memorandum of Agreement" or "MOA" mean this agreement, the Minnesota Opioids State-Subdivision Memorandum of Agreement.

"National Settlement Agreements" means the national opioid settlement agreements with the Parties and one or all of the Settling Defendants concerning alleged misconduct in manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic.

"Opioid Settlement Funds" shall mean all funds allocated by the National Settlement Agreements and any Bankruptcy Resolutions to the State and Local Governments for purposes of opioid remediation activities or restitution, as well as any repayment of those funds and any interest or investment earnings that may accrue as those funds are temporarily held before being expended on opioid remediation strategies.

"Opioid Supply Chain Participants" means entities that engage in or have engaged in the manufacture, marketing, promotion, distribution, or dispensing of an opioid analgesic, including their officers, directors, employees, or agents, acting in their capacity as such.

"Parties" means the State and the Participating Local Governments.

"Participating Local Government" means a county or city within the geographic boundaries of the State of Minnesota that has signed this Memorandum of Agreement and has executed a release of claims with the Settling Defendants by signing on to the National Settlement Agreements. For the avoidance of doubt, a Local Government must sign this MOA to become a "Participating Local Government."

"Region" is defined in Section II.H below.

"Settling Defendants" means Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson, as well as their subsidiaries, affiliates, officers, and directors named in a National Settlement Agreement.

"State" means the State of Minnesota by and through its Attorney General, Keith Ellison.

"State Abatement Fund" is defined in Section II.B below.

II. Allocation of Settlement Proceeds

A. Method of distribution. Pursuant to the National Settlement Agreements and any Bankruptcy Resolutions, Opioid Settlement Funds shall be distributed directly to the State and directly to Participating Local Governments in such proportions and for such uses as set forth in this MOA, provided Opioid Settlement Funds shall not be considered funds of the State or any Participating Local Government unless and until such time as each annual distribution is made.

B. Overall allocation of funds. Opioid Settlement Funds will be initially allocated as follows: (i) 25% directly to the State ("State Abatement Fund"), and (ii) 75% directly to abatement funds established by Participating Local Governments ("Local Abatement Funds"). This initial allocation is subject to modification by Sections II.F, II.G, and II.H, below.

C. Statutory change.

1. The Parties agree to work together in good faith to propose and lobby for legislation in the 2022 Minnesota legislative session to modify the distribution of the State's Opiate Epidemic Response Fund under Minnesota Statutes section 256.043, subd. 3(d), so that "50 percent of the remaining amount" is no longer appropriated to county social services, as related to Opioid Settlement Funds that are ultimately placed into the Minnesota Opiate Epidemic Response Fund ("Legislative Modification").[1] Such efforts include, but are not limited to, providing testimony and letters in support of the Legislative Modification.

2. It is the intent of the Parties that the Legislative Modification would affect only the county share under section 256.043, subd. 3(d), and would not impact the provision of funds to tribal social service agencies. Further, it is the intent of the Parties that the Legislative Modification would relate only to disposition of Opioid Settlement Funds and is not predicated on a change to the distribution of the Board of Pharmacy fee revenue that is deposited into the Opiate Epidemic Response Fund.

D. Bill Drafting Workgroup. The Parties will work together to convene a Bill Drafting Workgroup to recommend draft legislation to achieve this Legislative Modification. The Workgroup will meet as often as practicable in December 2021 and January 2022 until recommended language is completed. Invitations to participate in the group shall be extended to the League of Minnesota Cities, the Association of Minnesota Counties, the Coalition of Greater Minnesota Cities, state agencies, the Governor's Office, the Attorney General's Office, the Opioid Epidemic Response Advisory Council, the Revisor's Office, and Minnesota tribal representatives. The Workgroup will host meetings with Members of the Minnesota House of Representatives and Minnesota Senate who have been involved in this matter to assist in crafting a bill draft.

E. No payments until August 1, 2022. The Parties agree to take all steps necessary to ensure that any Opioid Settlement Funds ready for distribution directly to the State and Participating Local Governments under the National Settlement Agreements or Bankruptcy Resolutions are not actually distributed to the Parties until on or after August 1, 2022, in order to allow the Parties to pursue legislative change that would take effect before the Opioid Settlement Funds are received by the Parties. Such steps may include, but are not limited to, the Attorney General's Office delaying its filing of Consent Judgments in Minnesota state court memorializing the National Settlement Agreements. This provision will cease to apply upon the effective date of the Legislative Modification described above, if that date is prior to August 1, 2022.

[1] It is the intent of the Parties that counties will continue to fund child protection services for children and families who are affected by addiction, in compliance with the Approved Uses in **Exhibit A**.

F. Effect of no statutory change by August 1, 2022. If the Legislative Modification described above does not take effect by August 1, 2022, the allocation between the Parties set forth in Section II.B shall be modified as follows: (i) 40% directly to the State Abatement Fund, and (ii) 60% to Local Abatement Funds. The Parties further agree to discuss potential amendment of this MOA if such legislation does not timely go into effect in accordance with this paragraph.

G. Effect of later statutory change. If the Legislative Modification described above takes effect after August 1, 2022, the allocation between the Parties will be modified as follows: (i) 25% directly to the State Abatement Fund, and (ii) 75% to Local Abatement Funds.

H. Effect of partial statutory change. If any legislative action otherwise modifies or diminishes the direct allocation of Opioid Settlement Funds to Participating Local Governments so that as a result the Participating Local Governments would receive less than 75 percent of the Opioid Settlement Funds (inclusive of amounts received by counties per statutory appropriation through the Minnesota Opiate Epidemic Response Fund), then the allocation set forth in Section II.B will be modified to ensure Participating Local Governments receive 75% of the Opioid Settlement Funds.

I. Participating Local Governments receiving payments. The proportions set forth in **Exhibit B** provide for payments directly to: (i) all Minnesota counties; and (ii) all Minnesota cities that (a) have a population of more than 30,000, based on the United States Census Bureau's Vintage 2019 population totals, (b) have funded or otherwise managed an established health care or treatment infrastructure (e.g., health department or similar agency), or (c) have initiated litigation against the Settling Defendants as of December 3, 2021.

J. Allocation of funds between Participating Local Governments. The Local Abatement Funds shall be allocated to Participating Local Governments in such proportions as set forth in **Exhibit B**, attached hereto and incorporated herein by reference, which is based upon the MDL Matter's Opioid Negotiation Class Model.[2] The proportions shall not change based on population changes during the term of the MOA. However, to the extent required by the terms of the National Settlement Agreements, the proportions set forth in **Exhibit B** must be adjusted: (i) to provide no payment from the National Settlement Agreements to any listed county or municipality that does not participate in the National Settlement Agreements; and (ii) to provide a reduced payment from the National Settlement Agreements to any listed county or city that signs on to the National Settlement Agreements after the Initial Participation Date.

K. Redistribution in certain situations. In the event a Participating Local Government merges, dissolves, or ceases to exist, the allocation percentage for that Participating Local

[2] More specifically, the proportions in Exhibit B were created based on Exhibit G to the National Settlement Agreements, which in turn was based on the MDL Matter's allocation criteria. Cities under 30,000 in population that had shares under the Exhibit G default allocation were removed and their shares were proportionally reallocated amongst the remaining subdivisions.

Government shall be redistributed equitably based on the composition of the successor Local Government. In the event an allocation to a Local Government cannot be paid to the Local Government, such unpaid allocations will be allocated to Local Abatement Funds and be distributed in such proportions as set forth in Exhibit B.

L. City may direct payments to county. Any city allocated a share may elect to have its full share or a portion of its full share of current or future annual distributions of settlement funds instead directed to the county or counties in which it is located, so long as that county or counties are Participating Local Governments[s]. Such an election must be made by January 1 each year to apply to the following fiscal year. If a city is located in more than one county, the city's funds will be directed based on the MDL Matter's Opioid Negotiation Class Model.

III. Special Revenue Fund

A. Creation of special revenue fund. Every Participating Local Government receiving Opioid Settlement Funds through direct distribution shall create a separate special revenue fund, as described below, that is designated for the receipt and expenditure of Opioid Settlement Funds.

B. Procedures for special revenue fund. Funds in this special revenue fund shall not be commingled with any other money or funds of the Participating Local Government. The funds in the special revenue fund shall not be used for any loans or pledge of assets, unless the loan or pledge is for an Approved Use. Participating Local Governments may not assign to another entity their rights to receive payments of Opioid Settlement Funds or their responsibilities for funding decisions, except as provided in Section II.L.

C. Process for drawing from special revenue funds.

1. Opioid Settlement Funds can be used for a purpose when the Governing Body includes in its budget or passes a separate resolution authorizing the expenditure of a stated amount of Opioid Settlement Funds for that purpose or those purposes during a specified period of time.

2. The budget or resolution must (i) indicate that it is an authorization for expenditures of opioid settlement funds; (ii) state the specific strategy or strategies the county or city intends to fund, using the item letter and/or number in **Exhibit A** to identify each funded strategy, if applicable; and (iii) state the amount dedicated to each strategy for a stated period of time.

D. Local government grantmaking. Participating Local Governments may make contracts with or grants to a nonprofit, charity, or other entity with Opioid Settlement Funds.

E. Interest earned on special revenue fund. The funds in the special revenue fund may be invested, consistent with the investment limitations for local governments, and may be

placed in an interest-bearing bank account. Any interest earned on the special revenue funds must be used in a way that is consistent with this MOA.

IV. Opioid Remediation Activities

A. Limitation on use of funds. This MOA requires that Opioid Settlement Funds be utilized only for future opioid remediation activities, and Parties shall expend Opioid Settlement Funds only for Approved Uses and for expenditures incurred after the effective date of this MOA, unless execution of the National Settlement Agreements requires a later date. Opioid Settlement Funds cannot be used to pay litigation costs, expenses, or attorney fees arising from the enforcement of legal claims related to the opioid epidemic, except for the portion of Opioid Settlement Funds that comprise the Backstop Fund described in Section VI. For the avoidance of doubt, counsel for Litigating Local Governments may recover litigation costs, expenses, or attorney fees from the common benefit, contingency fee, and cost funds established in the National Settlement Agreements, as well as the Backstop Fund described in Section VI.

B. Public health departments as Chief Strategists. For Participating Local Governments that have public health departments, the public health departments shall serve as the lead agency and Chief Strategist to identify, collaborate, and respond to local issues as Local Governments decide how to leverage and disburse Opioid Settlement Funds. In their role as Chief Strategist, public health departments will convene multi-sector meetings and lead efforts that build upon local efforts like Community Health Assessments and Community Health Improvement Plans, while fostering community focused and collaborative evidence-informed approaches that prevent and address addiction across the areas of public health, human services, and public safety. Chief Strategists should consult with municipalities located within their county in the development of any Community Health Assessment, and are encouraged to collaborate with law enforcement agencies in the county where appropriate.

C. Administrative expenses. Reasonable administrative costs for the State or Local Government to administer its allocation of the Opioid Settlement Funds shall not exceed actual costs, 10% of the relevant allocation of the Opioid Settlement Funds, or any administrative expense limitation imposed by the National Settlement Agreements or Bankruptcy Resolution, whichever is less.

D. Regions. Two or more Participating Local Governments may at their discretion form a new group or utilize an existing group ("Region") to pool their respective shares of settlement funds and make joint spending decisions. Participating Local Governments may choose to create a Region or utilize an existing Region under a joint exercise of powers under Minn. Stat. § 471.59.

E. Consultation and partnerships.

1. Each county receiving Opioid Settlement Funds must consult annually with the municipalities in the county regarding future use of the settlement funds in the

county, including by holding an annual meeting with all municipalities in the county in order to receive input as to proposed uses of the Opioid Settlement Funds and to encourage collaboration between Local Governments both within and beyond the county. These meetings shall be open to the public.

2. Participating Local Governments within the same County Area have a duty to regularly consult with each other to coordinate spending priorities.

3. Participating Local Governments can form partnerships at the local level whereby Participating Local Governments dedicate a portion of their Opioid Settlement Funds to support city- or community-based work with local stakeholders and partners within the Approved Uses.

F. Collaboration. The State and Participating Local Governments must collaborate to promote effective use of Opioid Settlement Funds, including through the sharing of expertise, training, and technical assistance. They will also coordinate with trusted partners, including community stakeholders, to collect and share information about successful regional and other high-impact strategies and opioid treatment programs.

V. Reporting and Compliance

A. Construction of reporting and compliance provisions. Reporting and compliance requirements will be developed and mutually agreed upon by the Parties, utilizing the recommendations provided by the Advisory Panel to the Attorney General on Distribution and Allocation of Opioid Settlement Funds.

B. Reporting Workgroup. The Parties will work together to establish a Reporting Workgroup that includes representatives of the Attorney General's Office, state stakeholders, and city and county representatives, who will meet on a regular basis to develop reporting and compliance recommendations. The Reporting Workgroup must produce a set of reporting and compliance measures by June 1, 2022. Such reporting and compliance measures will be effective once approved by representatives of the Attorney General's Office, the Governor's Office, the Association of Minnesota Counties, and the League of Minnesota Cities that are on the Workgroup.

VI. Backstop Fund

A. National Attorney Fee Fund. The National Settlement Agreements provide for the payment of all or a portion of the attorney fees and costs owed by Litigating Local Governments to private attorneys specifically retained to file suit in the opioid litigation ("National Attorney Fee Fund"). The Parties acknowledge that the National Settlement Agreements may provide for a portion of the attorney fees of Litigating Local Governments.

B. Backstop Fund and Waiver of Contingency Fee. The Parties agree that the Participating Local Governments will create a supplemental attorney fees fund (the "Backstop Fund") to be used to compensate private attorneys ("Counsel") for Local Governments that filed opioid lawsuits on or before December 3, 2021 ("Litigating Local Governments"). By

order[3] dated August 6, 2021, Judge Polster capped all applicable contingent fee agreements at 15%. Judge Polster's 15% cap does not limit fees from the National Attorney Fee Fund or from any state backstop fund for attorney fees, but private attorneys for local governments must waive their contingent fee agreements to receive payment from the National Attorney Fee Fund. Judge Polster recognized that a state backstop fund can be designed to incentivize private attorneys to waive their right to enforce contingent fee agreements and instead apply to the National Attorney Fee Fund, with the goals of achieving greater subdivision participation and higher ultimate payouts to both states and local governments. Accordingly, in order to seek payment from the Backstop Fund, Counsel must agree to waive their contingency fee agreements relating to these National Settlement Agreements and first apply to the National Attorney Fee Fund.

C. Backstop Fund Source. The Backstop Fund will be funded by seven percent (7%) of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), based upon the initial allocation of 25% directly to the State Abatement Fund and 75% directly to Local Abatement Funds, and will not include payments resulting from the Purdue or Mallinckrodt Bankruptcies. In the event that the initial allocation is modified pursuant to Section II.F. above, then the Backstop Fund will be funded by 8.75% of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), based upon the modified allocation of 40% directly to the State Abatement Fund and 60% directly to the Local Abatement Funds, and will not include payments resulting from the Purdue or Mallinckrodt Bankruptcies. In the event that the allocation is modified pursuant to Section II.G. or Section II.H. above, back to an allocation of 25% directly to the State Abatement Fund and 75% directly to Local Abatement Funds, then the Backstop Fund will be funded by 7% of the share of each payment made to the Local Abatement Funds from the National Settlement Agreements (annual or otherwise), and will not include payments resulting from the Purdue or Mallinckrodt Bankruptcies.

D. Backstop Fund Payment Cap. Any attorney fees paid from the Backstop Fund, together with any compensation received from the National Settlement Agreements' Contingency Fee Fund, shall not exceed 15% of the total gross recovery of the Litigating Local Governments' share of funds from the National Settlement Agreements. To avoid doubt, in no instance will Counsel receive more than 15% of the amount paid to their respective Litigating Local Government client(s) when taking into account what private attorneys receive from both the Backstop Fund and any fees received from the National Settlement Agreements' Contingency Fee Fund.

E. Requirements to Seek Payment from Backstop Fund. A private attorney may seek payment from the Backstop Fund in the event that funds received by Counsel from the National Settlement Agreements' Contingency Fee Fund are insufficient to cover the amount that would be due to Counsel under any contingency fee agreement with a Litigating Local Government based on any recovery Litigating Local Governments receive from the National Settlement Agreements. Before seeking any payment from the Backstop Fund,

[3] Order, In re: Nat'l Prescription Opiate Litig., Case No. 17-MD-02804, Doc. No. 3814 (N.D. Ohio August 6, 2021).

private attorneys must certify that they first sought fees from the National Settlement Agreements' Contingency Fee Fund, and must certify that they agreed to accept the maximum fees payments awarded to them. Nothing in this Section, or in the terms of this Agreement, shall be construed as a waiver of fees, contractual or otherwise, with respect to fees that may be recovered under a contingency fee agreement or otherwise from other past or future settlements, verdicts, or recoveries related to the opioid litigation.

F. Special Master. A special master will administer the Backstop Fund, including overseeing any distribution, evaluating the requests of Counsel for payment, and determining the appropriate amount of any payment from the Backstop Fund. The special master will be selected jointly by the Minnesota Attorney General and the Hennepin County Attorney, and will be one of the following individuals: Hon. Jeffrey Keyes, Hon. David Lillehaug; or Hon. Jack Van de North. The special master will be compensated from the Backstop Fund. In the event that a successor special master is needed, the Minnesota Attorney General and the Hennepin County Attorney will jointly select the successor special master from the above-listed individuals. If none of the above-listed individuals is available to serve as the successor special master, then the Minnesota Attorney General and the Hennepin County Attorney will jointly select a successor special master from a list of individuals that is agreed upon between the Minnesota Attorney General, the Hennepin County Attorney, and Counsel.

G. Special Master Determinations. The special master will determine the amount and timing of any payment to Counsel from the Backstop Fund. The special master shall make one determination regarding payment of attorney fees to Counsel, which will apply through the term of the recovery from the National Settlement Agreements. In making such determinations, the special master shall consider the amounts that have been or will be received by the private attorney's firm from the National Settlement Agreements' Contingency Fee Fund relating to Litigating Local Governments; the contingency fee contracts; the dollar amount of recovery for Counsel's respective clients who are Litigating Local Governments; the Backstop Fund Payment Cap above; the complexity of the legal issues involved in the opioid litigation; work done to directly benefit the Local Governments within the State of Minnesota; and the principles set forth in the Minnesota Rules of Professional Conduct, including the reasonable and contingency fee principles of Rule 1.5. In the interest of transparency, Counsel shall provide information in their initial fee application about the total amount of fees that Counsel have received or will receive from the National Attorney Fee Fund related to the Litigating Local Governments.

H. Special Master Proceedings. Counsel seeking payment from the Backstop Fund may also provide written submissions to the special master, which may include declarations from counsel, summaries relating to the factors described above, and/or attestation regarding total payments awarded or anticipated from the National Settlement Agreements' Contingency Fee Fund. Private attorneys shall not be required to disclose work product, proprietary or confidential information, including but not limited to detailed billing or lodestar records. To the extent that counsel rely upon written submissions to support their application to the special master, the special master will incorporate said submission or summary into the record. Any proceedings before the special master and documents filed with the special master shall be public, and the special master's determinations regarding

any payment from the Backstop Funds shall be transparent, public, final, and not appealable.

I. Distribution of Any Excess Funds. To the extent the special master determines that the Backstop Fund exceeds the amount necessary for payment to Counsel, the special master shall distribute any excess amount to Participating Local Governments according to the percentages set forth in **Exhibit B**.

J. Term. The Backstop Fund will be administered for (a) the length of the National Litigation Settlement payments; or (b) until all Counsel for Litigating Local Governments have either (i) received payments equal to the Backstop Fund Payment Cap above or (ii) received the full amount determined by the special master; whichever occurs first.

K. No State Funds Toward Attorney Fees. For the avoidance of doubt, no portion of the State Abatement Fund will be used to fund the Backstop Fund or in any other way to fund any Litigating Local Government's attorney fees and expenses. Any funds that the State receives from the National Settlement Agreements as attorney fees and costs or in lieu of attorney fees and costs, including the Additional Restitution Amounts, will be treated as State Abatement Funds.

VII. General Terms

A. Scope of agreement. This MOA applies to all settlements under the National Settlement Agreements with Settling Defendants and the Bankruptcy Resolutions with Bankruptcy Defendants.[4] The Parties agree to discuss the use, as the Parties may deem appropriate in the future, of the settlement terms set out herein (after any necessary amendments) for resolutions with Opioid Supply Chain Participants not covered by the National Settlement Agreements or a Bankruptcy Resolution. The Parties acknowledge that this MOA does not excuse any requirements placed upon them by the terms of the National Settlement Agreements or any Bankruptcy Resolution, except to the extent those terms allow for a State-Subdivision Agreement to do so.

B. When MOA takes effect.

1. This MOA shall become effective at the time a sufficient number of Local Governments have joined the MOA to qualify this MOA as a State-Subdivision Agreement under the National Settlement Agreements or as a Statewide Abatement Agreement under any Bankruptcy Resolution. If this MOA does not thereby qualify as a State-Subdivision Agreement or Statewide Abatement Agreement, this MOA will have no effect.

2. The Parties may conditionally agree to sign on to the MOA through a letter of intent, resolution, or similar written statement, declaration, or pronouncement declaring

[4] For the avoidance of doubt, this includes settlements reached with AmerisourceBergen, Cardinal Health, and McKesson, and Janssen, and Bankruptcy Resolutions involving Purdue Pharma L.P., and Mallinckrodt plc.

their intent to sign on to the MOA if the threshold for Party participation in a specific Settlement is achieved.

C. Dispute resolution.

1. If any Party believes another Party has violated the terms of this MOA, the alleging Party may seek to enforce the terms of this MOA in Ramsey County District Court, provided the alleging Party first provides notice to the alleged offending Party of the alleged violation and a reasonable opportunity to cure the alleged violation.

2. If a Party believes another Party, Region, or individual involved in the receipt, distribution, or administration of Opioid Settlement Funds has violated any applicable ethics codes or rules, a complaint shall be lodged with the appropriate forum for handling such matters.

3. If a Party believes another Party, Region, or individual involved in the receipt, distribution, or administration of Opioid Settlement Funds violated any Minnesota criminal law, such conduct shall be reported to the appropriate criminal authorities.

D. Amendments. The Parties agree to make such amendments as necessary to implement the intent of this MOA.

E. Applicable law and venue. Unless otherwise required by the National Settlement Agreements or a Bankruptcy Resolution, this MOA, including any issues related to interpretation or enforcement, is governed by the laws of the State of Minnesota. Any action related to the provisions of this MOA must be adjudicated by the Ramsey County District Court. If any provision of this MOA is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision which can be given effect without the invalid provision.

F. Relationship of this MOA to other agreements and resolutions. All Parties acknowledge and agree that the National Settlement Agreements will require a Participating Local Government to release all its claims against the Settling Defendants to receive direct allocation of Opioid Settlement Funds. All Parties further acknowledge and agree that based on the terms of the National Settlement Agreements, a Participating Local Government may receive funds through this MOA only after complying with all requirements set forth in the National Settlement Agreements to release its claims. This MOA is not a promise from any Party that any National Settlement Agreements or Bankruptcy Resolution will be finalized or executed.

G. When MOA is no longer in effect. This MOA is effective until one year after the last date on which any Opioid Settlement Funds are being spent by the Parties pursuant to the National Settlement Agreements and any Bankruptcy Resolution.

H. No waiver for failure to exercise. The failure of a Party to exercise any rights under this MOA will not be deemed to be a waiver of any right or any future rights.

I. No effect on authority of Parties. Nothing in this MOA should be construed to limit the power or authority of the State of Minnesota, the Attorney General, or the Local Governments, except as expressly set forth herein.

J. Signing and execution. This MOA may be executed in counterparts, each of which constitutes an original, and all of which constitute one and the same agreement. This MOA may be executed by facsimile or electronic copy in any image format. Each Party represents that all procedures necessary to authorize such Party's execution of this MOA have been performed and that the person signing for such Party has been authorized to execute the MOA in an official capacity that binds the Party.

This **Minnesota Opioids State-Subdivision Memorandum of Agreement** is signed this ___day of _____, _____ by:

_____

Name and Title: Jason Gadd, Mayor

On behalf of: City of Hopkins, MN

_____

Name and Title: Michael Mornson, City Manager

On behalf of: City of Hopkins, MN

EXHIBIT A

List of Opioid Remediation Uses

Settlement fund recipients shall choose from among abatement strategies, including but not limited to those listed in this Exhibit. The programs and strategies listed in this Exhibit are not exclusive, and fund recipients shall have flexibility to modify their abatement approach as needed and as new uses are discovered.

PART ONE: TREATMENT

A. TREAT OPIOID USE DISORDER (OUD)

Support treatment of Opioid Use Disorder ("*OUD*") and any co-occurring Substance Use Disorder or Mental Health ("*SUD/MH*") conditions through evidence-based or evidence-informed programs[5] or strategies that may include, but are not limited to, those that:[6]

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of Medication for Opioid Use Disorder ("MOUD")[7] approved by the U.S. Food and Drug Administration.

2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine ("*ASAM*") continuum of care for OUD and any co-occurring SUD/MH conditions.

3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including MOUD, as well as counseling, psychiatric support, and other treatment and recovery support services.

4. Improve oversight of Opioid Treatment Programs ("*OTPs*") to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.

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[5] Use of the terms "evidence-based," "evidence-informed," or "best practices" shall not limit the ability of recipients to fund innovative services or those built on culturally specific needs. Rather, recipients are encouraged to support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions.

[6] As used in this Exhibit, words like "expand," "fund," "provide" or the like shall not indicate a preference for new or existing programs.

[7] Historically, pharmacological treatment for opioid use disorder was referred to as "Medication-Assisted Treatment" ("MAT"). It has recently been determined that the better term is "Medication for Opioid Use Disorder" ("MOUD"). This Exhibit will use "MOUD" going forward. Use of the term MOUD is not intended to and shall in no way limit abatement programs or strategies now or into the future as new strategies and terminology evolve.

5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.

6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.

7. Support detoxification (detox) and withdrawal management services for people with OUD and any co-occurring SUD/MH conditions, including but not limited to medical detox, referral to treatment, or connections to other services or supports.

8. Provide training on MOUD for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including telementoring to assist community-based providers in rural or underserved areas.

9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH or mental health conditions.

10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.

11. Offer scholarships and supports for certified addiction counselors, licensed alcohol and drug counselors, licensed clinical social workers, licensed mental health counselors, and other mental and behavioral health practitioners or workers, including peer recovery coaches, peer recovery supports, and treatment coordinators, involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, continuing education, licensing fees, or other incentives for providers to work in rural or underserved areas.

12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 ("*DATA 2000*") to prescribe MOUD for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.

13. Dissemination of web-based training curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service–Opioids web-based training curriculum and motivational interviewing.

14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service for Medication–Assisted Treatment.

B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.

2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.

3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.

4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved medication with other support services.

5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.

6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.

7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.

8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.

9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.

10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.

11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.

12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.

13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including but not limited to new Americans, African Americans, and American Indians.

14. Create and/or support recovery high schools.

15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED (CONNECTIONS TO CARE)

Provide connections to care for people who have—or are at risk of developing—OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.

2. Fund Screening, Brief Intervention and Referral to Treatment ("SBIRT") programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.

3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.

4. Purchase automated versions of SBIRT and support ongoing costs of the technology.

5. Expand services such as navigators and on-call teams to begin MOUD in hospital emergency departments.

6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MOUD, recovery case management or support services.

7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.

8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co-occurring SUD/MH conditions or persons that have experienced an opioid overdose.

9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid-related adverse event.

10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.

11. Expand warm hand-off services to transition to recovery services.

12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.

13. Develop and support best practices on addressing OUD in the workplace.

14. Support assistance programs for health care providers with OUD.

15. Engage non-profits and the faith community as a system to support outreach for treatment.

16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:

    1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative ("*PAARI*");

    2. Active outreach strategies such as the Drug Abuse Response Team ("*DART*") model;

3. "Naloxone Plus" strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;

4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion ("*LEAD*") model;

5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or

6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.

2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MOUD, and related services.

3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.

4. Provide evidence-informed treatment, including MOUD, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are incarcerated in jail or prison.

5. Provide evidence-informed treatment, including MOUD, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.

6. Support critical time interventions ("*CTI*"), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.

7. Provide training on best practices for addressing the needs of criminal justice-involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

E. ADDRESS THE NEEDS OF THE PERINATAL POPULATION, CAREGIVERS, AND FAMILIES, INCLUDING BABIES WITH NEONATAL OPIOID WITHDRAWAL SYNDROME.

Address the needs of the perinatal population and caregivers with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with

neonatal opioid withdrawal syndrome ("*NOWS*"), through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MOUD, recovery services and supports, and prevention services for the perinatal population—or individuals who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to caregivers and families affected by Neonatal Opioid Withdrawal Syndrome.

2. Expand comprehensive evidence-based treatment and recovery services, including MOUD, for uninsured individuals with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.

3. Provide training for obstetricians or other healthcare personnel who work with the perinatal population and their families regarding treatment of OUD and any co-occurring SUD/MH conditions.

4. Expand comprehensive evidence-based treatment and recovery support for NOWS babies; expand services for better continuum of care with infant-caregiver dyad; and expand long-term treatment and services for medical monitoring of NOWS babies and their caregivers and families.

5. Provide training to health care providers who work with the perinatal population and caregivers on best practices for compliance with federal requirements that children born with NOWS get referred to appropriate services and receive a plan of safe care.

6. Provide child and family supports for caregivers with OUD and any co-occurring SUD/MH conditions, emphasizing the desire to keep families together.

7. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.

8. Offer home-based wrap-around services to persons with OUD and any co-occurring SUD/MH conditions, including, but not limited to, parent skills training.

9. Provide support for Children's Services—Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

PART TWO: PREVENTION

F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).

2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.

3. Continuing Medical Education (CME) on appropriate prescribing of opioids.

4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.

5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs ("*PDMPs*"), including, but not limited to, improvements that:

    1. Increase the number of prescribers using PDMPs;

    2. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or

    3. Enable states to use PDMP data in support of surveillance or intervention strategies, including MOUD referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.

6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation's Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.

7. Increasing electronic prescribing to prevent diversion or forgery.

8. Educating dispensers on appropriate opioid dispensing.

G. PREVENT MISUSE OF OPIOIDS

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse, including but not limited to focusing on risk factors and early interventions.

2. Corrective advertising or affirmative public education campaigns based on evidence.

3. Public education relating to drug disposal.

4. Drug take-back disposal or destruction programs.

5. Funding community anti-drug coalitions that engage in drug prevention efforts.

6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration ("*SAMHSA*").

7. Engaging non-profits and faith-based communities as systems to support prevention.

8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.

9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.

10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co-occurring SUD/MH conditions.

11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.

12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health

workers or other school staff, to address mental health needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.

2. Public health entities providing free naloxone to anyone in the community.

3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.

4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.

5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.

6. Public education relating to emergency responses to overdoses.

7. Public education relating to immunity and Good Samaritan laws.

8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.

9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.

10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.

11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.

12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co-occurring SUD/MH conditions.

13. Supporting screening for fentanyl in routine clinical toxicology testing.

PART THREE: OTHER STRATEGIES

I. FIRST RESPONDERS

In addition to items in section C, D and H relating to first responders, support the following:

1. Law enforcement expenditures related to the opioid epidemic.

2. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.

3. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.

J. LEADERSHIP, PLANNING AND COORDINATION

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.

3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

4. Provide resources to staff government oversight and management of opioid abatement programs.

5. Support multidisciplinary collaborative approaches consisting of, but not limited to, public health, public safety, behavioral health, harm reduction, and others at the state, regional, local, nonprofit, and community level to maximize collective impact.

K. TRAINING

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.

2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (*e.g.*, health care, primary care, pharmacies, PDMPs, etc.).

L. RESEARCH

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.

2. Research non-opioid treatment of chronic pain.

3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.

4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.

5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.

6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (*e.g.*, Hawaii HOPE and Dakota 24/7).

7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring ("*ADAM*") system.

8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.

9. Geospatial analysis of access barriers to MOUD and their association with treatment engagement and treatment outcomes.

M. POST-MORTEM

1. Toxicology tests for the range of opioids, including synthetic opioids, seen in overdose deaths as well as newly evolving synthetic opioids infiltrating the drug supply.

2. Toxicology method development and method validation for the range of synthetic opioids observed now and in the future, including the cost of installation, maintenance, repairs and training of capital equipment.

3. Autopsies in cases of overdose deaths resulting from opioids and synthetic opioids.

4. Additional storage space/facilities for bodies directly related to opioid or synthetic opioid related deaths.

5. Comprehensive death investigations for individuals where a death is caused by or suspected to have been caused by an opioid or synthetic opioid overdose, whether intentional or accidental (overdose fatality reviews).

6. Indigent burial for unclaimed remains resulting from overdose deaths.

7. Navigation-to-care services for individuals with opioid use disorder who are encountered by the medical examiner's office as either family and/or social network members of decedents dying of opioid overdose.

8. Epidemiologic data management and reporting to public health and public safety stakeholders regarding opioid overdose fatalities.

EXHIBIT B

Local Abatement Funds Allocation

Subdivision	Allocation Percentage
AITKIN COUNTY	0.5760578506020%
Andover city	0.1364919450741%
ANOKA COUNTY	5.0386504680954%
Apple Valley city	0.2990817344560%
BECKER COUNTY	0.6619330684437%
BELTRAMI COUNTY	0.7640787092763%
BENTON COUNTY	0.6440948102319%
BIG STONE COUNTY	0.1194868774775%
Blaine city	0.4249516912759%
Bloomington city	0.4900195550092%
BLUE EARTH COUNTY	0.6635420704652%
Brooklyn Center city	0.1413853902225%
Brooklyn Park city	0.2804136234778%
BROWN COUNTY	0.3325325415732%
Burnsville city	0.5135361296508%
CARLTON COUNTY	0.9839591749060%
CARVER COUNTY	1.1452829659572%
CASS COUNTY	0.8895681513437%
CHIPPEWA COUNTY	0.2092611794436%
CHISAGO COUNTY	0.9950193750117%
CLAY COUNTY	0.9428475281726%
CLEARWATER COUNTY	0.1858592042741%
COOK COUNTY	0.1074594959729%
Coon Rapids city	0.5772642444915%
Cottage Grove city	0.2810994719143%
COTTONWOOD COUNTY	0.1739065270025%
CROW WING COUNTY	1.1394859174804%
DAKOTA COUNTY	4.4207140602835%
DODGE COUNTY	0.2213963257778%
DOUGLAS COUNTY	0.6021779472345%
Duluth city	1.1502115379896%
Eagan city	0.3657951576014%
Eden Prairie city	0.2552171572659%
Edina city	0.1973054822135%
FARIBAULT COUNTY	0.2169409335358%
FILLMORE COUNTY	0.2329591105316%
FREEBORN COUNTY	0.3507169823793%
GOODHUE COUNTY	0.5616542387089%

Subdivision	Allocation Percentage
GRANT COUNTY	0.0764556498477%
HENNEPIN COUNTY	19.0624622261821%
HOUSTON COUNTY	0.3099019273452%
HUBBARD COUNTY	0.4582368775192%
Inver Grove Heights city	0.2193400520297%
ISANTI COUNTY	0.7712992707537%
ITASCA COUNTY	1.1406408131328%
JACKSON COUNTY	0.1408950443531%
KANABEC COUNTY	0.3078966749987%
KANDIYOHI COUNTY	0.1581167542252%
KITTSON COUNTY	0.0812834506382%
KOOCHICHING COUNTY	0.2612581865885%
LAC QUI PARLE COUNTY	0.0985665133485%
LAKE COUNTY	0.1827750320696%
LAKE OF THE WOODS COUNTY	0.1123105027592%
Lakeville city	0.2822249627090%
LE SUEUR COUNTY	0.3225703347466%
LINCOLN COUNTY	0.1091919983965%
LYON COUNTY	0.2935118186364%
MAHNOMEN COUNTY	0.1416417687922%
Mankato city	0.3698584320930%
Maple Grove city	0.1814019046900%
Maplewood city	0.1875101678223%
MARSHALL COUNTY	0.1296352091057%
MARTIN COUNTY	0.2543064014046%
MCLEOD COUNTY	0.1247104517575%
MEEKER COUNTY	0.3744031515243%
MILLE LACS COUNTY	0.9301506695846%
Minneapolis city	4.8777618689374%
Minnetonka city	0.1967231070869%
Moorhead city	0.4337377037965%
MORRISON COUNTY	0.7178981419196%
MOWER COUNTY	0.5801769148506%
MURRAY COUNTY	0.1348775389165%
NICOLLET COUNTY	0.1572381052896%
NOBLES COUNTY	0.1562005111775%
NORMAN COUNTY	0.1087596675165%
North St. Paul city	0.0575844069340%
OLMSTED COUNTY	1.9236715094724%
OTTER TAIL COUNTY	0.8336175418789%
PENNINGTON COUNTY	0.3082576394945%
PINE COUNTY	0.5671222706703%

Subdivision	Allocation Percentage
PIPESTONE COUNTY	0.1535154503112%
Plymouth city	0.1762541472591%
POLK COUNTY	0.8654291473909%
POPE COUNTY	0.1870129873102%
Proctor city	0.0214374127881%
RAMSEY COUNTY	7.1081424150498%
RED LAKE COUNTY	0.0532649128178%
REDWOOD COUNTY	0.2809842366614%
RENVILLE COUNTY	0.2706888807449%
RICE COUNTY	0.2674764397830%
Richfield city	0.2534018444052%
Rochester city	0.7363082848763%
ROCK COUNTY	0.2043437335735%
ROSEAU COUNTY	0.2517872793025%
Roseville city	0.1721905548771%
Savage city	0.1883576635033%
SCOTT COUNTY	1.3274301645797%
Shakopee city	0.2879873611373%
SHERBURNE COUNTY	1.2543449471994%
SIBLEY COUNTY	0.2393480708456%
ST LOUIS COUNTY	4.7407767169807%
St. Cloud city	0.7330089009029%
St. Louis Park city	0.1476314588229%
St. Paul city	3.7475206797569%
STEARNS COUNTY	2.4158085321227%
STEELE COUNTY	0.3969975262520%
STEVENS COUNTY	0.1439474275223%
SWIFT COUNTY	0.1344167568499%
TODD COUNTY	0.4180909816781%
TRAVERSE COUNTY	0.0903964133868%
WABASHA COUNTY	0.3103038996965%
WADENA COUNTY	0.2644094336575%
WASECA COUNTY	0.2857912156338%
WASHINGTON COUNTY	3.0852862512586%
WATONWAN COUNTY	0.1475626355615%
WILKIN COUNTY	0.0937962507119%
WINONA COUNTY	0.7755267356126%
Woodbury city	0.4677270171716%
WRIGHT COUNTY	1.6985269385427%
YELLOW MEDICINE COUNTY	0.1742264836427%

EXHIBIT K

Settlement Participation Form

Governmental Entity:	State:
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above ("Governmental Entity"), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated July 21, 2021 ("Janssen Settlement"), and acting through the undersigned authorized official, hereby elects to participate in the Janssen Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Janssen Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Janssen Settlement and become a Participating Subdivision as provided therein.

2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed.

3. The Governmental Entity agrees to the terms of the Janssen Settlement pertaining to Subdivisions as defined therein.

4. By agreeing to the terms of the Janssen Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.

5. The Governmental Entity agrees to use any monies it receives through the Janssen Settlement solely for the purposes provided therein.

6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Janssen Settlement.

7. The Governmental Entity has the right to enforce the Janssen Settlement as provided therein.

8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Janssen Settlement, including but not limited to all provisions of Section IV (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Janssen Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Janssen Settlement shall be a complete bar to any Released Claim.

9. In connection with the releases provided for in the Janssen Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

   > **General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

   A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Janssen Settlement.

10. Nothing herein is intended to modify in any way the terms of the Janssen Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Janssen Settlement in any respect, the Janssen Settlement controls.

I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____

EXHIBIT K

Subdivision Settlement Participation Form

Governmental Entity:	State:
Authorized Official:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above ("*Governmental Entity*"), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated July 21, 2021 ("*Distributor Settlement*"), and acting through the undersigned authorized official, hereby elects to participate in the Distributor Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Distributor Settlement, understands that all terms in this Participation Form have the meanings defined therein, and agrees that by signing this Participation Form, the Governmental Entity elects to participate in the Distributor Settlement and become a Participating Subdivision as provided therein.

2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, secure the dismissal with prejudice of any Released Claims that it has filed.

3. The Governmental Entity agrees to the terms of the Distributor Settlement pertaining to Subdivisions as defined therein.

4. By agreeing to the terms of the Distributor Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.

5. The Governmental Entity agrees to use any monies it receives through the Distributor Settlement solely for the purposes provided therein.

6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Distributor Settlement. The Governmental Entity likewise agrees to arbitrate before the National Arbitration Panel as provided in, and for resolving disputes to the extent otherwise provided in, the Distributor Settlement.

7. The Governmental Entity has the right to enforce the Distributor Settlement as provided therein.

8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Distributor Settlement, including, but not limited to, all provisions of Part XI, and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Distributor Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Distributor Settlement shall be a complete bar to any Released Claim.

9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Distributor Settlement.

10. In connection with the releases provided for in the Distributor Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

> **General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Distributor Settlement.

11. Nothing herein is intended to modify in any way the terms of the Distributor Settlement, to which Governmental Entity hereby agrees. To the extent this Participation Form is interpreted differently from the Distributor Settlement in any respect, the Distributor Settlement controls.

I have all necessary power and authorization to execute this Participation Form on behalf of the Governmental Entity.

Signature: _____

Name: _____

Title: _____

Date: _____

EXHIBIT E

List of Opioid Remediation Uses

Schedule A
Core Strategies

States and Qualifying Block Grantees shall choose from among the abatement strategies listed in Schedule B. However, priority shall be given to the following core abatement strategies ("*Core Strategies*").[14]

A. **NALOXONE OR OTHER FDA-APPROVED DRUG TO REVERSE OPIOID OVERDOSES**

1. Expand training for first responders, schools, community support groups and families; and

2. Increase distribution to individuals who are uninsured or whose insurance does not cover the needed service.

B. **MEDICATION-ASSISTED TREATMENT ("*MAT*") DISTRIBUTION AND OTHER OPIOID-RELATED TREATMENT**

1. Increase distribution of MAT to individuals who are uninsured or whose insurance does not cover the needed service;

2. Provide education to school-based and youth-focused programs that discourage or prevent misuse;

3. Provide MAT education and awareness training to healthcare providers, EMTs, law enforcement, and other first responders; and

4. Provide treatment and recovery support services such as residential and inpatient treatment, intensive outpatient treatment, outpatient therapy or counseling, and recovery housing that allow or integrate medication and with other support services.

[14] As used in this Schedule A, words like "expand," "fund," "provide" or the like shall not indicate a preference for new or existing programs.

C. **PREGNANT & POSTPARTUM WOMEN**

1. Expand Screening, Brief Intervention, and Referral to Treatment ("*SBIRT*") services to non-Medicaid eligible or uninsured pregnant women;

2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for women with co-occurring Opioid Use Disorder ("*OUD*") and other Substance Use Disorder ("*SUD*")/Mental Health disorders for uninsured individuals for up to 12 months postpartum; and

3. Provide comprehensive wrap-around services to individuals with OUD, including housing, transportation, job placement/training, and childcare.

D. **EXPANDING TREATMENT FOR NEONATAL ABSTINENCE SYNDROME ("*NAS*")**

1. Expand comprehensive evidence-based and recovery support for NAS babies;

2. Expand services for better continuum of care with infant-need dyad; and

3. Expand long-term treatment and services for medical monitoring of NAS babies and their families.

E. **EXPANSION OF WARM HAND-OFF PROGRAMS AND RECOVERY SERVICES**

1. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments;

2. Expand warm hand-off services to transition to recovery services;

3. Broaden scope of recovery services to include co-occurring SUD or mental health conditions;

4. Provide comprehensive wrap-around services to individuals in recovery, including housing, transportation, job placement/training, and childcare; and

5. Hire additional social workers or other behavioral health workers to facilitate expansions above.

F. **TREATMENT FOR INCARCERATED POPULATION**

1. Provide evidence-based treatment and recovery support, including MAT for persons with OUD and co-occurring SUD/MH disorders within and transitioning out of the criminal justice system; and

2. Increase funding for jails to provide treatment to inmates with OUD.

G. **PREVENTION PROGRAMS**

1. Funding for media campaigns to prevent opioid use (similar to the FDA's "Real Cost" campaign to prevent youth from misusing tobacco);

2. Funding for evidence-based prevention programs in schools;

3. Funding for medical provider education and outreach regarding best prescribing practices for opioids consistent with the 2016 CDC guidelines, including providers at hospitals (academic detailing);

4. Funding for community drug disposal programs; and

5. Funding and training for first responders to participate in pre-arrest diversion programs, post-overdose response teams, or similar strategies that connect at-risk individuals to behavioral health services and supports.

H. **EXPANDING SYRINGE SERVICE PROGRAMS**

1. Provide comprehensive syringe services programs with more wrap-around services, including linkage to OUD treatment, access to sterile syringes and linkage to care and treatment of infectious diseases.

I. **EVIDENCE-BASED DATA COLLECTION AND RESEARCH ANALYZING THE EFFECTIVENESS OF THE ABATEMENT STRATEGIES WITHIN THE STATE**

Schedule B
Approved Uses

Support treatment of Opioid Use Disorder (OUD) and any co-occurring Substance Use Disorder or Mental Health (SUD/MH) conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

PART ONE: TREATMENT

A. TREAT OPIOID USE DISORDER (OUD)

Support treatment of Opioid Use Disorder ("*OUD*") and any co-occurring Substance Use Disorder or Mental Health ("*SUD/MH*") conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:[15]

1. Expand availability of treatment for OUD and any co-occurring SUD/MH conditions, including all forms of Medication-Assisted Treatment ("*MAT*") approved by the U.S. Food and Drug Administration.

2. Support and reimburse evidence-based services that adhere to the American Society of Addiction Medicine ("*ASAM*") continuum of care for OUD and any co-occurring SUD/MH conditions.

3. Expand telehealth to increase access to treatment for OUD and any co-occurring SUD/MH conditions, including MAT, as well as counseling, psychiatric support, and other treatment and recovery support services.

4. Improve oversight of Opioid Treatment Programs ("*OTPs*") to assure evidence-based or evidence-informed practices such as adequate methadone dosing and low threshold approaches to treatment.

5. Support mobile intervention, treatment, and recovery services, offered by qualified professionals and service providers, such as peer recovery coaches, for persons with OUD and any co-occurring SUD/MH conditions and for persons who have experienced an opioid overdose.

6. Provide treatment of trauma for individuals with OUD (*e.g.*, violence, sexual assault, human trafficking, or adverse childhood experiences) and family members (*e.g.*, surviving family members after an overdose or overdose fatality), and training of health care personnel to identify and address such trauma.

7. Support evidence-based withdrawal management services for people with OUD and any co-occurring mental health conditions.

[15] As used in this Schedule B, words like "expand," "fund," "provide" or the like shall not indicate a preference for new or existing programs.

8. Provide training on MAT for health care providers, first responders, students, or other supporting professionals, such as peer recovery coaches or recovery outreach specialists, including telementoring to assist community-based providers in rural or underserved areas.

9. Support workforce development for addiction professionals who work with persons with OUD and any co-occurring SUD/MH conditions.

10. Offer fellowships for addiction medicine specialists for direct patient care, instructors, and clinical research for treatments.

11. Offer scholarships and supports for behavioral health practitioners or workers involved in addressing OUD and any co-occurring SUD/MH or mental health conditions, including, but not limited to, training, scholarships, fellowships, loan repayment programs, or other incentives for providers to work in rural or underserved areas.

12. Provide funding and training for clinicians to obtain a waiver under the federal Drug Addiction Treatment Act of 2000 ("*DATA 2000*") to prescribe MAT for OUD, and provide technical assistance and professional support to clinicians who have obtained a DATA 2000 waiver.

13. Disseminate of web-based training curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service–Opioids web-based training curriculum and motivational interviewing.

14. Develop and disseminate new curricula, such as the American Academy of Addiction Psychiatry's Provider Clinical Support Service for Medication–Assisted Treatment.

B. SUPPORT PEOPLE IN TREATMENT AND RECOVERY

Support people in recovery from OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the programs or strategies that:

1. Provide comprehensive wrap-around services to individuals with OUD and any co-occurring SUD/MH conditions, including housing, transportation, education, job placement, job training, or childcare.

2. Provide the full continuum of care of treatment and recovery services for OUD and any co-occurring SUD/MH conditions, including supportive housing, peer support services and counseling, community navigators, case management, and connections to community-based services.

3. Provide counseling, peer-support, recovery case management and residential treatment with access to medications for those who need it to persons with OUD and any co-occurring SUD/MH conditions.

4. Provide access to housing for people with OUD and any co-occurring SUD/MH conditions, including supportive housing, recovery housing, housing assistance programs, training for housing providers, or recovery housing programs that allow or integrate FDA-approved mediation with other support services.

5. Provide community support services, including social and legal services, to assist in deinstitutionalizing persons with OUD and any co-occurring SUD/MH conditions.

6. Support or expand peer-recovery centers, which may include support groups, social events, computer access, or other services for persons with OUD and any co-occurring SUD/MH conditions.

7. Provide or support transportation to treatment or recovery programs or services for persons with OUD and any co-occurring SUD/MH conditions.

8. Provide employment training or educational services for persons in treatment for or recovery from OUD and any co-occurring SUD/MH conditions.

9. Identify successful recovery programs such as physician, pilot, and college recovery programs, and provide support and technical assistance to increase the number and capacity of high-quality programs to help those in recovery.

10. Engage non-profits, faith-based communities, and community coalitions to support people in treatment and recovery and to support family members in their efforts to support the person with OUD in the family.

11. Provide training and development of procedures for government staff to appropriately interact and provide social and other services to individuals with or in recovery from OUD, including reducing stigma.

12. Support stigma reduction efforts regarding treatment and support for persons with OUD, including reducing the stigma on effective treatment.

13. Create or support culturally appropriate services and programs for persons with OUD and any co-occurring SUD/MH conditions, including new Americans.

14. Create and/or support recovery high schools.

15. Hire or train behavioral health workers to provide or expand any of the services or supports listed above.

C. CONNECT PEOPLE WHO NEED HELP TO THE HELP THEY NEED (CONNECTIONS TO CARE)

Provide connections to care for people who have—or are at risk of developing—OUD and any co-occurring SUD/MH conditions through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Ensure that health care providers are screening for OUD and other risk factors and know how to appropriately counsel and treat (or refer if necessary) a patient for OUD treatment.

2. Fund SBIRT programs to reduce the transition from use to disorders, including SBIRT services to pregnant women who are uninsured or not eligible for Medicaid.

3. Provide training and long-term implementation of SBIRT in key systems (health, schools, colleges, criminal justice, and probation), with a focus on youth and young adults when transition from misuse to opioid disorder is common.

4. Purchase automated versions of SBIRT and support ongoing costs of the technology.

5. Expand services such as navigators and on-call teams to begin MAT in hospital emergency departments.

6. Provide training for emergency room personnel treating opioid overdose patients on post-discharge planning, including community referrals for MAT, recovery case management or support services.

7. Support hospital programs that transition persons with OUD and any co-occurring SUD/MH conditions, or persons who have experienced an opioid overdose, into clinically appropriate follow-up care through a bridge clinic or similar approach.

8. Support crisis stabilization centers that serve as an alternative to hospital emergency departments for persons with OUD and any co-occurring SUD/MH conditions or persons that have experienced an opioid overdose.

9. Support the work of Emergency Medical Systems, including peer support specialists, to connect individuals to treatment or other appropriate services following an opioid overdose or other opioid-related adverse event.

10. Provide funding for peer support specialists or recovery coaches in emergency departments, detox facilities, recovery centers, recovery housing, or similar settings; offer services, supports, or connections to care to persons with OUD and any co-occurring SUD/MH conditions or to persons who have experienced an opioid overdose.

11. Expand warm hand-off services to transition to recovery services.

12. Create or support school-based contacts that parents can engage with to seek immediate treatment services for their child; and support prevention, intervention, treatment, and recovery programs focused on young people.

13. Develop and support best practices on addressing OUD in the workplace.

14. Support assistance programs for health care providers with OUD.

15. Engage non-profits and the faith community as a system to support outreach for treatment.

16. Support centralized call centers that provide information and connections to appropriate services and supports for persons with OUD and any co-occurring SUD/MH conditions.

D. ADDRESS THE NEEDS OF CRIMINAL JUSTICE-INVOLVED PERSONS

Address the needs of persons with OUD and any co-occurring SUD/MH conditions who are involved in, are at risk of becoming involved in, or are transitioning out of the criminal justice system through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support pre-arrest or pre-arraignment diversion and deflection strategies for persons with OUD and any co-occurring SUD/MH conditions, including established strategies such as:

    1. Self-referral strategies such as the Angel Programs or the Police Assisted Addiction Recovery Initiative ("*PAARI*");

    2. Active outreach strategies such as the Drug Abuse Response Team ("*DART*") model;

    3. "Naloxone Plus" strategies, which work to ensure that individuals who have received naloxone to reverse the effects of an overdose are then linked to treatment programs or other appropriate services;

    4. Officer prevention strategies, such as the Law Enforcement Assisted Diversion ("*LEAD*") model;

    5. Officer intervention strategies such as the Leon County, Florida Adult Civil Citation Network or the Chicago Westside Narcotics Diversion to Treatment Initiative; or

    6. Co-responder and/or alternative responder models to address OUD-related 911 calls with greater SUD expertise.

2. Support pre-trial services that connect individuals with OUD and any co-occurring SUD/MH conditions to evidence-informed treatment, including MAT, and related services.

3. Support treatment and recovery courts that provide evidence-based options for persons with OUD and any co-occurring SUD/MH conditions.

4. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are incarcerated in jail or prison.

5. Provide evidence-informed treatment, including MAT, recovery support, harm reduction, or other appropriate services to individuals with OUD and any co-occurring SUD/MH conditions who are leaving jail or prison or have recently left jail or prison, are on probation or parole, are under community corrections supervision, or are in re-entry programs or facilities.

6. Support critical time interventions ("*CTI*"), particularly for individuals living with dual-diagnosis OUD/serious mental illness, and services for individuals who face immediate risks and service needs and risks upon release from correctional settings.

7. Provide training on best practices for addressing the needs of criminal justice-involved persons with OUD and any co-occurring SUD/MH conditions to law enforcement, correctional, or judicial personnel or to providers of treatment, recovery, harm reduction, case management, or other services offered in connection with any of the strategies described in this section.

E. ADDRESS THE NEEDS OF PREGNANT OR PARENTING WOMEN AND THEIR FAMILIES, INCLUDING BABIES WITH NEONATAL ABSTINENCE SYNDROME

Address the needs of pregnant or parenting women with OUD and any co-occurring SUD/MH conditions, and the needs of their families, including babies with neonatal abstinence syndrome ("*NAS*"), through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, those that:

1. Support evidence-based or evidence-informed treatment, including MAT, recovery services and supports, and prevention services for pregnant women—or women who could become pregnant—who have OUD and any co-occurring SUD/MH conditions, and other measures to educate and provide support to families affected by Neonatal Abstinence Syndrome.

2. Expand comprehensive evidence-based treatment and recovery services, including MAT, for uninsured women with OUD and any co-occurring SUD/MH conditions for up to 12 months postpartum.

3. Provide training for obstetricians or other healthcare personnel who work with pregnant women and their families regarding treatment of OUD and any co-occurring SUD/MH conditions.

4. Expand comprehensive evidence-based treatment and recovery support for NAS babies; expand services for better continuum of care with infant-need dyad; and expand long-term treatment and services for medical monitoring of NAS babies and their families.

5. Provide training to health care providers who work with pregnant or parenting women on best practices for compliance with federal requirements that children born with NAS get referred to appropriate services and receive a plan of safe care.

6. Provide child and family supports for parenting women with OUD and any co-occurring SUD/MH conditions.

7. Provide enhanced family support and child care services for parents with OUD and any co-occurring SUD/MH conditions.

8. Provide enhanced support for children and family members suffering trauma as a result of addiction in the family; and offer trauma-informed behavioral health treatment for adverse childhood events.

9. Offer home-based wrap-around services to persons with OUD and any co-occurring SUD/MH conditions, including, but not limited to, parent skills training.

10. Provide support for Children's Services—Fund additional positions and services, including supportive housing and other residential services, relating to children being removed from the home and/or placed in foster care due to custodial opioid use.

PART TWO: PREVENTION

F. PREVENT OVER-PRESCRIBING AND ENSURE APPROPRIATE PRESCRIBING AND DISPENSING OF OPIOIDS

Support efforts to prevent over-prescribing and ensure appropriate prescribing and dispensing of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding medical provider education and outreach regarding best prescribing practices for opioids consistent with the Guidelines for Prescribing Opioids for Chronic Pain from the U.S. Centers for Disease Control and Prevention, including providers at hospitals (academic detailing).

2. Training for health care providers regarding safe and responsible opioid prescribing, dosing, and tapering patients off opioids.

3. Continuing Medical Education (CME) on appropriate prescribing of opioids.

4. Providing Support for non-opioid pain treatment alternatives, including training providers to offer or refer to multi-modal, evidence-informed treatment of pain.

5. Supporting enhancements or improvements to Prescription Drug Monitoring Programs ("*PDMPs*"), including, but not limited to, improvements that:

1. Increase the number of prescribers using PDMPs;

2. Improve point-of-care decision-making by increasing the quantity, quality, or format of data available to prescribers using PDMPs, by improving the interface that prescribers use to access PDMP data, or both; or

3. Enable states to use PDMP data in support of surveillance or intervention strategies, including MAT referrals and follow-up for individuals identified within PDMP data as likely to experience OUD in a manner that complies with all relevant privacy and security laws and rules.

6. Ensuring PDMPs incorporate available overdose/naloxone deployment data, including the United States Department of Transportation's Emergency Medical Technician overdose database in a manner that complies with all relevant privacy and security laws and rules.

7. Increasing electronic prescribing to prevent diversion or forgery.

8. Educating dispensers on appropriate opioid dispensing.

G. PREVENT MISUSE OF OPIOIDS

Support efforts to discourage or prevent misuse of opioids through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Funding media campaigns to prevent opioid misuse.

2. Corrective advertising or affirmative public education campaigns based on evidence.

3. Public education relating to drug disposal.

4. Drug take-back disposal or destruction programs.

5. Funding community anti-drug coalitions that engage in drug prevention efforts.

6. Supporting community coalitions in implementing evidence-informed prevention, such as reduced social access and physical access, stigma reduction—including staffing, educational campaigns, support for people in treatment or recovery, or training of coalitions in evidence-informed implementation, including the Strategic Prevention Framework developed by the U.S. Substance Abuse and Mental Health Services Administration ("*SAMHSA*").

7. Engaging non-profits and faith-based communities as systems to support prevention.

8. Funding evidence-based prevention programs in schools or evidence-informed school and community education programs and campaigns for students, families, school employees, school athletic programs, parent-teacher and student associations, and others.

9. School-based or youth-focused programs or strategies that have demonstrated effectiveness in preventing drug misuse and seem likely to be effective in preventing the uptake and use of opioids.

10. Create or support community-based education or intervention services for families, youth, and adolescents at risk for OUD and any co-occurring SUD/MH conditions.

11. Support evidence-informed programs or curricula to address mental health needs of young people who may be at risk of misusing opioids or other drugs, including emotional modulation and resilience skills.

12. Support greater access to mental health services and supports for young people, including services and supports provided by school nurses, behavioral health workers or other school staff, to address mental health needs in young people that (when not properly addressed) increase the risk of opioid or another drug misuse.

H. PREVENT OVERDOSE DEATHS AND OTHER HARMS (HARM REDUCTION)

Support efforts to prevent or reduce overdose deaths or other opioid-related harms through evidence-based or evidence-informed programs or strategies that may include, but are not limited to, the following:

1. Increased availability and distribution of naloxone and other drugs that treat overdoses for first responders, overdose patients, individuals with OUD and their friends and family members, schools, community navigators and outreach workers, persons being released from jail or prison, or other members of the general public.

2. Public health entities providing free naloxone to anyone in the community.

3. Training and education regarding naloxone and other drugs that treat overdoses for first responders, overdose patients, patients taking opioids, families, schools, community support groups, and other members of the general public.

4. Enabling school nurses and other school staff to respond to opioid overdoses, and provide them with naloxone, training, and support.

5. Expanding, improving, or developing data tracking software and applications for overdoses/naloxone revivals.

6. Public education relating to emergency responses to overdoses.

7. Public education relating to immunity and Good Samaritan laws.

8. Educating first responders regarding the existence and operation of immunity and Good Samaritan laws.

9. Syringe service programs and other evidence-informed programs to reduce harms associated with intravenous drug use, including supplies, staffing, space, peer support services, referrals to treatment, fentanyl checking, connections to care, and the full range of harm reduction and treatment services provided by these programs.

10. Expanding access to testing and treatment for infectious diseases such as HIV and Hepatitis C resulting from intravenous opioid use.

11. Supporting mobile units that offer or provide referrals to harm reduction services, treatment, recovery supports, health care, or other appropriate services to persons that use opioids or persons with OUD and any co-occurring SUD/MH conditions.

12. Providing training in harm reduction strategies to health care providers, students, peer recovery coaches, recovery outreach specialists, or other professionals that provide care to persons who use opioids or persons with OUD and any co-occurring SUD/MH conditions.

13. Supporting screening for fentanyl in routine clinical toxicology testing.

PART THREE: OTHER STRATEGIES

I. FIRST RESPONDERS

In addition to items in section C, D and H relating to first responders, support the following:

1. Education of law enforcement or other first responders regarding appropriate practices and precautions when dealing with fentanyl or other drugs.

2. Provision of wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events.

J. LEADERSHIP, PLANNING AND COORDINATION

Support efforts to provide leadership, planning, coordination, facilitations, training and technical assistance to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, the following:

1. Statewide, regional, local or community regional planning to identify root causes of addiction and overdose, goals for reducing harms related to the opioid epidemic, and areas and populations with the greatest needs for treatment

intervention services, and to support training and technical assistance and other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

2. A dashboard to (a) share reports, recommendations, or plans to spend opioid settlement funds; (b) to show how opioid settlement funds have been spent; (c) to report program or strategy outcomes; or (d) to track, share or visualize key opioid- or health-related indicators and supports as identified through collaborative statewide, regional, local or community processes.

3. Invest in infrastructure or staffing at government or not-for-profit agencies to support collaborative, cross-system coordination with the purpose of preventing overprescribing, opioid misuse, or opioid overdoses, treating those with OUD and any co-occurring SUD/MH conditions, supporting them in treatment or recovery, connecting them to care, or implementing other strategies to abate the opioid epidemic described in this opioid abatement strategy list.

4. Provide resources to staff government oversight and management of opioid abatement programs.

K. TRAINING

In addition to the training referred to throughout this document, support training to abate the opioid epidemic through activities, programs, or strategies that may include, but are not limited to, those that:

1. Provide funding for staff training or networking programs and services to improve the capability of government, community, and not-for-profit entities to abate the opioid crisis.

2. Support infrastructure and staffing for collaborative cross-system coordination to prevent opioid misuse, prevent overdoses, and treat those with OUD and any co-occurring SUD/MH conditions, or implement other strategies to abate the opioid epidemic described in this opioid abatement strategy list (*e.g.*, health care, primary care, pharmacies, PDMPs, etc.).

L. RESEARCH

Support opioid abatement research that may include, but is not limited to, the following:

1. Monitoring, surveillance, data collection and evaluation of programs and strategies described in this opioid abatement strategy list.

2. Research non-opioid treatment of chronic pain.

3. Research on improved service delivery for modalities such as SBIRT that demonstrate promising but mixed results in populations vulnerable to opioid use disorders.

4. Research on novel harm reduction and prevention efforts such as the provision of fentanyl test strips.

5. Research on innovative supply-side enforcement efforts such as improved detection of mail-based delivery of synthetic opioids.

6. Expanded research on swift/certain/fair models to reduce and deter opioid misuse within criminal justice populations that build upon promising approaches used to address other substances (*e.g.*, Hawaii HOPE and Dakota 24/7).

7. Epidemiological surveillance of OUD-related behaviors in critical populations, including individuals entering the criminal justice system, including, but not limited to approaches modeled on the Arrestee Drug Abuse Monitoring ("*ADAM*") system.

8. Qualitative and quantitative research regarding public health risks and harm reduction opportunities within illicit drug markets, including surveys of market participants who sell or distribute illicit opioids.

9. Geospatial analysis of access barriers to MAT and their association with treatment engagement and treatment outcomes.

December 21, 2021 **Council Report 2021-127**

RESOLUTION APPROVING STATE OF MINNESOTA JOINT POWERS AGREEMENTS WITH THE CITY OF HOPKINS ON BEHALF OF ITS CITY ATTORNEY AND POLICE DEPARTMENT

Proposed Action

Staff recommends that the Council approve the following motions: Approve Resolution 2021-086 Approving State of Minnesota Joint Powers Agreement with the City of Hopkins on behalf of its City Attorney and Police Department; and Approve the Court Amendment.

Overview

The Master Joint Powers Agreement (JPA) and Court Amendment document is expiring soon. The JPA is required to be renewed by City Resolution to allow Wynn Curtiss to continue as the prosecuting attorney.

Supporting Information

- Resolution 2021-086
- The JPA and Court Amendment

Amy Domeier, City Clerk

CITY OF HOPKINS
HENNEPIN COUNTY, MINNESOTA

RESOLUTION 2021-086

RESOLUTION APPROVING STATE OF MINNESOTA JOINT POWERS AGREEMENTS WITH THE CITY OF HOPKINS ON BEHALF OF ITS CITY ATTORNEY AND POLICE DEPARTMENT

WHEREAS, the City of Hopkinson behalf of its Prosecuting Attorney and Police Department desires to enter into Joint Powers Agreements with the State of Minnesota, Department of Public Safety, Bureau of Criminal Apprehension to use systems and tools available over the State's criminal justice data communications network for which the City is eligible. The Joint Powers Agreements further provide the City with the ability to add, modify and delete connectivity, systems and tools over the five year life of the agreement and obligates the City to pay the costs for the network connection.

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

1. That the State of Minnesota Joint Powers Agreements by and between the State of Minnesota acting through its Department of Public Safety, Bureau of Criminal Apprehension and the City of Hopkins on behalf of its Prosecuting Attorney and Police Department, are hereby approved.

2. That the Police Chief Brent Johnson, or his successor, is designated the Authorized Representative for the Police Department. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the City's connection to the systems and tools offered by the State.

3. That the Prosecuting Attorney Wynn Curtiss, or his successor, is designated the Authorized Representative for the Prosecuting Attorney. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the City's connection to the systems and tools offered by the State.

4. That Jason Gadd, the Mayor for the City of Hopkins, and Amy Domeier, the City Clerk, are authorized to sign the State of Minnesota Joint Powers Agreements.

Adopted by the City Council of Hopkins on this 21st day of December, 2021.

By _____
Jason Gadd, Mayor

ATTEST:

_____
Amy Domeier, City Clerk

SWIFT Contract # 200525
MN027089A

State of Minnesota
Joint Powers Agreement

This Agreement is between the State of Minnesota, acting through its Department of Public Safety on behalf of the Bureau of Criminal Apprehension ("BCA"), and the City of Hopkins on behalf of its Prosecuting Attorney ("Governmental Unit"). The BCA and the Governmental Unit may be referred to jointly as "Parties."

Recitals

Under Minn. Stat. § 471.59, the BCA and the Governmental Unit are empowered to engage in agreements that are necessary to exercise their powers. Under Minn. Stat. § 299C.46, the BCA must provide a criminal justice data communications network to benefit political subdivisions as defined under Minn. Stat. § 299C.46, subd. 2 and subd. 2(a). The Governmental Unit is authorized by law to utilize the criminal justice data communications network pursuant to the terms set out in this Agreement. In addition, BCA either maintains repositories of data or has access to repositories of data that benefit authorized political subdivisions in performing their duties. The Governmental Unit wants to access data in support of its official duties.

The purpose of this Agreement is to create a method by which the Governmental Unit has access to those systems and tools for which it has eligibility, and to memorialize the requirements to obtain access and the limitations on the access.

Agreement

1 Term of Agreement

1.1 Effective Date. This Agreement is effective on the date the BCA obtains all required signatures under Minn. Stat. § 16C.05, subdivision 2.

1.2 Expiration Date. This Agreement expires five years from the date it is effective.

2 Agreement Between the Parties

2.1 General Access. BCA agrees to provide Governmental Unit with access to the Minnesota Criminal Justice Data Communications Network (CJDN) and those systems and tools which the Governmental Unit is authorized by law to access via the CJDN for the purposes outlined in Minn. Stat. § 299C.46.

2.2 Methods of Access.

The BCA offers three (3) methods of access to its systems and tools. The methods of access are:

A. **Direct access** occurs when individual users at the Governmental Unit use the Governmental Unit's equipment to access the BCA's systems and tools. This is generally accomplished by an individual user entering a query into one of BCA's systems or tools.

B. **Indirect Access** occurs when individual users at the Governmental Unit go to another Governmental Unit to obtain data and information from BCA's systems and tools. This method of access generally results in the Governmental Unit with indirect access obtaining the needed data and information in a physical format like a paper report.

C. **Computer-to-Computer System Interface** occurs when the Governmental Unit's computer exchanges data and information with BCA's computer systems and tools using an interface. Without limitation, interface types include: state message switch, web services, enterprise service bus and message queuing.

For purposes of this Agreement, Governmental Unit employees or contractors may use any of these methods to use BCA's systems and tools as described in this Agreement. Governmental Unit will select a

method of access and can change the methodology following the process in Clause 2.10.

2.3 Federal Systems Access. In addition, pursuant to 28 CFR §20.30-38 and Minn. Stat. §299C.58, BCA may provide Governmental Unit with access to the Federal Bureau of Investigation (FBI) National Crime Information Center.

2.4 Governmental Unit Policies. Both the BCA and the FBI's Criminal Justice Information Systems (FBI-CJIS) have policies, regulations and laws on access, use, audit, dissemination, hit confirmation, logging, quality assurance, screening (pre-employment), security, timeliness, training, use of the system**,** and validation. Governmental Unit has created its own policies to ensure that Governmental Unit's employees and contractors comply with all applicable requirements. Governmental Unit ensures this compliance through appropriate enforcement. These BCA and FBI-CJIS policies and regulations, as amended and updated from time to time, are incorporated into this Agreement by reference. The policies are available at https://bcanextest.x.state.mn.us/launchpad/.

2.5 Governmental Unit Resources. To assist Governmental Unit in complying with the federal and state requirements on access to and use of the various systems and tools, information is available at https://sps.x.state.mn.us/sites/bcaservicecatalog/default.aspx. Additional information on appropriate use is found in the Minnesota Bureau of Criminal Apprehension Policy on Appropriate Use of Systems and Data available at https://bcanextest.x.state.mn.us/launchpad/cjisdocs/docs.cgi?cmd=FS&ID=795&TYPE=DOCS.

2.6 Access Granted.

A. Governmental Unit is granted permission to use all current and future BCA systems and tools for which Governmental Unit is eligible. Eligibility is dependent on Governmental Unit (i) satisfying all applicable federal or state statutory requirements; (ii) complying with the terms of this Agreement; and (iii) acceptance by BCA of Governmental Unit's written request for use of a specific system or tool.

B. To facilitate changes in systems and tools, Governmental Unit grants its Authorized Representative authority to make written requests for those systems and tools provided by BCA that the Governmental Unit needs to meet its criminal justice obligations and for which Governmental Unit is eligible.

2.7 Future Access. On written request from the Governmental Unit, BCA also may provide Governmental Unit with access to those systems or tools which may become available after the signing of this Agreement, to the extent that the access is authorized by applicable state and federal law. Governmental Unit agrees to be bound by the terms and conditions contained in this Agreement that when utilizing new systems or tools provided under this Agreement.

2.8 Limitations on Access. BCA agrees that it will comply with applicable state and federal laws when making information accessible. Governmental Unit agrees that it will comply with applicable state and federal laws when accessing, entering, using, disseminating, and storing data. Each party is responsible for its own compliance with the most current applicable state and federal laws.

2.9 Supersedes Prior Agreements. This Agreement supersedes any and all prior agreements between the BCA and the Governmental Unit regarding access to and use of systems and tools provided by BCA.

2.10 Requirement to Update Information. The parties agree that if there is a change to any of the information whether required by law or this Agreement, the party will send the new information to the other party in writing within 30 days of the change. This clause does not apply to changes in systems or tools provided under this Agreement.

This requirement to give notice additionally applies to changes in the individual or organization serving the Governmental Unit as its prosecutor. Any change in performance of the prosecutorial function must be provided to the BCA in writing by giving notice to the Service Desk, BCA.ServiceDesk@state.mn.us.

2.11 Transaction Record. The BCA creates and maintains a transaction record for each exchange of data utilizing its systems and tools. In order to meet FBI-CJIS requirements and to perform the audits described in Clause 7, there must be a method of identifying which individual users at the Governmental Unit conducted a

particular transaction.

If Governmental Unit uses either direct access as described in Clause 2.2A or indirect access as described in Clause 2.2B, BCA's transaction record meets FBI-CJIS requirements.

When Governmental Unit's method of access is a computer-to-computer interface as described in Clause 2.2C, the Governmental Unit must keep a transaction record sufficient to satisfy FBI-CJIS requirements and permit the audits described in Clause 7 to occur.

If a Governmental Unit accesses data from the Driver and Vehicle Services Division in the Minnesota Department of Public Safety and keeps a copy of the data, Governmental Unit must have a transaction record of all subsequent access to the data that are kept by the Governmental Unit. The transaction record must include the individual user who requested access, and the date, time and content of the request. The transaction record must also include the date, time and content of the response along with the destination to which the data were sent. The transaction record must be maintained for a minimum of six (6) years from the date the transaction occurred and must be made available to the BCA within one (1) business day of the BCA's request.

2.12 Court Information Access. Certain BCA systems and tools that include access to and/or submission of Court Records may only be utilized by the Governmental Unit if the Governmental Unit completes the Court Data Services Subscriber Amendment, which upon execution will be incorporated into this Agreement by reference. These BCA systems and tools are identified in the written request made by the Governmental Unit under Clause 2.6 above. The Court Data Services Subscriber Amendment provides important additional terms, including but not limited to privacy (see Clause 8.2, below), fees (see Clause 3 below), and transaction records or logs, that govern Governmental Unit's access to and/or submission of the Court Records delivered through the BCA systems and tools.

2.13 Vendor Personnel Screening. The BCA will conduct all vendor personnel screening on behalf of Governmental Unit as is required by the FBI CJIS Security Policy. The BCA will maintain records of the federal, fingerprint-based background check on each vendor employee as well as records of the completion of the security awareness training that may be relied on by the Governmental Unit.

3 Payment

The Governmental Unit understands there is a cost for access to the criminal justice data communications network described in Minn. Stat. § 299C.46. At the time this Agreement is signed, BCA understands that a third party will be responsible for the cost of access.

The Governmental Unit will identify the third party and provide the BCA with the contact information and its contact person for billing purposes so that billing can be established. The Governmental Unit will provide updated information to BCA's Authorized Representative within ten business days when this information changes.

If Governmental Unit chooses to execute the Court Data Services Subscriber Amendment referred to in Clause 2.12 in order to access and/or submit Court Records via BCA's systems, additional fees, if any, are addressed in that amendment.

4 Authorized Representatives

The BCA's Authorized Representative is the person below, or her successor:

Name: Dana Gotz, Deputy Superintendent
Address: Minnesota Department of Public Safety; Bureau of Criminal Apprehension
1430 Maryland Avenue

Saint Paul, MN 55106
Telephone: 651.793.2007
Email Address: Dana.Gotz@state.mn.us

The Governmental Unit's Authorized Representative is the person below, or his/her successor:

Name: Wynn Curtiss, Attorney
Address: 100 Washington Ave S., Ste 1700
Minneapolis, MN 55401
Telephone: 612.339.7300
Email Address: wcurtiss@chestnutcambronne.com

5 Assignment, Amendments, Waiver, and Agreement Complete

5.1 Assignment. Neither party may assign nor transfer any rights or obligations under this Agreement.

5.2 Amendments. Any amendment to this Agreement, except those described in Clauses 2.6 and 2.7 above must be in writing and will not be effective until it has been signed and approved by the same parties who signed and approved the original agreement, their successors in office, or another individual duly authorized.

5.3 Waiver. If either party fails to enforce any provision of this Agreement, that failure does not waive the provision or the right to enforce it.

5.4 Agreement Complete. This Agreement contains all negotiations and agreements between the BCA and the Governmental Unit. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

6 Liability

Each party will be responsible for its own acts and behavior and the results thereof and shall not be responsible or liable for the other party's actions and consequences of those actions. The Minnesota Torts Claims Act, Minn. Stat. § 3.736 and other applicable laws govern the BCA's liability. The Minnesota Municipal Tort Claims Act, Minn. Stat. Ch. 466 and other applicable laws, governs the Governmental Unit's liability.

7 Audits

7.1 Under Minn. Stat. § 16C.05, subd. 5, the Governmental Unit's books, records, documents, internal policies and accounting procedures and practices relevant to this Agreement are subject to examination by the BCA, the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement.

Under Minn. Stat. § 6.551, the State Auditor may examine the books, records, documents, and accounting procedures and practices of BCA. The examination shall be limited to the books, records, documents, and accounting procedures and practices that are relevant to this Agreement.

7.2 Under applicable state and federal law, the Governmental Unit's records are subject to examination by the BCA to ensure compliance with laws, regulations and policies about access, use, and dissemination of data.

7.3 If the Governmental Unit accesses federal databases, the Governmental Unit's records are subject to examination by the FBI and BCA; the Governmental Unit will cooperate with FBI and BCA auditors and make any requested data available for review and audit.

7.4 If the Governmental Unit accesses state databases, the Governmental Unit's records are subject to examination by the BCA: the Governmental Unit will cooperate with the BCA auditors and make any requested data available for review and audit.

7.5 To facilitate the audits required by state and federal law, Governmental Unit is required to have an inventory of the equipment used to access the data covered by this Agreement and the physical location of each.

8 Government Data Practices

8.1 BCA and Governmental Unit. The Governmental Unit and BCA must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data accessible under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Governmental Unit under this Agreement. The remedies of Minn. Stat. §§ 13.08 and 13.09 apply to the release of the data referred to in this clause by either the Governmental Unit or the BCA.

8.2 Court Records. If Governmental Unit chooses to execute the Court Data Services Subscriber Amendment referred to in Clause 2.12 in order to access and/or submit Court Records via BCA's systems, the following provisions regarding data practices also apply. The Court is not subject to Minn. Stat. Ch. 13 but is subject to the *Rules of Public Access to Records of the Judicial Branch* promulgated by the Minnesota Supreme Court. All parties acknowledge and agree that Minn. Stat. § 13.03, subdivision 4(e) requires that the BCA and the Governmental Unit comply with the *Rules of Public Access* for those data received from Court under the Court Data Services Subscriber Amendment. All parties also acknowledge and agree that the use of, access to or submission of Court Records, as that term is defined in the Court Data Services Subscriber Amendment, may be restricted by rules promulgated by the Minnesota Supreme Court, applicable state statute or federal law. All parties acknowledge and agree that these applicable restrictions must be followed in the appropriate circumstances.

9 Investigation of Alleged Violations; Sanctions

For purposes of this clause, "Individual User" means an employee or contractor of Governmental Unit.

9.1 Investigation. The Governmental Unit and BCA agree to cooperate in the investigation and possible prosecution of suspected violations of federal and state law referenced in this Agreement. Governmental Unit and BCA agree to cooperate in the investigation of suspected violations of the policies and procedures referenced in this Agreement. When BCA becomes aware that a violation may have occurred, BCA will inform Governmental Unit of the suspected violation, subject to any restrictions in applicable law. When Governmental Unit becomes aware that a violation has occurred, Governmental Unit will inform BCA subject to any restrictions in applicable law.

9.2 Sanctions Involving Only BCA Systems and Tools.

The following provisions apply to BCA systems and tools not covered by the Court Data Services Subscriber Amendment. None of these provisions alter the Governmental Unit internal discipline processes, including those governed by a collective bargaining agreement.

9.2.1 For BCA systems and tools that are not covered by the Court Data Services Subscriber Amendment, Governmental Unit must determine if and when an involved Individual User's access to systems or tools is to be temporarily or permanently eliminated. The decision to suspend or terminate access may be made as soon as alleged violation is discovered, after notice of an alleged violation is received, or after an investigation has occurred. Governmental Unit must report the status of the Individual User's access to BCA without delay. BCA reserves the right to make a different determination concerning an Individual User's access to systems or tools than that made by Governmental Unit and BCA's determination controls.

9.2.2 If BCA determines that Governmental Unit has jeopardized the integrity of the systems or tools covered in this Clause 9.2, BCA may temporarily stop providing some or all the systems or tools under this Agreement until the failure is remedied to the BCA's satisfaction. If Governmental Unit's failure is continuing or repeated, Clause 11.1 does not apply and BCA may terminate this Agreement immediately.

9.3 Sanctions Involving Only Court Data Services

The following provisions apply to those systems and tools covered by the Court Data Services Subscriber Amendment, if it has been signed by Governmental Unit. As part of the agreement between the Court and the BCA for the delivery of the systems and tools that are covered by the Court Data Services Subscriber Amendment, BCA is required to suspend or terminate access to or use of the systems and tools either on its own initiative or when directed by the Court. The decision to suspend or terminate access may be made as soon as an alleged violation is discovered, after notice of an alleged violation is received, or after an investigation has occurred. The decision to suspend or terminate may also be made based on a request from the Authorized Representative of Governmental Unit. The agreement further provides that only the Court has the authority to reinstate access and use.

9.3.1 Governmental Unit understands that if it has signed the Court Data Services Subscriber Amendment and if Governmental Unit's Individual Users violate the provisions of that Amendment, access and use will be suspended by BCA or Court. Governmental Unit also understands that reinstatement is only at the direction of the Court.

9.3.2 Governmental Unit further agrees that if Governmental Unit believes that one or more of its Individual Users have violated the terms of the Amendment, it will notify BCA and Court so that an investigation as described in Clause 9.1 may occur.

10 Venue

Venue for all legal proceedings involving this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

11 Termination

11.1 Termination. The BCA or the Governmental Unit may terminate this Agreement at any time, with or without cause, upon 30 days' written notice to the other party's Authorized Representative.

11.2 Termination for Insufficient Funding. Either party may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; 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 notice to the other party's authorized representative. The Governmental Unit is not obligated to pay for any services that are provided after notice and effective date of termination. However, the BCA will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. Neither party will 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. Notice of the lack of funding must be provided within a reasonable time of the affected party receiving that notice.

12 Continuing Obligations

The following clauses survive the expiration or cancellation of this Agreement: Liability; Audits; Government Data Practices; 9. Investigation of Alleged Violations; Sanctions; and Venue.

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The Parties indicate their agreement and authority to execute this Agreement by signing below.

1. GOVERNMENTAL UNIT

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

2. DEPARTMENT OF PUBLIC SAFETY, BUREAU OF CRIMINAL APPREHENSION

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

3. COMMISSIONER OF ADMINISTRATION
As delegated to the Office of State Procurement

By: _____

Date: _____

COURT DATA SERVICES SUBSCRIBER AMENDMENT TO CJDN SUBSCRIBER AGREEMENT

This Court Data Services Subscriber Amendment ("Subscriber Amendment") is entered into by the State of Minnesota, acting through its Department of Public Safety, Bureau of Criminal Apprehension, ("BCA") and the City of Hopkins on behalf of its Prosecuting Attorney ("Agency"), and by and for the benefit of the State of Minnesota acting through its State Court Administrator's Office ("Court") who shall be entitled to enforce any provisions hereof through any legal action against any party.

Recitals

This Subscriber Amendment modifies and supplements the Agreement between the BCA and Agency, SWIFT Contract number 200525, of even or prior date, for Agency use of BCA systems and tools (referred to herein as "the CJDN Subscriber Agreement"). Certain BCA systems and tools that include access to and/or submission of Court Records may only be utilized by the Agency if the Agency completes this Subscriber Amendment. The Agency desires to use one or more BCA systems and tools to access and/or submit Court Records to assist the Agency in the efficient performance of its duties as required or authorized by law or court rule. Court desires to permit such access and/or submission. This Subscriber Amendment is intended to add Court as a party to the CJDN Subscriber Agreement and to create obligations by the Agency to the Court that can be enforced by the Court. It is also understood that, pursuant to the Master Joint Powers Agreement for Delivery of Court Data Services to CJDN Subscribers ("Master Authorization Agreement") between the Court and the BCA, the BCA is authorized to sign this Subscriber Amendment on behalf of Court. Upon execution the Subscriber Amendment will be incorporated into the CJDN Subscriber Agreement by reference. The BCA, the Agency and the Court desire to amend the CJDN Subscriber Agreement as stated below.

The CJDN Subscriber Agreement is amended by the addition of the following provisions:

1. **TERM; TERMINATION; ONGOING OBLIGATIONS.** This Subscriber Amendment shall be effective on the date finally executed by all parties and shall remain in effect until expiration or termination of the CJDN Subscriber Agreement unless terminated earlier as provided in this Subscriber Amendment. Any party may terminate this Subscriber Amendment with or without cause by giving written notice to all other parties. The effective date of the termination shall be thirty days after the other party's receipt of the notice of termination, unless a later date is specified in the notice. The provisions of sections 5 through 9, 12.b., 12.c., and 15 through 24 shall survive any termination of this Subscriber Amendment as shall any other provisions which by their nature are intended or expected to survive such termination. Upon termination, the Subscriber shall perform the responsibilities set forth in paragraph 7(f) hereof.

2. **Definitions**. Unless otherwise specifically defined, each term used herein shall have the meaning assigned to such term in the CJDN Subscriber Agreement.

a. **"Authorized Court Data Services"** means Court Data Services that have been authorized for delivery to CJDN Subscribers via BCA systems and tools pursuant to an Authorization Amendment to the Joint Powers Agreement for Delivery of Court Data Services to CJDN Subscribers ("Master Authorization Agreement") between the Court and the BCA.

b. **"Court Data Services"** means one or more of the services set forth on the Justice Agency Resource webpage of the Minnesota Judicial Branch website (for which the current address is www.courts.state.mn.us) or other location designated by the Court, as the same may be amended from time to time by the Court.

c. "**Court Records**" means all information in any form made available by the Court to Subscriber through the BCA for the purposes of carrying out this Subscriber Amendment, including:

i. "**Court Case Information**" means any information in the Court Records that conveys information about a particular case or controversy, including without limitation Court Confidential Case Information, as defined herein.

ii. "**Court Confidential Case Information**" means any information in the Court Records that is inaccessible to the public pursuant to the Rules of Public Access and that conveys information about a particular case or controversy.

iii. "**Court Confidential Security and Activation Information"** means any information in the Court Records that is inaccessible to the public pursuant to the Rules of Public Access and that explains how to use or gain access to Court Data Services, including but not limited to login account names, passwords, TCP/IP addresses, Court Data Services user manuals, Court Data Services Programs, Court Data Services Databases, and other technical information.

iv. "**Court Confidential Information**" means any information in the Court Records that is inaccessible to the public pursuant to the Rules of Public Access, including without limitation both i) Court Confidential Case Information; and ii) Court Confidential Security and Activation Information.

d. "**DCA**" shall mean the district courts of the state of Minnesota and their respective staff.

e. "**Policies & Notices**" means the policies and notices published by the Court in connection with each of its Court Data Services, on a website or other location designated by the Court, as the same may be amended from time to time by the Court. Policies & Notices for each Authorized Court Data Service identified in an approved request form under section 3, below, are hereby made part of this Subscriber Amendment by this reference and provide additional terms and conditions that govern Subscriber's use of Court Records accessed through such services, including but not limited to provisions on access and use limitations.

f. "**Rules of Public Access**" means the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court, as the same may be amended from time to time, including without limitation lists or tables published from time to time by the Court entitled *Limits on Public Access to Case Records or Limits on Public Access to Administrative Records*, all of which by this reference are made a part of this Subscriber Amendment. It is the obligation of Subscriber to check from time to time for updated rules, lists, and tables and be familiar with the contents thereof. It is contemplated that such rules, lists, and tables will be posted on the Minnesota Judicial Branch website, for which the current address is www.courts.state.mn.us.

g. "**Court**" shall mean the State of Minnesota, State Court Administrator's Office.

h. **"Subscriber"** shall mean the Agency.

i. "**Subscriber Records**" means any information in any form made available by the Subscriber to the Court for the purposes of carrying out this Subscriber Amendment.

3. REQUESTS FOR AUTHORIZED COURT DATA SERVICES. Following execution of this Subscriber Amendment by all parties, Subscriber may submit to the BCA one or more separate requests for Authorized Court Data Services. The BCA is authorized in the Master Authorization Agreement to process, credential and approve such requests on behalf of Court and all such requests approved by the BCA are adopted and incorporated herein by this reference the same as if set forth verbatim herein.

a. **Activation**. Activation of the requested Authorized Court Data Service(s) shall occur promptly following approval.

b. **Rejection**. Requests may be rejected for any reason, at the discretion of the BCA and/or the Court.

c. **Requests for Termination of One or More Authorized Court Data Services**. The Subscriber may request the termination of an Authorized Court Data Services previously requested by submitting a notice to Court with a copy to the BCA. Promptly upon receipt of a request for termination of an Authorized Court Data Service, the BCA will deactivate the service requested. The termination of one or more Authorized Court Data Services does not terminate this Subscriber Amendment. Provisions for termination of this Subscriber Amendment are set forth in section 1. Upon termination of Authorized Court Data Services, the Subscriber shall perform the responsibilities set forth in paragraph 7(f) hereof.

4. SCOPE OF ACCESS TO COURT RECORDS LIMITED. Subscriber's access to and/or submission of the Court Records shall be limited to Authorized Court Data Services identified in an approved request form under section 3, above, and other Court Records necessary for Subscriber to use Authorized Court Data Services. Authorized Court Data Services shall only be used according to the instructions provided in corresponding Policies & Notices or other materials and only as necessary to assist Subscriber in the efficient performance of Subscriber's duties

required or authorized by law or court rule in connection with any civil, criminal, administrative, or arbitral proceeding in any Federal, State, or local court or agency or before any self-regulatory body. Subscriber's access to the Court Records for personal or non-official use is prohibited. Subscriber will not use or attempt to use Authorized Court Data Services in any manner not set forth in this Subscriber Amendment, Policies & Notices, or other Authorized Court Data Services documentation, and upon any such unauthorized use or attempted use the Court may immediately terminate this Subscriber Amendment without prior notice to Subscriber.

5. GUARANTEES OF CONFIDENTIALITY. Subscriber agrees:

a. To not disclose Court Confidential Information to any third party except where necessary to carry out the Subscriber's duties as required or authorized by law or court rule in connection with any civil, criminal, administrative, or arbitral proceeding in any Federal, State, or local court or agency or before any self-regulatory body.

b. To take all appropriate action, whether by instruction, agreement, or otherwise, to insure the protection, confidentiality and security of Court Confidential Information and to satisfy Subscriber's obligations under this Subscriber Amendment.

c. To limit the use of and access to Court Confidential Information to Subscriber's bona fide personnel whose use or access is necessary to effect the purposes of this Subscriber Amendment, and to advise each individual who is permitted use of and/or access to any Court Confidential Information of the restrictions upon disclosure and use contained in this Subscriber Amendment, requiring each individual who is permitted use of and/or access to Court Confidential Information to acknowledge in writing that the individual has read and understands such restrictions. Subscriber shall keep such acknowledgements on file for one year following termination of the Subscriber Amendment and/or CJDN Subscriber Agreement, whichever is longer, and shall provide the Court with access to, and copies of, such acknowledgements upon request. For purposes of this Subscriber Amendment, Subscriber's bona fide personnel shall mean individuals who are employees of Subscriber or provide services to Subscriber either on a voluntary basis or as independent contractors with Subscriber.

d. That, without limiting section 1 of this Subscriber Amendment, the obligations of Subscriber and its bona fide personnel with respect to the confidentiality and security of Court Confidential Information shall survive the termination of this Subscriber Amendment and the CJDN Subscriber Agreement and the termination of their relationship with Subscriber.

e. That, notwithstanding any federal or state law applicable to the nondisclosure obligations of Subscriber and Subscriber's bona fide personnel under this Subscriber Amendment, such obligations of Subscriber and Subscriber's bona fide personnel are founded independently on the provisions of this Subscriber Amendment.

6. APPLICABILITY TO PREVIOUSLY DISCLOSED COURT RECORDS. Subscriber acknowledges and agrees that all Authorized Court Data Services and related Court Records disclosed to Subscriber prior to the effective date of this Subscriber Amendment shall be subject to the provisions of this Subscriber Amendment.

7. LICENSE AND PROTECTION OF PROPRIETARY RIGHTS. During the term of this Subscriber Amendment, subject to the terms and conditions hereof, the Court hereby grants to Subscriber a nonexclusive, nontransferable, limited license to use Court Data Services Programs and Court Data Services Databases to access or receive the Authorized Court Data Services identified in an approved request form under section 3, above, and related Court Records. Court reserves the right to make modifications to the Authorized Court Data Services, Court Data Services Programs, and Court Data Services Databases, and related materials without notice to Subscriber. These modifications shall be treated in all respects as their previous counterparts.

a. Court Data Services Programs. Court is the copyright owner and licensor of the Court Data Services Programs. The combination of ideas, procedures, processes, systems, logic, coherence and methods of operation embodied within the Court Data Services Programs, and all information contained in documentation pertaining to the Court Data Services Programs, including but not limited to manuals, user documentation, and passwords, are trade secret information of Court and its licensors.

b. Court Data Services Databases. Court is the copyright owner and licensor of the Court Data Services Databases and of all copyrightable aspects and components thereof. All specifications and information pertaining to the Court Data Services Databases and their structure, sequence and organization, including without limitation data schemas such as the Court XML Schema, are trade secret information of Court and its licensors.

c. Marks. Subscriber shall neither have nor claim any right, title, or interest in or use of any trademark used in connection with Authorized Court Data Services, including but not limited to the marks "MNCIS" and "Odyssey."

d. Restrictions on Duplication, Disclosure, and Use. Trade secret information of Court and its licensors will be treated by Subscriber in the same manner as Court Confidential Information. In addition, Subscriber will not copy any part of the Court Data Services Programs or Court Data Services Databases, or reverse engineer or otherwise attempt to discern the source code of the Court Data Services Programs or Court Data Services Databases, or use any trademark of Court or its licensors, in any way or for any purpose not specifically and expressly authorized by this Subscriber Amendment. As used herein, "trade secret information of Court and its licensors" means any information possessed by Court which derives independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. "Trade secret information of Court and its licensors" does not, however, include information which was known to Subscriber prior to Subscriber's receipt thereof, either directly or indirectly, from Court or its licensors, information which is independently developed by Subscriber without reference to or use of information received from Court or its licensors, or information which would not qualify as a trade secret under Minnesota law. It will not be a violation of this section 7, sub-section d, for Subscriber to make up to one copy of training materials and configuration documentation, if any, for each individual authorized to access, use, or configure Authorized Court Data Services, solely for its own use in connection with this Subscriber Amendment. Subscriber will take all steps reasonably necessary to protect the copyright, trade secret, and trademark rights of Court and its licensors and Subscriber will advise its bona fide personnel who are permitted access to any of the Court Data Services Programs and Court Data Services Databases, and trade secret information of Court and its licensors, of the restrictions upon duplication, disclosure and use contained in this Subscriber Amendment.

e. Proprietary Notices. Subscriber will not remove any copyright or proprietary notices included in and/or on the Court Data Services Programs or Court Data Services Databases, related documentation, or trade secret information of Court and its licensors, or any part thereof, made available by Court directly or through the BCA, if any, and Subscriber will include in and/or on any copy of the Court Data Services Programs or Court Data Services Databases, or trade secret information of Court and its licensors and any documents pertaining thereto, the same copyright and other proprietary notices as appear on the copies made available to Subscriber by Court directly or through the BCA, except that copyright notices shall be updated and other proprietary notices added as may be appropriate.

f. Title; Return. The Court Data Services Programs and Court Data Services Databases, and related documentation, including but not limited to training and configuration material, if any, and logon account information and passwords, if any, made available by the Court to Subscriber directly or through the BCA and all copies, including partial copies, thereof are and remain the property of the respective licensor. Except as expressly provided in section 12.b., within ten days of the effective date of termination of this Subscriber Amendment or the CJDN Subscriber Agreement or within ten days of a request for termination of Authorized Court Data Service as described in section 4, Subscriber shall either: (i) uninstall and return any and all copies of the applicable Court Data Services Programs and Court Data Services Databases, and related documentation, including but not limited to training and configuration materials, if any, and logon account information, if any; or (2) destroy the same and certify in writing to the Court that the same have been destroyed.

8. INJUNCTIVE RELIEF. Subscriber acknowledges that the Court, Court's licensors, and DCA will be irreparably harmed if Subscriber's obligations under this Subscriber Amendment are not specifically enforced and that the Court, Court's licensors, and DCA would not have an adequate remedy at law in the event of an actual or threatened violation by Subscriber of its obligations. Therefore, Subscriber agrees that the Court, Court's licensors, and DCA shall be entitled to an injunction or any appropriate decree of specific performance for any actual or threatened violations or breaches by Subscriber or its bona fide personnel without the necessity of the Court, Court's licensors, or DCA showing actual damages or that monetary damages would not afford an adequate remedy. Unless Subscriber is an office, officer, agency, department, division, or bureau of the state of Minnesota, Subscriber shall be liable to the Court, Court's licensors, and DCA for reasonable attorneys fees incurred by the Court, Court's licensors, and DCA in obtaining any relief pursuant to this Subscriber Amendment.

9. LIABILITY. Subscriber and the Court agree that, except as otherwise expressly provided herein, each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof. Liability shall be governed by applicable law. Without limiting the foregoing, liability of the Court and any Subscriber that is an office, officer, agency, department, division, or bureau of the state of Minnesota shall be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes, section 3.376, and other applicable law. Without limiting the foregoing, if Subscriber is a political subdivision of the state of Minnesota, liability of the Subscriber shall be governed by the provisions of Minn. Stat. Ch. 466 (Tort Liability, Political Subdivisions) or other applicable law. Subscriber and Court further acknowledge that the liability, if any, of the BCA is governed by a separate agreement between the Court and the BCA dated December 13, 2010 with DPS-M -0958.

10. AVAILABILITY. Specific terms of availability shall be established by the Court and communicated to Subscriber by the Court and/or the BCA. The Court reserves the right to terminate this Subscriber Amendment immediately and/or temporarily suspend Subscriber's Authorized Court Data Services in the event the capacity of any host computer system or legislative appropriation of funds is determined solely by the Court to be insufficient to meet the computer needs of the courts served by the host computer system.

11. [reserved]

12. ADDITIONAL USER OBLIGATIONS. The obligations of the Subscriber set forth in this section are in addition to the other obligations of the Subscriber set forth elsewhere in this Subscriber Amendment.

a. Judicial Policy Statement. Subscriber agrees to comply with all policies identified in Policies & Notices applicable to Court Records accessed by Subscriber using Authorized Court Data Services. Upon failure of the Subscriber to comply with such policies, the Court shall have the option of immediately suspending the Subscriber's Authorized Court Data Services on a temporary basis and/or immediately terminating this Subscriber Amendment.

b. Access and Use; Log. Subscriber shall be responsible for all access to and use of Authorized Court Data Services and Court Records by Subscriber's bona fide personnel or by means of Subscriber's equipment or passwords, whether or not Subscriber has knowledge of or authorizes such access and use. Subscriber shall also maintain a log identifying all persons to whom Subscriber has disclosed its Court Confidential Security and Activation Information, such as user ID(s) and password(s), including the date of such disclosure. Subscriber shall maintain such logs for a minimum period of six years from the date of disclosure, and shall provide the Court with access to, and copies of, such logs upon request. The Court may conduct audits of Subscriber's logs and use of Authorized Court Data Services and Court Records from time to time. Upon Subscriber's failure to maintain such logs, to maintain accurate logs, or to promptly provide access by the Court to such logs, the Court may terminate this Subscriber Amendment without prior notice to Subscriber.

c. Personnel. Subscriber agrees to investigate, at the request of the Court and/or the BCA, allegations of misconduct pertaining to Subscriber's bona fide personnel having access to or use of Authorized Court Data Services, Court Confidential Information, or trade secret information of the Court and its licensors where such persons are alleged to have violated the provisions of this Subscriber Amendment, Policies & Notices, Judicial Branch policies, or other security requirements or laws regulating access to the Court Records.

d. Minnesota Data Practices Act Applicability. If Subscriber is a Minnesota Government entity that is subject to the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, Subscriber acknowledges and agrees that: (1) the Court is not subject to Minn. Stat. Ch. 13 (see section 13.90) but is subject to the Rules of Public Access and other rules promulgated by the Minnesota Supreme Court; (2) Minn. Stat. section 13.03, subdivision 4(e) requires that Subscriber comply with the Rules of Public Access and other rules promulgated by the Minnesota Supreme Court for access to Court Records provided via the

BCA systems and tools under this Subscriber Amendment; (3) the use of and access to Court Records may be restricted by rules promulgated by the Minnesota Supreme Court, applicable state statute or federal law; and (4) these applicable restrictions must be followed in the appropriate circumstances.

13. FEES; INVOICES. Unless the Subscriber is an office, officer, department, division, agency, or bureau of the state of Minnesota, Subscriber shall pay the fees, if any, set forth in applicable Policies & Notices, together with applicable sales, use or other taxes. Applicable monthly fees commence ten (10) days after notice of approval of the request pursuant to section 3 of this Subscriber Amendment or upon the initial Subscriber transaction as defined in the Policies & Notices, whichever occurs earlier. When fees apply, the Court shall invoice Subscriber on a monthly basis for charges incurred in the preceding month and applicable taxes, if any, and payment of all amounts shall be due upon receipt of invoice. If all amounts are not paid within 30 days of the date of the invoice, the Court may immediately cancel this Subscriber Amendment without notice to Subscriber and pursue all available legal remedies. Subscriber certifies that funds have been appropriated for the payment of charges under this Subscriber Amendment for the current fiscal year, if applicable.

14. MODIFICATION OF FEES. Court may modify the fees by amending the Policies & Notices as provided herein, and the modified fees shall be effective on the date specified in the Policies & Notices, which shall not be less than thirty days from the publication of the Policies & Notices. Subscriber shall have the option of accepting such changes or terminating this Subscriber Amendment as provided in section 1 hereof.

15. WARRANTY DISCLAIMERS.

a. WARRANTY EXCLUSIONS. EXCEPT AS SPECIFICALLY AND EXPRESSLY PROVIDED HEREIN, COURT, COURT'S LICENSORS, AND DCA MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, INCLUDING BUT NOT LIMITED TO THE WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY, NOR ARE ANY WARRANTIES TO BE IMPLIED, WITH RESPECT TO THE INFORMATION, SERVICES OR COMPUTER PROGRAMS MADE AVAILABLE UNDER THIS AGREEMENT.

b. ACCURACY AND COMPLETENESS OF INFORMATION. WITHOUT LIMITING THE GENERALITY OF THE PRECEDING PARAGRAPH, COURT, COURT'S LICENSORS, AND DCA MAKE NO WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THE COURT RECORDS.

16. RELATIONSHIP OF THE PARTIES. Subscriber is an independent contractor and shall not be deemed for any purpose to be an employee, partner, agent or franchisee of the Court, Court's licensors, or DCA. Neither Subscriber nor the Court, Court's licensors, or DCA shall have the right nor the authority to assume, create or incur any liability or obligation of any kind, express or implied, against or in the name of or on behalf of the other.

17. NOTICE. Except as provided in section 2 regarding notices of or modifications to Authorized Court Data Services and Policies & Notices, any notice to Court or Subscriber

hereunder shall be deemed to have been received when personally delivered in writing or seventy-two (72) hours after it has been deposited in the United States mail, first class, proper postage prepaid, addressed to the party to whom it is intended at the address set forth on page one of this Agreement or at such other address of which notice has been given in accordance herewith.

18. NON-WAIVER. The failure by any party at any time to enforce any of the provisions of this Subscriber Amendment or any right or remedy available hereunder or at law or in equity, or to exercise any option herein provided, shall not constitute a waiver of such provision, remedy or option or in any way affect the validity of this Subscriber Amendment. The waiver of any default by either Party shall not be deemed a continuing waiver, but shall apply solely to the instance to which such waiver is directed.

19. FORCE MAJEURE. Neither Subscriber nor Court shall be responsible for failure or delay in the performance of their respective obligations hereunder caused by acts beyond their reasonable control.

20. SEVERABILITY. Every provision of this Subscriber Amendment shall be construed, to the extent possible, so as to be valid and enforceable. If any provision of this Subscriber Amendment so construed is held by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, such provision shall be deemed severed from this Subscriber Amendment, and all other provisions shall remain in full force and effect.

21. ASSIGNMENT AND BINDING EFFECT. Except as otherwise expressly permitted herein, neither Subscriber nor Court may assign, delegate and/or otherwise transfer this Subscriber Amendment or any of its rights or obligations hereunder without the prior written consent of the other. This Subscriber Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, including any other legal entity into, by or with which Subscriber may be merged, acquired or consolidated.

22. GOVERNING LAW. This Subscriber Amendment shall in all respects be governed by and interpreted, construed and enforced in accordance with the laws of the United States and of the State of Minnesota.

23. VENUE AND JURISDICTION. Any action arising out of or relating to this Subscriber Amendment, its performance, enforcement or breach will be venued in a state or federal court situated within the State of Minnesota. Subscriber hereby irrevocably consents and submits itself to the personal jurisdiction of said courts for that purpose.

24. INTEGRATION. This Subscriber Amendment contains all negotiations and agreements between the parties. No other understanding regarding this Subscriber Amendment, whether written or oral, may be used to bind either party, provided that all terms and conditions of the CJDN Subscriber Agreement and all previous amendments remain in full force and effect except as supplemented or modified by this Subscriber Amendment.

IN WITNESS WHEREOF, the Parties have, by their duly authorized officers, executed this Subscriber Amendment in duplicate, intending to be bound thereby.

1. SUBSCRIBER (AGENCY)

Subscriber must attach written verification of authority to sign on behalf of and bind the entity, such as an opinion of counsel or resolution.

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

2. DEPARTMENT OF PUBLIC SAFETY, BUREAU OF CRIMINAL APPREHENSION

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

3. COMMISSIONER OF ADMINISTRATION

delegated to Materials Management Division

By: _____

Date: _____

4. COURTS

Authority granted to Bureau of Criminal Apprehension

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with authorized authority)

Date: _____

To: Honorable Mayor and City Council
From: Jason Lindahl, City Planner
Date: December 21, 2021
Subject: Second reading of Ordinance 2021-1177 rezoning the property at 325 Blake Road North (PID 19-117-21-14-0002) from I-2, General Industrial to Mixed Use with a Planned Unit Development (PUD)

Proposed Action

Staff recommends the City Council approve the following motion:

- Move to adopt Resolution 2021-088 approving the second reading of Ordinance 2021-1177 rezoning the property at 325 Blake Road North (PID 19-117-21-14-0002) from I-2, General Industrial to Mixed Use with a Planned Unit Development (PUD), subject to conditions.

Overview

The applicant, Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), request rezoning for the property located at 325 Blake Road North. This 16.87-acre property is located on the west side of Blake Road between Lake Street Northeast and the Southwest Light Rail Transit/Cedar Lake Regional Trail corridor. The rezoning request is necessary to facilitate the applicant's plans to subdivide and redevelop the subject property into an 833-unit mixed use, transit-oriented development across Blake Road from the future Blake Road light rail transit station.

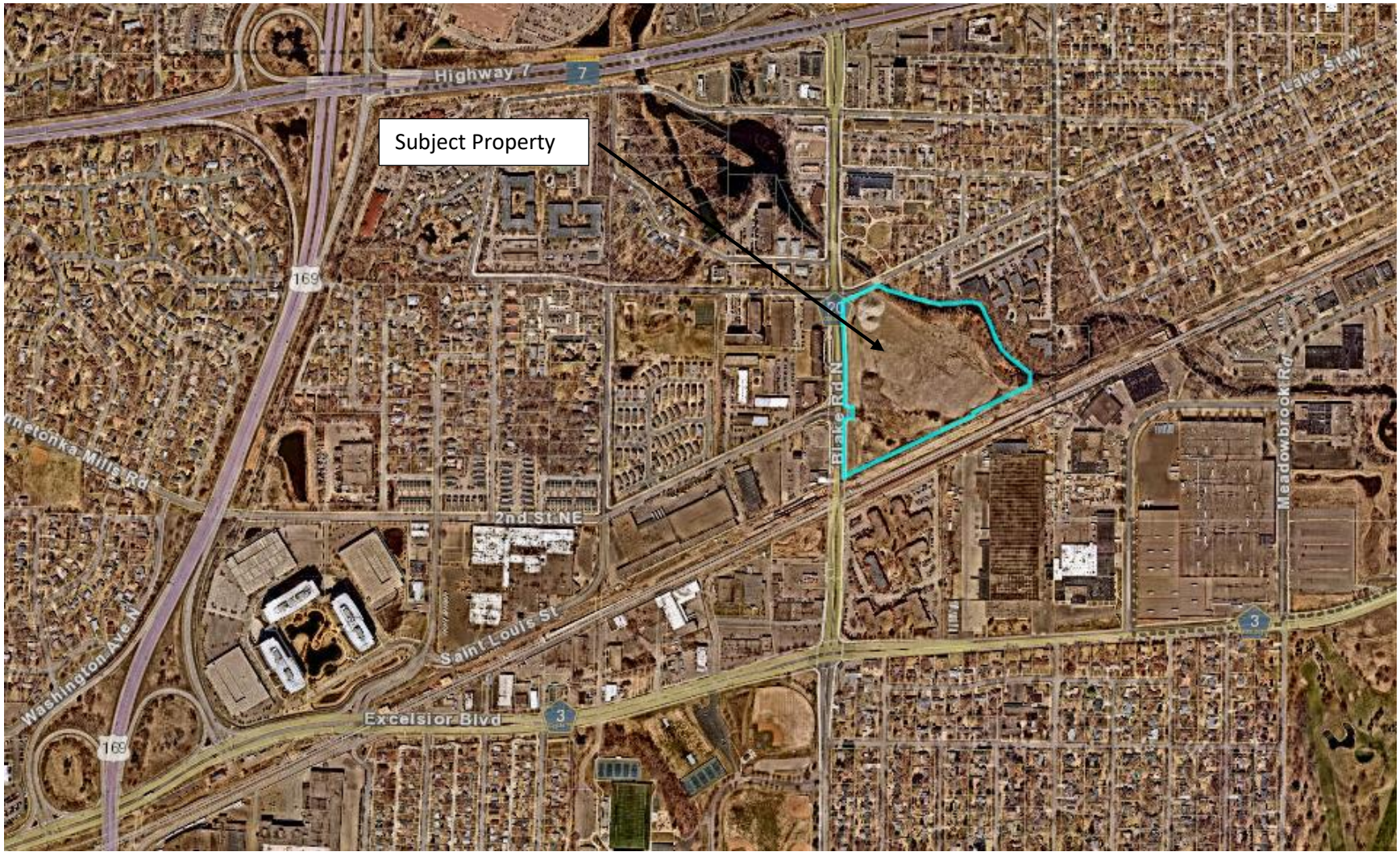
The request would rezone the property from I-2, General Industrial to Mixed Use with a planned unit development. The planned unit development approval is necessary to allow for deviations from some of the Mixed Uses district development standards. These deviations are detailed in a separate planned unit development (PUD) agreement. Together this rezoning application and the separate PUD agreement finalize the rezoning and Master Development Plan the will guide redevelopment of the 325 Blake Road Redevelopment Project.

The City Council approved the first reading of this rezoning ordinance, along with the associated site plans for Sites A-D during the December 7, 2021 meeting. Prior to that action, the Planning & Zoning Commission held a public hearing to review these items and recommended approval by the City Council on November 23, 2021. Should the City Council approve the second reading of this ordinance, and the separate planned unit development agreement, it would rezone the subject properties to Mixed Use with a Planned Unit Development.

Attachments

- Site Location Map
- Resolution 2021-088
- Ordinance 2021-1177
- Master Development Plan

Site Location Map for 325 Blake Road North



CITY OF HOPKINS
Hennepin County, Minnesota

RESOLUTION 2021-088

A RESOLUTION APPROVING THE SECOND READING OF ORDINANCE 2021-1177 REZONING THE PROPERTY AT 325 BLAKE ROAD NORTH WITH PID 19-117-21-14-0002 FROM I-2, GENERAL INDUSTRIAL TO MIXED USE WITH A PLANNED UNIT DEVELOPMENT (PUD), SUBJECT TO CONDITIONS

WHEREAS, the applicant, Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), initiated a rezoning application for the property located at 325 Blake Road North with PID 19-117-21-14-0002, and

WHEREAS, this property is legally described as follows:

LOT 74 AND COM AT A PT IN THE E LINE OF MONK AVE DIST 14 48/100 FT S FROM ITS INTERSEC WITH THE NWLY LINE OF LOT 97 TH N 14 48/100 FT TO SAID NWLY LINE THEREOF TH NELY 845 FT ALONG SAID NWLY LINE TH S14 48/100 FT PAR WITH E LINE OF MONK AVE TH SWLY 845 FT TO BEG EXROAD, AUDITOR'S SUBDIVISION NO. 239 HENNEPIN COUNTY, MINN

WHEREAS, the procedural history of the application is as follows:

1. That the above stated application was initiated by the applicant on October 22, 2021; and,

2. That the Hopkins Planning & Zoning Commission, pursuant to published and mailed notice, held a public hearing to review such application on November 23, 2021 and all persons present were given an opportunity to be heard; and,

3. That written comments and analysis of City staff were considered; and,

4. That the Hopkins Planning & Zoning Commission reviewed this application during the November 23, 2021 meeting and recommended approval by the City Council, subject to conditions; and

5. That the Hopkins City Council conducted reviewed this item during the December 7, 2021 meeting, agreed with the findings of the Planning & Zoning Commission and approved Resolution 2021-077 approving the first reading of Ordinance 2021-1177 rezoning the property located at 325 Blake Road North with PID 19-117-21-14-0002; and

6. That the Hopkins City Council conducted a second reading of Ordinance 2021-1177 during the December 21, 2021 meeting.

WHEREAS, staff recommended approval of the above stated application based on the findings outlined in the staff report dated December 7, 2021 and the staff memo dated December 21, 2021.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hopkins hereby approves the second reading of Ordinance 2021-1177 rezoning the property located at 325 Blake Road North with PID 19-117-21-14-0002 from I-2, General Industrial to Mixed Use with a Planned Unit Development (PUD), subject to the conditions listed below.

1. Approval by the City Council and execution by the Mayor and City Manager of a Planned Unit Development (PUD) Agreement in a form acceptable to the City Attorney.

2. Approval of the development by the Minnehaha Creek Watershed District and conformance with all related conditions.

3. Payment of all applicable development fees including, but not limited to SAC, park dedication and City Attorney fees.

Adopted by the City Council of the City of Hopkins this 21st day of December, 2021.

By:_____
Jason Gadd, Mayor

ATTEST:

_____
Amy Domeier, City Clerk

CITY OF HOPKINS
Hennepin County, Minnesota

ORDINANCE NO. 2021-1177

AN ORDINANCE REZONING THE PROPERTY LOCATED AT 325 BLAKE ROAD NORTH WITH PID 19-117-21-14-0002 FROM I-2, GENERAL INDUSTRIAL TO MIXED USE WITH A PLANNED UNIT DEVELOPMENT (PUD)

THE COUNCIL OF THE CITY OF HOPKINS DOES HEREBY ORDAIN AS FOLLOWS:

1. That the present zoning classification of I-2, General Industrial, upon the following described premise is hereby repealed, and in lieu thereof, said premise is hereby zoned to Mixed Use with a Planned Unit Development (PUD).

2. The legal description of the property to be rezoned is as follows:

   LOT 74 AND COM AT A PT IN THE E LINE OF MONK AVE DIST 14 48/100 FT S FROM ITS INTERSEC WITH THE NWLY LINE OF LOT 97 TH N 14 48/100 FT TO SAID NWLY LINE THEREOF TH NELY 845 FT ALONG SAID NWLY LINE TH S14 48/100 FT PAR WITH E LINE OF MONK AVE TH SWLY 845 FT TO BEG EXROAD, AUDITOR'S SUBDIVISION NO. 239 HENNEPIN COUNTY, MINN

First Reading:	December 7, 2021
Second Reading:	December 21, 2021
Date of Publication:	December 30, 2021
Date Ordinance Takes Effect:	December 30, 2021

_____
Jason Gadd, Mayor

ATTEST:

_____
Amy Domeier, City Clerk

TOTAL UNITS PER BUILDING

Building	units	stories	NET avg
Building A	112 units	5 story	891 s.f
Building B	112 units	5 story	1,246 s.f
Building C-Tower	214 units	15 story	765 s.f
Building C-Wrap	175 units	5 story	721 s.f
Building D	187 units	5 story	677 s.f
Townhomes	33 units	3 story	1,790 s.f
Rest./boat house		1 story	
TOTALS	833 units		

BUILDING A 5 story	112 units	891 s.f.

PODIUM PARKING - 2 levels- 147 spaces
LONG TERM BIKE PARKING - 64 spaces
SHORT TERM BIKE PARKING - 6 spaces

CLUBHOUSE & LEASING -2,300 s.f.

SENIOR COOP

BUILDING B 5 story	112 units	1,246 s.f.

PODIUM PARKING - 2 levels- 184 spaces
LONG TERM BIKE PARKING - 58 spaces
SHORT TERM BIKE PARKING - 6 spaces

CLUBHOUSE - 8,000 (total area)

BUILDING C 15 story	214 units	765 s.f.
5 story	175 units	721 s.f.

PARKING - 7 levels-520 spaces
LONG TERM BIKE PARKING - 216 spaces
SHORT TERM BIKE PARKING - 25 spaces

townhomes 3 story	33 units	1,790 s.f.

Town homes garages- 66 spaces

RESTAURANTS-8,900 s.f.

BUILDING D 5 story	187 units	677 s.f.

PARKING - 5 levels- 277 spaces
LONG TERM BIKE PARKING - 102 spaces
SHORT TERM BIKE PARKING - 10 spaces

CLUBHOUSE -3,500 s.f.

OVERALL SITE PLAN LEGEND

HARDSCAPE
- ARTIFICIAL TURF
- DECKING
- BRIDGE
- CONCRETE PAVING
- CONCRETE PAVING - VEHICULAR
- DECORATIVE CONCRETE PAVING
- CONCRETE UNIT PAVERS
- CONCRETE UNIT PAVERS - VEHICULAR
- PERMEABLE CONCRETE UNIT PAVERS
- PERMEABLE CONCRETE UNIT PAVERS - VEHICULAR
- LIMESTONE UNIT PAVERS
- LIMESTONE FLAGGING
- CUT LIMESTONE TIERED BLOCKS
- CRUSHED AGGREGATE

LANDSCAPE
- LANDSCAPE PLANTING AREA
- STORMWATER PLANTING AREA
- TURF GRASS
- DECIDUOUS TREE
- ORNAMENTAL TREE
- EVERGREEN TREE
- DECIDUOUS SHRUB
- EVERGREEN SHRUB
- PERGOLA
- WATER / WATER FEATURE

OVERALL SITE INFORMATION

SITE AREA:	543,446 sf
BUILDING FOOTPRINT:	224,881 sf (43%)
HARDSCAPE / IMPERVIOUS AREA:	185,168 sf (34%)
LANDSCAPE / PERVIOUS AREA:	123,397 sf (23%)
TREES:	316
SHRUBS:	3,066
GROUNDCOVER:	51,500 sf

325 BLAKE ROAD N
HOPKINS, MN

ALATUS LLC
80 S 8th ST. STE. 4155
MINNEAPOLIS, MN 55402

LOUCKS
PLANNING
CIVIL ENGINEERING
LAND SURVEYING
LANDSCAPE ARCHITECTURE
ENVIRONMENTAL
7200 Hemlock Lane, Suite 300
Maple Grove, MN 55369
763.424.5505
www.loucksinc.com

DF/ DAMON FARBER LANDSCAPE ARCHITECTS
310 South 4th Avenue Suite 7050
Minneapolis, MN 55415 p: 612.332.7522

CADD QUALIFICATION

SUBMITTAL/REVISIONS
10/22/21 CITY SUBMITTAL
10/29/21 CITY RESUBMITTAL
11/15/21 CITY RESUBMITTAL

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

QUALITY CONTROL

DF/ Project No.	19-199B
Project Lead	JM
Drawn By	AM/JH
Checked By	JM/TW
Review Date	

SHEET INDEX

MASTER DEVELOPMENT PLAN

L1-1

Plotted: 11/15/2021 ... 2020 Projects\20-199B 325 Blake Road - Alatus\0 CAD\20-199B_PUD

To: Honorable Mayor and City Council

From: Jason Lindahl, City Planner

Date: December 21, 2021

Subject: 325 Blake Road North – Mile 14 on Minnehaha Creek Final Plat

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Proposed Action

Staff recommends the City Council approve the following motion:

- Move to adopt Resolution 2021-087 approving the final plat for Mile 14 on Minnehaha Creek Addition, subject to the conditions.

Overview

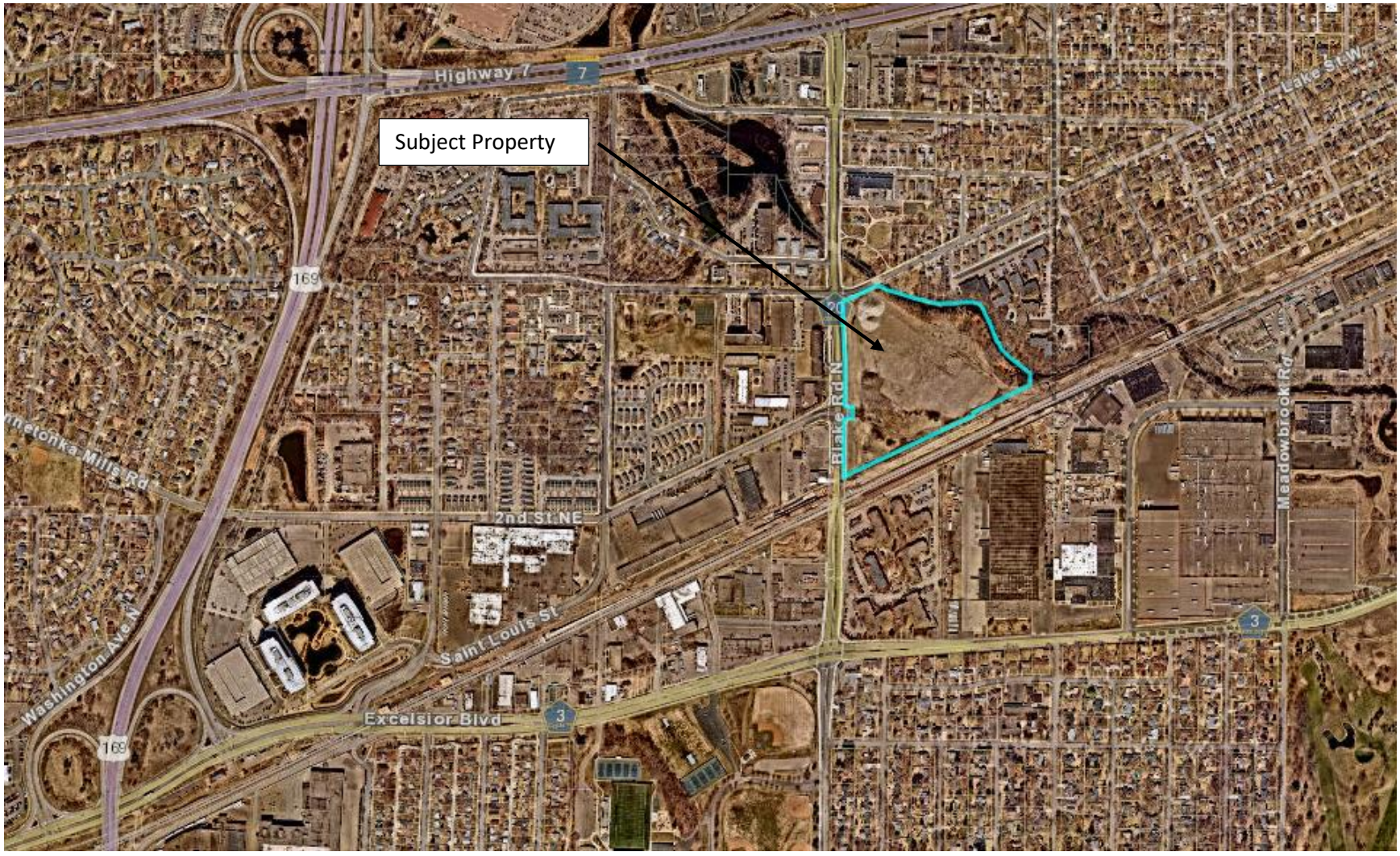
The applicant, Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), requests approval of the Mile 14 on Minnehaha Creek final plat. This 16.87-acre property is located on the west side of Blake Road between Lake Street Northeast and the Southwest Light Rail Transit/Cedar Lake Regional Trail corridor.

Action on the final plat represents the last item in the 2 step subdivision process. The City Council took action on the first step when it approved the preliminary plat during the December 7, 2021 meeting. The applicant proposes to plat the property into multiple parcels to facilitate future redevelopment. The final plat is consistent with the preliminary plat and Master Development Plan included in the rezoning and planned unit development application.

Supporting Documents

- Site Location Map
- Final Plat
- Resolution 2021-087 - Final Plat
- Preliminary Plat
- Resolution 2021-078 - Preliminary Plat
- Plat Opinion for Mile 14 on Minnehaha Creek Addition
- Master Development Plan

Site Location Map for 325 Blake Road North



MILE 14 ON MINNEHAHA CREEK

R.T. DOC. NO. _____

C.R. DOC. NO. _____

KNOW ALL PERSONS BY THESE PRESENTS: That Minnehaha Creek Watershed District, a Minnesota Statutes Chapter 103D governmental body, fee owner of the following described property situated in the County of Hennepin, State of Minnesota, to wit:

Lot 74, Auditor's Subdivision No. 239, Hennepin County, Minnesota, except that part of said Lot 74 which is designated and delineated as Parcel 29, Hennepin County Right of Way Map No. 2, according to the plat thereof on file or of record in the office of the County Recorder in and for said County.

Torrens Property
Torrens Certificate No. 1341193

AND

That part of Lot 97, Auditor's Subdivision No. 239, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), with the most Northerly right of way line of The Minneapolis & St. Louis Railway Company; thence in a Northeasterly direction along said Northerly right of way line, a distance of 845 feet to a point; thence South parallel with and 845 feet from the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to a point; thence in a Southwesterly direction parallel with and 13 feet from the most Northerly right of way line, a distance of 845 feet to a point on said East line of Monck Avenue, (as shown on the recorded plat of said subdivision); thence North along said East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to the point of beginning, except that part of said Lot 97 which is designated and delineated as Parcel 29A, Hennepin County Right of Way Map No. 2, according to the map thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, all being located in the Southeast Quarter of the Northeast Quarter of Section 19, Township 117 North, Range 21 West of the 5th Principal Meridian.

Abstract Property

Has caused the same to be surveyed and platted as MILE 14 ON MINNEHAHA CREEK, and does hereby dedicate to the public for public use the public way, and does also dedicate the drainage and utility easements as created by this plat.

In witness whereof said Minnehaha Creek Watershed District, a Minnesota Statutes Chapter 103D governmental body, has caused these presents to be signed by its proper officer this _____ day of _____, 20_____.

MINNEHAHA CREEK WATERSHED DISTRICT, A MINNESOTA STATUTES CHAPTER 103D GOVERNMENTAL BODY

_____
JAMES WISKER, DISTRICT ADMINISTRATOR

STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____, 20_____, by James Wisker, as District Administrator of Minnehaha Creek Watershed District, a Minnesota Statutes Chapter 103D governmental body, on behalf of the governmental body.

_____ _____
Signature Printed Name, Notary
Notary Public, _____ County, _____
My Commission Expires _____

SURVEYORS CERTIFICATION

I Steven F. Hough do hereby certify that this plat was prepared by me or under my direct supervision; that I am a duly Licensed Land Surveyor in the State of Minnesota; that this plat is a correct representation of the boundary survey; that all mathematical data and labels are correctly designated on this plat; that all monuments depicted on this plat have been, or will be correctly set within one year; that all water boundaries and wet lands, as defined in Minnesota Statutes, Section 505.01, Subd. 3, as of the date of this certificate are shown and labeled on this plat; and all public ways are shown and labeled on this plat.

Dated this _____ day of _____, 20_____.

_____
Steven F. Hough, Licensed Land Surveyor
Minnesota License No. 54850

STATE OF MINNESOTA
COUNTY OF HENNEPIN

This instrument was acknowledged before me this _____ day of _____, 20_____,
by Steven F. Hough.

_____ _____
Signature Printed Name, Notary
Notary Public, _____ County, Minnesota
My Commission Expires January 31, 2025

CITY COUNCIL, CITY OF HOPKINS, MINNESOTA

This plat of MILE 14 ON MINNEHAHA CREEK was approved and accepted by the City Council of the City of Hopkins, Minnesota, at a regular meeting thereof held this _____ day of _____, 20_____, and said plat is in compliance with the provisions of Minnesota Statutes, Section 505.03, Subdivision 2.

City Council, City of Hopkins, Minnesota

By: _____, Mayor By: _____, Clerk

RESIDENT AND REAL ESTATE DEPARTMENT, Hennepin County, Minnesota

I hereby certify that taxes payable in 20_____ and prior years have been paid for land described on this plat, dated this _____ day of _____, 20_____.

Mark V. Chapin, County Auditor By: _____, Deputy

SURVEY DIVISION, Hennepin County, Minnesota

Pursuant to Minnesota Statutes Section 383B.565 (1969), this plat has been approved this _____ day of _____, 20_____.

Chris F. Mavis, County Surveyor By: _____

REGISTRAR OF TITLES, Hennepin County, Minnesota

I hereby certify that the within plat of MILE 14 ON MINNEHAHA CREEK was filed in this office this _____ day of _____, 20_____, at _____ o'clock _____.M.

_____, Registrar of Titles By: _____, Deputy

COUNTY RECORDER, Hennepin County, Minnesota

I hereby certify that the within plat of MILE 14 ON MINNEHAHA CREEK was recorded in this office this _____ day of _____, 20_____, at _____ o'clock _____.M.

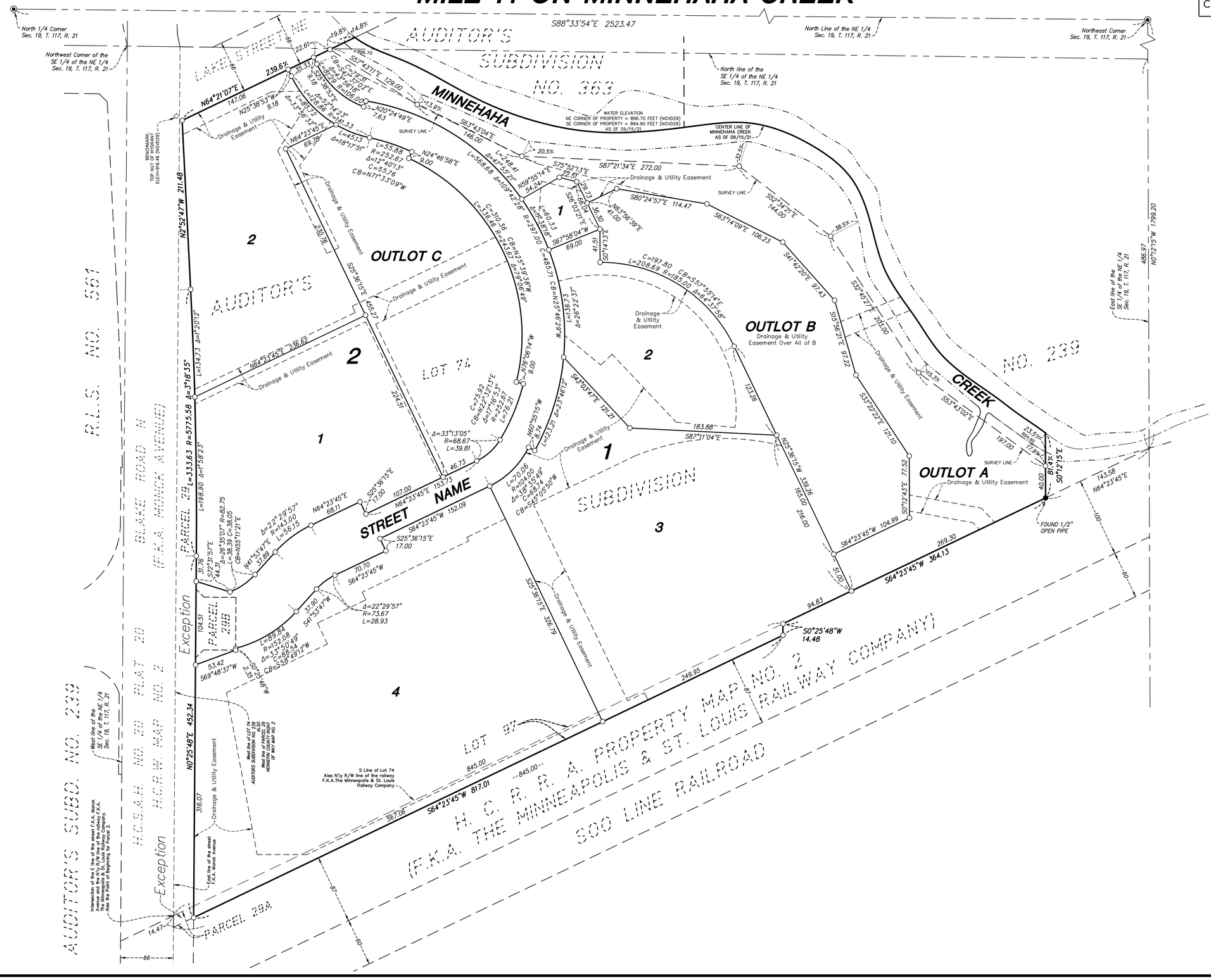
_____, County Recorder By: _____, Deputy

LOUCKS

MILE 14 ON MINNEHAHA CREEK

R.T. DOC. NO. _____

C.R. DOC. NO. _____



0 60 120

SCALE IN FEET

BEARINGS ARE BASED ON THE NORTH LINE OF THE NORTHEAST 1/4 OF SEC. 19 HAVING A BEARING OF S88°33'54"E.

○ DENOTES 1/2 INCH X 14 INCH IRON MONUMENT SET, MARKED "LS 54850"

● DENOTES FOUND 1/2 INCH OPEN IRON MONUMENT

◉ DENOTES FOUND HENNEPIN COUNTY CAST IRON MONUMENT

BENCHMARK:
TOP NUT OF HYDRANT LOCATED AT SE CORNER OF BLAKE ROAD N & LAKE STREET NE, AS SHOWN HEREON.
ELEVATION = 916.46 FT (NGVD29)

LOUCKS

CITY OF HOPKINS
Hennepin County, Minnesota

RESOLUTION 2021-087

A RESOLUTION APPROVING THE FINAL PLAT FOR MILE 14 ON MINNIHAHA CREEK

WHEREAS, the applicant, Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), initiated final plat application to subdivide the property at 325 Blake Road North with PID 19-117-21-14-0002, and

WHEREAS, this property is legally described as follows:

LOT 74 AND COM AT A PT IN THE E LINE OF MONK AVE DIST 14 48/100 FT S FROM ITS INTERSEC WITH THE NWLY LINE OF LOT 97 TH N 14 48/100 FT TO SAID NWLY LINE THEREOF TH NELY 845 FT ALONG SAID NWLY LINE TH S14 48/100 FT PAR WITH E LINE OF MONK AVE TH SWLY 845 FT TO BEG EXROAD, AUDITOR'S SUBDIVISION NO. 239 HENNEPIN COUNTY, MINN

WHEREAS, the procedural history of the application is as follows:

1. That the above stated application was initiated by the applicant on October 22, 2021; and,

2. That the Hopkins Planning & Zoning Commission, pursuant to published and mailed notice, held a public hearing to review such application on November 23, 2021 and all persons present were given an opportunity to be heard; and,

3. That written comments and analysis of City staff were considered; and,

4. That the Hopkins Planning & Zoning Commission reviewed the preliminary and final plat applications during their November 23, 2021 meeting and recommended approval by the City Council, subject to conditions; and

5. That the Hopkins City Council reviewed the preliminary plat application and approved Resolution 2021-078 approving the preliminary plat for Mile 14 on Minnehaha Creek during their December 7, 2021 meeting; and

6. That the Hopkins City Council reviewed the final plat application during their December 21, 2021 meeting and agreed with the findings of the Planning & Zoning Commission; and

WHEREAS, staff recommended approval of the final plat application based on the findings outlined in the staff report dated December 7, 2021 and staff memo dated December 21, 2021.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hopkins hereby approves the Mile 14 on Minnehaha Creek final plat to subdivide the property at 325 Blake Road North with PID 9-117-21-14-0002, subject to the conditions listed below.

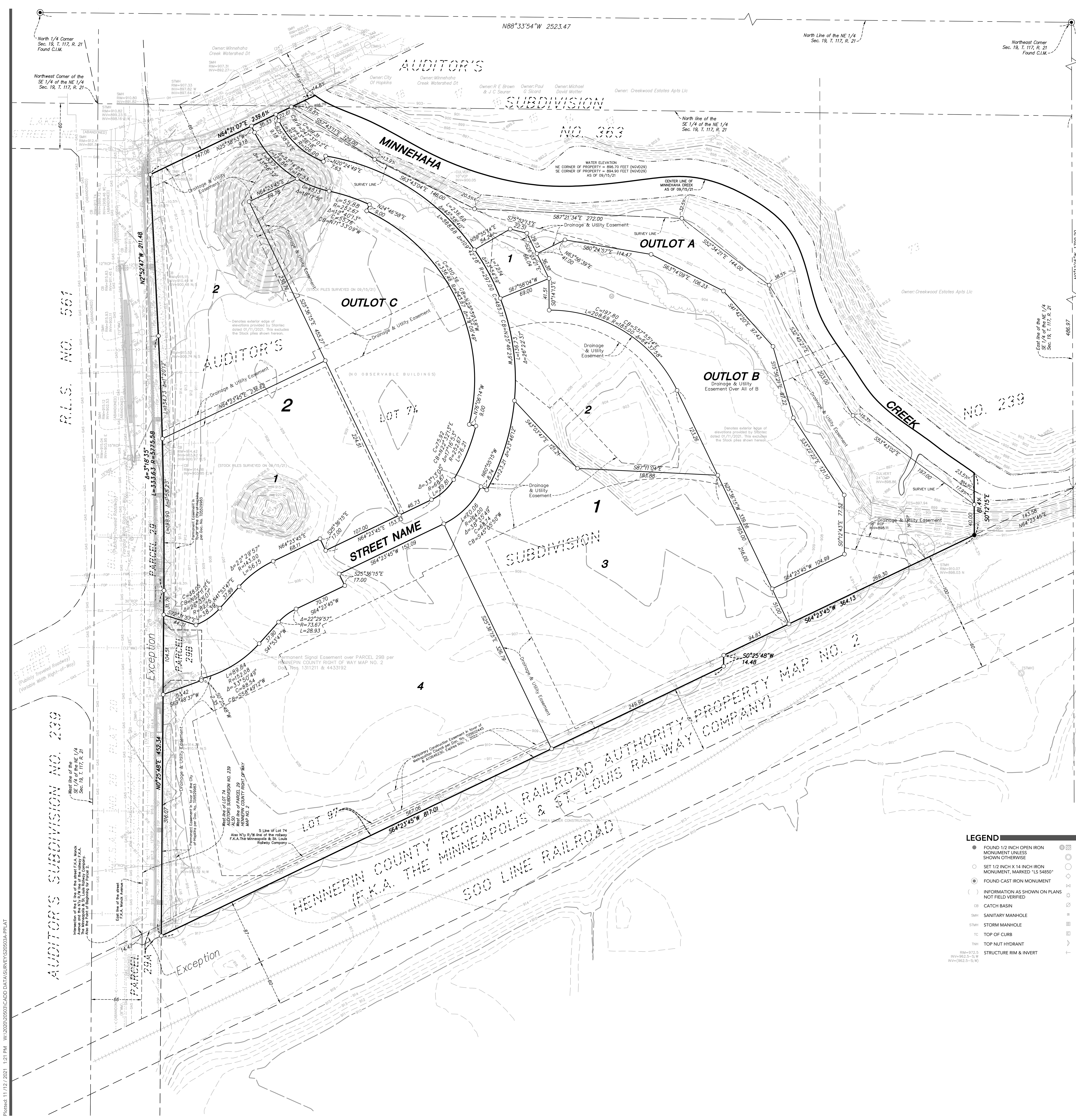
1. Conformance with all conditions of Resolution 2021-078 Approving the Preliminary Plat for Mile 14 on the Minnehaha Creek.

Adopted by the City Council of the City of Hopkins this 21st day of December, 2021.

By_____
Jason Gadd, Mayor

ATTEST:

_____
Amy Domeier, City Clerk



LEGAL DESCRIPTION

PARCEL 1:
Lot 74, Auditor's Subdivision No. 239, Hennepin County, Minnesota, except that part of said Lot 74 which is designated and delineated as Parcel 29, Hennepin County Right of Way Map No. 2, according to the plat thereof on file or of record in the office of the County Recorder in and for said County.

Torrens Property
Torrens Certificate No. 1341193

PARCEL 2:
That part of Lot 97, Auditor's Subdivision No. 239, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), with the most Northerly right of way line of The Minneapolis & St. Louis Railway Company; thence in a Northeasterly direction along said Northerly right of way line, a distance of 845 feet to a point; thence South parallel with and 845 feet from the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to a point; thence in a Southwesterly direction parallel with and 13 feet from the most Northerly right of way line, a distance of 845 feet to a point on said East line of Monck Avenue, (as shown on the recorded plat of said subdivision); thence North along said East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to the point of beginning, except that part of said Lot 97 which is designated and delineated as Parcel 29A, Hennepin County Right of Way Map No. 2, according to the map thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, all being located in the Southeast Quarter of the Northeast Quarter of Section 19, Township 117 North, Range 21 West of the 5th Principal Meridian.

Abstract Property

GENERAL NOTES

SURVEYOR:
Loucks
7200 Hemlock Lane, Suite 300
Maple Grove, MN 55330
763-424-5505

OWNER/DEVELOPER:
Alatus, LLC
IDS Center
80 S 8th Street, Suite 4155
Minneapolis, MN 55402
612-455-0712

1. Prepared October 20, 2021.
2. The address, as disclosed in documents provided to the surveyor, obtained by the surveyor, or observed while conducting the fieldwork is 325 Blake Road North, Hopkins, Minnesota 55343.
2. The bearings for this survey are based on the Hennepin County Coordinate System NAD 83 (1986 Adjust).
3. Benchmark: MnDOT Name: 2706 A 1, Located in Hopkins, 0.1 mile south along Blake Road from the junction of Blake Road and Trunk Highway 7, then 0.2 mile west on Cambridge Street, 2.2 miles west of the junction of Trunk Highway 100 and Trunk Highway 7, 100.0 feet south of Trunk Highway 7, in the southeast corner of Cambridge Street bridge number 27574 over Minnehaha Creek.
   Elevation = 911.25 feet (NGVD29)

   Site Benchmark: Top nut of hydrant located in the southeast quadrant of Lake Street NE and Blake Road N.
   Elevation = 916.46 feet (NGVD29)
4. This property is contained in Zone X (areas determined to be outside the 0.2% annual chance floodplain) and Zone AE (area is subject to flooding by the 1% annual chance flood) per Flood Insurance Rate Map No. 27053C0342F, Community Panel No. 2701660342F, effective date of 11/04/16.
5. The field work was completed on September 15, 2021.

ZONING INFORMATION

Current Zoning: I-2 General Industrial

Any zoning classification, setback requirements, height and floor space area restrictions, and parking requirements, shown hereon, was researched to the best of our ability and is open to interpretation. Per the City of Hopkins Zoning Map and City Code, on 10/19/2021, information for the subject property is as follows:

Current Setbacks:
- Front 20 feet
- Front if across ROW from R District 50 feet
- Side 20 feet
- Side if across ROW from R District 40 feet
- Rear without alley abutting I or B District 20 feet
- Rear if abutting R District 40 feet
- Height 35 feet
- Height if abutting R District 35 feet

Sign Setbacks:
- Front 10 feet
- Side 10 feet
- Rear 10 feet
- Rear abutting R District 20 feet
- Front abutting a County Road 10 feet
- Side abutting a County Road 5 feet
- Rear abutting a County Road 10 feet
- 250 Square feet maximum. 4 square feet per front foot of lot plus 1 square foot per foot of side yard abutting a public right-of-way of 50 feet or more. Least width of frontage shall be considered front yard

Proposed Zoning: PUD Planed Urban Development: See Proposed Sight Plan for Proposed Setbacks.

SITE DATA

Areas:

Lot 1, Block 1	= 5,144 +/- square feet or	0.12 +/- acres
Lot 2, Block 1	= 40,920 +/- square feet or	0.94 +/- acres
Lot 3, Block 1	= 111,532 +/- square feet or	2.56 +/- acres
Lot 4, Block 1	= 150,396 +/- square feet or	3.45 +/- acres
Lot 1, Block 2	= 63,359 +/- square feet or	1.34 +/- acres
Lot 2, Block 2	= 58,306 +/- square feet or	1.45 +/- acres
Outlot A	= 112,896 +/- square feet or	2.59 +/- acres
Outlot B	= 66,695 +/- square feet or	1.53 +/- acres
Outlot C	= 69,070 +/- square feet or	1.59 +/- acres
Right of Way Dedication Area	= 56,736 +/- square feet or	1.30 +/- acres
Creek Area	= 23,305 +/- square feet or	0.53 +/- acres
Net Property Area	= 655,014 +/- square feet or	15.04 +/- acres
Total Property Area	= 735,055 +/- square feet or	16.87 +/- acres.

LEGEND

FOUND 1/2 INCH OPEN IRON MONUMENT UNLESS SHOWN OTHERWISE	CATCH BASIN
SET 1/2 INCH X 14 INCH IRON MONUMENT, MARKED "LS 54850"	STORM MANHOLE
FOUND CAST IRON MONUMENT	SANITARY MANHOLE
INFORMATION AS SHOWN ON PLANS NOT FIELD VERIFIED	HYDRANT
CB CATCH BASIN	GATE VALVE
SMH SANITARY MANHOLE	LIGHT POLE
STMH STORM MANHOLE	POWER POLE
TC TOP OF CURB	ACCESS POST
TNH TOP NUT HYDRANT	BENCH
RIM=972.5 INV=962.5–S; W INV=(962.5–S; W) STRUCTURE RIM & INVERT	ELECTRIC TRANSFORMER
	FLARED END SECTION
	GUY WIRE

UTILITY MANHOLE	STORM SEWER	CONCRETE CURB
UTILITY PEDESTAL	SANITARY SEWER	RETAINING WALL
UTILITY VALVE	WATERMAIN	CONCRETE
HAND HOLE	SANITARY SEWER SERVICE	PAVERS
TELEPHONE MANHOLE	UNDERGROUND ELECTRIC	CONTOUR
WATER MANHOLE / WELL	OVERHEAD UTILITY	972.5 SPOT ELEVATION
HAND HOLE	CHAIN LINK FENCE	WATER LINE
MONITORING WELL	MAPPED STORM SEWER	RAILROAD TRACKS
SIGN	MAPPED SANITARY SEWER	TREE LINE
TELEPHONE MANHOLE	MAPPED WATERMAIN	DENOTES EXTERIOR EDGE OF CONTOURS FROM STANTEC DATED 01/11/2021
TELEPHONE PEDESTAL	MAPPED UNDERGROUND ELECTRIC	
TRAFFIC SIGNAL	MAPPED UNDERGROUND FIBER OPTIC	MAPPED UNDERGROUND TELEPHONE
	MAPPED UNDERGROUND GAS	MAPPED FORCE MAIN

325 BLAKE ROAD N

HOPKINS, MN 55343

ALATUS, LLC

IDS CENTER
80 SOUTH 8TH STREET
SUITE 4155
MINNEAPOLIS, MN 55402

LOUCKS

PLANNING
CIVIL ENGINEERING
LAND SURVEYING
LANDSCAPE ARCHITECTURE
ENVIRONMENTAL

7200 Hemlock Lane, Suite 300
Maple Grove, MN 55369
763.424.5505
www.loucksinc.com

CADD QUALIFICATION

SUBMITTAL/REVISIONS

10/20/21	ISSUED SURVEY
10/22/21	ADD EASEMENTS
11/08/21	CITY COMMENTS
11/12/21	CITY COMMENTS

PROFESSIONAL SIGNATURE

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

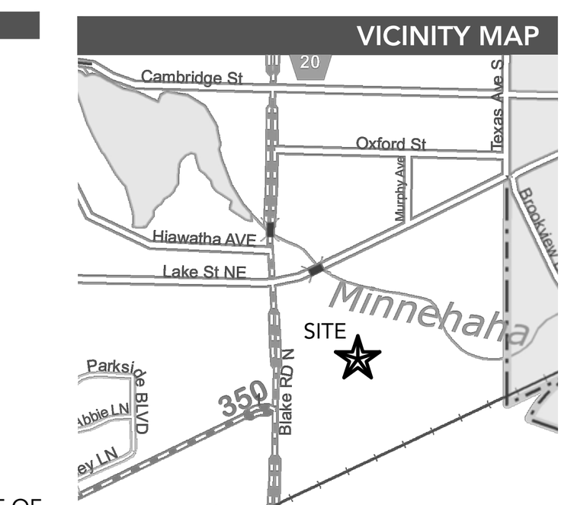
Steven F. Hough - PLS

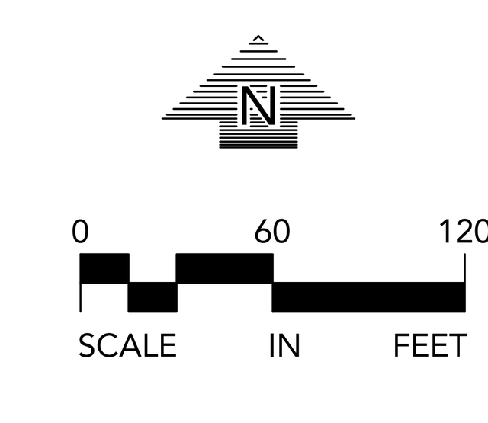
License No.	54850
Date	10/20/21

QUALITY CONTROL

Loucks Project No.	21503A
Project Lead	SFH
Drawn By	NJL
Checked By	SFH
Field Crew	SKS

VICINITY MAP





PRELIMINARY PLAT

CITY OF HOPKINS
Hennepin County, Minnesota

RESOLUTION 2021-078

A RESOLUTION APPROVING THE PRELIMINARY PLAT FOR MILE 14 ON MINNIHAHA CREEK

WHEREAS, the applicant, Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), initiated preliminary plat application to subdivide the property at 325 Blake Road North with PID 19-117-21-14-0002, and

WHEREAS, this property is legally described as follows:

LOT 74 AND COM AT A PT IN THE E LINE OF MONK AVE DIST 14 48/100 FT S FROM ITS INTERSEC WITH THE NWLY LINE OF LOT 97 TH N 14 48/100 FT TO SAID NWLY LINE THEREOF TH NELY 845 FT ALONG SAID NWLY LINE TH S14 48/100 FT PAR WITH E LINE OF MONK AVE TH SWLY 845 FT TO BEG EXROAD, AUDITOR'S SUBDIVISION NO. 239 HENNEPIN COUNTY, MINN

WHEREAS, the procedural history of the application is as follows:

1. That the above stated application was initiated by the applicant on October 22, 2021; and,

2. That the Hopkins Planning & Zoning Commission, pursuant to published and mailed notice, held a public hearing on the application and reviewed such application on November 23, 2021 and all persons present were given an opportunity to be heard; and,

3. That written comments and analysis of City staff were considered; and,

4. That the Hopkins Planning & Zoning Commission reviewed this application during their November 23, 2021 meeting and recommended approval by the City Council, subject to conditions; and

5. That the Hopkins City Council reviewed this application during their December 7, 2021 meeting and agreed with the findings of the Planning & Zoning Commission.

WHEREAS, staff recommended approval of the above stated application based on the findings outlined in the staff report dated December 7, 2021.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hopkins hereby approves the Mile 14 on Minnehaha Creek preliminary plat to subdivide the property at 325 Blake Road North with PID 9-117-21-14-0002, subject to the conditions listed below.

1. Rezoning of the subject property from 1-2, General Industrial to Mixed Use with a Planned Unit Development (PUD).
2. Execution of a Planned Unit Development Agreement in a form acceptable to the City Attorney.
3. Approval of the associated final plat and conformance with all related conditions.
4. Payment of all applicable development fees including, but not limited to, attorney's fees and park dedication. All development fees except park dedication shall be paid prior to execution of the

planned unit development agreement. Park dedication fees shall be paid prior to issuance of a building permit for each individual parcel.

5. Development of any individual lot created by this subdivision shall require separate site plan approval.
6. Development of Outlot C shall require separate subdivision approval consistent with the approved zoning and planned unit development.
7. Conformance with all requirements of the City Engineer.
8. Conformance with all requirements of Hennepin County.
9. Approval of the development by the Minnehaha Creek Watershed District and conformance with all related conditions.
10. Approval of the associated Environmental Assessment Worksheet (EAW).
11. Submission and review of a title commitment by the City Attorney and adherence to conditions.
12. Additional easements shall be recorded as required by the City Attorney.

Adopted by the City Council of the City of Hopkins this 7th day of December, 2021.

By: _____
Kristi Halverson, Mayor Pro Tempore

ATTEST:

_____
Amy Domeier, City Clerk

Kennedy & Graven
CHARTERED

Fifth Street Towers
150 South Fifth Street, Suite 700
Minneapolis MN 55402-1458

(612) 337-9300 telephone
(612) 337-9310 fax
http://www.kennedy-graven.com
Affirmative Action, Equal Opportunity Employer

Scott J. Riggs
Attorney at Law
Direct Dial: (612) 337-9260
Email: sriggs@kennedy-graven.com

December 16, 2021

Mr. Jason Lindahl
City Planner
City of Hopkins
1010 – 1st Street South
Hopkins, MN 55343

VIA EMAIL ONLY

RE: Plat Opinion for MILE 14 ON MINNEHAHA CREEK
Our File No. HP145-47

Jason:

I have reviewed the title commitment from First American Title Insurance Company, with an effective date of August 29, 2021 (the "**Commitment**"). I have also reviewed a final plat, prepared by LOUCKS, which is titled **MILE 14 ON MINNEHAHA CREEK** (the "**Plat**").

The Commitment purports to cover the following legal descriptions:

PARCEL 1:

Lot 74, Auditor's Subdivision No. 239, Hennepin County, Minnesota, except that part of said Lot 74 which is designated and delineated as Parcel 29, Hennepin County Right of Way Map No. 2, according to the plat thereof on file or of record in the office of the County Recorder in and for said County.

(Torrens Property, Certificate of Title No. 1341193)

PARCEL 2:

That part of Lot 97, Auditor's Subdivision No. 239, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), with the most Northerly right of way line of The Minneapolis & St. Louis Railway Company; thence in a Northeasterly direction along said Northerly right of way line, a distance of 845 feet to a point; thence South parallel with and 845 feet from the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to a point; thence in a Southwesterly direction parallel with and 13 feet from the most Northerly right of way line, a distance of 845 feet to a point on said East line of Monck Avenue, (as shown on the recorded plat of said subdivision); thence North along said East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to the point of beginning, except that part of said Lot 97 which is designated and delineated as Parcel 29A,

Hennepin County Right of Way Map No. 2, according to the map thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, all being located in the Southeast Quarter of the Northeast Quarter of Section 19, Township 117 North, Range 21 West of the 5th Principal Meridian.

(Abstract Property)

(the "**Property**").

Based on my review of the Commitment and the Plat, I have the following comments relative to the proposed Plat:

1. **Plat Execution.** The names and signatures of the following parties in interest must appear on the Plat:

    a. Minnehaha Creek Watershed District, a Minnesota Statutes Chapter 103D governmental body. (the "Fee Owner")

    b. The Plat must be executed with all the formalities of a deed of title. *I require a resolution authorizing the proposed transaction and identifying the parties authorized to execute the easements dedicated in the Plat and that the person signing is authorized to execute the Plat on the Fee Owner's behalf.*

2. **Plat Corrections:**

    a. There should be the words "PARCEL 1:" and "PARCEL 2:" added to the legal description.

    b. A street name must be inserted into the Plat.

3. **Title Commitment Exceptions:**

    a. Permanent easement for signal purposes over all that part of Lot 74, Auditor's Subdivision No. 239, which is designated and delineated as Parcel 29B, Hennepin County Right of Way Map No. 2, as showing in the Office of the Registrar of Titles as Document No. 1311211, shown as a recital on the Certificate of Title, and in the Office of the County Recorder as Document No. 4433192 in favor of Hennepin County, a corporation under the laws of the State of Minnesota. *This Warranty Deed grants to Hennepin County, a permanent easement for signal purposes over all that part of Lot 74, Auditor's Subdivision No. 239, which is designated and delineated as Parcel 29B, Hennepin County Right of Way Map No. 2 and as such, should be marked with a reference Number; additionally, the City should review with the developer to see if it needs to be vacated.*

    b. Terms, conditions, covenants and restrictions of the Declaration of Restrictive Covenants for Atlas Cold Storage America LLC, a Minnesota limited liability

company, recorded as Document No. 4443349 and Document No. 9061387. (Affects Parcels 1 and 2). *This Declaration does not allow the subject property to lease all or any portion to certain entities. The City and the developer should review this document to determine if the City should consider requiring a supplemental declaration to be recorded as part of the platting process.*

c. Rights of the Hennepin County Regional Railroad Authority as depicted on the Hennepin County Regional Railroad Authority Property Map No. 2 recorded as Document No. T4686556 and Document No. 5496762. (Affects Parcels 1 and 2). *The City and the developer should review this document to determine if the rights interfere with the development of this property.*

d. Easements for trail purposes, together with any incidental rights, in favor of the City of Hopkins, a Minnesota municipal corporation as contained in the Easement recorded as Document No. T05529983. (Affects Parcel 1). *These easements should be marked on the Plat with a reference number. The City and the developer should review the Easement Agreement and determine if any of the easements shown should be vacated.*

e. Terms, conditions, and provisions as contained in the Temporary Easement in favor of METROPOLITAN COUNCIL recorded as Document No. T05602445 and Document No. A10646230. (Affects Parcels 1 and 2). *This Temporary Easement is set to expire November 1, 2022. No further action is required.*

f. Easement for construction, operation and maintenance of METRO Green Line Light Rail Transit Extension, owned by Metropolitan Council, contained in the Quit Claim Deed in favor of Hennepin County Regional Railroad Authority, recorded as Document No. A10621894. (Affects Parcel 2). *This easement should be marked on the plat with a reference number. The City and developer should review the Quit Claim Deed to determine if any of the easements should be vacated.*

4. **Property taxes and assessments.** All real estate taxes payable in the year the Plat is recorded (including delinquent taxes and any deferred Green Acres taxes) must be paid prior to recording the Plat. Any special assessments against any part of the Property can be reapportioned among the new lots as provided in Minnesota Statutes Section 429.071(3).

PIN 19-117-21-14-0002 (Not billed)
2021 Base Taxes = $0.00 (Not billed)
2021 Special Assessments = $0.00 (Not billed)

This letter does not purport to set forth every matter relevant to a determination of whether title to the property is marketable, and no one should rely upon it for that purpose. The sole purpose of this letter is to identify required signatories to the plat and related issues of interest to the City in connection with platting, as evidenced by the Commitment.

This opinion is conditioned upon the issuance of a title policy in favor of the City of Hopkins, insuring the City's interests as they appear in the plat of MILE 14 ON MINNEHAHA CREEK.

Sincerely,

KENNEDY & GRAVEN, CHARTERED

Scott J. Riggs
Hopkins City Attorney

BUILDING A 5 story	112 units	891 s.f.

PODIUM PARKING - 2 levels- 147 spaces
LONG TERM BIKE PARKING - 64 spaces
SHORT TERM BIKE PARKING - 6 spaces

CLUBHOUSE & LEASING -2,300 s.f.

SENIOR COOP

BUILDING B 5 story	112 units	1,246 s.f.

PODIUM PARKING - 2 levels- 184 spaces
LONG TERM BIKE PARKING - 58 spaces
SHORT TERM BIKE PARKING - 6 spaces

CLUBHOUSE - 8,000 (total area)

BUILDING C 15 story	214 units	765 s.f.
5 story	175 units	721 s.f.

PARKING - 7 levels-520 spaces
LONG TERM BIKE PARKING - 216 spaces
SHORT TERM BIKE PARKING - 25 spaces

TOTAL UNITS PER BUILDING			
Building	units	stories	NET avg
Building A	112 units	5 story	891 s.f
Building B	112 units	5 story	1,246 s.f
Building C-Tower	214 units	15 story	765 s.f
Building C-Wrap	175 units	5 story	721 s.f
Building D	187 units	5 story	677 s.f
Townhomes	33 units	3 story	1,790 s.f
Rest./boat house		1 story	
TOTALS	833 units		

townhomes 3 story	33 units	1,790 s.f.

Town homes garages- 66 spaces

RESTAURANTS-8,900 s.f.

BUILDING D 5 story	187 units	677 s.f.

PARKING - 5 levels- 277 spaces
LONG TERM BIKE PARKING - 102 spaces
SHORT TERM BIKE PARKING - 10 spaces

CLUBHOUSE -3,500 s.f.

0 40 80 120
SCALE: 1" = 40'
NORTH

OVERALL SITE PLAN LEGEND

HARDSCAPE
- ARTIFICIAL TURF
- DECKING
- BRIDGE
- CONCRETE PAVING
- CONCRETE PAVING - VEHICULAR
- DECORATIVE CONCRETE PAVING
- CONCRETE UNIT PAVERS
- CONCRETE UNIT PAVERS - VEHICULAR
- PERMEABLE CONCRETE UNIT PAVERS
- PERMEABLE CONCRETE UNIT PAVERS - VEHICULAR
- LIMESTONE UNIT PAVERS
- LIMESTONE FLAGGING
- CUT LIMESTONE TIERED BLOCKS
- CRUSHED AGGREGATE

LANDSCAPE
- LANDSCAPE PLANTING AREA
- STORMWATER PLANTING AREA
- TURF GRASS
- DECIDUOUS TREE
- ORNAMENTAL TREE
- EVERGREEN TREE
- DECIDUOUS SHRUB
- EVERGREEN SHRUB
- PERGOLA
- WATER / WATER FEATURE

OVERALL SITE INFORMATION

SITE AREA:	543,446 sf
BUILDING FOOTPRINT:	224,881 sf (43%)
HARDSCAPE / MPERVIOUS AREA:	185,168 sf (34%)
LANDSCAPE / PERVIOUS AREA:	123,397 sf (23%)
TREES:	316
SHRUBS:	3,066
GROUNDCOVER:	51,500 sf

325 BLAKE ROAD N
HOPKINS, MN

ALATUS LLC
80 S 8th ST. STE. 4155
MINNEAPOLIS, MN 55402

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7200 Hemlock Lane, Suite 300
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763.424.5505
www.loucksinc.com

DF/ DAMON FARBER LANDSCAPE ARCHITECTS
310 South 4th Avenue Suite 7050
Minneapolis, MN 55415 p: 612.332.7522

SUBMITTAL/REVISIONS

10/22/21	CITY SUBMITTAL
10/29/21	CITY RESUBMITTAL
11/15/21	CITY RESUBMITTAL

PROFESSIONAL SIGNATURE

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

QUALITY CONTROL

DF/ Project No.	19-199B
Project Lead	JM
Drawn By	AM/JH
Checked By	JM/TW
Review Date	

SHEET INDEX

MASTER DEVELOPMENT PLAN

L1-1

Plotted: 11/15/2021 1:4... P:\2020 Projects\20-199B 325 Blake Road - Alatus\0 CAD\20-199B_PUD

CONTRACT FOR PRIVATE REDEVELOPMENT – 325 BLAKE ROAD

Proposed Action

Staff recommends adoption of the following motion: Move to approve Resolution 2021-101 Approving Contract for Private Redevelopment by and between the City of Hopkins, Hopkins Housing and Redevelopment Authority in and for the City of Hopkins and Alatus Hopkins MD LLC.

With this motion, the contract will be executed. It is understood that minor modifications may be made by staff and/or counsel.

Overview

It has been anticipated that the redevelopment of 325 Blake Road will result in a gap in project financing and that the gap would likely be closed using a combination of grant funds and tax increment financing (TIF). TIF District No.1-6 was created on August 12, 2021, in order to preserve the ability to provide tax increment financing for the development. The Contract for Private Redevelopment commits the City and the Hopkins HRA to provide pay-as-you-go TIF to the developer as reimbursement for eligible costs, according to the terms of the contract.

Stacie Kvilvang, Ehlers Public Municipal Advisors, has reviewed project financials throughout the development of the project from concept to land use applications and has confirmed that financial assistance will be needed for the project to move forward. The amount of TIF assistance will be a not to exceed amount for the entire project of $26,600,000. A formal detailed analysis for each project element requesting assistance will be completed as those elements progress forward to construction to determine the level of assistance actually required.

TIF would be used to offset the cost of infrastructure, underground parking and affordable housing under terms outlined in the contract for private development. In addition to the commitment of TIF, the agreement holds the developer to specific terms, summarized in the attachment, including an overall 25% affordable housing requirement.

Primary Issues to Consider

A determination has been made that but for the availability of TIF, the development as proposed would not be able to move forward. The terms were discussed at the December 7, 2021, City Council work session and are substantially the same as presented.

Supporting Information

- Resolution 2021-101
- Executive Summary
- Contract for Private Redevelopment – 325 Blake Road

_____
Kersten Elverum
Director of Planning & Development

Financial Impact: $26,600,000_____Budgeted: Y/N __Y__ Source: TIF 2-11 & TIF 1-5

JOINT RESOLUTION OF THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF HOPKINS

AND

THE CITY OF HOPKINS

THE CITY OF HOPKINS
HENNEPIN COUNTY
STATE OF MINNESOTA

HRA RESOLUTION NO. 543
CITY RESOLUTION NO. 2021-101

JOINT RESOLUTION APPROVING CONTRACT FOR PRIVATE DEVELOPMENT AND ISSUANCE OF TAX INCREMENT NOTES

WHEREAS, the Housing and Redevelopment Authority in and for the City of Hopkins (the "HRA") previously found that there exists within the community a building that had a blighting influence on surrounding properties and is structurally substandard due to their poor physical condition or functional obsolescence and which, because of those conditions, threaten the health, safety and welfare of the community; and

WHEREAS, the HRA has previously caused demolition of a building located at the Redevelopment Property as hereinafter defined; and

WHEREAS, the HRA finds that it is in the public interest, helpful for the tax base and beneficial for the health, safety and welfare of the community as a whole to remove vacant, underutilized, obsolete, and structurally substandard buildings and to replace them with new life-cycle housing and ancillary commercial uses; and

WHEREAS, the HRA finds that, due to market conditions which exist today and are likely to persist for the foreseeable future, the private sector alone is not able to accomplish redevelopment of the type needed within the community and, therefore, such will not occur without public intervention; and

WHEREAS, the HRA was created pursuant to Minnesota Statutes, Sections 469.001-469.047 (the "Act") and was authorized to transact business and exercise its powers by a resolution of the City Council of the City of Hopkins (the "City") pursuant to the Act; and

WHEREAS, in order to foster the redevelopment described above, the City established its Redevelopment Project No. 1, as defined in the Act, providing for the development and redevelopment of certain areas located within the City (which redevelopment project is hereinafter referred to as the "Project"), to implement the goals and objectives thereof, all pursuant to the Act; and

WHEREAS, the Redeveloper has presented to the HRA a proposal wherein the

Redeveloper will redevelop 325 Blake Road North (the "Redevelopment Property") through the construction on the Redevelopment Property of multiple buildings containing approximately 800 multi-family units, with 688 units of apartments, and 112 senior cooperative units, with the affordability levels within each building specified below in Section 4.5; construction of approximately 33 for sale town homes, 8,000 sq. ft. of ground floor retail, 1,000 sq. ft. sky lounge and two (2) 4,500 sq. ft. standalone restaurant pads; with Total Development Costs estimated to be approximately $330,000,000; and

WHEREAS, as part of its proposal the Redeveloper has requested that the City and HRA create a tax increment financing district encompassing the Redevelopment Property and use a portion of the tax increment generated from the redeveloped Redevelopment Property to reimburse the Redeveloper for a portion of the Redeveloper's redevelopment costs; and

WHEREAS, the City and HRA established Tax Increment Financing District No. 1-6: 325 Blake (a "redevelopment district") and adopted a tax increment financing plan related thereto, all pursuant to Minnesota Statutes, sections 469.174 through 469.1799; and

WHEREAS, the Redeveloper has proposed to redevelop the Redevelopment Property through a project which the HRA believes is in the vital and best interests of Hopkins and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements for which the Project and Tax Increment Financing District No. 1-6: 325 Blake were established; and

WHEREAS, the Redeveloper would not undertake the redevelopment of the Project without the tax increment financing assistance described in this Agreement; and

WHEREAS, the HRA believes that the redevelopment of the Project pursuant to the Redeveloper's proposal and the fulfillment generally of this Agreement, are in the vital and best interests of the City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the Project has been undertaken and is being assisted; and

WHEREAS, there has been presented before the City Council and the HRA Board a Contract for Private Development (the "Agreement") proposed to be entered into between the HRA, the City and the Developer setting forth the terms of the development of the Minimum Improvements; and

WHEREAS, pursuant to the Agreement, the HRA has proposed to issue Tax Increment Revenue Notes (the "TIF Notes") to reimburse the Developer for certain qualified costs related to the Minimum Improvements (the "Qualified Public Development Costs").

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hopkins and the Board of the Housing and Redevelopment Authority in and for the City of Hopkins as follows:

1. The Agreement. The Board and Council approve the Agreement in substantially the form

on file in City Hall. The President and Executive Director are hereby authorized and directed to execute and deliver the Agreement. The Mayor and City Manager are hereby authorized and directed to execute and deliver the Agreement. All of the provisions of Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Agreement is hereby in all respects authorized, approved and confirmed by the HRA and the President and the Executive Director are hereby authorized and directed to execute and deliver the Agreement for and on behalf of the HRA in substantially the form now on file with the HRA, but with such modifications as shall be deemed necessary, desirable or appropriate, its execution thereof to constitute conclusive evidence of their approval of any and all modifications therein. The Agreement is hereby in all respects authorized, approved and confirmed by the City and the Mayor and City Manager are hereby authorized and directed to execute and deliver the Agreement for and on behalf of the City in substantially the form now on file with the City, but with such modifications as shall be deemed necessary, desirable or appropriate, its execution thereof to constitute conclusive evidence of their approval of any and all modifications therein.

2. The TIF Note.

2.01. The HRA hereby approves and authorizes the President and Executive Director to execute the TIF Notes. The HRA hereby delegates to the Executive Director the determination of the dates on which any TIF Notes are to be delivered, in accordance with the Agreement.

2.02. The TIF Notes shall be in substantially the form set forth in the Agreement, with the blanks to be properly filled in and the principal amount and payment schedule adjusted as of the date of issue.

2.03. The TIF Notes shall be issued as a single typewritten notes numbered R-1. The TIF Notes shall be issuable only in fully registered form. Principal of the TIF Notes shall be payable by check or draft issued by the registrar described herein. Principal of the TIF Notes shall be payable by mail to the owner of record thereof as of the close of business on the fifteenth day of the month preceding the Payment Date (as defined in the Agreement), whether or not such day is a business day.

2.04. The HRA hereby appoints the Executive Director to perform the functions of registrar, transfer agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the HRA and the Registrar with respect thereto shall be as follows:

(a) The Registrar shall keep at its office a bond register in which the Registrar shall provide for the registration of ownership of the TIF Notes and the registration of transfers and exchanges of the TIF Notes.

(b) Upon surrender for transfer of the TIF Notes duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form reasonably satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, new Notes of a like aggregate principal amount and maturity, as requested by the transferor. Notwithstanding the foregoing, the TIF Notes shall not be transferred to any person other than an affiliate, or other related entity, of the Developer unless the HRA has been provided with an investment letter in a form substantially similar to the investment letter submitted by the Developer or a certificate of the transferor, in a form satisfactory to the HRA, that such transfer is exempt from registration and prospectus delivery requirements of federal and applicable state securities laws. The Registrar may close the books for registration of any transfer after the fifteenth day of the month preceding each Payment Date and until such Payment Date.

(c) The TIF Notes surrendered upon any transfer shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the HRA.

(d) When the TIF Notes are presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such TIF Notes or separate instrument of transfer is legally authorized. The Registrar shall incur no liability for its refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(e) The HRA and the Registrar may treat the person in whose name the TIF Notes is at any time registered in the bond register as the absolute owner of the TIF Notes, whether the TIF Notes shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of such TIF Notes and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the HRA upon such TIF Notes to the extent of the sum or sums so paid.

(f) For every transfer or exchange of the TIF Notes, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange.

(g) In case any TIF Notes shall become mutilated or be lost, stolen, or destroyed, the Registrar shall deliver new TIF Notes of like amount, maturity dates and tenor in exchange and substitution for and upon cancellation of such mutilated TIF Notes or in lieu of and in substitution for such TIF Notes lost, stolen, or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case the TIF Notes are lost, stolen, or destroyed, upon filing with the Registrar of evidence satisfactory to it that such TIF Notes were lost, stolen, or destroyed, and of the ownership thereof, and upon furnishing to the

Registrar of an appropriate bond or indemnity in form, substance, and amount satisfactory to it, in which both the HRA and the Registrar shall be named as obligees. The TIF Notes so surrendered to the Registrar shall be cancelled by it and evidence of such cancellation shall be given to the HRA. If the mutilated, lost, stolen, or destroyed TIF Notes have already matured or been called for redemption in accordance with its terms, it shall not be necessary to issue new TIF Notes prior to payment.

2.05. The TIF Notes shall be prepared under the direction of the Executive Director and shall be executed on behalf of the HRA by the signatures of its President and Executive Director. In case any officer whose signature shall appear on the TIF Notes shall cease to be such officer before the delivery of the TIF Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. When the TIF Notes have been so executed, it shall be delivered by the Executive Director to the Developer thereof in accordance with the Agreement.

3. Security Provisions of the TIF Notes.

3.01. The HRA hereby pledges to the payment of the principal of the TIF Notes all Available Tax Increment (as defined in the Agreement). Available Tax Increment shall be applied to payment of the principal of the TIF Notes in accordance with the terms of the form of TIF Notes.

3.02. Until the date the TIF Notes are no longer outstanding and no principal thereof (to the extent required to be paid pursuant to this resolution) remains unpaid, the HRA shall maintain a separate and special "Bond Fund" to be used for no purpose other than the payment of the principal of the TIF Notes. The HRA irrevocably agrees to appropriate to the Bond Fund in each year Available Tax Increment, subject to the terms of the Agreement. Any Available Tax Increment remaining in the Bond Fund shall be transferred to the HRA's account for the TIF District upon the payment of all principal to be paid with respect to the TIF Notes.

4. Miscellaneous.

4.01. The officers of the HRA are hereby authorized and directed to prepare and furnish to the Developer certified copies of all proceedings and records of the HRA, and such other affidavits, certificates, and information as may be required to show the facts relating to the legality and marketability of the TIF Notes as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates, and affidavits, including any heretofore furnished, shall be deemed representations of the HRA as to the facts recited therein.

4.02. The President and Executive Director are authorized and directed to execute and deliver the Agreement and any additional agreements, certificates or other

documents that the HRA determines are necessary to implement this Resolution.

4.03. The Mayor and City Manager are authorized and directed to execute and deliver the Agreement and any additional agreements, certificates or other documents that the City determines are necessary to implement this Resolution.

4.04. The HRA and the City direct HRA and City staff to take any appropriate action and to prepare any appropriate documents to facilitate the directives of the HRA and the City as set forth in this Resolution and in performing their obligations under the Agreement as a whole.

4.05. The President, Executive Director, HRA, the City and HRA and City staff, HRA and City attorney, and HRA and City consultants are hereby authorized and directed to take any and all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

4.06. This Joint Resolution shall be effective upon full execution of the Agreement.

Approved by the Board of Commissioners of the Hopkins Housing and Redevelopment Authority this 21st day of December, 2021

_____
Jason Gadd
President

Attest:

_____
Mike Mornson
Executive Director

Adopted by the City Council of the City of Hopkins this 21st day of December, 2021.

By: _____
Jason Gadd, Mayor

ATTEST:

_____
Amy Domeier, City Clerk

Executive Summary

Following is a redlined version of the updated terms of the Contract for Private Redevelopment for 325 Blake Road.

1. Developer: Alatus Hopkins MD LLC

IDS Center
80 South 8th Street, Suite 4155
Minneapolis, MN 55402
Attn: Robert Lux

2. Property: 325 Blake Road North (PID# 19-117-21-14-0002)

3. Legal Description of Property: A portion of the property legally described below that is to be platted as MILE 14 ON MINNEHAHA CREEK:

PARCEL 1:

Lot 74, Auditor's Subdivision No. 239, Hennepin County, Minnesota, except that part of said Lot 74 which is designated and delineated as Parcel 29, Hennepin County Right of Way Map No. 2, according to the plat thereof on file or of record in the office of the County Recorder in and for said County.

(Torrens Property, Certificate of Title No. 1341193)

PARCEL 2:

That part of Lot 97, Auditor's Subdivision No. 239, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), with the most Northerly right of way line of The Minneapolis & St. Louis Railway Company; thence in a Northeasterly direction along said Northerly right of way line, a distance of 845 feet to a point; thence South parallel with and 845 feet from the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to a point; thence in a Southwesterly direction parallel with and 13 feet from the most Northerly right of way line, a distance of 845 feet to a point on said East line of Monck Avenue, (as shown on the recorded plat of said subdivision); thence North along said East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to the point of beginning, except that part of said Lot 97 which is designated and delineated as Parcel 29A, Hennepin County Right of Way Map No. 2, according to the map thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, all being located in the Southeast Quarter of the Northeast Quarter of Section 19, Township 117 North, Range 21 West of the 5th Principal Meridian.

(Abstract Property)

4. Acquisition of Property: The property located at 325 Blake Road North (the "Property") is privately owned. The Developer will secure a Purchase Agreement for approximately 12.75 acres of the Property in which they will close in two phases. The purchase price for the Property is $11,250,000 of which Phase I purchase price is $8,000,000 and Phase II purchase price is $3,250,000. The

Developer agrees to close on the acquisition of Phase I of the Third-Party Property by June 30, 2023. Developer agrees to close on Phase II of the Third-Party Property by December 31, 2024.

5. Minimum Improvements: Construction of multiple buildings containing approximately 805 multi-family units, with 693 units of apartments, and approximately 112 Sr. Cooperative units with affordable levels within each building noted in the table below:

	Bldg C Market Rate	Bldg D Mixed Income	Bldg A LIHTC	Bldg B Sr. Coop	Total		% Affordable of TOTAL Units
No. of Units	389	192	112	112	805		N/A
50% AMI	0	0	112	0	112		**14%**
60% AMI	0	38	0	12	50		**6%**
80% AMI	0	38	0	0	38		**5%**
Total Affordable	0	76	112	12	200		**25%**
% Affordable by Building	**0%**	**40%**	**100%**	**11%**	**25%**		

In addition, construction of 33 for sale town homes, 8,000 sq. ft. of ground floor retail, 1,000 sq. ft. sky lounge and two (2) 4,500 sq. ft. standalone restaurant pads. Details of each Phase are noted below in the table. Total Development Costs are estimated to be approximately $330,000,000.

Phase	**Use**
Phase IA – Building C	Single building with a 14-Story component consisting of approximately 214-units of market rate apartments with up to 15% of the units designated as hotel units, approximately 8,000 sq. ft. of ground floor retail and a 1,000 sq/ft sky lounge and a 5-story component consisting of approximately 175-units of market rate apartments and approximately 520 above-ground parking stalls. Also includes gateway plaza, cascade promenade and tower plaza available for public use.
Phase IB – Building D	5-Story building with approximately 192-units of mixed income apartments in which 20% of the units (38) are affordable at or below 60% AMI and 20% of the units (38) are affordable at or below 80% AMI plus approximately 277 above-ground parking stalls. Also includes woonerf available for public use.
Phase IC	Two single-story 4,500 sq. ft. restaurant pads and greenway commons, 1,400 sq. ft. boathouse and rental center and pavilion, with the greenway commons and pavilion available for public use
Phase ID – Building B	5-Story building with approximately a 112-unit senior cooperative, in which 12 units (approximately 11%) are affordable to persons at or below 60% AMI
Phase IE – Town Homes	Approximately 33 for-sale town home units
Phase IIA – Building A	5-Story building with approximately a 112-Unit LIHTC apartments with 100% of the units affordable at or below 50% of AMI and approximately 110 underground parking stalls. Also includes entry plaza available for public use.

6. Construction Schedule: Commence construction of each Phase by the Commencement Date, and substantially complete construction of each Phase by the Completion Date as set forth below. For the purpose hereof, "Commence" shall mean beginning of physical improvement to the Property for the respective Phase, including excavation, or footings and in the case of Phase I, mass grading other physical site preparation work. "Complete" shall mean that the Minimum Improvements are sufficiently complete for the issuance of a Certificate of Occupancy.

Phase	**Commencement Date**	**Completion Date**
Phase IA – Building C	December 31, 2022	June 30, 2025
Phase IB – Building D	December 31, 2022	June 30, 2025
Phase IC	December 31, 2023	June 30, 2026
Phase ID - Building B	December 31, 2024	June 30, 2027
Phase IE – Town Homes	December 31, 2023	June 30, 2026
Phase IIA – Building A	December 31, 2025	June 30, 2028

The Developer and the Authority agree that the dates for each Phase of the construction schedule may be revised based upon timing of actual construction schedules, financing, market conditions, etc. Revisions to the dates of each Phase of the construction schedule shall not require approval or further action by the Authority and may be approved administratively by staff and legal counsel, so long as such revisions are no more than 18 months from each Phase of the construction schedule as noted above. Any revision to the dates beyond 18 months for each Phase in the construction schedule shall require renegotiation between the parties.

7. Affordability Covenants Phase IC – Building B: Developer covenants to make at least 10% of the Phase IC – Building B units constructed to be "affordable" and agrees that they are subject to the following affordability covenants:

(a) Twelve (12) cooperative Housing Units (the "Affordable Housing Units") must be initially sold (as a membership interest in the cooperative) to owner-occupants with household income not to 60% ($62,940) of the Minneapolis-St. Paul metropolitan statistical area (the "Metro Area") median income for the calendar year in which the Developer receives a certificate of occupancy. The Affordable Housing Units will be equally distributed throughout the building and floors. Each owner-occupant of the Affordable Housing Units will be required to pay a pro rata share of ongoing operating expenses of the cooperative. Future transfers of the Affordable Housing Units (or the membership interests in the cooperative representing the Affordable Housing Units) will be restricted to maintain the ability of future buyers to purchase the Affordable Housing Units at affordable prices for thirty (30) years following the first purchase of each of the Affordable Housing Units pursuant to the Affordable Housing Agreement described below.

(b) Upon or before closing on the initial sale of each affordable Housing Unit to any person, the Developer shall deliver or cause to be delivered written evidence satisfactory to the Authority of compliance with the covenants. Such evidence shall include, at a minimum, a fully executed purchase agreement and certificate of real estate value, certification by the buyer that he or she intends to occupy the Housing Unit, and evidence of the buyer's household income determined in accordance with Metropolitan Council's affordability limits for ownership; provided that income shall be determined as of the date of application for acquisition financing.

(c) The Authority and its representatives shall have the right at all reasonable times while the covenants are in effect, after reasonable notice to inspect, examine and copy all books and records of the Developer and its successors and assigns relating to the covenants.

(d) The Developer shall execute with the Authority an agreement in recordable form and satisfactory to the Authority, that substantially reflects the covenants (the "Affordable Housing Agreement") before the Developer obtains its financing. The Affordable Housing Agreement shall include reasonable reporting and monitoring requirements as necessary to ensure compliance with the covenants therein, and shall be recorded by the Developer, at its cost, against the appropriate portion of the Development Property on which the subject affordable Housing Units are to be constructed. Failure to enter into, record or comply with the Affordable Housing Agreement in accordance with this Section shall be an Event of Default. If the Developer fails to comply with this Article or with the covenants of the Affordable Housing Agreement, the Developer will reimburse the Authority for any reasonable attorney fees incurred by the Authority in an effort to gain the Developer's compliance with this Article or with the covenants of the Affordable Housing Agreement.

8. Affordability Covenants Phase IIA – Building A and IIB – Building D: Developer agrees that the Minimum Improvements are subject to the following affordability covenants:

(a) The Developer expects that the Phase IIA – Building A and Phase IIB – Building D Minimum Improvements will include the mix of rental housing units as noted in the table above. These units constitute approximately 27% of the overall rental units. In addition the Developer will apply to applicable agencies for project based housing choice vouchers. The Developer will be required to enter into a Declaration of Restrictive Covenants that will cause the affordable restrictions to remain in effect for a thirty (30) year period. On the date of execution of the TIF Agreement, the Developer will deliver an executed Declaration to the Authority in recordable form.

(b) The Developer agrees to distribute the affordable Rental Housing Units among the different Rental Housing Unit types throughout the building and floors.

(c) The Developer intends to rent parking spaces in the underground garage to tenants of the Minimum Improvements for approximately $75 to $150 per parking space per month initially. The Developer agrees that the monthly rental rate charged for each underground parking space will be the same for all tenants of the applicable Phase within the Minimum Improvements.

(d) During the term of the Declaration, the Developer shall not adopt any policies specifically prohibiting or excluding rental to tenants holding certificates/vouchers under Section 8 of the United States Housing Act of 1937, as amended, codified as 42 U.S.C. Sections 1401 et seq., or its successor because of such prospective tenant's status as such a certificate/voucher holder.

(e) The Developer will promptly notify the Authority if at any time during the term of the Declaration the number of Rental Housing Units in the Minimum Improvements occupied by Qualifying Tenants (as defined in the Declaration) or held vacant and available for occupancy by Qualifying Tenants pursuant to the Declaration are fewer than the number required by the terms of the Declaration.

(f) The Authority and its representatives will have the right at all reasonable times during normal business hours while the covenants in this Section are in effect, after reasonable notice to inspect, examine and copy all books and records of the Developer and its successors and assigns relating to the covenants described in this Section and in the Declaration.

(g) The Developer must submit evidence of tenant incomes, showing that the Phase IIA – Building A and Phase IIB – Building D Minimum Improvements meet the income requirements set forth in the Declaration by April 1st of each year. The Authority will review the submitted evidence related to the income restrictions and to the extent the thresholds are not met, the Authority will withhold the TIF payment for that time period.

9. Affordable Housing Reporting Phase IIA – Building A and IB – Building D: At least annually, no later than April 1 of each year commencing on the April 1 first following the issuance of the Certificate of Completion for the applicable Phase Minimum Improvements, the Developer shall provide a report to the Authority evidencing that the Developer complied with the income affordability covenants during the previous calendar year. The income affordability reporting shall be on the form entitled "Tenant Income Certification" from the Minnesota Housing Finance Agency (MHFA HTC Form 14), or if unavailable, any similar form. The Authority may require the Developer to provide additional information reasonably necessary to assess the accuracy of such certification. Unless earlier excused by the Authority, the Developer shall send affordable housing reports to the Authority until the Declaration terminates.

10. Change in Construction Plans: If the Developer desires to make any material change in the Construction Plans after their approval by the Authority, the Developer shall submit the proposed change to the Authority for its approval. The term "material" means a change in the Construction Plans that will have a material adverse effect on the generation of Tax Increment from the Minimum Improvements or that materially reduces the number of Housing Units, or change in the exterior elements of the applicable Phase that affects the original character and visual preference that was approved by the City and HRA.

11. City Public Improvements: Construction of the Spine Road between Blake Road and Lake Street: The Developer shall construct the City Public Improvements by June 30, 2025, in accordance with plans and specifications approved by the City. The City may inspect the City Public Improvements as the improvements are being constructed and the Developer will dedicate the City Public Improvements to the City upon completion.

12. Homeowners' Associations and Restrictive Covenants: The Authority acknowledges that the Developer may utilize deed restrictions, covenants, agreements, architectural controls, homeowners' associations (HOA) and other means to control the use and to ensure the maintenance of the land within the Project. No such instruments shall adversely affect the rights of the City or Authority under this Agreement, without their consent, which consent shall not be unreasonably withheld. The Developer shall submit any such instruments to the City and Authority for their review and comment.

    For Phase ID (for sale town homes) the HOA documents should have a stipulation on the number of rental units allowed. The stipulation is at the discretion of the HOA and applicable laws governing HOA's and shall be submitted to the Authority for their review and comment.

13. Maintenance: The Developer and the Authority agree that the Applicable Developer or HOA shall be responsible for all maintenance (including snow and ice removal) and repair costs associated with the Private Improvements on the Property including:

    - Driveways, service drives, and surface parking stalls.
    - Parking structure
    - Sidewalks
    - Streetlights

- Landscaping
- Streetscape improvements
- Storm water ponding
- Bicycle Parking
- Plazas
- Pavilion
- Cascade promenade
- Greenway commons

Developer shall not be responsible for the maintenance and repair of the Spine Road.

14. Reciprocal Easement and Operating Agreement: The Developer and City will enter into a mutually acceptable reciprocal easement and operating agreement (the "REOA") or other easement agreements to include, without limitation, the following key terms:

(a) Developer and/or City responsibility for maintenance and operation of the private applicable Phase Minimum Improvements, road network, and other City Public Improvements, with such costs being allocated to and among Developer, the City and/or any other owners of applicable Phase Minimum Improvements;

(b) perpetual public access easements and perpetual drainage and utility easements, in each case, over the applicable City Public Improvements and at no cost to the City;

(c) perpetual license or public access easements for greenway commons, pavilion or other private areas that provide public benefit that the City and Developer deem appropriate.

15. TIF District: The City established TIF District 1-6 (325 Blake) on August 17, 2021.

16. Public Assistance: Subject to all terms and conditions of the TIF Agreement, the Authority shall provide the Developer with up to $ 26,600,000 in public assistance for Qualified Costs and Public Improvements noted in #11. Currently it is anticipated that approximately $3,750,000 will be from TIF Spending Plan funds from TIF District 2-11 and provided up front to pay for costs associated with the Public Improvements and some private outdoor improvements that provide a benefit to the general public as part of Phase I development. In addition, the Authority will reimburse the Developer with Tax Increment generated from the applicable Phase Minimum Improvements for the remaining amount up to a principal amount of $22,850,000 (Present Value). The HRA will complete an analysis of the applicable Phase when construction is ready to commence to determine the amount and term of the assistance to be provided to that Phase. Payments from TIF District 1-6 (325 Blake) will be made through one or more TIF Notes (the "Notes") issued on a pay-as-you-go basis for an applicable Phase assuming up to 95% of increment at the rate of the lesser of 4% or the Developers actual financing rate. The Notes will be issued upon completion of the Public Improvements, issuance of a CO and proof of expenditure related to the Qualified Costs for each respective Phase.

At the Authority's discretion, the parcels containing Phase IB, Phase IC – Building B and Phase ID may be decertified from the TIF district as development commences since no assistance is required for those Phases.

17. Look Back: The Authority will complete a lookback for each applicable Phase that receives TIF assistance. This language is still being finalized and will likely be based upon reduction based upon Total Development Costs.

18. Fees: The City acknowledges the Developer made an escrow deposit of $25,000 for out-of-pocket expenses for legal and financial consultant services related to TIF district creation, drafting, negotiation and approval of the Development Agreement, analysis, and administrative fees associated with this transaction. This includes costs related to the above incurred to date as well as future expenditures.

The Developer will be required to deposit additional funds if the initial deposit is fully drawn. The Developer shall pay all other normal and customary City fees and expenses for the approval and construction of the Minimum Improvements.

19. Minimum Assessment Agreement: Developer and Authority will enter into a Minimum Market Value Assessment Agreement (MAA) setting a minimum property tax value for the rental portions of the various Phases as noted below:

Phase	**Amount**	**Date**
Phase IA – Building C	$105,030,000	January 2, 2025 for payable 2026_
Phase IIA – Building A	$25,990,000	January 2, 2026 for payable 2027
Phase IB – Building D	$44,880,000	January 2, 2025 for payable 2026

The Developer and the Authority agree that the dates for the applicable Phase MAA may be revised based upon timing of actual construction schedules. Revisions to the dates of the applicable Phase MAA and execution thereof shall not require approval or further action by the Authority and can be completed administratively by staff and legal counsel, so long as such revision is no more than 18 months from the applicable Phase MAA as noted in the above schedule. Any revisions to the dates beyond 18 months for the applicable Phase MAA shall require renegotiation between the parties.

The Assessment Agreement shall terminate on the Termination Date of each TIF Note.

20. 4d Tax Classification: The Developer will be applying for 4d tax classification status for 100% of Phase IIA – Building A and 20% of the units on Phase IIB- Building D.

21. Taxes: Developer agrees for itself and its successors and assigns that prior to the end term of the Note it will not:

(a) Cause a reduction in real property taxes paid;

(b) Transfer the property or any Phases to an entity that would result in the Minimum Improvements being exempt from property taxes;

(c) Will not seek tax exemption, deferral or abatement for the Minimum Improvements;

(d) If Developer brings a petition challenging a Market Value determination exceeding the minimum value established in the Assessment Agreement, the Developer must inform the Authority of such petition. The Authority will pay principal and interest on the TIF Note only to the extent of Available Tax Increment attributable to the minimum value until final resolution of

such petition. Upon resolution of Redeveloper's tax petition, any Available Tax Increment deferred and withheld will be paid, without interest thereon, to the extent payable under the assessor's final determination of Market Value.

22. Public Art: Developer is obligated to expend at least $250,000.00 for public artwork to be placed in a prominent location on the Property, on the exterior of the Minimum Improvements. Prior to its installation, the public artwork shall be approved by the City, which approval shall not be unreasonably withheld. The artwork shall be installed prior to issuance of the certificate of occupancy for the project.

23. Park Dedication: The Developer will pay applicable park dedication fees to the City at the time of issuance of a building permit for any applicable Phase. The City agrees that when a building permit is pulled for any Phase, the Developer's park dedication payment (which may be required by the City in lieu of land dedication) will be calculated based on the City's park dedication fees that are in existence as of the effective date of this Agreement and, unless otherwise agreed to by the parties in the future, said payments shall be made at the time of issuance of a building permit for the applicable Phase, as the case may be. The current park dedication fee for multiple family residential subdivisions is $3,000 per unit while the commercial fee is an amount equal to five (5) percent of the fair market value of the commercial land as estimated by the county assessor. Park dedication fees are typically due with final plat approval.

24. Business Subsidy: The Developer and the Authority agree that any assistance provided to the Redeveloper under the Contract does not constitute a "business subsidy" under Minnesota Statutes because the assistance is for redevelopment.

25. Miscellaneous:

    (a) No transfer of Property or Development Agreement without EDA consent which will not be unreasonably withheld;

    (b) Developer will retain a management company with experience in the management of multifamily rental housing developments, subject to reasonable approval by the Authority;

    (c) Grants: The Developer has applied for Metropolitan Council TOD Grant of $1,250,000. The Authority and Developer expect to apply for Hennepin County TOD Grant funding in January and MN DEED Redevelopment Grant funding as well. These grants have been accounted for in the Developers Proforma. Any other future grants beyond these for any future applicable Phase that are received will reduce the principal amount of the TIF Note(s) for the applicable Phase;

26. Commercial Space in Phase IA – Building C and Phase IB: The intent is to create opportunities for neighborhood serving commercial apace for small business including minority owned, or operated, and locally or regionally owned or operated businesses. The Authority and Developer agree to collaborate to accomplish the goal of providing up to 50%, with a minimum requirement of 40%, of the 17,000 square feet of Commercial Space available to these users. The outcomes of the collaboration will be outlined in a business plan approved by staff and the Developer.

27. Rent Control Provision: The City, HRA and Redeveloper agree that any rental units within any phase at the Redevelopment Property shall be excluded from any future adopted rent control provisions.

DRAFT 12.17.2021

CONTRACT

FOR

PRIVATE REDEVELOPMENT

By and Between

CITY OF HOPKINS

and

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF HOPKINS

and

ALATUS HOPKINS MD LLC

This document drafted by:

KENNEDY & GRAVEN, CHARTERED (SJR)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

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CONTRACT FOR PRIVATE REDEVELOPMENT

This Contract for Private Redevelopment (the "Agreement") is made this _____ day of _____, 2021, by and between the City of Hopkins, a Minnesota municipal corporation ("City"), and Housing and Redevelopment Authority in and for the City of Hopkins ("HRA"), each having their principal office at 1010 1st Avenue South, Hopkins, Minnesota 55343, and Alatus Hopkins MD LLC, a Minnesota limited liability company [being formed on December 17, 2021, per Redeveloper], having its principal office at IDS Center, 80 South 8th Street, Suite 4155, Minneapolis, MN 55402 (the "Redeveloper").

WITNESSETH:

WHEREAS, the HRA previously found that there exists within the community a building that had a blighting influence on surrounding properties and was structurally substandard due to its poor physical condition or functional obsolescence and which, because of those conditions, threatened the health, safety and welfare of the community; and

WHEREAS, the HRA has previously caused demolition of a building located at the Redevelopment Property as hereinafter defined; and

WHEREAS, the HRA finds that it is in the public interest, helpful for the tax base and beneficial for the health, safety and welfare of the community as a whole to remove vacant, underutilized, obsolete, and structurally substandard buildings and to replace them with new life-cycle housing and ancillary commercial uses; and

WHEREAS, the HRA finds that, due to market conditions which exist today and are likely to persist for the foreseeable future, the private sector alone is not able to accomplish redevelopment of the type needed within the community and, therefore, such will not occur without public intervention; and

WHEREAS, the HRA was created pursuant to Minnesota Statutes, Sections 469.001-469.047 (the "Act") and was authorized to transact business and exercise its powers by a resolution of the City Council of the City pursuant to the Act; and

WHEREAS, in order to foster the redevelopment described above, the City established its Redevelopment Project No. 1, as defined in the Act, providing for the development and redevelopment of certain areas located within the City (which redevelopment project is hereinafter referred to as the "Project"), to implement the goals and objectives thereof, all pursuant to the Act; and

WHEREAS, the Redeveloper has presented to the HRA a proposal wherein the Redeveloper will redevelop 325 Blake Road North (the "Redevelopment Property") through the construction on the Redevelopment Property of multiple buildings containing approximately 800 multi-family units, with 688 units of apartments, and 112 senior cooperative units, with the affordability levels within each building specified below in Section 4.5; construction of approximately 33 for sale town homes, 8,000 sq. ft. of ground floor retail, 1,000

sq. ft. sky lounge and two (2) 4,500 sq. ft. standalone restaurant pads; with Total Development Costs estimated to be approximately $330,000,000; and

WHEREAS, as part of its proposal the Redeveloper has requested that the HRA create a tax increment financing district encompassing the Redevelopment Property and use a portion of the tax increment generated from the redeveloped Redevelopment Property to reimburse the Redeveloper for a portion of the Redeveloper's redevelopment costs; and

WHEREAS, the HRA established Tax Increment Financing District No. 1-6: 325 Blake (a "redevelopment district") and adopted a tax increment financing plan related thereto, all pursuant to Minnesota Statutes, sections 469.174 through 469.1799; and

WHEREAS, the Redeveloper has proposed to redevelop the Redevelopment Property through a project which the HRA believes is in the vital and best interests of Hopkins and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements for which the Project and Tax Increment Financing District No. 1-6: 325 Blake were established; and

WHEREAS, the Redeveloper would not undertake the redevelopment of the Project without the tax increment financing assistance described in this Agreement; and

WHEREAS, the HRA believes that the redevelopment of the Project pursuant to the Redeveloper's proposal and the fulfillment generally of this Agreement, are in the vital and best interests of the City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the Project has been undertaken and is being assisted.

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

ARTICLE I

Definitions

Section 1.1. Definitions. In this Agreement the following terms shall have the meanings given unless a different meaning clearly appears from the context:

"Administrative Costs" means the administrative expenses incurred by HRA as defined in section 469.174, subd. 14 of the TIF Act.

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

"Assessor" means the county assessor of Hennepin County.

"Available Tax Increment" means, with respect to each Phase, up to 95 percent of the Tax Increment paid to the HRA by the County with respect to that Phase of the Redevelopment Property, with the Minimum Improvements on that Phase.

"Certificate of Completion" means the certificate, in substantially the form attached hereto as Exhibit D, which will be provided to the Redeveloper pursuant to Article IV of this Agreement.

"City" means the city of Hopkins, a municipal corporation under the laws of Minnesota.

"City Public Improvements" means the construction of the Spine Road between Blake Road N and Lake Street NE.

"Construction Plans" means the final plans for construction of each Phase of the Minimum Improvements, which shall be submitted by the Redeveloper pursuant to section 4.2 of this Agreement.

"County" means Hennepin County, Minnesota.

"Declaration of Restrictive Covenants" means, as to Phases IIA (Building A), ID (Building B), and IB (Building D), the Declaration of Restrictive Covenant for each of those Phases between the HRA and the Redeveloper in substantially the form set forth in Exhibit F attached hereto.

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

"Holder" means the owner of a Mortgage.

"Housing Unit" means the housing units constructed as part of the Minimum Improvements.

"HRA Act" means the Housing and Redevelopment Authorities Act, which is codified at Minnesota Statutes, Sections 469.001 through 469.047, as amended.

"Lender" means any lender who finances the construction or operation of a Phase of the Minimum Improvements.

"Material Change" means a change in the Construction Plans that will have a material adverse effect on the generation of Tax Increment from the Minimum Improvements or that materially reduces the number of Housing Units, or a change in the exterior elements of the applicable Phase (as hereinafter defined) that materially adversely affects the original character and visual preference that was approved by the City and HRA.

"Maturity Date" means, as to each Note, the date that Note has been paid in full or terminated, whichever is earlier.

"Minimum Assessment Agreement" means, as to each Phase, the Minimum Assessment Agreement for that Phase between the HRA, the Redeveloper, and the County assessor in substantially the form attached hereto as Exhibit G.

"Minimum Improvements" means the City Public Improvements plus the following:

The construction of multiple buildings containing approximately 805 multi-family units, with 693 units of apartments, and approximately 112 senior housing units in a building organized as a cooperative, with affordability levels within each building noted in the table below:

	Bldg C Market Rate	Bldg D Mixed Income	Bldg A LIHTC	Bldg B Sr. Coop	Total		% Affordable of TOTAL Units
No. of Units	389	192	112	112	805		N/A
50% AMI	0	0	112	0	112		**14%**
60% AMI	0	38	0	12	50		**6%**
80% AMI	0	38	0	0	38		**5%**
Total Affordable	0	76	112	12	200		**25%**
% Affordable by Building	**0%**	**40%**	**100%**	**11%**	**25%**		

In addition, construction of approximately 33 for-sale town homes, 8,000 sq. ft. of ground floor retail, 1,000 sq. ft. sky lounge and two (2) 4,500 sq. ft. standalone restaurant pads. Details of each component of the Minimum Improvements, hereinafter individually designated as a separate Phase are noted below in the table.

Phase	**Use**
Phase IA – Building C	Single building with a 14-Story component consisting of approximately 214-units of market rate apartments with up to 15% of the units designated as hotel units, approximately 8,000 sq. ft. of ground floor retail and a 1,000 sq/ft sky lounge and a 5-story component consisting of approximately 175-units of market rate apartments and approximately 520 above-ground parking stalls. Also includes gateway plaza, cascade promenade and tower plaza available for public use.
Phase IB – Building D	5-Story building with approximately 192-units of mixed income apartments in which 20% of the units (38) are affordable at or below 60% AMI and 20% of the units (38) are affordable at or below 80% AMI plus approximately 277 above-ground parking stalls. Also includes woonerf available for public use.
Phase IC	Two single-story 4,500 sq. ft. restaurant pads and greenway commons, 1,400 sq. ft. boathouse and rental center and pavilion, with the greenway commons and pavilion available for public use

Phase	**Use**
Phase ID – Building B	5-Story building with approximately a 112-unit senior cooperative, in which 12 units (approximately 11%) are affordable to persons at or below 60% AMI and approximately 184 underground parking stalls. Also includes gateway plaza available for public use.
Phase IE – Town Homes	Approximately 33 for-sale town home units
Phase IIA – Building A	5-Story building with approximately a 112-Unit LIHTC apartments with 100% of the units affordable at or below 50% of AMI and approximately 110 underground parking stalls. Also includes entry plaza available for public use.

Total Development Costs for all Phases of the Minimum Improvements are estimated to be approximately $330,000,000. The Minimum Improvements are generally described and depicted on Exhibit B attached hereto.

"Minimum Market Value" means, for all Phases collectively, $222,000,000. The Minimum Market Value for each Phase is the amount that the Redeveloper and the HRA agree to in the Minimum Assessment Agreement for that Phase.

"Mortgage" means any mortgage made by the Redeveloper that encumbers any Phase of the Redevelopment Property and that is a permitted encumbrance pursuant to the provisions of Article VII hereof.

"Note" and "Notes" means the taxable Tax Increment Revenue Notes, in substantially the form set forth in Exhibit E, to be delivered by the HRA to the Redeveloper pursuant to Article III of this Agreement.

"Phase" means each of the phases of the Minimum Improvements identified above in the definition of Minimum Improvements.

"Preliminary Plans" means, as to each Phase, the preliminary plans for construction of the Minimum Improvements on that Phase; the preliminary plans for all Phases have been submitted by the Redeveloper and approved by the HRA and are attached hereto as Exhibit C.

"Public Redevelopment Costs" means, site preparation costs, including demolition, costs of soil correction, and infrastructure improvements on the Redevelopment Property, costs of constructing affordable housing, and any other costs eligible to be reimbursed with tax increment.

"Qualifying Costs" means, as to each Phase, the cost of, site preparation, demolition, utility installation, landscaping, grading, earthwork, footings, foundations, retaining walls, storm water ponding, structured, underground and surface parking, and all other expenditures made by the Redeveloper related to completion of the Minimum Improvements on that Phase, which the HRA intends to partially reimburse through the Note for that Phase.

"Redeveloper" has the meaning set forth in the preamble of this Agreement.

"Redevelopment Assistance" means the financial assistance to be offered by the HRA to the Redeveloper through issuance of the Notes.

"Redevelopment Plan" means the Project and the Tax Increment Financing District No. 1-6: 325 Blake, which was approved by the HRA on December 21, 2021, and by the City on December 21, 2021.

"Redevelopment Property" means those properties which are included in the plat of MILE 14 ON MINNEHAHA CREEK with the exception of Outlots A and B, which will be retained by the Minnehaha Watershed District. The Redevelopment Property is legally described in Exhibit A attached hereto.

"HRA" has the meaning set forth in the preamble of this Agreement.

"State" means the state of Minnesota.

"Substantial Completion" means, as to each Phase, completion of the Minimum Improvements in that Phase to a degree allowing the issuance of a Certificate of Occupancy by the City's building official.

"Tax Increment" means, with respect to each Phase, the tax increment, as that term is defined in Minnesota Statutes, Section 469.174, subd. 25, that is paid to the HRA by the County with respect to that Phase of the Redevelopment Property, including the Minimum Improvements on that Phase.

"Tax Increment Financing District" or TIF District" means Tax Increment Financing District No. 1-6: 325 Blake.

"TIF Act" means the Tax Increment Financing Act, which is codified at Minnesota Statutes, sections 469.174 through 469.1799, as amended.

"TIF Plan" means the tax increment plan for Tax Increment Financing District No. 1-6: 325 Blake, which was approved by the HRA on August 17, 2021, and by the City on August 17, 2021.

"Termination Date" means, as to each Phase, the earlier of (i) the termination of Tax Increment Financing District No. 1-6: 325 Blake, which is estimated to be after 25 years after the date of receipt of the first increment, or (ii) the date the Note for that Phase has been paid through Available Tax Increment or terminated.

"Total Development Costs" means the total development costs of the Minimum Improvements. A line-item estimate of the Total Development Costs is attached hereto as Exhibit I, which reflects the Redeveloper's current projections for each line-item category of costs comprising the Total Development Costs for each applicable Phase that will receive Tax Increment.

"Transfer" has the meaning set forth in Section 8.2(a) hereof.

"Unavoidable Delays" means delays which are the direct result of unanticipated adverse weather conditions; pandemics (including the global pandemic commonly known as the coronavirus or COVID-19); strikes or other labor troubles; shortages of materials or labor; fire or other casualty to the Minimum Improvements; litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays; or, except those of the HRA or the City reasonably contemplated by this Agreement, any acts or omissions of any federal, State or local governmental unit which directly result in delays in construction of the Minimum Improvements; approved changes to the Construction Plans that result in delays; delays caused by the discovery of any previously unknown adverse environmental condition on or within the Redevelopment Property to the extent reasonably necessary to comply with federal and state environmental laws, regulations, orders or agreements; unanticipated future local events occurring within such proximity of the Redevelopment Property, and not caused by nor within the control of the Redeveloper, having a significantly adverse impact upon the marketability and reasonable profitability of the Minimum Improvements; and any other cause or force majeure beyond the control of the Redeveloper which directly results in delays.

Section 1.2. Exhibits. The following exhibits are attached to and by reference made a part of this Agreement:

Exhibit A.	Legal description of the Redevelopment Property
Exhibit B.	Depiction of the Redevelopment Property and Minimum Improvements
Exhibit C.	Preliminary Plans
Exhibit D.	Form of Certificate of Completion
Exhibit E.	Form of Notes and Terms of Notes
Exhibit F.	Declaration of Restrictive Covenants
Exhibit G.	Form of Minimum Assessment Agreement
Exhibit H.	Form of Investment Letter
Exhibit I.	Total Development Costs

Section 1.3. Rules of Interpretation. (a) This Agreement shall be interpreted in accordance with and governed by the laws of Minnesota.

(b) The words "herein" and "hereof" and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than any particular section or subdivision hereof.

(c) References herein to any particular section or subdivision hereof are to the section or subdivision of this Agreement as originally executed.

(d) Any titles of the several parts, articles and sections of this Agreement are inserted for convenience and reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 1.4. Incorporation of Recitals and Exhibits. The Recitals set forth in the preamble to this Agreement and the Exhibits attached to this Agreement are incorporated into this

Agreement as if fully set forth herein.

ARTICLE II

Representations and Warranties

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

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

(b) The HRA is a housing and economic development authority duly organized and existing under the HRA Act. HRA has the authority to enter into this Agreement and carry out its obligations hereunder.

(c) The individual(s) executing this Agreement and related agreements and documents on behalf of the City or the HRA have the authority to do so and to bind the City or the HRA by their actions.

(d) The Redevelopment Project No. 1 for the HRA is a development district within the meaning of the Minnesota Statutes, section 469.125, subd. 9.

(e) TIF District No. 1-6: 325 Blake is a redevelopment tax increment financing district within the meaning of the TIF Act and was created, adopted and approved in accordance with the TIF Act. The City and the HRA have taken all required actions to create the TIF District as a redevelopment district within Minnesota Statute 469.174, Subdivision 10 and have adopted and approved the TIF Plan pursuant to the TIF District and TIF Act.

(f) There are no previous agreements to which the City or the HRA is a party pertaining to the Redevelopment Property which would preclude the parties from entering into this Agreement or which would impede the fulfillment of the terms and conditions of this Agreement.

(g) The activities of the City and the HRA pursuant to this Agreement are undertaken pursuant to the Redevelopment Plan and are for the purpose of redevelopment of the Redevelopment Property.

(h) The City and the HRA will act in a timely manner to consider all approvals required under this Agreement and will cooperate with the Redeveloper in seeking consideration by the City of approvals which must be granted by the City.

Section 2.2. Representations and Warranties by the Redeveloper. The Redeveloper makes the following representations and warranties as the basis for the undertaking on its part herein contained:

(a) The Redeveloper is a limited liability company validly existing under the laws of the State of Minnesota. The Redeveloper has the authority to enter into this Agreement and carry out its obligations hereunder.

(b) The Redeveloper will attempt to acquire the Redevelopment Property in fee title.

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

(d) Upon acquisition of the Redevelopment Property, the Redeveloper will demolish the existing improvements, if any, and construct the Minimum Improvements in substantial accordance with the terms of this Agreement, the Redevelopment Plan, the TIF Plan, the Construction Plans and all local, State and federal laws and regulations, including, but not limited to, environmental, zoning, building code and public health laws and regulations.

(e) The Redeveloper will apply for and use all reasonable efforts to obtain, in a timely manner, all required permits, licenses and approvals from the HRA and the City, and will meet, in a timely manner, the requirements of all applicable local, State, and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed or used for their intended purpose. The Redeveloper did not obtain a building permit for any portion of the Minimum Improvements before December 21, 2021, the date of approval of the TIF Plan for the TIF District.

(f) The Redeveloper has analyzed the economics of acquisition of the Redevelopment Property, the cost of site improvements, including installation of any necessary utilities and demolition of the improvements currently thereon and construction of the Minimum Improvements and concluded that, absent the Redevelopment Assistance to be offered under this Agreement, it would not undertake this project.

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

ARTICLE III

Acquisition of Redevelopment Property; Redevelopment Assistance

Section 3.1. Acquisition of Redevelopment Property. The Redeveloper is in the process of acquiring the Redevelopment Property in fee. The HRA makes no representations to the Redeveloper regarding the suitability of the Redevelopment Property or the Minimum Improvements for the use and purpose intended by the Redeveloper.

Section 3.2. Issuance of Pay-As-You-Go Notes. (a) In consideration of the Redeveloper constructing the Minimum Improvements and to finance the reimbursement of the Qualifying Costs, subject to all terms and conditions of this Agreement, the HRA will issue and the Redeveloper will purchase the Notes in the maximum principal amount up to $22,850,000, collectively for all Phases, in public assistance for Qualifying Costs, in substantially the form set forth in Exhibit E. The HRA and the Redeveloper agree that the consideration from the Redeveloper for the purchase of the Note for each Phase will consist of the Redeveloper's payment of the Qualifying Costs for that Phase that are eligible for reimbursement with Tax Increment and that are incurred by the Redeveloper in at least the maximum principal amount of the Note for that Phase. Currently it is anticipated that approximately $3,750,000 will be from TIF Spending Plan funds from TIF District 2-11 and provided up front to pay for Qualifying Costs as part of the Phase I development. In addition, the HRA will reimburse the Redeveloper with Tax Increment generated from the Minimum Improvements for the remaining amount up to a maximum principal amount of $22,850,000. The HRA's financial consultant will complete an analysis with respect to each Phase when construction is ready to commence on that Phase to determine the amount and term of the assistance to be provided to that Phase. Payments from TIF District 1-6: 325 Blake will be made through the Notes issued on a pay-as-you-go basis, with one Note for each Phase, assuming up to 95% of increment at the rate of the lesser of the rate of 4% per annum or the Redeveloper's actual mortgage financing rate. The Note for each Phase will be issued upon the City's issuance of a final Certificate of Occupancy for that Phase and proof of expenditure related to the Qualifying Costs for that Phase. The HRA will deliver the Note for each Phase upon satisfaction by the Redeveloper of all the conditions precedent with respect to that Phase specified in section 3.3 of this Agreement. The HRA agrees that each Note will stand alone, and that there will be no cross-default provision in the Notes that allows the HRA to terminate or suspend payment under one Note with respect to a default under this Agreement with respect to another Phase (a Phase other than the one which the Note was issued).

(h) The Redeveloper understands and acknowledges that the HRA makes no representations or warranties regarding the amount of Available Tax Increment, or that revenues pledged to the Notes will be sufficient to pay the principal of and interest on the Notes. Any estimates of Tax Increment prepared by the HRA or its financial advisors in connection with the TIF District or this Agreement are for the sole benefit of the HRA and are not intended as representations on which the Redeveloper may rely.

(c) At the HRA's discretion, the parcels containing Phase IC, Phase ID – Building B and Phase IE – Town Homes may be decertified from the TIF district as development commences since no assistance is required for those Phases.

Section 3.3. Conditions Precedent to Issuance of Notes. Notwithstanding anything in this Agreement to the contrary, the HRA shall not be obligated to issue the Note with respect to a Phase until all of the following conditions precedent have been satisfied with respect to that Phase:

(a) The Redeveloper has acquired the Redevelopment Property in fee;

(b) The Redeveloper has submitted and the HRA has approved the Construction Plans;

(i) The Redeveloper has constructed the Minimum Improvements on that Phase and the HRA has issued the Certificate of Completion for that Phase;

(c) The Redeveloper has completed the City Public Improvements and such Improvements have been accepted by the City.

(d) The Redeveloper has submitted evidence it has paid for the Qualifying Costs, including paid receipts and lien waivers, for that Phase;

(e) The Redeveloper has reimbursed the HRA for all of its administrative costs incurred in conjunction with the processing of Redeveloper's request with respect to that Phase;

(f) The Redeveloper has submitted the Investment Letter for the applicable Phase and Note; and

(g) There has been no Event of Default on the part of the Redeveloper which has not been cured.

Section 3.4. Potential Reduction of Assistance. The HRA will complete a lookback for each applicable Phase that receives TIF assistance.

Section 3.5. Redeveloper Responsible for Payment of Administrative Costs. The City and HRA acknowledge the Redeveloper made an escrow deposit in the amount of $25,000 to pay the Administrative Costs of the City and the HRA. The City and the HRA will use such funds to pay "Administrative Costs," which term means out-of-pocket costs incurred by the City and the HRA, together with staff and consultant costs of the City and the HRA, all attributable to or incurred in connection with the negotiation and preparation of this Agreement, the TIF Plan, and other documents and agreements in connection with the establishment of the TIF District and redevelopment of the Redevelopment Property, and not previously paid by the Redeveloper. The Redeveloper shall pay all other normal and customary City fees and expenses for the approval and construction of the Minimum Improvements. At the Redeveloper's request, but no more often than monthly, the HRA will provide the Redeveloper with a written report including invoices, time sheets or other comparable evidence of expenditures for Administrative Costs and the outstanding balance of funds deposited. At any time the deposit drops below $1,000, the Redeveloper shall replenish the deposit in the amount of $10,000 within thirty (30) days after receipt of written notice thereof from the HRA. If at any time the HRA or the City determines that the deposit is insufficient to pay Administrative Costs, the Redeveloper is obligated to pay such shortfall within fifteen (15) days after receipt of a written notice from the HRA containing evidence of the unpaid costs. If Administrative Costs incurred, and reasonably anticipated to be incurred are less than the deposit by the Redeveloper, the HRA shall return to the Redeveloper any funds not anticipated to be needed.

Section 3.6. Records. The HRA and its representatives will have the right at all reasonable times after reasonable notice to inspect, examine and copy invoices paid by

Redeveloper and/or its general contractor relating to the Minimum Improvements and the Qualifying Costs for which the Redeveloper will be reimbursed under the Notes.

Section 3.7. Purpose of Assistance; No Business Subsidy. The parties agree and understand that the assistance being provided by the HRA under this Agreement does not constitute a "business subsidy" within the meaning of the Business Subsidy Act, Minnesota Statutes, Sections l16J.993 to l16J.995, because the assistance is being provided for development and housing purposes and the Redeveloper's investment in the Redevelopment Property and site preparation will exceed 70% of the County Assessor's current year's estimated market value for the Redevelopment Property "Business subsidy" within the meaning of Minnesota Statutes, Sections 116J.993 to 116J.995.

ARTICLE IV

Construction of Minimum Improvements

Section 4.1. Construction of Minimum Improvements. If the Redeveloper acquires the Redevelopment Property in accordance with the terms of this Agreement, the Redeveloper agrees that it will construct the Minimum Improvements on the Redevelopment Property in accordance with the Construction Plans. The Redeveloper acknowledges that, in addition to the requirements of this Agreement, construction of the Minimum Improvements will necessitate compliance with other reviews and approvals by the City and possibly other governmental agencies and, to the extent such approvals have not already been obtained, agrees to submit all applications for and pursue to their conclusion all other approvals needed prior to constructing the Minimum Improvements.

Section 4.2. Preliminary and Construction Plans. (a) The Redeveloper has submitted and the City and the HRA have approved the Preliminary Plans listed in Exhibit C attached hereto. Prior to beginning construction on the Minimum Improvements, the Redeveloper shall submit dated Construction Plans to the City and the HRA. The Construction Plans shall provide for the construction of the Minimum Improvements and shall be in substantial conformity with the Preliminary Plans and this Agreement. HRA will approve the Construction Plans for each Phase if they (1) are consistent with the Preliminary Plans; (2) conform to all applicable federal, State and local laws, ordinances, rules and regulations; (3) are adequate to provide for the construction of the Minimum Improvements; (4) conform to the State building code; and (5) if there has occurred no uncured Event of Default on the part of the Redeveloper. The HRA agrees to approve or reject each set of proposed Construction Plans for each Phase within 30 days after it receives them. The HRA agrees to detail its reasons for disapproving any Construction Plans and to explain which of the four criteria in the preceding sentence that it is relying on. If the HRA does not approve or disapprove any proposed Construction Plans within 30 days after receiving them, the HRA will be deemed to have approved them. The HRA will also be deemed to have approved the Construction Plans if the City issues a building permit for the Minimum Improvements. Except as otherwise set forth herein, no approval by HRA shall relieve the Redeveloper of the obligation to comply with the terms of this Agreement, the terms of all applicable federal, State and local laws, ordinances, rules and regulations in the construction of the Minimum Improvements. Except as otherwise set forth herein, no approval by HRA shall constitute a waiver of an Event of Default.

(b) If the Redeveloper desires to make any Material Change to any Construction Plans, the Redeveloper shall submit the proposed change to the HRA for its prior written approval. If the proposed change is consistent with the Preliminary Plans or is otherwise acceptable to the HRA and meets all other requirements of section 4.2(a) above, the HRA shall approve the proposed change. Such change in the Construction Plans shall be deemed approved by the HRA unless rejected, in whole or in part, by written notice by the HRA to the Redeveloper within twenty (20) business days after the Redeveloper submits the proposed change for approval. The HRA agrees to set forth in detail its reasons for any rejection.

Section 4.3. Commencement and Completion of Construction. Subject to Unavoidable Delays, the Redeveloper shall commence construction of each Phase of the Minimum Improvements by the Commencement Date, and substantially complete construction of each Phase by the Completion Date as set forth below. For the purpose hereof, "Commence" shall mean beginning of physical improvement to the Property for the respective Phase, including excavation, or footings and in the case of Phase I, mass grading other physical site preparation work. "Complete" shall mean that the Minimum Improvements are sufficiently complete for the issuance of a final Certificate of Occupancy.

Phase	**Commencement Date**	**Completion Date**
Phase IA – Building C	December 31, 2022	June 30, 2025
Phase IB – Building D	December 31, 2022	June 30, 2025
Phase IC	December 31, 2023	June 30, 2026
Phase ID - Building B	December 31, 2024	June 30, 2027
Phase IE – Town Homes	December 31, 2023	June 30, 2026
Phase IIA – Building A	December 31, 2025	June 30, 2028

The Redeveloper and the HRA agree that the dates for each Phase of the construction schedule may be revised based upon timing of actual construction schedules, financing, market conditions, etc. Revisions to the dates of each Phase of the construction schedule shall not require approval or further action by the HRA and may be approved administratively by staff and legal counsel, so long as such revisions are no more than 18 months from each Phase of the construction schedule as noted above. Any revision to the dates beyond 18 months for each Phase in the construction schedule shall require renegotiation between the parties.

All work with respect to the Minimum Improvements to be constructed or provided by the Redeveloper on the Redevelopment Property shall be in conformity with the Construction Plans. The Redeveloper shall make such reports to the HRA regarding construction of the Minimum Improvements as the HRA deems necessary or helpful in order to monitor progress on construction of the Minimum Improvements.

Section 4.4. Certificates of Completion. (a) After Substantial Completion of the Minimum Improvements in each Phase in accordance with the Construction Plans for that Phase and all terms of this Agreement and at the written request of the Redeveloper, the HRA will, within 20 days thereafter, furnish the Redeveloper with a Certificate of Completion for that Phase in the form of Exhibit D attached hereto. The HRA agrees that the Minimum Improvements in each Phase will be completed and the Redeveloper will be entitled to receive

and record a Certificate of Completion for that Phase when the City has issued a final Certificate of Occupancy for the Minimum Improvements in that Phase and all site improvements in the Phase have been substantially completed in accordance with the approved Construction Plans for that Phase. Such certification by HRA shall be a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement with respect to the obligations of the Redeveloper to construct the Minimum Improvements in the relevant Phase and the dates for the beginning and completion thereof. Following issuance of the Certificate of Completion for a Phase pursuant to this section, the sole outstanding obligation of either Party is for the HRA to issue the Notes and to make payments thereunder, subject to the terms of this Agreement and the Notes.

(b) Each Certificate of Completion shall be in such form as will enable it to be recorded in the proper County office for the recordation of deeds and other instruments pertaining to the Redevelopment Property. If the HRA shall refuse to provide such certification in accordance with the provisions of this section 4.4, the HRA shall promptly notify Redeveloper of the same within 20 days following receipt of request therefor from Redeveloper and shall provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to complete the relevant portion of the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default of a material term of this Agreement, and what measures or acts will be necessary, in the opinion of HRA, for the Redeveloper to take or perform in order to obtain such certification. If the HRA fails to issue such a written statement within such 20-day period, the HRA shall be deemed to have waived its right to do so and shall immediately thereafter issue the Certificate of Completion to the Redeveloper. The Redeveloper shall have 60 days following receipt of the HRA's written response to cure or agree to terms with HRA regarding issues to be resolved prior to the Redeveloper obtaining a Certification of Completion from HRA.

Section 4.5. Housing Affordability Covenants. The Redeveloper agrees that at all times from initial occupancy of each of Phase IIA – Building A, Phase ID – Building B, and Phase IB – Building D through the date that is 30 years from issuance of a final Certificate of Occupancy for that Phase, the units within the applicable Phase of the Minimum Improvements shall be reserved for occupancy by individuals and satisfy the income requirements noted in Sections 4.5(a) and (b) below. The Redeveloper and the HRA shall execute a Declaration of Restrictive Covenants for each of Phases IIA -Building A, IC -Building B, and IB -Building D in substantially the form set forth in Exhibit F and record such agreement against each of those Phases. The covenants applicable to each of those Phases shall be as follows:

(a) Affordability Covenants Phase IC – Building B: Redeveloper covenants to make at least 10% of the Phase IC – Building B units constructed to be "affordable" and agrees that they are subject to the following affordability covenants:

(i) Twelve (12) cooperative Housing Units (the "Affordable Housing Units") must be initially sold (as a membership interest in the cooperative) to owner-occupants with household income not to exceed 60 percent of the Minneapolis-St. Paul metropolitan statistical area (the "Metro Area") median income for the calendar year in which the Redeveloper receives a Certificate of Occupancy (for 2021 this income is $62,940). The Affordable Housing Units will be equally distributed

throughout the building and floors. Each owner-occupant of the Affordable Housing Units will be required to pay their pro rata share of ongoing operating expenses of the cooperative. Future transfers of the Affordable Housing Units (or the membership interests in the cooperative representing the Affordable Housing Units) will be restricted to maintain the ability of future buyers to purchase the Affordable Housing Units at affordable prices for thirty (30) years following the first purchase of each of the Affordable Housing Units pursuant to the Affordable Housing Agreement described below.

(ii) Upon or before closing on the initial sale of each Affordable Housing Unit to any person, the Redeveloper shall deliver or cause to be delivered written evidence satisfactory to the HRA of compliance with the covenants. Such evidence shall include, at a minimum, a fully executed purchase agreement and certificate of real estate value, certification by the buyer that he or she intends to occupy the Affordable Housing Unit, and evidence of the buyer's household income determined in accordance with Metropolitan Council's affordability limits for ownership; provided that income shall be determined as of the date of application for acquisition financing.

(iii) The HRA and its representatives shall have the right at all reasonable times while the covenants are in effect, after reasonable notice, to inspect, examine and copy all books and records of the Redeveloper and its successors and assigns relating to the covenants.

(iv) The Redeveloper shall execute with the HRA an agreement in recordable form and satisfactory to the HRA, that substantially reflects the covenants (the "Affordable Housing Agreement") before the Redeveloper obtains its financing. The Affordable Housing Agreement shall include reasonable reporting and monitoring requirements as necessary to ensure compliance with the covenants therein, and shall be recorded by the Redeveloper, at its cost, against the appropriate portion of the Redevelopment Property on which the subject Affordable Housing Units are to be constructed. Failure to enter into, record or comply with the Affordable Housing Agreement in accordance with this Section shall be an Event of Default. If the Redeveloper fails to comply with this Article or with the covenants of the Affordable Housing Agreement, the Redeveloper will reimburse the HRA for any reasonable attorney fees incurred by the HRA in an effort to gain the Redeveloper's compliance with this Article or with the covenants of the Affordable Housing Agreement.

b. Affordability Covenants Phase IIA – Building A and IB – Building D: Redeveloper agrees that the Minimum Improvements are subject to the following affordability covenants:

(i) The Redeveloper expects that each of Phase IIA – Building A and Phase IB – Building D will include the mix of rental housing units as noted in the table above in the definition of "Minimum Improvements". These units constitute approximately 27% of the overall rental units. In addition, the Redeveloper will apply to the applicable agencies for project-based housing choice vouchers for Phase IIA – Building A. The Redeveloper will be required to enter into a

Declaration of Restrictive Covenants for each Phase that will cause the affordable restrictions to remain in effect for a thirty (30) year period. On the date of receipt of a final Certificate of Occupancy for each of those Phases, the Redeveloper will deliver an executed Declaration that Phase to the HRA in recordable form.

(ii) The Redeveloper agrees to distribute the affordable rental Housing Units among the different rental Housing Unit types throughout the building and floors and various unit types.

(iii) During the term of the Declaration, the Redeveloper shall not adopt any policies specifically prohibiting or excluding rental to tenants holding certificates/vouchers under Section 8 of the United States Housing Act of 1937, as amended, codified as 42 U.S.C. Sections 1401 et seq., or its successor because of such prospective tenant's status as such a certificate/voucher holder.

(iv) The Redeveloper will promptly notify the HRA if at any time during the term of the Declaration the number of rental Housing Units in Phase IIA, Building A or Phase IB, Building D occupied by Qualifying Tenants (as defined in the Declaration) or held vacant and available for occupancy by Qualifying Tenants pursuant to the Declaration is fewer than the number required by the terms of the Declaration.

(v) The HRA and its representatives will have the right at all reasonable times during normal business hours while the covenants in this Section are in effect, after reasonable notice to inspect, to examine and copy all books and records of the Redeveloper and its successors and assigns relating to the covenants described in this Section and in the Declaration for each of the two relevant Phases.

(vi) The Redeveloper must submit evidence of tenant incomes, showing that Phase IIA – Building A and Phase IB – Building D meet the income requirements set forth in the Declarations for those Phases by April 1st of each year. The HRA will review the submitted evidence related to the income restrictions and to the extent the threshold for one of those Phases is not met, the HRA will withhold the TIF payment for that time period with respect to that Phase.

c. Affordability Applications. The HRA and the City agree to pledge support for any affordability application made by the Redeveloper; however, such pledge of support shall not include any monetary commitment.

Section 4.6. Affordable Housing Reporting: At least annually, no later than April 1 of each year commencing on the April 1 first following the issuance of the Certificate of Completion for Phase IIA – Building A or Phase IB – Building D, the Redeveloper shall provide a report to the HRA evidencing that the Redeveloper complied with the income affordability covenants set forth in Section 4.5 hereof during the previous calendar year with respect to each Phase that the Redeveloper has Substantially Completed. The income affordability reporting shall be on the form entitled "Tenant Income Certification" from the Minnesota Housing Finance

Agency (MHFA HTC Form 14), or if unavailable, any similar form. The HRA may require the Redeveloper to provide additional information reasonably necessary to assess the accuracy of such certification. Unless earlier excused by the HRA, the Redeveloper shall send affordable housing reports to the HRA until the TIF District is decertified. If the Redeveloper fails to provide the annual reporting required under this Section for any Phase, the HRA may withhold payments of Available Tax Increment under the Note for that Phase.

Section 4.7. City Public Improvements: The Redeveloper shall construct the City Public Improvements by June 30, 2025, in accordance with plans and specifications approved by the City. The City may inspect the City Public Improvements as the improvements are being constructed and the Redeveloper will dedicate the City Public Improvements to the City upon completion. Acceptance of all City Public Improvements shall be by City staff, in their sole discretion, and consistent with the PUD Agreement as hereinafter defined.

Section 4.8. Homeowners' Associations and Restrictive Covenants: The HRA acknowledges that the Redeveloper may utilize deed restrictions, covenants, agreements, architectural controls, homeowners' associations (HOAs) and other means to control the use and to ensure the maintenance of the land within the Minimum Improvements. No such instruments shall adversely affect the rights of the City or HRA under this Agreement, without their consent, which consent shall not be unreasonably withheld. The Redeveloper shall submit any such instruments to the City and HRA for their review and comment.

For Phase IE (for sale town homes) the HOA documents should have a stipulation on the number of rental units allowed. The stipulation is at the discretion of the HOA and applicable laws governing HOA's and shall be submitted to the HRA for their review and comment.

Section 4.9. Maintenance: The Redeveloper and the HRA agree that the Redeveloper or HOA shall be responsible for all maintenance (including snow and ice removal) and repair costs associated with the private improvements on that Phase including:

- Driveways, service drives, and surface parking stalls.
- Parking structure
- Sidewalks
- Streetlights
- Landscaping
- Streetscape improvements
- Storm water ponding
- Bicycle Parking
- Plazas
- Pavilion
- Cascade promenade
- Greenway commons

Redeveloper and the HOAs shall not be responsible for the maintenance and repair of the Spine Road.

Section 4.10. Reciprocal Easement and Operating Agreement: The Redeveloper and City will enter into a mutually acceptable reciprocal easement and operating agreement (the "REOA") or other easement agreements to include, without limitation, the following key terms:

(a) Redeveloper and/or City responsibility for maintenance and operation of the private applicable Phase of the Minimum Improvements, road network, and other City Public Improvements, with such costs being allocated to and among Redeveloper, the City and/or any other owners of each Phase of the Minimum Improvements;

(b) perpetual public access easements and perpetual drainage and utility easements, in each case, over the applicable City Public Improvements and at no cost to the City;

(c) perpetual license or public access easements for greenway commons, pavilion plazas, and cascade promenade or other private areas that provide public benefit that the City and Redeveloper deem appropriate; and

(d) provisions providing for enforcement of all terms and conditions of the REOA.

ARTICLE V

Insurance

Section 5.1. Insurance.

(a) The Redeveloper will provide and maintain or cause to be provided and maintained at all times during the process of constructing the Minimum Improvements an All Risk Broad Form Basis Insurance Policy and, from time to time during that period, at the request of the HRA, furnish the HRA with proof of payment of premiums on policies covering the following:

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

(ii) Commercial general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with a Protective Liability Policy with limits against bodily injury and property damage of not less than $2,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used). The HRA must be listed as an additional insured on the policy; and

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

(b) As to each Phase, upon completion of construction of the Minimum Improvements in that Phase and prior to the Maturity Date of the Note for that Phase, the Redeveloper must maintain, or cause to be maintained, at its cost and expense, and from time to time at the request of the HRA will furnish proof of the payment of premiums on, insurance as follows:

(i) Insurance against loss and/or damage to the Minimum Improvements on that Phase under a policy or policies covering the risks as are ordinarily insured against by similar businesses.

(ii) Commercial general public liability insurance, including personal injury liability (with employee exclusion deleted), against liability for injuries to persons and/or property, in the minimum amount for each occurrence and for each year of $2,000,000, and must be endorsed to show the HRA as an additional insured.

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

(c) All insurance required in this Article V must be taken out and maintained in responsible insurance companies selected by the Redeveloper which are authorized under the laws of the State to assume the risks covered thereby. Upon request, the Redeveloper will deposit annually with the HRA policies evidencing all the insurance, or a certificate or certificates or binders of the respective insurers stating that the insurance is in force and effect. Unless otherwise provided in this Article V each policy must contain a provision that the insurer will not cancel nor modify it in such a way as to reduce the coverage provided below the amounts required herein without giving written notice to the Redeveloper and the HRA at least sixty (60) days before the cancellation or modification becomes effective. In lieu of separate policies, the Redeveloper may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Redeveloper will deposit with the HRA a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements.

(d) The Redeveloper agrees to notify the HRA immediately in the case of damage exceeding $500,000 in amount to, or destruction of, the Minimum Improvements or any portion thereof resulting from fire or other casualty. In the event this type of damage or destruction occurs, the Redeveloper will forthwith repair, reconstruct and restore the Minimum Improvements to substantially the same or an improved condition or value as it existed prior to the event causing the damage and, to the extent necessary to accomplish the repair, reconstruction and restoration, the Redeveloper will apply the Net Proceeds of any insurance relating to the damage received by the Redeveloper to the payment or reimbursement of the costs thereof.

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

(e) Notwithstanding anything to the contrary contained in this Agreement, in the event of damage to the Minimum Improvements in excess of $100,000 and the Redeveloper fails, subject to Unavoidable Delays, to complete any repair, reconstruction or restoration of the Minimum Improvements within eighteen (18) months from the date of damage or such later time as reasonably determined by the HRA if the Redeveloper commences restoration within such eighteen (18) month period and diligently prosecutes the same to completion, the HRA may, at its option, terminate the Note or Notes for the damaged Phase or Phases as provided in Section 9.3(b) hereof. If the HRA terminates the Note for a Phase, the termination will constitute the HRA's sole remedy under this Agreement as a result of the Redeveloper's failure to repair, reconstruct or restore the Minimum Improvements in that Phase. Thereafter, the HRA will have no further obligations to make any payments under the Note for that Phase.

(f) The Redeveloper and the HRA agree that all of the insurance provisions set forth in this Article V will terminate upon the termination of this Agreement.

Section 5.2. Subordination. The HRA and the City hereby subordinate all rights of their rights to receive or apply any insurance proceeds to the rights of any Holder of a Mortgage allowed under Article VII of this Agreement.

ARTICLE VI

Taxes; Use of Tax Increment

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

Section 6.2. Use of Tax Increment. Except as provided for in this Agreement, the HRA shall be free to use any Tax Increment it receives from the County with respect to TIF District No. 1-6: 325 at Blake for any purpose for which such increment may lawfully be used under the TIF Act and the HRA shall have no obligations to the Redeveloper with respect to the use of such Tax Increment.

Section 6.3. Reduction of Taxes. The Redeveloper agrees that after the date of certification of the Tax Increment District and prior to completion of the Minimum Improvements on each Phase, it will not cause a reduction in the real property taxes paid in respect of that Phase through: (A) willful destruction of the Minimum Improvements on that Phase or any part thereof (except for the demolition of structures required for construction of the Minimum Improvements); or (B) willful refusal to reconstruct damaged or destroyed property pursuant to Section 5.1 hereof.

The Redeveloper also agrees that, with respect to each Phase, it will not, prior to the Maturity Date of the Note for that Phase: (i) seek exemption from property tax for that Phase; (ii) convey or transfer or allow conveyance or transfer of that Phase to any entity that is exempt from payment of real property taxes under State law; or (iii) seek or agree to any reduction of the assessor's estimated market value to below the Minimum Market Value for that Phase. If Redeveloper brings a petition challenging a Market Value determination exceeding the minimum value established in a Minimum Assessment Agreement, the Redeveloper must inform the HRA of such petition. The HRA will pay principal and interest on the each Note only to the extent of Available Tax Increment attributable to the minimum value of the relevant Phase until final resolution of such petition. Upon resolution of Redeveloper's tax petition, any Available Tax Increment deferred and withheld will be paid, without interest thereon, to the extent payable under the assessor's final determination of Market Value.

Notwithstanding the foregoing, the HRA acknowledges that the Redeveloper intends to apply for 4d tax classification for 100% of Phase IIA – Building A and 20% of the units on Phase IB-Building D, as defined in Minnesota Statute 273.13, Subd. 25(e), for purposes of the property taxes imposed against the Minimum Improvements.

The Redeveloper may, as to each Phase, at any time following the issuance of the Certificate of Completion for that Phase, seek through petition or other means to have the Assessor's Estimated Market Value for that Phase reduced to not less than the Minimum Market Value for that Phase. Such activity must be preceded by written notice from the Redeveloper to the HRA indicating its intention to do so.

Upon receiving such notice, or otherwise learning of the Redeveloper's intentions, the HRA may suspend or reduce payments due under the Note with respect to the relevant Phase except for the portion of such payments from Available Tax Increment, as defined in the Note for that Phase, based on the Minimum Market Value as described in the Minimum Assessment Agreement for that Phase, until the actual amount of the reduction in market value is determined, whereupon the HRA will make the suspended payments less any amount that the HRA is required to repay the County as a result any retroactive reduction in market value of that Phase. If the Redeveloper fails to notify the HRA of the tax petition, the HRA shall have the right to withhold all payments of principal and interest on the Note with respect to the relevant Phase until the Redeveloper's challenge is resolved. Upon resolution of the Redeveloper's tax petition, any Available Tax Increment deferred and withheld under this Section shall be paid, without interest thereon, to the extent payable under the assessor's final determination of market value.

During the period that the payments are subject to suspension, the HRA may make partial payments on the Note, from the amounts subject to suspension, if it determines, in its sole and

absolute discretion, that the amount retained will be sufficient to cover any repayment which the County may require.

The HRA's suspension of payments on a Note pursuant to this Section shall not be considered a default under Article IX hereof.

Section 6.4. Qualifications. The Redeveloper understands and acknowledges that all Public Redevelopment Costs must first be paid by or on behalf of the Redeveloper and will be reimbursed from Available Tax Increment pursuant to the terms of the Notes. The HRA makes no representations or warranties regarding the amount of Tax Increment, or that revenues pledged to the Notes will be sufficient to pay the principal of the Notes. Any estimates of Tax Increment prepared by the HRA or its financial advisors in connection with the TIF District or this Agreement are for the benefit of the HRA, and are not intended as representations on which the Redeveloper may rely. In the event of legislative changes reducing the tax rate classification of certain qualified low-income rental housing under Minnesota Statutes, Section 273.13, subd. 25(e), the Redeveloper expressly agrees and acknowledges that the HRA may adjust the principal amount of the Notes to reflect such reduction. The parties agree that they will work in good faith to determine the appropriate amount of such reduction, it being the intent that the aggregate effect of such changes (i.e., the projected expense savings to the Redeveloper attributable to the reduction to the annual tax liability with regard to the Project and the projected income reduction to the Redeveloper attributable to the reduction in the amount of payments under the Notes) will be revenue-neutral to the Redeveloper. If the principal amount of the Notes is reduced pursuant to this Section 6.4, and there is subsequently a legislative change which increases the tax rate classification (i.e., the legislation giving rise to the reduction is repealed), the HRA shall adjust the principal amount of the Notes to reflect such increased tax burden in the same manner as the reduction aforesaid; provided, however, that any such increase be limited to the aggregate amount by which the principal balance of the Notes was previously reduced pursuant to this Section 6.4. Public Redevelopment Costs exceeding the principal amount of the Notes are the sole responsibility of Redeveloper.

Section 6.5. Transfer Obligations. Notwithstanding anything herein to the contrary, the parties acknowledge and agree that upon Transfer of any Phase to another person or entity, the Redeveloper will remain obligated under this Article VI hereof, unless the Redeveloper is released from such obligations with respect to that Phase in accordance with the terms and conditions of Section 8.2(b) or 8.3 hereof.

Section 6.6. Minimum Assessment Agreement.

(a) On or about the date of completion of each Phase, the Redeveloper shall execute a Minimum Assessment Agreement for the Phase pursuant to Section 469.177, subdivision 8 of the TIF Act, specifying an assessor's minimum market value for that Phase with the Minimum Improvements constructed thereon.

Redeveloper and HRA will enter into a Minimum Market Value Assessment Agreement (MAA) setting a minimum property tax value for the rental portions of the various Phases as noted below:

Phase	Amount	Date
Phase IA – Building C	$105,030,000	January 2, 2025 for payable 2026_
Phase IB – Building D	$44,880,000	January 2, 2025 for payable 2026
Phase IIA – Building A	$25,990,000	January 2, 2026 for payable 2027

The Redeveloper and the HRA agree that the dates for the applicable Phase MAA may be revised based upon timing of actual construction schedules and that the final MAA amounts may be revised based upon current market valuations provided by the County Assessor. Revisions to the dates of the applicable Phase MAA and execution thereof shall not require approval or further action by the HRA and can be completed administratively by staff and legal counsel, so long as such revision is no more than 18 months from the applicable Phase MAA as noted in the above schedule. Any revisions to the dates beyond 18 months for the applicable Phase MAA shall require renegotiation between the parties. Revisions to the MAA amounts shall not require approval or further action by the HRA and can be completed administratively by staff and legal counsel.

The Minimum Assessment Agreement for each Phase shall terminate as to that Phase on the Termination Date for that Phase.

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

ARTICLE VII

Financing

Section 7.1. Mortgage Financing.

(a) Before commencement of construction of the Minimum Improvements, the Redeveloper must submit to the HRA or provide access thereto for review by HRA staff, consultants and agents, evidence reasonably satisfactory to the HRA that Redeveloper has available funds, or commitments to obtain funds, whether in the nature of mortgage financing, equity, grants, loans or other sources sufficient for payment of the Minimum Improvements, provided that any lender or grantor commitments shall be subject only to such conditions as are normal and customary in the commercial lending industry. The commitments may be submitted as short term financing, long term mortgage financing, a bridge loan with a long term take-out financing commitment, or any combination of the foregoing.

(b) If the HRA finds that the financing is sufficiently committed and adequate in amount to pay the costs specified in paragraph (a) then the HRA will notify the Redeveloper in writing of its approval. Such approval will not be unreasonably withheld and either approval or rejection will be given within twenty (20) days from the date when the HRA is provided the evidence of financing. A failure by the HRA to respond to the evidence of financing will be deemed to constitute an approval hereunder. If the HRA rejects the evidence of financing as inadequate, it will do so in writing specifying the basis for the rejection. In any event the Redeveloper will submit adequate evidence of financing within ten (10) days after any rejection.

Section 7.2. HRA's Option to Cure Default under a Mortgage. In the event that there occurs a default under any Mortgage authorized pursuant to Section 7.1 of this Agreement, to the extent the Redeveloper is aware of such default, the Redeveloper shall cause the HRA to receive copies of any notice of default received by the Redeveloper from the holder of such Mortgage. Thereafter, to the extent permitted by the Holder of any Mortgage, the HRA shall have the right, but not the obligation, to cure any such default on behalf of the Redeveloper within such cure periods as are available to the Redeveloper under the Mortgage documents. In the event there is an event of default under this Agreement, the HRA will transmit to the Holder of any Mortgage a copy of any notice of default given by the HRA pursuant to Article IX hereof.

Section 7.3. Modification; Subordination. In order to facilitate the securing of other financing, the HRA agrees to subordinate its rights under this Agreement provided that such subordination shall be subject to such reasonable terms and conditions as the HRA and Holder mutually agree in writing. Notwithstanding anything to the contrary herein, any subordination agreement must include the provision described in Section 7.2 hereof.

ARTICLE VIII

Prohibitions Against Assignment and Transfer; Indemnification

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

Section 8.2. Prohibition Against Redeveloper's Transfer of Property and Assignment of Agreement. The Redeveloper represents and agrees that, as to each Phase, until either the issuance of the Certificate of Completion for the Minimum Improvements in that Phase or the Termination Date for that Phase, as applicable:

(a) Except as specifically described in this Agreement, the Redeveloper has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Redevelopment Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity (collectively, a "Transfer"), without the prior written approval of the HRA's board of commissioners. The term "Transfer" does not include (i) a mortgage made or granted by way of security for, and only for, the purpose of obtaining construction, interim or permanent financing

necessary to enable the Redeveloper or any successor in interest to any Phase or to construct the Minimum Improvements or component thereof; (ii) any lease, license, easement or similar arrangement entered into in the ordinary course of business related to operation of the Minimum Improvements; (iii) acquisition of a controlling interest in Redeveloper by another entity or merger of Redeveloper with another entity; (iv) any sale, conveyance, or transfer in any form to any affiliate of Redeveloper; (v) a transfer to a third party if the Redeveloper is unable to commence construction by the date provided in Section 4.3 hereof and the HRA terminates this Agreement pursuant to Section 9.2(b) hereof; or (vi) transfers of membership interests or other ownership interests in the Redeveloper, pursuant to the Redeveloper's operating agreement or partnership agreement. The HRA acknowledges that the Redeveloper may assign or sell the Note for a Phase to a Lender or another party. For all other assignments, the HRA shall require an Investment Letter from the assignee in the form set forth in EXHIBIT H.

(b) If the Redeveloper seeks to effect a Transfer of any Phase or other part of the Redevelopment Property requiring the approval of the HRA after the issuance of the Certificate of Completion for that Phase, the HRA shall be entitled to require as conditions to such Transfer that:

(1) any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the HRA, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Redeveloper as to the portion of the Redevelopment Property to be transferred; and

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

otherwise with respect to the Redevelopment Property, from any of its obligations with respect thereto.

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

(c) If the conditions described in paragraph (b) are satisfied then the Transfer will be approved and the Redeveloper shall be released from its obligation under this Agreement, as to the portion of the Redevelopment Property that is transferred, assigned, or otherwise conveyed. The provisions of this paragraph (c) apply to all subsequent transferors, assuming compliance with the terms of this Article VIII.

Section 8.3. Release and Indemnification Covenants.

(a) The Redeveloper releases from and covenants and agrees that the HRA and its respective governing body members, officers, agents, servants and employees thereof will not be liable for and agrees to indemnify and hold harmless the HRA and its respective governing body members, officers, agents, servants and employees thereof against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Minimum Improvements.

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

(c) Except for any negligence of the Indemnified Parties (as defined in clause (b) above), and except for any breach by the Indemnified Parties of their obligations under this Agreement, the Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Redeveloper or its officers, agents, servants or employees or any other person who may be about the Redevelopment Property or Minimum Improvements due to any act of negligence of any person.

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

ARTICLE IX

Events of Default

Section 9.1. Events of Default Defined. "Event of Default" means any one or more of the following events, after the non-defaulting party provides sixty (60) days' written notice to the defaulting party of the event, but only if the event has not been cured within said sixty (60) days after written notice of default has been tendered or, if the event is incurable within sixty (60) days, the defaulting party does not, within the sixty (60) day period, provide assurances reasonably satisfactory to the non-defaulting party that the event will be cured as soon as reasonably possible:

(a) Failure by the Redeveloper to acquire the Redevelopment Property in accordance with Article III of this Agreement, unless the failure is caused by an Unavoidable Delay;

(b) Failure by the Redeveloper to seek approvals from the City and other entities necessary in order to construct the Minimum Improvements, unless the failure is caused by an Unavoidable Delay;

(c) Failure by the Redeveloper to commence and complete construction of the Minimum Improvements pursuant to the terms, conditions and limitations of Article IV of this Agreement, including the timing thereof, unless such failure is caused by an Unavoidable Delay or waived by the Redeveloper and HRA;

(d) Failure by the Redeveloper to provide and maintain any insurance required to be provided and maintained by Article V;

(e) If the Redeveloper shall file a petition in bankruptcy, or shall make an assignment for the benefit of its creditors or shall consent to the appointment of a receiver;

(f) Failure by the Redeveloper to reimburse the HRA for its administrative expenses associated with the processing of Redeveloper's requests, or to make the necessary escrow deposits pursuant to Section 3.4;

(g) Sale of the Redevelopment Property or the Minimum Improvements, or any portion thereof, by the Redeveloper in violation of Article VIII of this Agreement; or

(h) Failure by either party to observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.

Section 9.2. Remedies of Default. Whenever any Event of Default referred to in Section 9.1 hereof occurs, the non-defaulting party may exercise its rights under this Section 9.2 only if the Event of Default has not been cured within sixty (60) days of the non-defaulting party's tender of a notice of default or, if the Event of Default is incurable within sixty (60) days, the defaulting party does not provide assurances reasonably satisfactory to the non-defaulting party that the Event of Default will be cured as soon as reasonably possible:

(a) Suspend its performance under the Agreement until it receives assurances that the defaulting party will cure its default and continue its performance under the Agreement.

(b) Cancel and rescind or terminate the Agreement.

(c) Upon a default by the Redeveloper, the HRA may suspend payments under the Notes or terminate the Notes and the TIF District, subject to the provisions of Section 9.3 hereof.

(d) Upon failure by Redeveloper to timely commence or complete construction of the Minimum Improvements in accordance with Section 4.3 hereof, subject to the notice and cure periods set forth herein, the HRA may terminate this Agreement; provided, however, that notwithstanding anything herein to the contrary, the HRA acknowledges and agrees that it shall have no remedy of specific performance with regard to the Redeveloper's obligation to commence the construction of the Minimum Improvements.

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

_____, a Minnesota corporation, its successors and/or assigns (the "Investor Limited Partner"), the limited partner of the Redeveloper shall have the right, but not the obligation, to cure any default of the Redeveloper hereunder and such cure shall be deemed to have been made by the Redeveloper.

The Lender with respect to each Phase shall have the right, but not the obligation, to cure any default of the Redeveloper hereunder and such cure shall be deemed to have been made by the Redeveloper.

Section 9.3. Termination or Suspension of Notes. After the HRA has issued its Certificate of Completion for any Phase of the Minimum Improvements, the HRA may exercise its rights under Section 9.2(c) hereof with respect to that Phase only for the following Events of Default:

(a) the Redeveloper fails to pay real estate taxes or assessments on that Phase of the Redevelopment Property or any part thereof when due, and the taxes or assessments have not been paid, or provision satisfactory to the HRA made for their payment, within sixty (60) days after written demand by the HRA to do so; or

(b) the Redeveloper fails to comply with the Redeveloper's obligations to operate and maintain, preserve and keep that Phase of the Minimum Improvements or cause the improvements to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair and condition, pursuant to Sections 4.1 and 5.1(e) hereof; provided that, upon failure to comply with the obligations under Section 4.1 or 5.1(e) hereof, if uncured after sixty (60) days' written notice to the Redeveloper of the failure, the HRA may only suspend payments under the Note for that Phase until the Redeveloper complies with said obligations. If

the Redeveloper fails to comply with said obligations for a period of eighteen months, the HRA may terminate the Note with respect to that Phase; or

(c) the Redeveloper fails to comply with the affordability covenants provided in Section 4.5 hereof with respect to that Phase.

Section 9.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the HRA, the Redeveloper is intended to be exclusive of any other available remedy or remedies, but each and every remedy will be cumulative and will 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 will impair any right or power or will be construed to be a waiver thereof, but any right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the HRA to exercise any remedy reserved to it, it will not be necessary to give notice, other than the notices already required in Sections 9.2 and 9.3 hereof.

Section 9.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, the waiver will be limited to the particular breach so waived and will not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 9.6. Attorney Fees. Whenever any Event of Default occurs (as determined by a final court or administrative order or Redeveloper admissions) and if the HRA shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the Redeveloper under this Agreement, the Redeveloper agrees that it shall, within ten (10) days of written demand by the HRA, pay to the HRA the reasonable fees of such attorneys and such other reasonable expenses so incurred by the HRA.

ARTICLE X

Additional Provisions

Section 10.1. Conflict of Interests; Representatives Not Individually Liable. To the best of Redeveloper's knowledge, no member, official, or employee of the HRA shall have any personal financial interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his or her personal financial 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 HRA shall be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach or for any amount which may become due or on any obligations under the terms of this Agreement.

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

Section 10.3. Restrictions on Use. The Redeveloper agrees that through the Termination Date for each Phase it will use the Minimum Improvements in that Phase for only such uses as permitted under the City's land use regulations. Further, the Redeveloper agrees that, prior to the Maturity Date with respect to each Phase, the Redeveloper, and such successors and assigns, shall use that Phase solely for the development of multifamily housing in accordance with the terms of this Agreement, and shall not discriminate upon the basis of race, color, creed, sex or national origin in the sale, lease, or rental or in the use or occupancy of the Redevelopment Property or any improvements erected or to be erected thereon, or any part thereof.

Section 10.4. Notices and Demands. Except as otherwise expressly provided in this Agreement, any notice, demand, or other communication under the Agreement or any related document by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified United States mail, postage prepaid, return receipt requested, or delivered personally to:

(a)	in the case of the Redeveloper:	Alatus Hopkins MD LLC IDS Center 80 South 8th Street, Suite 4155 Minneapolis, MN 55402 Attn: Robert Lux
	and with copies to:	Fabyanske, Westra, Hart & Thomson, P.A. 333 South Seventh Street, Suite 2600 Minneapolis, MN 55402 Attn: Steve Cox
(b)	in the case of City:	City of Hopkins 1010 1st Avenue South Hopkins, MN 55343 Attn: City Manager
	with a copy to:	Kennedy & Graven, Chartered 150 South 5th Street, Suite 700 Minneapolis, MN 55402 Attn: Scott J. Riggs
(c)	in the case of the HRA:	Housing and Redevelopment Authority in and for the City of Hopkins 1010 1st Avenue South Hopkins, MN 55343 Attn: Executive Director

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section 10.4.

Section 10.5. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10.6. Disclaimer of Relationships. The Redeveloper acknowledges that nothing contained in this Agreement nor any act by the HRA or the Redeveloper shall be deemed or construed by the Redeveloper or by any third person to create any relationship of third-party beneficiary, principal and agent, limited or general partner, or joint venture between HRA and the Redeveloper.

Section 10.7. Amendment. This Agreement may be amended only by the written agreement of the parties.

Section 10.8. Recording. The HRA intends to record this Agreement among the land records of Hennepin County, Minnesota and the Redeveloper agrees to pay for the cost of recording same.

Section 10.9. Indemnity. The Redeveloper hereby agrees that the HRA, and its governing body members, officers, agents, and employees shall not be liable for, and hereby agrees to indemnify and hold harmless the same, against any loss or claims arising under this Agreement, except for losses or claims arising out of the acts or omissions of the HRA, and its governing body members, officers, agents, and employees.

Section 10.10. Titles of Articles and Sections. Any titles of the several parts, articles, and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 10.11. Governing Law; Venue. This Agreement shall be construed in accordance with the laws of Minnesota. Any dispute arising from this Agreement shall be heard in the State or federal courts of Minnesota, and all parties waive any objection to the jurisdiction thereof, whether based on convenience or otherwise.

Section 10.12. Provisions Not Merged With Deed. None of the provisions of this Agreement are intended to or will be merged by reason of any deed transferring any interest in the Redevelopment Property and any deed will not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 10.13. Approvals. Unless otherwise specified, any approval required by the HRA or the City under this Agreement may be given by the HRA staff or City staff, and any approval by either the HRA or the City will be deemed to be the approval of both the HRA and the City. Except where this Agreement expressly provides otherwise, each part agrees not to unreasonably withhold, condition, or delay any approval or consent required of it under this Agreement.

Section 10.14. Termination. This Agreement terminates as to each Phase on the Termination Date for that Phase, except that termination of this Agreement does not terminate, limit or affect the rights of any party that arise under this Agreement before the Termination Date.

Section 10.15. Public Art: Redeveloper is obligated to expend at least $250,000.00 for public artwork to be placed in prominent locations on the Property, on the exterior of the Minimum

Improvements. Prior to the commission of the public artwork, the public artwork shall be approved by the City, which approval shall not be unreasonably withheld. The artwork shall be installed prior to issuance of the Certificate of Occupancy for the applicable Phase.

Section 10.16. Park Dedication: The Redeveloper will pay applicable park dedication fees to the City at the time of issuance of a building permit for any applicable Phase. The City agrees that when a building permit is pulled for any Phase, the Redeveloper's park dedication payment (which may be required by the City in lieu of land dedication) will be calculated based on the City's park dedication fees that are in existence as of the effective date of this Agreement and, unless otherwise agreed to by the parties in the future, said payments shall be made at the time of issuance of a building permit for the applicable Phase, as the case may be. The current park dedication fee for multiple family residential subdivisions is $3,000 per unit while the commercial fee is an amount equal to five (5) percent of the fair market value of the commercial land as estimated by the county assessor. Park dedication fees are typically due with final plat approval.

Section 10.17. Miscellaneous:

(a) No transfer of the Redevelopment Property or this Agreement without City and HRA consent which will not be unreasonably withheld;

(b) Redeveloper will retain a management company with experience in the management of multifamily rental housing developments, subject to reasonable approval by the HRA;

(c) Grants: The City and Redeveloper have applied for a Metropolitan Council TOD Grant of $1,250,000. The City and Redeveloper expect to apply for Hennepin County TOD Grant funding and MN DEED Redevelopment Grant funding as well. These grants have been accounted for in the Redevelopers Proforma. Any other future grants beyond these for any future applicable Phase that are received will reduce the principal amount of the Note for the applicable Phase.

Section 10.18. Commercial Space in Phase IA – Building C and Phase IB: The intent is to create opportunities for neighborhood serving commercial space for small businesses including minority owned or operated, and locally or regionally owned or operated businesses. The HRA and Redeveloper agree to collaborate to accomplish the goal of providing up to 50% of the 17,000 square feet of Commercial Space available to these users, with a minimum requirement of 40%. The outcomes of the collaboration will be outlined in a business plan approved by City staff and the Redeveloper.

Section 10.19. PUD Agreement/Subdivision: The City and HRA and the Redeveloper have or intend to enter into a PUD Agreement (the "PUD Agreement") regarding the redevelopment of the Redevelopment Property, subdivision of the Redevelopment Property, planning and zoning approvals related to the Redevelopment Property, and improvements to be made by the Redeveloper to the Redevelopment Property (the "Minimum Improvements"), which

such PUD Agreement is incorporated by reference into and made a part of this Agreement as if fully set forth herein.

All defined terms of the PUD Agreement shall have the same meaning in this Agreement and all other requirements of the PUD Agreement as to the Minimum Improvements and the Construction Plans shall be satisfied and adhered to by the Redeveloper as if such requirements were fully set forth in this Agreement.

Section 10.20. Rent Control Provisions: The City, HRA and Redeveloper agree that any rental units within any phase at the Redevelopment Property shall be excluded from any future adopted rent control provisions.

Section 10.21. Parking Rental. The Redeveloper intends to rent parking spaces in the underground garage to tenants of the Minimum Improvements for approximately $75 to $150 per parking space per month initially. The Redeveloper agrees that the monthly rental rate charged for each underground parking space will be the same for all tenants of the applicable Phase within the Minimum Improvements.

****

IN WITNESS WHEREOF, the City, the HRA and the Redeveloper have caused this Agreement to be duly executed in their names and behalves on or as of the date first above written.

CITY OF HOPKINS:

By: _____
Jason Gadd
Its: Mayor

By: _____
Mike Mornson
Its: City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument as acknowledged before me this _____ day of _____, 202__, by Jason Gadd and Mike Mornson, the Mayor and City Manager, for the City of Hopkins, a Minnesota municipal corporation, respectively, on behalf of the City.

_____
Notary Public

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF HOPKINS:

By: _____
Jason Gadd
Its: President

By: _____
Mike Mornson
Its: Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument as acknowledged before me this _____ day of _____, 202__, by Jason Gadd and Mike Mornson, the President and Executive Director of the Housing and Redevelopment Authority in and for the City of Hopkins, a public body corporate and politic under the laws of Minnesota, respectively, on behalf of the Housing and Redevelopment Authority.

_____
Notary Public

REDEVELOPER:

ALATUS HOPKINS MD LLC

By: _____

_____

Its: Chief Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 202__, by _____, the Chief Manager of Alatus Hopkins MD LLC, a Minnesota limited company, on behalf of the company.

_____
Notary Public

EXHIBIT A TO REDEVELOPMENT AGREEMENT

LEGAL DESCRIPTION OF REDEVELOPMENT PROPERTY

A portion of the property legally described below that is to be platted as MILE 14 ON MINNEHAHA CREEK:

PARCEL 1:

Lot 74, Auditor's Subdivision No. 239, Hennepin County, Minnesota, except that part of said Lot 74 which is designated and delineated as Parcel 29, Hennepin County Right of Way Map No. 2, according to the plat thereof on file or of record in the office of the County Recorder in and for said County.

(Torrens Property, Certificate of Title No. 1341193)

PARCEL 2:

That part of Lot 97, Auditor's Subdivision No. 239, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), with the most Northerly right of way line of The Minneapolis & St. Louis Railway Company; thence in a Northeasterly direction along said Northerly right of way line, a distance of 845 feet to a point; thence South parallel with and 845 feet from the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to a point; thence in a Southwesterly direction parallel with and 13 feet from the most Northerly right of way line, a distance of 845 feet to a point on said East line of Monck Avenue, (as shown on the recorded plat of said subdivision); thence North along said East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to the point of beginning, except that part of said Lot 97 which is designated and delineated as Parcel 29A, Hennepin County Right of Way Map No. 2, according to the map thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, all being located in the Southeast Quarter of the Northeast Quarter of Section 19, Township 117 North, Range 21 West of the 5th Principal Meridian.

(Abstract Property)

EXHIBIT B TO REDEVELOPMENT AGREEMENT
DEPICTION OF THE REDEVELOPMENT PROPERTY
AND MINIMUM IMPROVEMENTS

All Depictions of the Redevelopment Property and Minimum Improvements are on file and available at City Hall.

EXHIBIT C TO
REDEVELOPMENT AGREEMENT

PRELIMINARY PLAN DOCUMENTS

All preliminary plan documents are on file and available at City Hall.

EXHIBIT D TO
REDEVELOPMENT AGREEMENT

FORM OF CERTIFICATE OF COMPLETION

WHEREAS, City of Hopkins, a Minnesota municipal corporation ("City"), and Housing and Redevelopment Authority in and for the City of Hopkins, corporate and politic under the laws of Minnesota ("HRA"), and Alatus Hopkins MD LLC, a Minnesota limited liability company, formed under the laws of Minnesota (the "Redeveloper"), have entered into a certain Contract for Private Redevelopment (the "Agreement") dated the ____ day of _____, 202___, and recorded in the office of the County Recorder and Registrar in Hennepin County, Minnesota, as Document No. _____, which Agreement contained certain covenants and restrictions regarding completion of the Minimum Improvements, as defined in the Agreement; and

WHEREAS, the Redeveloper has performed said covenants and conditions in a manner deemed sufficient by the HRA to permit the execution and recording of this certification.

NOW, THEREFORE, this is to certify that all construction of the Minimum Improvements specified to be done and made by the Redeveloper has been completed and the covenants and conditions in the Agreement have been performed by the Redeveloper, and the County Recorder in Hennepin County, Minnesota, is hereby authorized to accept for recording and to record the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions relating to completion of the Minimum Improvements and the expiration of certain obligations contained in the Agreement to the extent expressly provided for therein. Unless otherwise expressly provided in the Agreement, Redeveloper shall be deemed to have satisfied its obligations under the Agreement.

Dated: _____, 202__.

CITY OF HOPKINS:

By: _____

Its: Mayor

By: _____

Its: City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument as acknowledged before me this _____ day of _____, 202__, by _____ and _____, the Mayor and City Manager, for the City of Hopkins, a Minnesota municipal corporation, respectively, on behalf of the City.

_____
Notary Public

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF HOPKINS:

By: _____

Its: President

By: _____

Its: Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument as acknowledged before me this _____ day of _____, 202__, by _____ and _____, the President and Executive Director of the Housing and Redevelopment Authority in and for the City of Hopkins, a public body corporate and politic under the laws of Minnesota, respectively, on behalf of the Housing and Redevelopment Authority.

_____
Notary Public

EXHIBIT E TO
REDEVELOPMENT AGREEMENT

FORM OF NOTES AND TERMS OF NOTES

HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF HOPKIN

Section 1. Form of Notes. The Notes will be in substantially the following form, with the blanks to be properly filled in and the principal amount and payment schedule adjusted as of the date of issue:

UNITED STATE OF AMERICA
STATE OF MINNESOTA
HENNEPIN COUNTY
HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF HOPKINS

No. R-1 $_____

TAXABLE TAX INCREMENT REVENUE NOTE
SERIES 202_

Rate	Date of Original Issue
___%	_____ **[INSERT DATE]**

Housing and Redevelopment Authority in and for the City of Hopkins ("HRA"), for value received, certifies that it is indebted and hereby promises to pay to _____ LLC, a Minnesota limited liability company, or its registered assigns (the "Owner"), the principal sum of $_____ and to pay interest thereon at the rate of ___ percent per annum, as and to the extent set forth herein.

1. Payments. Principal and interest ("Payments") are estimated to be paid on August 1, 20__, and each February 1 and August 1 thereafter to and including February 1, 20__ ("Payment Dates"), in the amounts and from the sources set forth in Section 3 herein. Payments will be applied first to accrued interest, and then to unpaid principal.

Payments are payable by mail to the address of the Owner or any other address as the Owner may designate upon 30 days written notice to HRA. Payments on this Note are payable in any coin or currency of the United States of America which, on the Payment Date, is legal tender for the payment of public and private debts.

2. Interest. Interest at the simple non-compounded rate stated herein will accrue on the unpaid principal, commencing on the date of original issue. Interest will be computed on the basis of a year of 360 days and charged for actual days principal is unpaid.

3. Available Tax Increment. Payments on this Note are payable on each Payment Date in the amount of and solely payable from "Available Tax Increment," which will mean, on each Payment Date, ___ percent of the Tax Increment attributable to the Redevelopment Property (defined in the Agreement) and paid to the HRA by Hennepin County in the six months preceding the Payment Date, all as the terms are defined in the Contract for Private Redevelopment between the HRA and Owner dated as of _____, 202___ (the "Agreement"). Available Tax Increment will not include any Tax Increment if, as of any Payment Date, there is an uncured Event of Default by the Owner under the Agreement. At the sole discretion of the HRA, they may provide payment on the Note from other sources.

The HRA will have no obligation to pay principal of and interest on this Note on each Payment Date from any source other than Available Tax Increment, and the failure of the HRA to pay the entire amount of principal or interest on this Note on any Payment Date will not constitute a default hereunder as long as the HRA pays principal and interest hereon to the extent of Available Tax Increment. The HRA will have no obligation to pay unpaid balance of principal or accrued interest that may remain after the final Payment on February 1, 20___.

4. Optional Prepayment. The principal sum and all accrued interest payable under this Note is prepayable in whole or in part at any time by HRA without premium or penalty. No partial prepayment will affect the amount or timing of any other regular payment otherwise required to be made under this Note.

5. Termination. At the HRA's option, this Note will terminate and the HRA's obligation to make any payments under this Note will be discharged upon the occurrence of an Event of Default on the part of the Redeveloper with respect to the relevant Phase applicable to this Note [a default with respect to any other Phase will not allow the HRA to terminate payments under this Note] as defined in Section 9.1 of the Agreement, but only if the Event of Default has not been cured in accordance with Section 9.2 of the Agreement.

6. Nature of Obligation. This Note is a single note in the total principal amount of $_____ issued to aid in financing certain public redevelopment costs and administrative costs of a Redevelopment Project undertaken by the HRA pursuant to Minnesota Statutes, Sections 469.001 through 469.047, as amended, and is issued pursuant to the resolution (the "Resolution") duly adopted by the HRA on December 21, 2021, and pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Sections 469.174 to 469.179, as amended. This Note is a limited obligation of the HRA which is payable solely from Available Tax Increment pledged to the payment hereof under the Resolution. This Note and the interest hereon will not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the HRA or the city of Hopkins. Neither the State of Minnesota, nor any political subdivision thereof will be obligated to pay the principal of or interest on this Note or other costs incident hereto except out of Available Tax Increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Note or other costs incident hereto.

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

The HRA MAKES NO REPRESENTATION OR WARRANTY THAT THE AVAILABLE TAX INCREMENT WILL BE SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THIS NOTE.

8. Registration and Transfer. This Note is issuable only as a fully registered note without coupons. As provided in the Resolution, and subject to certain limitations set forth therein, this Note is transferable upon the books of the HRA kept for that purpose at the principal office of the Executive Director of the HRA as Registrar, by the Owner hereof in person or by the Owner's attorney duly authorized in writing, upon surrender of this Note together with a written instrument of transfer satisfactory to the HRA, duly executed by the Owner. Upon the transfer or exchange and the payment by the Owner of any tax, fee, or governmental charge required to be paid by the HRA with respect to the transfer or exchange, there will be issued in the name of the transferee a new Note of the same aggregate principal amount, bearing interest at the same rate and maturing on the same dates.

This Note will not be transferred to any person other than an affiliate, or other related entity, of the Owner unless the HRA has been provided with an investment letter in a form substantially similar to the investment letter submitted by the Owner or a certificate of the transferor, in a form satisfactory to the HRA, that the transfer is exempt from registration and prospectus delivery requirements of federal and applicable state securities laws. Notwithstanding the foregoing, Owner may grant, pledge and assign to any lender, to secure full payment and performance of its obligations under the loan, all of Owner's right, title and interest in and to this Note. The HRA consents to the assignment of this Note to _____, a Minnesota nonprofit corporation without the execution of an investment letter.

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 exist, to happen, and to be performed in order to make this Note a valid and binding limited obligation of the HRA according to its terms, have been done, do exist, have happened, and have been performed in due form, time and manner as so required.

IN WITNESS WHEREOF, the board of commissioners of the Housing and Redevelopment Authority in and for the City of Hopkins, has caused this Note to be executed with the manual signatures of its President and Executive Director, all as of the Date of Original Issue specified above.

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF HOPKINS

President	Executive Director

REGISTRATION PROVISIONS

The ownership of the unpaid balance of the within Note is registered in the bond register of the Executive Director of the HRA, in the name of the person last listed below.

Date of Registration	Registered Owner	Signature of HRA Executive Director
	Alatus Hopkins MD LLC, a Minnesota limited liability company IDS Center 80 South 8th Street, Suite 4155 Minneapolis, MN 55402 Federal Tax ID #	

_____

[End of Form of Note]

Section 2. Terms, Execution and Delivery.

2.01. Denomination, Payment. The Note will be issued as a single typewritten note numbered R 1.

The Note will be issuable only in fully registered form. Principal of and interest on the Note will be payable by check or draft issued by the Registrar described herein.

2.02. Dates; Interest Payment Dates. Principal of and interest on the Note will be payable by mail to the owner of record thereof as of the close of business on the fifteenth day of the month preceding the Payment Date, whether or not the day is a business day.

2.03. Registration. The HRA hereby appoints the Executive Director to perform the functions of registrar, transfer agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the HRA and the Registrar with respect thereto will be as follows:

(a) Register. The Registrar will keep at their office a bond register in which the Registrar will provide for the registration of ownership of the Note and the registration of transfers and exchanges of the Note.

(b) Transfer of Note. Upon surrender for transfer of the Note duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in a form reasonably satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, a new Note of a like aggregate

principal amount and maturity, as requested by the transferor. Notwithstanding the foregoing, the Note will not be transferred except (1) to any person other than an affiliate, or other related entity, of the Owner unless the HRA has been provided with an investment letter in a form substantially similar to the investment letter submitted by the Owner or a certificate of the transferor, in a form satisfactory to the HRA, that the transfer is exempt from registration and prospectus delivery requirements of federal and applicable state securities laws, or (2) to any lenders of the note holder's to secure full payment and performance of its obligations under a loan. The HRA consents to an assignment of the Note to _____, a Minnesota nonprofit corporation, without the execution of an investment letter. For all other assignments, the HRA shall require an investment letter from the assignee. The Registrar may close the books for registration of any transfer after the fifteenth day of the month preceding each Payment Date and until the Payment Date.

(c) Cancellation. The Note surrendered upon any transfer will be promptly cancelled by the Registrar and thereafter disposed of as directed by the HRA.

(d) Improper or Unauthorized Transfer. When the Note is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until they are satisfied that the endorsement on the Note or separate instrument of transfer is legally authorized. The Registrar will incur no liability for their refusal, in good faith, to make transfers which they, in their judgment, deem improper or unauthorized.

(e) Persons Deemed Owners. The HRA and the Registrar may treat the person in whose name the Note is at any time registered in the bond register as the absolute owner of the Note, whether the Note is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the Note and for all other purposes, and all the payments so made to any registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability of the HRA upon the Note to the extent of the sum or sums so paid.

(f) Taxes, Fees and Charges. For every transfer or exchange of the Note, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to the transfer or exchange.

(g) Mutilated, Lost, Stolen or Destroyed Note. In case the Note becomes mutilated or is lost, stolen, or destroyed, the Registrar will deliver a new Note of like amount, maturity dates and tenor in exchange and substitution for and upon cancellation of the mutilated Note or in lieu of and in substitution for the Note lost, stolen, or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case the Note lost, stolen, or destroyed, upon filing with the Registrar of evidence satisfactory to it that the Note was lost, stolen, or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance, and amount satisfactory to it, in which both the HRA and the Registrar will be named as obligees. The Note so surrendered to the Registrar will be cancelled and evidence of the cancellation will be given to the HRA. If the mutilated, lost, stolen, or destroyed Note has already matured or been called for redemption in accordance with its terms, it will not be necessary to issue a new Note prior to payment.

2.04. Preparation and Delivery. The Note will be prepared under the direction of the Executive Director and will be executed on behalf of the HRA by the signatures of its President and Executive Director. In case any officer whose signature appears on the Note ceases to be the officer before the delivery of the Note, the signature will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. When the Note has been so executed, it will be delivered by the HRA to the Owner following the delivery of the necessary items delineated in Section 3.3 of the Agreement.

Section 3. Security Provisions.

3.01. Pledge. The HRA hereby pledges to the payment of the principal of and interest on the Note all Available Tax Increment as defined in the Note. Available Tax Increment will be applied to payment of the principal of and interest on the Note in accordance with the terms of the form of Note set forth in Section 2 of this resolution.

3.02. Bond Fund. Until the date the Note is no longer outstanding and no principal thereof or interest thereon (to the extent required to be paid pursuant to this resolution) remains unpaid, the HRA will maintain a separate and special "Bond Fund" to be used for no purpose other than the payment of the principal of and interest on the Note. The HRA irrevocably agrees to appropriate to the Bond Fund in each year Available Tax Increment. Any Available Tax Increment remaining in the Bond Fund will be transferred to the HRA's account for the TIF District upon the payment of all principal and interest to be paid with respect to the Note.

Section 4. Certification of Proceedings.

4.01. Certification of Proceedings. The officers of the HRA are hereby authorized and directed to prepare and furnish to the Owner of the Note certified copies of all proceedings and records of the HRA, and the other affidavits, certificates, and information as may be required to show the facts relating to the legality and marketability of the Note as the same appear from the books and records under their custody and control or as otherwise known to them, and all the certified copies, certificates, and affidavits, including any heretofore furnished, will be deemed representations of the HRA as to the facts recited therein.

EXHIBIT F

DECLARATION OF RESTRICTIVE COVENANTS

THIS DECLARATION OF RESTRICTIVE COVENANTS, dated _____, 202__ (the "Declaration"), by ALATUS HOPKINS MD LLC, A MINNESOTA LIMITED COMPANY, (the "Redeveloper"), is given to HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF HOPKINS, a public body corporate and politic under the laws of Minnesota (the "HRA").

RECITALS

WHEREAS, the HRA and Redeveloper entered into that certain Contract for Private Development, dated _____, 202__, filed _____, 202__ in the Office of the County Recorder for Hennepin County as Document No. _____, and in the Office of the Registrar of Titles for Hennepin County as Document No. _____ (the "Contract"); and

WHEREAS, pursuant to the Contract, the Redeveloper is obligated to cause construction of _____ (the "Project") on the property described in EXHIBIT A hereto (the "Redevelopment Property"), and to cause compliance with certain affordability covenants described in Section 4.5 of the Contract; and

WHEREAS, Section 4.5 of the Contract requires that the Redeveloper cause to be executed an instrument in recordable form substantially reflecting the covenants set forth in Section 4.5 of the Contract; and

WHEREAS, the Redeveloper intends, declares, and covenants that the restrictive covenants set forth herein will be and are covenants running with the Redevelopment Property for the term described herein and binding upon all subsequent owners of the Redevelopment Property for the term described herein, and are not merely personal covenants of the Redeveloper; and

WHEREAS, capitalized terms in this Declaration have the meaning provided in the Contract unless otherwise defined herein.

NOW, THEREFORE, in consideration of the promises and covenants hereinafter set forth, and of other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Redeveloper agrees as follows:

1. Term of Restrictions.

(a) Occupancy and Rental Restrictions. The term of the occupancy restrictions set forth in Section 3 and the term of rent restrictions set forth in Section 4 of this Declaration will commence on the date a Certificate of Occupancy is received from the City of Hopkins, Minnesota (the "City") for the Project. The period from commencement to termination is the "Qualified Project Period."

(b) Termination of Declaration. This Declaration will terminate upon 30 years after the date a Certificate of Occupancy is received for the Project.

(c) Removal from Real Estate Records. Upon termination of this Declaration, the HRA will, upon request by the Redeveloper or its assigns, file any document appropriate to remove this Declaration from the real estate records of Hennepin County, Minnesota.

2. Project Restrictions.

(a) the Redeveloper represents, warrants, and covenants that:

(i) All leases of units to Qualifying Tenants (as defined in Section 3(a)(i) hereof) will contain clauses, among others, wherein each individual lessee:

(1) Certifies the accuracy of the statements made in its application and Eligibility Certification (as defined in Section 3(a)(ii) hereof); and

(2) Agrees that the family income at the time the lease is executed will be deemed substantial and material obligation of the lessee's tenancy; that the lessee will comply promptly with all requests for income and other information relevant to determining low or moderate income status from the Redeveloper or the HRA, and that the lessee's failure or refusal to comply with a request for information with respect thereto will be deemed a violation of a substantial obligation of the lessee's tenancy.

(ii) the Redeveloper will permit any duly authorized representative of the HRA to inspect the books and records of the Redeveloper pertaining to the income of Qualifying Tenants residing in the Project.

3. Occupancy Restrictions. The Redeveloper represents, warrants, and covenants that:

(a) Qualifying Tenants. From the commencement of the Qualified Project Period, ___ - percent (___%) of the rental Housing Units will be occupied (or treated as occupied as provided herein) or held vacant and available for occupancy by Qualifying Tenants. Qualifying Tenants means those persons and families who are determined from time to time by the Redeveloper to have combined adjusted income that does not exceed _____ percent (___%) or ____ percent (_0%) of the Area Median Income ("AMI") for the applicable calendar year. For purposes of this definition, the occupants of a residential unit will not be deemed to be Qualifying Tenants if all the occupants of such residential unit at any time are "students," as defined in Section 151(c)(4) of the Internal Revenue Code of 1986, as amended (the "Code"), not entitled to an exemption under the Code. The determination of whether an individual or family is of low or moderate income will be made at the time the tenancy commences and on an ongoing basis thereafter, determined at least annually. If during their tenancy a Qualifying Tenant's income exceeds one hundred forty percent (140%) of the maximum income qualifying as low or moderate income for a family of its size, the next available unit (determined in accordance with the Code and applicable regulations) (the "Next Available Unit Rule") must be leased to a Qualifying Tenant or held vacant and available for occupancy by a Qualifying Tenant. If the Next Available Unit Rule is violated, the Unit will not continue to be treated as a Qualifying Unit.

(b) Certification of Tenant Eligibility. As a condition to initial and continuing occupancy, each person who is intended to be a Qualifying Tenant will be required annually to sign and deliver to the Redeveloper a Certification of Tenant Eligibility substantially in the form attached as EXHIBIT B hereto, or in any other form as may be approved by the HRA (the "Eligibility Certification"), in which the prospective Qualifying Tenant certifies as to qualifying as low or moderate income. In addition, the person will be required to provide whatever other information, documents, or certifications are deemed necessary by the HRA to substantiate the Eligibility Certification, on an ongoing annual basis, and to verify that the tenant continues to be a Qualifying Tenant within the meaning of Section 3(a) hereof. Eligibility Certifications will be maintained on file by the Redeveloper with respect to each Qualifying Tenant who resides in a Project unit or resided therein during the immediately preceding calendar year.

(c) Lease. The form of lease to be utilized by the Redeveloper in renting any units in the Project to any person who is intended to be a Qualifying Tenant will provide for termination of the lease and consent by the person to immediate eviction for failure to qualify as a Qualifying Tenant as a result of any material misrepresentation made by the person with respect to the Eligibility Certification.

(d) Annual Report. The Redeveloper covenants and agrees that during the term of this Declaration, it will prepare and submit to the HRA on or before January 31 of each year, a certificate substantially in the form of EXHIBIT C hereto, executed by the Redeveloper, (a) identifying the tenancies and the dates of occupancy (or vacancy) for all Qualifying Tenants in the Project, including the percentage of the dwelling units of the Project which were occupied by Qualifying Tenants (or held vacant and available for occupancy by Qualifying Tenants) at all times during the year preceding the date of the certificate; (b) describing all transfers or other changes in ownership of the Project or any interest therein; and (c) stating, that to the best knowledge of the person executing the certificate after due inquiry, all the units were rented or available for rental on a continuous basis during the year to members of the general public and that the Redeveloper was not otherwise in default under this Declaration during the year.

(e) Notice of Non-Compliance. The Redeveloper will immediately notify the HRA if at any time during the term of this Declaration the dwelling units in the Project are not occupied or available for occupancy as required by the terms of this Declaration.

4. Rent Restrictions. For at least thirty years following the date the Project is placed in service, the rents for ____ percent (_0%) of the units and ___ percent (___%) of the units in the Project must not exceed ____ percent (_0%) or ___percent (___%) of the Area Median Income for the applicable calendar year. For each unit that the Redeveloper agrees to accept Section 8 vouchers for, such unit shall be deemed to meet the rent restrictions set forth in this Section 4.

5. Transfer Restrictions. The Redeveloper covenants and agrees that the Redeveloper will cause or require as a condition precedent to any conveyance, transfer, assignment, or any other disposition of the Project prior to the termination of the Rental Restrictions and Occupancy Restrictions provided herein (the "Transfer") that the transferee of the Project pursuant to the Transfer assume in writing, in a form acceptable to the HRA, all duties and obligations of the

Redeveloper under this Declaration, including this Section 4, in the event of a subsequent Transfer by the transferee prior to expiration of the Rental Restrictions and Occupancy Restrictions provided herein (the "Assumption Agreement"). The Redeveloper will deliver the Assumption Agreement to the HRA prior to the Transfer.

6. Enforcement.

(a) The Redeveloper will permit, during normal business hours and upon reasonable notice, any duly authorized representative of the HRA to inspect any books and records of the Redeveloper regarding the Project with respect to the incomes of Qualifying Tenants.

(b) The Redeveloper will submit any other information, documents or certifications requested by the HRA which the HRA deems reasonably necessary to substantial the Redeveloper's continuing compliance with the provisions specified in this Declaration.

(c) The Redeveloper acknowledges that the primary purpose for requiring compliance by the Redeveloper with the restrictions provided in this Declaration is to ensure compliance of the property with the housing affordability covenants set forth in Section 4.5 of the Contract, and by reason thereof, the Redeveloper, in consideration for assistance provided by the HRA under the Contract that makes possible the construction of the Minimum Improvements (as defined in the Contract) on the Redevelopment Property, hereby agrees and consents that the HRA will be entitled, for any breach of the provisions of this Declaration, and in addition to all other remedies provided by law or in equity, to enforce specific performance by the Redeveloper of its obligations under this Declaration in a state court of competent jurisdiction. The Redeveloper hereby further specifically acknowledges that the HRA cannot be adequately compensated by monetary damages in the event of any default hereunder.

(d) The Redeveloper understands and acknowledges that, in addition to any remedy set forth herein for failure to comply with the restrictions set forth in this Declaration, the HRA may exercise any remedy available to it under Article IX of the Contract.

7. Indemnification. The Redeveloper hereby indemnifies, and agrees to defend and hold harmless, the HRA from and against all liabilities, losses, damages, costs, expenses (including reasonable attorneys' fees and expenses), causes of action, suits, allegations, claims, demands, and judgments of any nature arising from the consequences of a legal or administrative proceeding or action brought against them, or any of them, on account of any failure by the Redeveloper to comply with the terms of this Declaration, or on account of any representation or warranty of the Redeveloper contained herein being untrue.

8. Agent of the HRA. Upon any default hereunder, after first providing the Redeveloper with a reasonable amount of time to cure such default, the HRA will have the right to appoint an agent to carry out any of its duties and obligations hereunder, and will inform the Redeveloper of any agency appointment by written notice.

9. Severability. The invalidity of any clause, part or provision of this Declaration will not affect the validity of the remaining portions thereof.

10. Notices. All notices to be given pursuant to this Declaration must be in writing and will be deemed given when mailed by certified or registered mail, return receipt requested, to the parties hereto at the addresses set forth below, or to any other place as a party may from time to time designate in writing. The Redeveloper and the HRA may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, or other communications are sent. The initial addresses for notices and other communications are as follows:

To the HRA:
Housing and Redevelopment Authority
in and for the City of Hopkins
1010 1st Avenue South
Hopkins, MN 55343
Attn: Executive Director

With a copy to:
Scott J. Riggs
Kennedy & Graven, Chartered
150 South 5th Street, Suite 700
Minneapolis, MN 55402

To the Redeveloper:
Alatus Hopkins MD LLC
IDS Center
80 South 8th Street, Suite 4155
Minneapolis, MN 55402
Attn: Robert Lux

With Copies to: _____
_____
_____
Attn: _____

11. Governing Law. This Declaration is governed by the laws of the State of Minnesota and, where applicable, the laws of the United States of America.

12. Attorneys' Fees. In case any action at law or in equity, including an action for declaratory relief, is brought against the Redeveloper to enforce the provisions of this Declaration, the Redeveloper agrees to pay the reasonable attorneys' fees and other reasonable expenses paid or incurred by the HRA in connection with the action.

13. Declaration Binding. This Declaration and the covenants contained herein will run with the real property comprising the Project and will bind the Redeveloper and its successors and assigns and all subsequent owners of the Project or any interest therein, and the benefits will inure to the HRA and its successors and assigns for the term of this Declaration as provided in Section 1(b) hereof.

[*The remainder of this page has been left intentionally blank.*]

IN WITNESS WHEREOF, the Redeveloper has caused this Declaration of Restrictive Covenants to be signed by its respective duly authorized representatives, as of the day and year first written above.

REDEVELOPER:

ALATUS HOPKINS MD LLC

By: _____

_____

Its: Chief Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 202__, by _____, the Chief Manager of Alatus Hopkins MD LLC, a Minnesota limited company, on behalf of the company.

_____
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
Kennedy & Graven, Chartered (SJR)
150 South 5th Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

This Declaration is acknowledged and consented to by:

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF HOPKINS:

By: _____

Its: President

By: _____

Its: Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument as acknowledged before me this _____ day of _____, 202__, by _____ and _____, the President and Executive Director of the Housing and Redevelopment Authority in and for the City of Hopkins, a public body corporate and politic under the laws of Minnesota, respectively, on behalf of the Housing and Redevelopment Authority.

_____
Notary Public

EXHIBIT A TO DECLARATION OF RESTRICTIVE COVENANTS

Legal Description

A portion of the property legally described below that is to be platted as MILE 14 ON MINNEHAHA CREEK:

PARCEL 1:

Lot 74, Auditor's Subdivision No. 239, Hennepin County, Minnesota, except that part of said Lot 74 which is designated and delineated as Parcel 29, Hennepin County Right of Way Map No. 2, according to the plat thereof on file or of record in the office of the County Recorder in and for said County.

(Torrens Property, Certificate of Title No. 1341193)

PARCEL 2:

That part of Lot 97, Auditor's Subdivision No. 239, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), with the most Northerly right of way line of The Minneapolis & St. Louis Railway Company; thence in a Northeasterly direction along said Northerly right of way line, a distance of 845 feet to a point; thence South parallel with and 845 feet from the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to a point; thence in a Southwesterly direction parallel with and 13 feet from the most Northerly right of way line, a distance of 845 feet to a point on said East line of Monck Avenue, (as shown on the recorded plat of said subdivision); thence North along said East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to the point of beginning, except that part of said Lot 97 which is designated and delineated as Parcel 29A, Hennepin County Right of Way Map No. 2, according to the map thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, all being located in the Southeast Quarter of the Northeast Quarter of Section 19, Township 117 North, Range 21 West of the 5th Principal Meridian.

(Abstract Property)

EXHIBIT B TO DECLARATION OF RESTRICTIVE COVENANTS

Certification of Tenant Eligibility

(INCOME COMPUTATION AND CERTIFICATION)

Project: [Address]

Owner:

Unit Type: _____ 1 BR _____ 2 BR _____ 3 BR ____4 BDRM

1. I/We, the undersigned, being first duly sworn, state that I/we have read and answered fully, frankly and personally each of the following questions for all persons (including minors) who are to occupy the unit in the above apartment development for which application is made, all of whom are listed below:

Name of Members of the Household	Relationship To Head of Household	Age	Place of Employment
_____	_____	___	_____
_____	_____	___	_____
_____	_____	___	_____
_____	_____	___	_____
_____	_____	___	_____

Income Computation

2. The anticipated income of all the above persons during the 12-month period beginning this date,

(a) including all wages and salaries, overtime pay, commissions, fees, tips and bonuses before payroll deductions; net income from the operation of a business or profession or from the rental of real or personal property (without deducting expenditures for business expansion or amortization of capital indebtedness); interest and dividends; the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts; payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay; the maximum amount of public assistance available to the above persons; periodic and determinable allowances, such as alimony and child support payments and regular contributions and gifts received from persons not residing in the dwelling; and all regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is the head of the household or spouse; but

(b) excluding casual, sporadic or irregular gifts; amounts which are specifically for or in reimbursement of medical expenses; lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workmen's compensation), capital gains and settlement for personal or property losses; amounts of educational scholarships paid directly to the student or the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment, but in either case only to the extent used for these types of purposes; special pay to a serviceman head of a

family who is away from home and exposed to hostile fire; relocation payments under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; foster child care payments; the value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 which is in excess of the amount actually charged for the allotments; and payments received pursuant to participation in ACTION volunteer programs, is as follows: $_____.

3. If any of the persons described above (or whose income or contributions was included in item 2) has any savings, bonds, equity in real property or other form of capital investment, provide:

(a) the total value of all such assets owned by all such persons: $_____;

(b) the amount of income expected to be derived from such assets in the 12 month period commencing this date: $_____; and

(c) the amount of such income which is included in income listed in item 2: $_____.

4. (a) Will all of the persons listed in item 1 above be or have they been full-time students during five calendar months of this calendar year at an educational institution (other than a correspondence school) with regular faculty and students?

Yes _____ No _____

(b) Is any such person (other than nonresident aliens) married and eligible to file a joint federal income tax return?

Yes _____ No _____

THE UNDERSIGNED HEREBY CERTIFY THAT THE INFORMATION SET FORTH ABOVE IS TRUE AND CORRECT. THE UNDERSIGNED ACKNOWLEDGE THAT THE LEASE FOR THE UNIT TO BE OCCUPIED BY THE UNDERSIGNED WILL BE CANCELLED UPON 10 DAYS WRITTEN NOTICE IF ANY OF THE INFORMATION ABOVE IS NOT TRUE AND CORRECT.

_____
Head of Household

_____
Spouse

FOR COMPLETION BY OWNER
(OR ITS MANAGER) ONLY

1. Calculation of Eligible Tenant Income:

(a) Enter amount entered for entire household in 2 above: $_____

(b) If the amount entered in 3(a) above is greater than $5,000, enter the greater of (i) the amount entered in 3(b) less the amount entered in 3(c) or (ii) 10% of the amount entered in 3(a): $_____

(c) TOTAL ELIGIBLE INCOME (Line 1(a) plus Line 1(b)): $_____

2. The amount entered in 1(c) is less than or equal to 60% of median income for the area in which the Project is located, as defined in the Declaration. 60% is necessary for status as a "Qualifying Tenant" under Section 3(a) of the Declaration.

3. Number of apartment unit assigned: _____.

4. This apartment unit was ____ was not ____ last occupied for a period of at least 31 consecutive days by persons whose aggregate anticipated annual income as certified in the above manner upon their initial occupancy of the apartment unit was less than or equal to 60% of Median Income in the area.

5. Check as applicable: _____ Applicant qualifies as a Qualifying Tenant (tenants of at least __ units must meet), or ____ Applicant otherwise qualifies to rent a unit.

THE UNDERSIGNED HEREBY CERTIFIES THAT HE/SHE HAS NO KNOWLEDGE OF ANY FACTS WHICH WOULD CAUSE HIM/HER TO BELIEVE THAT ANY OF THE INFORMATION PROVIDED BY THE TENANT MAY BE UNTRUE OR INCORRECT.

ALATUS HOPKINS MD LLC, a Minnesota limited liability company

By: _____
_____

Its: Chief Manager

EXHIBIT C TO DECLARATION OF RESTRICTIVE COVENANTS

Certificate of
Continuing Program Compliance

Date: _____

The following information with respect to the Project located at 325 Blake Road, Hopkins, Minnesota (the "Project"), is being provided by Alatus Hopkins MD LLC, a Minnesota limited liability company, formed under the laws of Minnesota (the "Owner") to the Housing and Redevelopment Authority in and for the City of Hopkins, a public body corporate and politic under the laws of Minnesota ("HRA"), pursuant to that certain Declaration of Restrictive Covenants, dated _____, 202__ (the "Declaration"), with respect to the Project:

(A) The total number of residential units which are available for occupancy is 120. The total number of these units occupied is _____.

(B) The following residential units (identified by unit number) are currently occupied by "Qualifying Tenants," as the term is defined in the Declaration (for a total of ____units):

1 BR Units:

2 BR Units:

3 BR Units:

(C) The following residential units which are included in (B) above, have been re-designated as units for Qualifying Tenants since _____, 20___, the date on which the last "Certificate of Continuing Program Compliance" was filed with the HRA by the Owner:

Unit Number	Previous Designation of Unit (if any)	Replacing Unit Number
_____	_____	_____
_____	_____	_____

(D) The following residential units are considered to be occupied by Qualifying Tenants based on the information set forth below:

	Unit Number	Name of Tenant	Number of Persons Residing in the Unit	Number of Bedrooms	Total Adjusted Gross Income	Date of Initial Occupancy	Rent
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

(E) The Owner has obtained a "Certification of Tenant Eligibility," in the form provided as EXHIBIT B to the Declaration, from each Tenant named in (D) above, and each such Certificate is being maintained by the Owner in its records with respect to the Project. Attached hereto is the most recent "Certification of Tenant Eligibility" for each Tenant named in (D) above who signed such a Certification since _____, 20___, the date on which the last "Certificate of Continuing Program Compliance" was filed with the HRA by the Owner.

(F) In renting the residential units in the Project, the Owner has not given preference to any particular group or class of persons (except for persons who qualify as Qualifying Tenants); and

none of the units listed in (D) above have been rented for occupancy entirely by students, no one of which is entitled to file a joint return for federal income tax purposes. All of the residential units in the Project have been rented pursuant to a written lease, and the term of each lease is at least twelve (12) months.

(G) The information provided in this "Certificate of Continuing Program Compliance" is accurate and complete, and no matters have come to the attention of the Owner which would indicate that any of the information provided herein, or in any "Certification of Tenant Eligibility" obtained from the Tenants named herein, is inaccurate or incomplete in any respect.

(H) The Project is in continuing compliance with the Declaration.

(I) The Owner certifies that as of the date hereof, 40% of the residential dwelling units in the Project are occupied or held open for occupancy by Qualifying Tenants, as defined and provided in the Declaration.

(J) The rental levels for each Qualifying Tenant comply with the maximum permitted under the Declaration.

IN WITNESS WHEREOF, I have hereunto affixed my signature, on behalf of the Owner, on _____, 202__.

ALATUS HOPKINS MD LLC, a Minnesota limited liability company

By: _____

_____

Its: Chief Manager

EXHIBIT G

FORM OF MINIMUM ASSESSMENT AGREEMENT

THIS MINIMUM ASSESSMENT AGREEMENT, made on or as of the ____ day of _____, 2021 (the "Minimum Assessment Agreement"), is between the Housing and Redevelopment Authority in and for the City of Hopkins, a public body corporate and politic under the laws of Minnesota (the "HRA"), and Alatus Hopkins MD LLC, a Minnesota limited liability company, formed under the laws of Minnesota, (the "Redeveloper").

WITNESSETH

WHEREAS, the HRA and the Redeveloper have entered into that certain Contract for Private Development, dated _____, 202__ (the "Contract"), regarding the acquisition of property, the construction of multiple buildings containing approximately 800 multi-family units, with 688 units of apartments, and 112 senior cooperative units with affordable levels within each building; construction of 33 for sale town homes, 8,000 sq. ft. of ground floor retail, 1,000 sq. ft. sky lounge and two (2) 4,500 sq. ft. standalone restaurant pads (the "Minimum Improvements"), affordable to households as set forth in the Contract, to be constructed on property legally described in Exhibit A (the "Redevelopment Property"); and

WHEREAS, the HRA and the Redeveloper desire to establish a minimum market value for the Redevelopment Property and the Minimum Improvements to be constructed thereon, pursuant to Minnesota Statutes, Section 469.177, subdivision 8; and

WHEREAS, the HRA and the County Assessor (the "Assessor") have reviewed the preliminary plans and specifications for the Minimum Improvements and have inspected such improvements;

NOW, THEREFORE, the parties to this Minimum Assessment Agreement, in consideration of the promises, covenants and agreements made by each to the other, do hereby agree as follows:

1. All capitalized terms used herein and not otherwise defined have the definition given such terms in the Contract.

2. The minimum market value which shall be assessed for ad valorem tax purposes for the Redevelopment Property, together with the Minimum Improvements constructed thereon, shall be $_____ or such lesser amount as established by the applicable assessing agency as of January 2, 20__, notwithstanding the progress of construction by such date, until January 2, 20__.

3. The minimum market value which shall be assessed for ad valorem tax purposes for the Redevelopment Property, together with the Minimum Improvements constructed thereon, shall be $_____ or such lesser amount as established by the applicable assessing agency as of January 2, 20__, notwithstanding the progress of construction by such date, and as of each January 2 thereafter until termination of this Minimum Assessment Agreement under Section 4 hereof.

4. The minimum market value herein established shall be of no further force and effect and this Minimum Assessment Agreement shall terminate on the earlier of (i) date the principal of and interest on the Tax Increment Revenue Note delivered to the Redeveloper by the HRA pursuant to the terms of Contract is paid in full; or (ii) the date the Tax Increment Financing District No. 1-6 established by the HRA and the City of Hopkins is decertified. The HRA shall execute a certificate or affidavit upon the occurrence of a termination event referred to in this Section 4 indicating that this Minimum Assessment Agreement has terminated and shall supply such certificate to the Redeveloper for recording.

5. This Minimum Assessment Agreement shall be promptly recorded by the HRA. The Redeveloper shall pay all costs of recording.

6. Neither the preambles nor provisions of this Minimum Assessment Agreement are intended to, nor shall they be construed as, modifying the terms of the Contract.

7. This Minimum Assessment Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

8. Each of the parties has authority to enter into this Minimum Assessment Agreement and to take all actions required of it, and has taken all actions necessary to authorize the execution and delivery of this Minimum Assessment Agreement.

9. In the event any provision of this Minimum Assessment Agreement shall be held invalid and unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

10. The parties hereto agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements, amendments and modifications hereto, and such further instruments as may reasonably be required for correcting any inadequate, or incorrect, or amended description of the Redevelopment Property or the Minimum Improvements or for carrying out the expressed intention of this Minimum Assessment Agreement.

11. This Minimum Assessment Agreement may not be amended nor any of its terms modified except by a writing authorized and executed by all parties hereto.

12. This Minimum Assessment Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

13. This Minimum Assessment Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

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

IN WITNESS WHEREOF, the HRA and the Redeveloper have caused this Minimum Assessment Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the date and year first written above.

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF HOPKINS:

By: _____

Its: President

By: _____

Its: Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument as acknowledged before me this _____ day of _____, 202__, by _____ and _____, the President and Executive Director of the Housing and Redevelopment Authority in and for the City of Hopkins, a public body corporate and politic under the laws of Minnesota, respectively, on behalf of the Housing and Redevelopment Authority.

_____
Notary Public

This document was drafted by:
KENNEDY & GRAVEN, CHARTERED (SJR)
150 South 5th Street, Suite 700
Minneapolis, MN 55402
Telephone: (612) 337-9300

REDEVELOPER:

ALATUS HOPKINS MD LLC

By: _____

_____

Its: Chief Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 202__, by _____, the Chief Manager of Alatus Hopkins MD LLC, a Minnesota limited company, on behalf of the company.

_____
Notary Public

CERTIFICATION BY COUNTY ASSESSOR

The undersigned, having reviewed the plans and specifications for the improvements to be constructed and the market value assigned to the land upon which the improvements are to be constructed, hereby certifies as follows: the undersigned Assessor, being legally responsible for the assessment of the above-described property, hereby certifies that the market values assigned to the land and improvements are reasonable.

ASSESSOR FOR HENNEPIN COUNTY

By _____

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ___ day of _____, 202___, by _____, the County Assessor of Hennepin County, Minnesota.

_____
Notary Public

EXHIBIT A TO MINIMUM ASSESSMENT AGREEMENT

LEGAL DESCRIPTION

A portion of the property legally described below that is to be platted as MILE 14 ON MINNEHAHA CREEK:

PARCEL 1:

Lot 74, Auditor's Subdivision No. 239, Hennepin County, Minnesota, except that part of said Lot 74 which is designated and delineated as Parcel 29, Hennepin County Right of Way Map No. 2, according to the plat thereof on file or of record in the office of the County Recorder in and for said County.

(Torrens Property, Certificate of Title No. 1341193)

PARCEL 2:

That part of Lot 97, Auditor's Subdivision No. 239, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), with the most Northerly right of way line of The Minneapolis & St. Louis Railway Company; thence in a Northeasterly direction along said Northerly right of way line, a distance of 845 feet to a point; thence South parallel with and 845 feet from the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to a point; thence in a Southwesterly direction parallel with and 13 feet from the most Northerly right of way line, a distance of 845 feet to a point on said East line of Monck Avenue, (as shown on the recorded plat of said subdivision); thence North along said East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to the point of beginning, except that part of said Lot 97 which is designated and delineated as Parcel 29A, Hennepin County Right of Way Map No. 2, according to the map thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, all being located in the Southeast Quarter of the Northeast Quarter of Section 19, Township 117 North, Range 21 West of the 5th Principal Meridian.

(Abstract Property)

EXHIBIT H TO REDEVELOPMENT AGREEMENT

FORM OF INVESTMENT LETTER

To Housing and Redevelopment Authority in and for the City of Hopkins ("HRA")
Attention: Executive Director

Dated: _____, 202___

Re: $_____ Tax Increment Revenue Note (Alatus Hopkins MD LLC TIF Project No. 1-6: 325 Blake

The undersigned, as Purchaser of $_____ in principal amount of the above-captioned Tax Increment Revenue Note (the "Note"), approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Hopkins on _____, 202__, hereby represents to you and to Kennedy & Graven, Chartered, Minneapolis, Minnesota, as legal counsel to the HRA, as follows:

1. We understand and acknowledge that the Note is delivered to the Purchaser on this date pursuant to the Contract for Private Redevelopment by and between the HRA and the Purchaser dated _____, 202___ (the "Agreement").

2. The Note is payable as to principal and interest solely from Available Tax Increment pledged to the Note, as defined therein.

3. We have sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal obligations, to be able to evaluate the risks and merits of the investment represented by the purchase of the above-stated principal amount of the Note.

4. We acknowledge that no offering statement, prospectus, offering circular or other comprehensive offering document or disclosure containing material information with respect to the HRA and the Note has been issued or prepared by the HRA, and that, in due diligence, we have made our own inquiry and analysis with respect to the HRA, the Note and the security therefor, and other material factors affecting the security and payment of the Note.

5. We acknowledge that we have either been supplied with or have access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and we have had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the HRA, the Note and the security therefor, and that as reasonable investors we have been able to make our decision to purchase the above-stated principal amount of the Note.

6. We have been informed that the Note (i) is not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, or under federal

securities laws or regulations, (ii) will not be listed on any stock or other securities exchange, and (iii) will carry no rating from any rating service.

7. We acknowledge that the HRA and Kennedy & Graven, Chartered, as legal counsel to the HRA, have not made any representations or warranties as to the status of interest on the Note for the purpose of federal or state income taxation.

8. We represent to you that we are purchasing the Note for our own account and not for resale or other distribution thereof, except to the extent otherwise provided in the Note or as otherwise approved in writing by the HRA.

9. All capitalized terms used herein have the meaning provided in the Agreement unless the context clearly requires otherwise.

10. The Purchaser's federal tax identification number is _____

11. We acknowledge receipt of the Note on the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Investment Letter as of the date and year first written above.

REDEVELOPER:
ALATUS HOPKINS MD LLC, a Minnesota limited company

By: _____

_____

Its: Chief Manager

EXHIBIT I

TOTAL DEVELOPMENT COSTS

[Insert estimated Total Development Costs]

December 21, 2021 Council Report 2021-128

APPROVE FINAL PLANS AND ORDER BIDS
2022 STREET AND UTILITY IMPROVEMENTS
CITY PROJECT 2021-010

Proposed Action

Staff recommends the following motion: adopt Resolution 2021-098, Resolution Approving Plans and Specifications and Authorizing Advertisement for Bids, 2022 Street and Utility Improvements, City Project 2021-10.

This action continues an assessable project for street and utility improvements.

Overview

At its October 19, 2021 meeting, the Hopkins City Council conducted a public hearing concerning the 2022 Street and Utility Improvement Project, consisting of street and utility improvements along 6th Avenue South and 7th Avenue South from Mainstreet to 2nd Street South. Following the public hearing, Council ordered final plans for the above mentioned work. The final plans are complete, staff now asks the Council to approve these plans and authorize advertisement for bids.

Primary Issues to Consider

- Scope of Improvements
- Public Input
- Estimated Costs and Funding
- Project Schedule
- Staff Recommendation

Supporting Information

- Engineer's Estimate
- Final Plans (available upon request)
- Project Location Map
- Resolution 2021-098

Eric Klingbeil, P.E., City Engineer

Financial Impact: $3,020,000 Budgeted: Y/N Y Source: PIR, SA, Water, Sanitary, Storm
Related Documents (CIP, ERP, etc.): CIP Notes: _____

ANALYSIS OF ISSUES

Scope of Improvements

This project includes reconstruction of the following streets:

- 6th Avenue South from Mainstreet to 2nd Street South
- 7th Avenue South from Mainstreet to 2nd Street South

The pavement condition index for most of the project area is below 40, which indicates failed pavement and warrants reconstruction. Proposed street improvements for 7th Avenue South include full reconstruction of streets and new curb and gutter. Proposed street improvements for 6th Avenue South include full depth reclamation and resurfacing with spot concrete sidewalk and curb replacement.

Water main is proposed to be replaced on 7th Avenue South. Most of the existing main is in excess of 60 years old and made from cast iron. New main will be ductile iron, which has better reliability and when properly installed a longer lifecycle than cast iron. All water services will be replaced from the main to the property line.

Sanitary sewer improvements on 7th Avenue South include the removal and replacement of the main, manholes and service lines to the property line.

Proposed storm sewer improvements on 7th Avenue South include new curb and gutter, removal and replacement of the storm sewer main, addition of storm sewer inlets to reduce water ponding in the street and improvements to reduce sediment accumulation.

Sanitary sewer, watermain, and storm sewer improvements on 6th Avenue South consist of targeted rehabilitation. The sanitary sewer, water main, and storm sewer systems were upgraded in a previous storm sewer led project.

Pedestrian facilities include replacement of existing sidewalk and pedestrian ramps.

During the scoping for this project, it was determined that there was other work that should be included in the project. Traditionally this work was bid as a separate, standalone project but it was decided to bid as one project due not only to proximity, but to capitalize on pricing. This additional work will be funded by separate items in the CIP and Budget and includes the following:

- Mill and overlay 7th Street S from 2nd Ave S to TH 169
- Mill and overlay of 2nd Avenue S between 5th Street S and Nine Mile Cove
- Sanitary Sewer Lining in areas across the City identified by the Public Works Department.
- Citywide sidewalk repairs

Additional areas that will be bid as “add alternates” are as follows:

- Reclamation and resurfacing of 10th Ave N between Mainstreet and 1st Street N
- Mill and overlay of 1st Street N between 14th Ave N and 10th Ave N
- Mill and overlay of 1st Street N between 10th Ave N and 8th Ave N

Public Input

Public informational meetings regarding the improvements were held on September 8th and October 13th. The September 8th meeting format consisted of a presentation of the overall project scope, with an open house style question and answer session. The October 13th meeting was an open house style meeting, with special focus on proposed assessments. The meetings were also recorded and are available on the project website.

A questionnaire was sent to all properties in the project area in May 2021 in advance of the neighborhood meetings. Nine questionnaires were returned. Drainage concerns, desire for improved street surface, and property specific concerns were the most common responses.

Bolton & Menk and City staff has met with individual property owners, property managers, and residents in person to discuss concerns and look at options to minimize issues; it is anticipated meetings will continue as design progresses.

Assessments

The proposed street assessments are based on the City's assessment policy, whereby 70% of the street reconstruction cost and 50% of the water and sewer service replacement are assessed to benefiting properties. The policy also allows for assessments to be capped should assessments exceed previous year assessments by 20%; the costs for this project will trigger the assessment cap. A preliminary assessment roll has been calculated and can be found in the appendix of the attached Feasibility Report.

The assessment cap for residential properties is $100.05 per front foot, following the typical 3% increase per year since the cap was established. Without the cap assessments could be more than double the capped rate.

Project Budget and Costs

The estimate for this project, which includes contingency, and costs for legal, administrative, and engineering costs for all the work totals to $3,020,000.

Several portions of the project are street maintenance projects outside the original scope and are being bid as "Add Alternates". We will have the option of moving forward with these items or to remove them from the project once bids are received, based on budget constraints.

Project costs and funding sources for the base project are as follows:

Funding Source	CIP Budget Street Reconstruction	CIP Budget Street Rehabilitation	Total CIP Budget		Estimated Cost
PI-PIR/General Obligation Bonds	$650,000	$400,000	$1,050,000		$1,250,00
Assessments	500,000		500,000		350,000
Storm Sewer Fund	225,000		225,000		140,000
Sanitary Sewer Fund	500,000		500,000		330,000
Water Fund	500,000		500,000		310,000
Total	**$2,375,000**		**$2,875,000**		**$2,380,000**
Add Alternates					640,000
Total with All Add Alternates	**$2,375,000**		**$2,875,000**		**$3,020,00**

Cost estimates show the base project is under the CIP budget. Costs came down due to efficiencies in design and increased confidence in future construction costs. The total project with all add alternates is above the project budget, but council has the option of awarding all, some, or none of the add alternates once bids have been received.

Project Schedule

Approve final plans/order bids	December 21, 2021
Order Assessment Hearing	February 1, 2022
Public Informational Neighborhood Meeting	February 21-24, 2022 (Date TBD)
Conduct Public Assessment Hearing	March 1, 2022
Adopt Assessment Roll/Award Contract	March 1, 2022
Begin Construction	Spring 2022
Complete Construction	Fall 2022

Staff Recommendation

Staff recommends approving final plans and ordering bids with adoption of resolution 2021-098.

CITY OF HOPKINS
HENNEPIN COUNTY, MINNESOTA

RESOLUTION NO. 2021-098

RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND AUTHORIZING ADVERTISEMENT FOR BIDS 2022 STREET AND UTILITY IMPROVEMENTS CITY PROJECT 2021-10

WHEREAS, pursuant to a resolution of the City Council adopted the 19th day of October, 2021 ordering final plans for the 2022 Street and Utility Project, plans and specifications were developed for improvements along 6th Avenue South and 7th Avenue South, from Mainstreet to 2nd Street South including pavement, curbing, signage, drainage, water and sanitary sewer improvements and all necessary appurtenances, and

WHEREAS, plans and specifications for City Project No. 2021-10 have been prepared by Bolton & Menk, Inc., and have been presented to Council for approval, and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hopkins, Minnesota:

1. Such plans and specification, a copy of which are attached hereto and made a part hereof; are hereby approved and ordered placed on file in the office of the City Clerk.

2. The City Clerk shall prepare and cause to be inserted in the official paper (Sun Sailor), Finance and Commerce, and on QuestCDN an advertisement for bids upon the making of such improvement under such approved plans and specifications. The advertisement shall be published, at least three weeks before date set for bid opening, shall specify the work to be done, shall state that bids will be received on QuestCDN until 10:00 a.m., on the 21th day of January, 2022, at the City Hall and that no bids shall be considered accompanied by a certified check or bid bond, payable to the City of Hopkins, Minnesota for 5% of the amount of such bid.

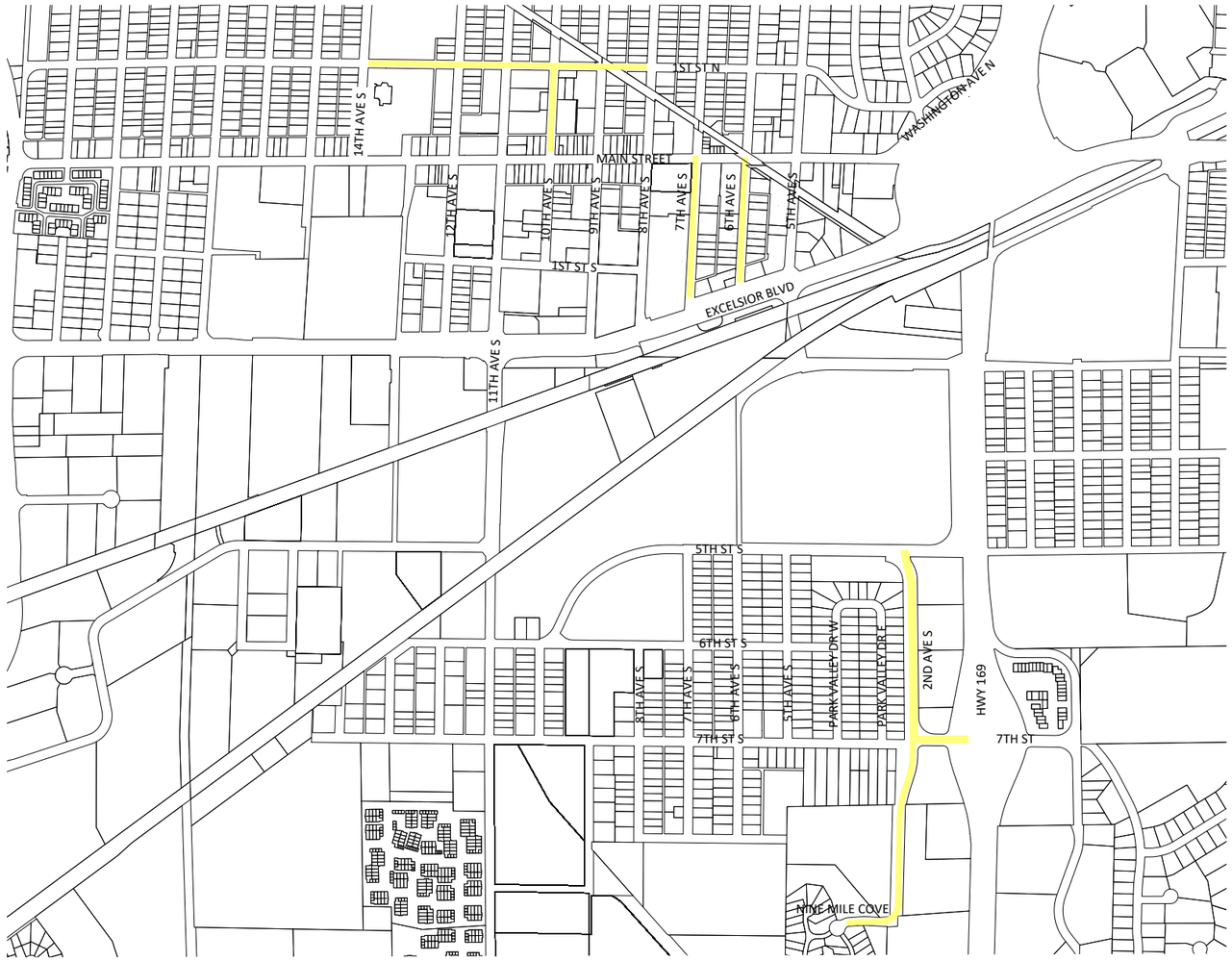
3. The clerk and city engineer are hereby authorized and instructed to receive, open, and display bids received at the time and place herein noted, and to tabulate the bids received. The Council will consider the bids and award of contract at the March 1, 2022 meeting in the Council Chambers.

Adopted by the City Council of the City of Hopkins, Minnesota, this 21st day of January 2022.

By_____
Jason Gadd, Mayor

ATTEST:

_____
Amy Domeier, City Clerk



LEGEND
PROJECT AREA

0 500 1000
HORZ. SCALE FEET

CITY OF HOPKINS
2022 STREET & UTILITY IMPROVEMENTS
PROJECT LAYOUT

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ENGINEER'S ESTIMATE - 12/13/21

2022 STREET & UTILITY IMPROVEMENTS
CITY OF HOPKINS, MN
CITY PROJECT NO. 2021-010
BMI PROJECT NO. 0T1.124643

BOLTON & MENK
Real People. Real Solutions.

ITEM NO.	ITEM	UNIT	UNIT PRICE	ESTIMATED COSTS										TOTAL QUANTITY	TOTAL COST
				1ST AVE N		2ND AVE MILL & OVERLAY	6TH AVE S	7TH AVE S				10TH AVE N RECLAIM	SPOT CIPP LINING		
				10TH THRU 14TH MILL	8TH THRU 10TH RECLAIM			STREET	SANITARY	STORM	WATER				
1	MOBILIZATION	LUMP SUM	$150,000.00			$15,000.00	$30,000.00	$45,000.00	$22,500.00	$15,000.00	$22,500.00			1.00	$150,000.00
2	CLEARING	TREE	$500.00				$2,500.00	$4,500.00						14	$7,000.00
3	GRUBBING	TREE	$500.00				$2,500.00	$5,000.00						15	$7,500.00
4	DECIDUOUS TREE 2" CAL B&B (HACKBERRY)	EACH	$600.00				$1,200.00	$1,200.00						4	$2,400.00
5	DECIDUOUS TREE 2" CAL B&B (HONEY LOCUST)	EACH	$600.00				$600.00	$1,200.00						3	$1,800.00
6	DECIDUOUS TREE 2" CAL B&B (LITTLE LEAF LINDEN)	EACH	$600.00				$600.00	$1,200.00						3	$1,800.00
7	DECIDUOUS TREE 2" CAL B&B (SWAMP WHITE OAK)	EACH	$600.00				$600.00	$1,200.00						3	$1,800.00
8	DECIDUOUS TREE 2" CAL B&B (SUGAR MAPLE)	EACH	$600.00				$600.00	$1,200.00						3	$1,800.00
9	DECIDUOUS TREE 2" CAL B&B (PARKWAY NORWAY MAPLE)	EACH	$600.00				$600.00	$1,200.00						3	$1,800.00
10	DECIDUOUS TREE 2" CAL B&B (PRINCETON AMERICAN ELM)	EACH	$600.00				$600.00	$1,200.00						3	$1,800.00
11	DECIDUOUS TREE 2" CAL B&B (RED OAK)	EACH	$600.00				$600.00	$1,200.00						3	$1,800.00
12	DECIDUOUS TREE 2" CAL B&B (SIOUXLAND POPLAR)	EACH	$600.00				$600.00	$1,200.00						3	$1,800.00
13	DECIDUOUS TREE 2" CAL B&B (ESPRESSO KENTUCKY COFFEE)	EACH	$600.00				$600.00	$600.00						2	$1,200.00
14	REMOVE SIGN POST	EACH	$150.00				$150.00	$1,050.00						8	$1,200.00
15	REMOVE SIGN PANEL	EACH	$100.00				$100.00							1	$100.00
16	SALVAGE SIGN PANEL	EACH	$100.00					$1,400.00						14	$1,400.00
17	INSTALL SIGN PANEL	EACH	$250.00					$3,500.00						14	$3,500.00
18	TRAFFIC SIGN POST (ROUND)	EACH	$300.00					$600.00						2	$600.00
19	TRAFFIC SIGN POST (U-CHANNEL)	EACH	$150.00					$750.00						5	$750.00
20	REMOVE TREE GRATE	EACH	$300.00					$1,200.00						4	$1,200.00
21	REMOVE CURB AND GUTTER	LIN FT	$6.00					$10,950.00						1825	$10,950.00
22	REMOVE CURB AND GUTTER (SPOT)	LIN FT	$10.00			$6,400.00	$1,780.00							818	$8,180.00
23	REMOVE BITUMINOUS PAVEMENT (DRIVEWAYS & PARKING LOTS)	SQ YD	$8.00					$1,944.00						243	$1,944.00
24	REMOVE CONCRETE WALK	SQ YD	$8.00					$11,240.00						1405	$11,240.00
25	REMOVE CONCRETE WALK (SPOT)	SQ YD	$12.00				$1,188.00							99	$1,188.00
26	REMOVE CONCRETE DRIVEWAY PAVEMENT	SQ YD	$10.00					$3,820.00						382	$3,820.00
27	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	$6.00				$900.00	$1,830.00						455	$2,730.00
28	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN FT	$4.00				$288.00	$1,572.00						465	$1,860.00
29	SALVAGE & REINSTALL BOULDER RETAINING WALL	LIN FT	$300.00					$93,000.00						310	$93,000.00
30	SALVAGE & REINSTALL BLOCK RETAINING WALL	LIN FT	$100.00					$7,800.00						78	$7,800.00
31	SALVAGE & REINSTALL BRICK PAVERS	SQ FT	$15.00					$1,755.00						117	$1,755.00
32	REMOVE HYDRANT	EACH	$500.00				$500.00				$500.00			2	$1,000.00
33	REMOVE WATERMAIN	LIN FT	$10.00				$100.00				$10,860.00			1096	$10,960.00
34	REMOVE DRAINAGE STRUCTURE (STORM)	EACH	$500.00							$3,500.00				7	$3,500.00
35	REMOVE STORM SEWER PIPE	LIN FT	$15.00							$5,325.00				355	$5,325.00
36	REMOVE SANITARY SEWER PIPE	LIN FT	$8.00						$6,920.00					865	$6,920.00
37	REMOVE SANITARY MANHOLE	EACH	$600.00						$1,200.00					2	$1,200.00
38	COMMON EXCAVATION	CU YD	$30.00					$110,850.00						3695	$110,850.00
39	SUBGRADE EXCAVATION	CU YD	$30.00				$7,500.00	$9,120.00						554	$16,620.00
40	RECLAIM BITUMINOUS SURFACE (IN PLACE)	SQ YD	$2.50				$7,495.00							2998	$7,495.00
41	RECLAIM BITUMINOUS SURFACE (LOAD & STOCKPILE)	SQ YD	$3.00					$10,500.00						3500	$10,500.00
42	SUBGRADE PREPARATION	SQ YD	$2.50				$7,495.00							2998	$7,495.00
43	GEOTEXTILE FABRIC TYPE V	SQ YD	$3.00					$10,926.00						3642	$10,926.00
44	STABILIZING AGGREGATE	CU YD	$50.00					$15,200.00						304	$15,200.00
45	SELECT GRANULAR BORROW (CV)	TON	$15.00					$33,195.00						2213	$33,195.00
46	CLASS 5 AGGREGATE BASE	TON	$20.00				$9,120.00	$29,660.00						1939	$38,780.00
47	CLASS 2 AGGREGATE SURFACING (GRAVEL DRIVEWAY)	TON	$100.00					$400.00						4	$400.00
48	BITUMINOUS WEARING COURSE (SPWEA240C)	TON	$82.00			$115,538.00	$29,766.00	$37,146.00						2225	$182,450.00
49	BITUMINOUS -NON-WEARING COURSE (SPNWB230C)	TON	$78.00				$28,314.00	$35,334.00						816	$63,648.00
50	BITUMINOUS MATERIAL FOR TACK COAT	GAL	$5.00			$5,030.00	$1,200.00	$1,375.00						1521	$7,605.00
51	2" BITUMINOUS STREET PATCH	SQ YD	$30.00			$75,420.00								2514	$75,420.00
52	MILL BITUMINOUS SURFACE (1.5")	SQ YD	$2.00			$7,416.00								3708	$7,416.00
53	MILL BITUMINOUS SURFACE (2")	SQ YD	$2.00			$17,714.00								8857	$17,714.00
54	3" BITUMINOUS DRIVEWAY	SQ YD	$40.00					$9,840.00						246	$9,840.00
55	JOINT ADHESIVE (MASTIC)	LIN FT	$1.00			$6,395.00	$1,623.00	$1,885.00						9903	$9,903.00
56	12" RC STORM PIPE	LF	$60.00							$12,060.00				201	$12,060.00
57	15" RC STORM PIPE	EACH	$75.00							$23,250.00				310	$23,250.00

ENGINEER'S ESTIMATE - 12/13/21

2022 STREET & UTILITY IMPROVEMENTS
CITY OF HOPKINS, MN
CITY PROJECT NO. 2021-010
BMI PROJECT NO. 0T1.124643

BOLTON & MENK
Real People. Real Solutions.

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				1ST AVE N		2ND AVE MILL & OVERLAY	6TH AVE S	7TH AVE S				10TH AVE N RECLAIM	SPOT CIPP LINING		
				10TH THRU 14TH MILL	8TH THRU 10TH RECLAIM			STREET	SANITARY	STORM	WATER				
58	STORM MANHOLE (48-4020)	EACH	$3,000.00							$3,000.00				1	$3,000.00
59	STORM MANHOLE (60-4020)	EACH	$5,500.00							$5,500.00				1	$5,500.00
60	STORM CATCH BASIN (2x3)	EACH	$2,000.00							$16,000.00				8	$16,000.00
61	LOWER DRAINAGE STRUCTURE	EACH	$1,200.00							$1,200.00				1	$1,200.00
62	CASTING ASSEMBLY (R-3067)(STORM)	EACH	$750.00							$7,500.00				10	$7,500.00
63	CASTING ASSEMBLY (R-1733)(STORM)	EACH	$1,000.00							$3,000.00				3	$3,000.00
64	ADJUST CASTING	EACH	$1,000.00				$3,000.00							3	$3,000.00
65	CONNECT TO EXISTING STORM PIPE	EACH	$1,500.00							$3,000.00				2	$3,000.00
66	CONNECT TO EXISTING DRAINAGE STRUCTURE	EACH	$1,500.00							$4,500.00				3	$4,500.00
67	8" PVC SDR 35 SANITARY SEWER PIPE	LIN FT	$70.00						$60,620.00					866	$60,620.00
68	COARSE AGGREGATE BEDDING (TYPE B)	LIN FT	$40.00						$17,320.00					433	$17,320.00
69	SEAL SANITARY MANHOLE	EACH	$1,500.00						$1,500.00				$12,000.00	9	$13,500.00
70	8" CIPP LINING	LIN FT	$35.00						$4,760.00				$50,995.00	1593	$55,755.00
71	TRIM PROTRUDING TAP	EACH	$300.00										$300.00	1	$300.00
72	6" PVC SDR 26 SANITARY SEWER SERVICE PIPE	LIN FT	$50.00						$29,100.00					582	$29,100.00
73	8" X 6" SDR 26 PVC SERVICE WYE	EACH	$600.00						$11,400.00					19	$11,400.00
74	CASTING ASSEMBLY (R-1733)(SANITARY)	EACH	$1,200.00				$1,200.00		$4,800.00					5	$6,000.00
75	SANITARY MANHOLE	LIN FT	$500.00						$18,050.00					36.1	$18,050.00
76	RECONNECT SANITARY SEWER SERVICE	EACH	$600.00						$11,400.00					19	$11,400.00
77	CONNECT TO EXISTING SANITARY SEWER PIPE	EACH	$2,500.00						$5,000.00					2	$5,000.00
78	INSTALL HYDRANT	EACH	$2,000.00				$2,000.00				$2,000.00			2	$4,000.00
79	DUCTILE IRON FITTINGS	POUND	$10.00								$9,830.00			983	$9,830.00
80	6" GATE VALVE & BOX	EACH	$2,000.00				$2,000.00				$16,000.00			9	$18,000.00
81	8" GATE VALVE & BOX	EACH	$2,500.00								$7,500.00			3	$7,500.00
82	6" DIP WATERMAIN	EACH	$60.00				$600.00				$12,240.00			214	$12,840.00
83	8" DIP WATERMAIN	EACH	$70.00								$66,500.00			950	$66,500.00
84	1" TYPE K COPPER SERVICE PIPE	LIN FT	$50.00								$11,000.00			220	$11,000.00
85	1" CURBSTOP & BOX	EACH	$500.00								$4,500.00			9	$4,500.00
86	1" CORPORATION STOP	EACH	$500.00								$4,500.00			9	$4,500.00
87	GROUNDING ANODE	EACH	$100.00								$1,800.00			18	$1,800.00
88	TRACER WIRE ACCESS BOX NON ROADWAY (WATER)	EACH	$75.00								$675.00			9	$675.00
89	TRACER WIRE TEST STATION (HYDRANT)	EACH	$75.00								$75.00			1	$75.00
90	FORD TYPE A-1 CURB BOX COVER	EACH	$120.00								$120.00			1	$120.00
91	RECONNECT WATER SERVICE	EACH	$500.00								$4,000.00			8	$4,000.00
92	CONNECT TO EXISTING WATERMAIN	EACH	$2,000.00				$2,000.00				$16,000.00			9	$18,000.00
93	INSTALL SAMPLING STATION	EACH	$2,000.00								$2,000.00			1	$2,000.00
94	TEMPORARY WATER SERVICE	EACH	$750.00								$5,250.00			7	$5,250.00
95	TEMPORARY WATER SERVICE (SPECIAL 1)	LUMP SUM	$25,000.00								$25,000.00			1.00	$25,000.00
96	TEMPORARY WATER SERVICE (SPECIAL 2)	LUMP SUM	$25,000.00								$25,000.00			1.00	$25,000.00
97	ADJUST GATE VALVE & BOX	EACH	$200.00				$600.00							3	$600.00
98	4" CONCRETE WALK	SQ FT	$6.00					$67,950.00						11325	$67,950.00
99	4" CONCRETE WALK (SPOT)	SQ FT	$10.00				$8,890.00							889	$8,890.00
100	CONCRETE CURB & GUTTER DESIGN B618	LIN FT	$20.00					$37,700.00						1885	$37,700.00
101	CONCRETE CURB & GUTTER DESIGN B618 (SPOT)	LIN FT	$30.00			$19,200.00	$5,340.00							818	$24,540.00
102	6" CONCRETE WALKS (PED RAMPS)	SQ YD	$150.00					$3,300.00						22	$3,300.00
103	6" CONCRETE DRIVEWAY	SQ YD	$75.00					$2,250.00						30	$2,250.00
104	8" CONCRETE DRIVEWAY/ALLEY	SQ YD	$100.00					$52,900.00						529	$52,900.00
105	TRUNCATED DOMES	SQ FT	$50.00					$1,200.00						24	$1,200.00
106	TRAFFIC CONTROL	LUMP SUM	$50,000.00			$20,000.00	$20,000.00	$10,000.00						1.00	$50,000.00
107	STABILIZED CONSTRUCTION EXIT	EACH	$1,000.00					$2,000.00						2	$2,000.00
108	STORM DRAIN INLET PROTECTION	EACH	$300.00			$3,900.00	$2,400.00			$4,200.00				35	$10,500.00
109	BIO ROLL	LIN FT	$15.00			$300.00								20	$300.00
110	TOPSOIL	CU YD	$40.00			$1,600.00	$440.00	$9,240.00						282	$11,280.00
111	HYDROSEEDING	SQ YD	$3.00			$1,068.00	$297.00							455	$1,365.00
112	SODDING, TYPE LAWN	SQ YD	$8.00					$11,088.00						1386	$11,088.00
113	LANDSCAPE ALLOWANCE	LUMP SUM	$50,000.00			$5,000.00	$5,000.00	$40,000.00						1.00	$50,000.00
114	24" SOLID WHITE (GR IN) - THERMOPLASTIC	LIN FT	$60.00			$5,700.00								95	$5,700.00

ENGINEER'S ESTIMATE - 12/13/21

2022 STREET & UTILITY IMPROVEMENTS
CITY OF HOPKINS, MN
CITY PROJECT NO. 2021-010
BMI PROJECT NO. 0T1.124643

BOLTON & MENK
Real People. Real Solutions.

ITEM NO.	ITEM	UNIT	UNIT PRICE	ESTIMATED COSTS										TOTAL QUANTITY	TOTAL COST
				1ST AVE N		2ND AVE MILL & OVERLAY	6TH AVE S	7TH AVE S				10TH AVE N RECLAIM	SPOT CIPP LINING		
				10TH THRU 14TH MILL	8TH THRU 10TH RECLAIM			STREET	SANITARY	STORM	WATER				
115	4" BROKEN YELLOW - MULTI COMPONET LIQUID	LIN FT	$1.00			$310.00								310	$310.00
116	4" DOUBLE YELLOW - MULTI COMPONET LIQUID	LIN FT	$2.00			$6,116.00								3058	$6,116.00
117	CROSSWALK - THERMOPLASTIC	SQ FT	$15.00			$2,430.00		$2,970.00						360	$5,400.00
SUBTOTAL				$ -	$ -	$ 314,537.00	$ 192,886.00	$ 754,340.00	$ 194,570.00	$ 107,035.00	$ 247,850.00	$ -	$ 63,295.00		$ 1,874,513.00
CONTINGENCIES (5%)				$ -	$ -	$ 15,726.85	$ 9,644.30	$ 37,717.00	$ 9,728.50	$ 5,351.75	$ 12,392.50	$ -	$ 3,164.75		$ 93,725.65
ENGINEERING AND ADMINISTRATION (21%)				$ -	$ -	$ 69,355.41	$ 42,531.36	$ 166,331.97	$ 42,902.69	$ 23,601.22	$ 54,650.93	$ -	$ 13,956.55		$ 413,330.12
TOTAL ESTIMATED BASE PROJECT COST				**$ -**	**$ -**	**$ 399,619.26**	**$ 245,061.66**	**$ 958,388.97**	**$ 247,201.19**	**$ 135,987.97**	**$ 314,893.43**	**$ -**	**$ 80,416.30**		**$ 2,381,568.77**
ADD ALTERNATE A - 10TH AVENUE N. RECLAIM															
A.1	MOBILIZATION	LUMP SUM	$10,000.00									$10,000.00		1.00	$10,000.00
A.2	REMOVE CURB AND GUTTER (SPOT)	LIN FT	$10.00									$2,690.00		269	$2,690.00
A.3	REMOVE CONCRETE WALK (SPOT)	SQ YD	$12.00									$1,956.00		163	$1,956.00
A.4	REMOVE PAVERS	SQ FT	$3.00									$3,162.00		1054	$3,162.00
A.5	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	$6.00									$750.00		125	$750.00
A.6	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN FT	$4.00									$828.00		207	$828.00
A.7	SUBGRADE EXCAVATION	CU YD	$30.00									$2,940.00		98	$2,940.00
A.8	RECLAIM BITUMINOUS SURFACE (IN PLACE)	SQ YD	$3.00									$8,739.00		2913	$8,739.00
A.9	SUBGRADE PREPARATION	SQ YD	$2.50									$7,282.50		2913	$7,282.50
A.10	CLASS 5 AGGREGATE BASE	TON	$20.00									$3,580.00		179	$3,580.00
A.11	BITUMINOUS WEARING COURSE (SPWEA240C)	TON	$82.00									$28,946.00		353	$28,946.00
A.12	BITUMINOUS -NON-WEARING COURSE (SPNWB230C)	TON	$75.00									$26,475.00		353	$26,475.00
A.13	BITUMINOUS MATERIAL FOR TACK COAT	GAL	$5.00									$1,170.00		234	$1,170.00
A.14	JOINT ADHESIVE (MASTIC)	LIN FT	$1.00									$1,234.00		1234	$1,234.00
A.15	ADJUST CASTING	EACH	$1,000.00									$2,000.00		2	$2,000.00
A.16	CASTING ASSEMBLY (R-1733)(SANITARY)	EACH	$1,200.00									$1,200.00		1	$1,200.00
A.17	ADJUST GATE VALVE & BOX	EACH	$200.00									$200.00		1	$200.00
A.18	4" CONCRETE WALK (SPOT)	SQ FT	$10.00									$11,520.00		1152	$11,520.00
A.19	CONCRETE CURB & GUTTER DESIGN B618 (SPOT)	LIN FT	$30.00									$8,070.00		269	$8,070.00
A.20	6" CONCRETE WALKS (PED RAMPS)	SQ YD	$150.00									$11,250.00		75	$11,250.00
A.21	TRUNCATED DOMES	SQ FT	$50.00									$5,700.00		114	$5,700.00
A.22	TRAFFIC CONTROL	LUMP SUM	$10,000.00									$10,000.00		1.00	$10,000.00
A.23	STORM DRAIN INLET PROTECTION	EACH	$300.00									$1,800.00		6	$1,800.00
A.24	TOPSOIL	CU YD	$40.00									$160.00		4	$160.00
A.25	HYDROSEEDING	SQ YD	$2.50									$55.00		22	$55.00
A.26	LANDSCAPE ALLOWANCE	LUMP SUM	$5,000.00									$5,000.00		1.00	$5,000.00
A.27	4" SOLID WHITE - MULTI COMPONET LIQUID	LIN FT	$1.00									$384.00		384	$384.00
A.28	CROSSWALK - THERMOPLASTIC	SQ FT	$15.00									$8,370.00		558	$8,370.00
SUBTOTAL				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 165,461.50	$ -		$ 165,461.50
CONTINGENCIES (5%)				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,273.08	$ -		$ 8,273.08
ENGINEERING AND ADMINISTRATION (21%)				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 36,484.26	$ -		$ 36,484.26
TOTAL ADD ALTERNATE A COST				$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 210,218.84	$ -		$ 210,218.84
ADD ALTERNATE B - 1ST STREET N. MILL & OVERLAY															
B.1	MOBILIZATION	LUMP SUM	$10,000.00	$10,000.00										1.00	$10,000.00
B.2	REMOVE CURB AND GUTTER (SPOT)	LIN FT	$10.00	$3,310.00										331	$3,310.00
B.3	REMOVE CONCRETE WALK (SPOT)	SQ YD	$12.00	$1,980.00										165	$1,980.00
B.4	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	$6.00	$936.00										156	$936.00
B.5	BITUMINOUS WEARING COURSE (SPWEA240C)	TON	$82.00	$40,180.00										490	$40,180.00
B.6	BITUMINOUS MATERIAL FOR TACK COAT	GAL	$5.00	$1,620.00										324	$1,620.00
B.7	2" BITUMINOUS STREET PATCH	SQ YD	$30.00	$24,300.00										810	$24,300.00
B.8	MILL BITUMINOUS SURFACE (2")	SQ YD	$2.00	$8,098.00										4049	$8,098.00
B.9	JOINT ADHESIVE (MASTIC)	LIN FT	$1.00	$2,421.00										2421	$2,421.00
B.10	CASTING ASSEMBLY (R-3067)(STORM)	EACH	$1,200.00	$1,200.00										1	$1,200.00

ENGINEER'S ESTIMATE - 12/13/21

2022 STREET & UTILITY IMPROVEMENTS
CITY OF HOPKINS, MN
CITY PROJECT NO. 2021-010
BMI PROJECT NO. 0T1.124643

BOLTON & MENK
Real People. Real Solutions.

ITEM NO.	ITEM	UNIT	UNIT PRICE	ESTIMATED COSTS										TOTAL QUANTITY	TOTAL COST
				1ST AVE N		2ND AVE MILL & OVERLAY	6TH AVE S	7TH AVE S				10TH AVE N RECLAIM	SPOT CIPP LINING		
				10TH THRU 14TH MILL	8TH THRU 10TH RECLAIM			STREET	SANITARY	STORM	WATER				
B.11	ADJUST CASTING	EACH	$1,000.00	$3,000.00										3	$3,000.00
B.12	CASTING ASSEMBLY (R-1733)(SANITARY)	EACH	$1,200.00	$3,600.00										3	$3,600.00
B.13	4" CONCRETE WALK (SPOT)	SQ FT	$10.00	$11,880.00										1188	$11,880.00
B.14	CONCRETE CURB & GUTTER DESIGN B618 (SPOT)	LIN FT	$30.00	$9,930.00										331	$9,930.00
B.15	6" CONCRETE WALKS (PED RAMPS)	SQ YD	$150.00	$4,950.00										33	$4,950.00
B.16	TRUNCATED DOMES	SQ FT	$50.00	$3,200.00										64	$3,200.00
B.17	TRAFFIC CONTROL	LUMP SUM	$10,000.00	$10,000.00										1.00	$10,000.00
B.18	STORM DRAIN INLET PROTECTION	EACH	$300.00	$3,600.00										12	$3,600.00
B.19	TOPSOIL	CU YD	$40.00	$840.00										21	$840.00
B.20	HYDROSEEDING	SQ YD	$2.50	$460.00										184	$460.00
B.21	LANDSCAPE ALLOWANCE	LUMP SUM	$5,000.00	$5,000.00										1.00	$5,000.00
B.22	4" BROKEN YELLOW - MULTI COMPONET LIQUID	LIN FT	$1.00	$250.00										250	$250.00
B.23	CROSSWALK - THERMOPLASTIC	SQ FT	$15.00	$7,920.00										528	$7,920.00
SUBTOTAL				$ 158,675.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 158,675.00
CONTINGENCIES (5%)				$ 7,933.75	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 7,933.75
ENGINEERING AND ADMINISTRATION (21%)				$ 34,987.84	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 34,987.84
TOTAL ADD ALTERNATE B COST				$ 201,596.59	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 201,596.59

ADD ALTERNATE C - 1ST STREET N. RECLAIM															
C.1	MOBILIZATION	LUMP SUM	$10,000.00		$10,000.00									1.00	$10,000.00
C.2	REMOVE CURB AND GUTTER (SPOT)	LIN FT	$10.00		$2,360.00									236	$2,360.00
C.3	REMOVE CONCRETE WALK (SPOT)	SQ YD	$12.00		$1,596.00									133	$1,596.00
C.4	REMOVE PAVERS	SQ FT	$3.00		$1,284.00									428	$1,284.00
C.5	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LIN FT	$6.00		$714.00									119	$714.00
C.6	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LIN FT	$4.00		$964.00									241	$964.00
C.7	SUBGRADE EXCAVATION	CU YD	$30.00		$2,970.00									99	$2,970.00
C.8	RECLAIM BITUMINOUS SURFACE (IN PLACE)	SQ YD	$3.00		$8,892.00									2964	$8,892.00
C.9	SUBGRADE PREPARATION	SQ YD	$2.50		$7,410.00									2964	$7,410.00
C.10	CLASS 5 AGGREGATE BASE	TON	$20.00		$3,620.00									181	$3,620.00
C.11	BITUMINOUS WEARING COURSE (SPWEA240C)	TON	$82.00		$29,438.00									359	$29,438.00
C.12	BITUMINOUS -NON-WEARING COURSE (SPNWB230C)	TON	$75.00		$40,350.00									538	$40,350.00
C.13	BITUMINOUS MATERIAL FOR TACK COAT	GAL	$5.00		$1,190.00									238	$1,190.00
C.14	JOINT ADHESIVE (MASTIC)	LIN FT	$1.00		$1,236.00									1236	$1,236.00
C.15	CASTING ASSEMBLY (R-1733)(SANITARY)	EACH	$1,200.00		$1,200.00									1	$1,200.00
C.16	4" CONCRETE WALK (SPOT)	SQ FT	$10.00		$7,740.00									774	$7,740.00
C.17	CONCRETE CURB & GUTTER DESIGN B618 (SPOT)	LIN FT	$30.00		$7,080.00									236	$7,080.00
C.18	6" CONCRETE WALKS (PED RAMPS)	SQ YD	$150.00		$7,050.00									47	$7,050.00
C.19	TRUNCATED DOMES	SQ FT	$50.00		$4,900.00									98	$4,900.00
C.20	TRAFFIC CONTROL	LUMP SUM	$10,000.00		$10,000.00									1.00	$10,000.00
C.21	STORM DRAIN INLET PROTECTION	EACH	$300.00		$600.00									2	$600.00
C.22	TOPSOIL	CU YD	$40.00		$600.00									15	$600.00
C.23	HYDROSEEDING	SQ YD	$2.50		$330.00									132	$330.00
C.24	LANDSCAPE ALLOWANCE	LUMP SUM	$5,000.00		$5,000.00									1.00	$5,000.00
C.25	4" BROKEN YELLOW - MULTI COMPONET LIQUID	LIN FT	$1.00		$120.00									120	$120.00
C.26	GREEN CROSSWALK -THERMOPLASTIC	SQ FT	$25.00		$5,400.00									216	$5,400.00
C.27	4" SOLID WHITE CROSSWALK - THERMOPLASTIC	LIN FT	$55.00		$3,960.00									72	$3,960.00
C.28	CROSSWALK - THERMOPLASTIC	SQ FT	$15.00		$11,430.00									762	$11,430.00
SUBTOTAL				$ -	$ 177,434.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 177,434.00
CONTINGENCIES (5%)				$ -	$ 8,871.70	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 8,871.70
ENGINEERING AND ADMINISTRATION (21%)				$ -	$ 39,124.20	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 39,124.20
TOTAL ADD ALTERNATE C COST				$ -	$ 225,429.90	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 225,429.90

ENGINEER'S ESTIMATE - 12/13/21

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ITEM NO.	ITEM	UNIT	UNIT PRICE	ESTIMATED COSTS										TOTAL QUANTITY	TOTAL COST
				1ST AVE N		2ND AVE MILL & OVERLAY	6TH AVE S	7TH AVE S				10TH AVE N RECLAIM	SPOT CIPP LINING		
				10TH THRU 14TH MILL	8TH THRU 10TH RECLAIM			STREET	SANITARY	STORM	WATER				
TOTAL ESTIMATED COST SUMMARY															
SUBTOTAL				$ 158,675.00	$ 177,434.00	$ 314,537.00	$ 192,886.00	$ 754,340.00	$ 194,570.00	$ 107,035.00	$ 247,850.00	$ 165,461.50	$ 63,295.00		$ 2,376,083.50
CONTINGENCIES (5%)				$ 7,933.75	$ 8,871.70	$ 15,726.85	$ 9,644.30	$ 37,717.00	$ 9,728.50	$ 5,351.75	$ 12,392.50	$ 8,273.08	$ 3,164.75		$ 118,804.18
ENGINEERING AND ADMINISTRATION (21%)				$ 34,987.84	$ 39,124.20	$ 69,355.41	$ 42,531.36	$ 166,331.97	$ 42,902.69	$ 23,601.22	$ 54,650.93	$ 36,484.26	$ 13,956.55		$ 523,926.41
TOTAL ESTIMATED PROJECT COST (W/ ALTERNATES)				**$ 201,596.59**	**$ 225,429.90**	**$ 399,619.26**	**$ 245,061.66**	**$ 958,388.97**	**$ 247,201.19**	**$ 135,987.97**	**$ 314,893.43**	**$ 210,218.84**	**$ 80,416.30**		**$ 3,018,814.09**

To: Honorable Mayor and City Council
From: Jason Lindahl, City Planner
Date: December 21, 2021
Subject: 325 Blake Road Planned Unit Development (PUD) Agreement

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Proposed Action

Staff recommends the City Council approve the following motion:

- Move to adopt Resolution 2021-089 approving the 325 Blake Road Planned Unit Development (PUD) Agreement and authorizing the Mayor and City Manager to enter into this agreement, subject to any modification approved by the City Attorney.

Overview

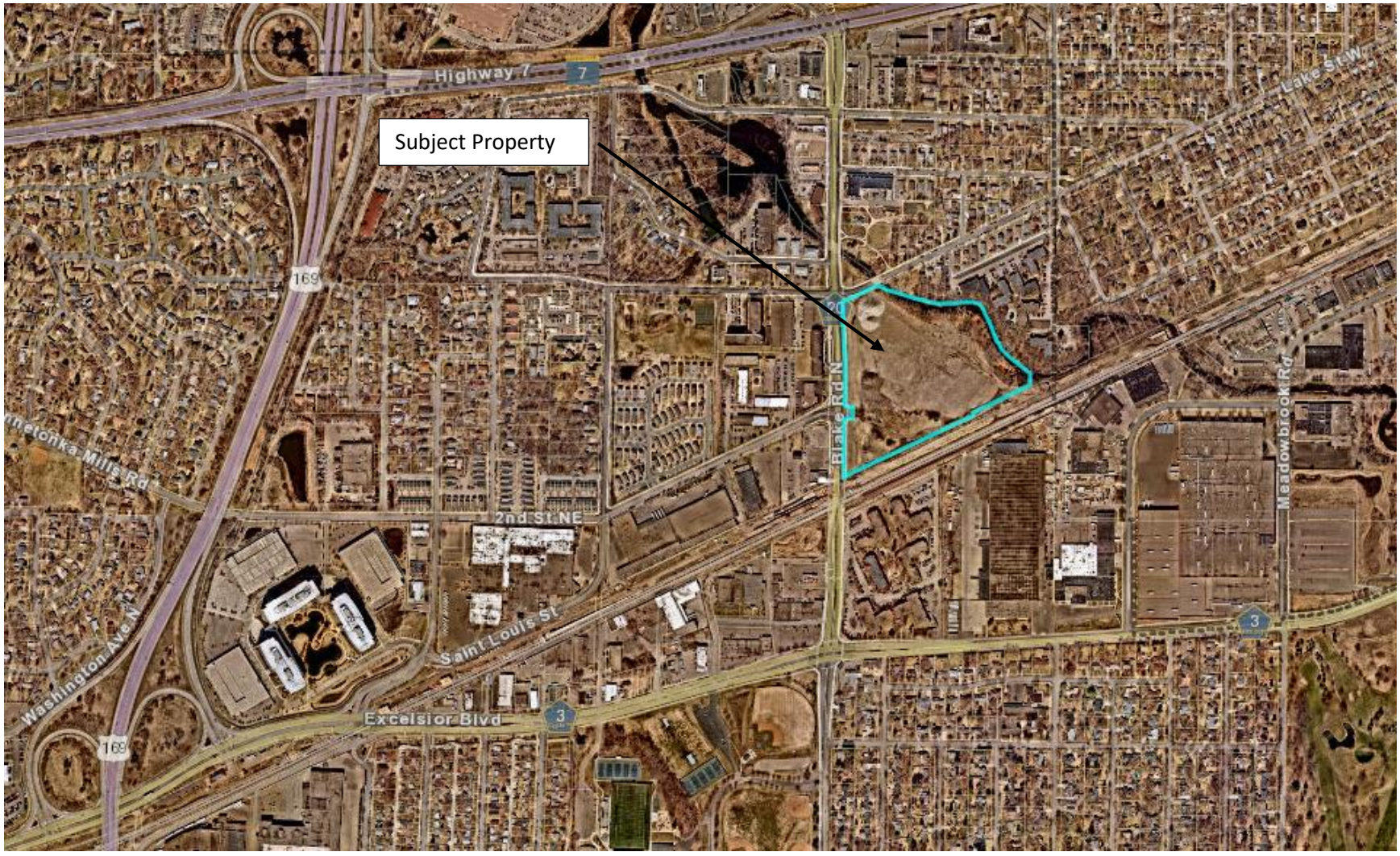
The applicant, Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), request approval of the 325 Blake Road Planned Unit Development (PUD) Agreement. This PUD agreement covers the 16.87-acre 325 Blake Road North property which is located on the west side of Blake Road between Lake Street Northeast and the Southwest Light Rail Transit/Cedar Lake Regional Trail corridor.

The planned unit development approval is necessary to allow for deviations from some of the Mixed Uses district development standards. These deviations are detailed in the attached planned unit development (PUD) agreement and were reviewed in each of the site plan review applications for Sites A - D. Together the rezoning application and the attached PUD agreement finalize the rezoning and Master Development Plan that will guide redevelopment of the 325 Blake Road Redevelopment Project.

Attachments

- Site Location Map
- Master Development Plan
- Resolution 2021-089
- Planned Unit Development (working draft)

Site Location Map for 325 Blake Road North



BUILDING A 5 story	112 units	891 s.f.

PODIUM PARKING - 2 levels- 147 spaces
LONG TERM BIKE PARKING - 64 spaces
SHORT TERM BIKE PARKING - 6 spaces

CLUBHOUSE & LEASING -2,300 s.f.

SENIOR COOP

BUILDING B 5 story	112 units	1,246 s.f.

PODIUM PARKING - 2 levels- 184 spaces
LONG TERM BIKE PARKING - 58 spaces
SHORT TERM BIKE PARKING - 6 spaces

CLUBHOUSE - 8,000 (total area)

BUILDING C 15 story	214 units	765 s.f.
5 story	175 units	721 s.f.

PARKING - 7 levels-520 spaces
LONG TERM BIKE PARKING - 216 spaces
SHORT TERM BIKE PARKING - 25 spaces

TOTAL UNITS PER BUILDING

Building	units	stories	NET avg
Building A	112 units	5 story	891 s.f
Building B	112 units	5 story	1,246 s.f
Building C-Tower	214 units	15 story	765 s.f
Building C-Wrap	175 units	5 story	721 s.f
Building D	187 units	5 story	677 s.f
Townhomes	33 units	3 story	1,790 s.f
Rest./boat house		1 story	
TOTALS	833 units		

townhomes 3 story	33 units	1,790 s.f.

Town homes garages- 66 spaces

RESTAURANTS-8,900 s.f.

BUILDING D 5 story	187 units	677 s.f.

PARKING - 5 levels- 277 spaces
LONG TERM BIKE PARKING - 102 spaces
SHORT TERM BIKE PARKING - 10 spaces

CLUBHOUSE -3,500 s.f.

SCALE: 1" = 40'
0 40 80 120
NORTH

OVERALL SITE PLAN LEGEND

HARDSCAPE
- ARTIFICIAL TURF
- DECKING
- BRIDGE
- CONCRETE PAVING
- CONCRETE PAVING - VEHICULAR
- DECORATIVE CONCRETE PAVING
- CONCRETE UNIT PAVERS
- CONCRETE UNIT PAVERS - VEHICULAR
- PERMEABLE CONCRETE UNIT PAVERS
- PERMEABLE CONCRETE UNIT PAVERS - VEHICULAR
- LIMESTONE UNIT PAVERS
- LIMESTONE FLAGGING
- CUT LIMESTONE TIERED BLOCKS
- CRUSHED AGGREGATE

LANDSCAPE
- LANDSCAPE PLANTING AREA
- STORMWATER PLANTING AREA
- TURF GRASS
- DECIDUOUS TREE
- ORNAMENTAL TREE
- EVERGREEN TREE
- DECIDUOUS SHRUB
- EVERGREEN SHRUB
- PERGOLA
- WATER / WATER FEATURE

OVERALL SITE INFORMATION

SITE AREA:	543,446 sf
BUILDING FOOTPRINT:	224,881 sf (43%)
HARDSCAPE / IMPERVIOUS AREA:	185,168 sf (34%)
LANDSCAPE / PERVIOUS AREA:	123,397 sf (23%)
TREES:	316
SHRUBS:	3,066
GROUNDCOVER:	51,500 sf

325 BLAKE ROAD N
HOPKINS, MN

ALATUS LLC
80 S 8th ST. STE. 4155
MINNEAPOLIS, MN 55402

LOUCKS
PLANNING
CIVIL ENGINEERING
LAND SURVEYING
LANDSCAPE ARCHITECTURE
ENVIRONMENTAL
7200 Hemlock Lane, Suite 300
Maple Grove, MN 55369
763.424.5505
www.loucksinc.com

DF/ DAMON FARBER LANDSCAPE ARCHITECTS
310 South 4th Avenue Suite 7050
Minneapolis, MN 55415 p: 612.332.7522

CADD QUALIFICATION

SUBMITTAL/REVISIONS
10/22/21 CITY SUBMITTAL
10/29/21 CITY RESUBMITTAL
11/15/21 CITY RESUBMITTAL

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

QUALITY CONTROL

DF/ Project No.	19-199B
Project Lead	JM
Drawn By	AM/JH
Checked By	JM/TW
Review Date	

SHEET INDEX

MASTER DEVELOPMENT PLAN

L1-1

Plotted: 11/15/2021

CITY OF HOPKINS
Hennepin County, Minnesota

RESOLUTION 2021-089

A RESOLUTION APPROVING THE 325 BLAKE ROAD PLANNED UNIT DEVELOPMENT (PUD) AGREEMENT

WHEREAS, the applicant, Alatus, LLC on behalf of the property owner the Minnehaha Creek Watershed District (MCWD), initiated a rezoning application to rezone the property located at 325 Blake Road North with PID 19-117-21-14-0002 to Mixed Use with a Planned Unit Development (PUD), and

WHEREAS, this property is legally described as follows:

LOT 74 AND COM AT A PT IN THE E LINE OF MONK AVE DIST 14 48/100 FT S FROM ITS INTERSEC WITH THE NWLY LINE OF LOT 97 TH N 14 48/100 FT TO SAID NWLY LINE THEREOF TH NELY 845 FT ALONG SAID NWLY LINE TH S14 48/100 FT PAR WITH E LINE OF MONK AVE TH SWLY 845 FT TO BEG EXROAD, AUDITOR'S SUBDIVISION NO. 239 HENNEPIN COUNTY, MINN

WHEREAS, the procedural history of the application is as follows:

1. That the above stated application was initiated by the applicant on October 22, 2021; and,

2. That the Hopkins Planning & Zoning Commission, pursuant to published and mailed notice, held a public hearing to review such application on November 23, 2021 and all persons present were given an opportunity to be heard; and,

3. That written comments and analysis of City staff were considered; and,

4. That the Hopkins Planning & Zoning Commission reviewed this application during the November 23, 2021 meeting and recommended approval by the City Council, subject to conditions; and

5. That the Hopkins City Council reviewed this item during the December 7, 2021 meeting, agreed with the findings of the Planning & Zoning Commission and approved Resolution 2021-077 approving the first reading of Ordinance 2021-1177 rezoning the property located at 325 Blake Road North with PID 19-117-21-14-0002 to Mixed Use with a Planned Unit Development (PUD); and

6. That the Hopkins City Council conducted a second reading of Ordinance 2021-1177 during the December 21, 2021 meeting and approved Resolution 2021-088 approving the second reading of Ordinance 2021-1177 rezoning the property located at 325 Blake Road North with PID 19-117-21-14-0002 to Mixed Use with a Planned Unit Development (PUD).

WHEREAS, staff recommended approval of the 325 Blake Road Planned Unit Development (PUD) Agreement based on the findings outlined in the staff report dated December 7, 2021 and the staff memo dated December 21, 2021.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hopkins hereby approves the 325 Blake Road Planned Unit Development (PUD) Agreement and authorizes the Mayor and City Manager to enter into this agreement, subject to any modification approved by the City

Attorney.

Adopted by the City Council of the City of Hopkins this 21st day of December, 2021.

By:_____
Jason Gadd, Mayor

ATTEST:

_____
Amy Domeier, City Clerk

PLANNED UNIT DEVELOPMENT AGREEMENT

THIS PLANNED UNIT DEVELOPMENT AGREEMENT ("Agreement") is made this ___ day of _____, 20__, by and between the CITY OF HOPKINS, a Minnesota municipal corporation, (the "City"), and Alatus Hopkins MD LLC, a _____ limited liability company (the "Developer").

Recitals

A. The Developer is in the process of acquiring certain real estate located in the City of Hopkins, Hennepin County, Minnesota, legally described as

(See Exhibit A)

(the "Property").

B. The Developer desires to facilitate the development of a multi-phase, mixed-use development with a total of approximately 800 residential units and approximately 19,400 square feet of commercial space (the "Development").

C. To accommodate the Development, the City approved a preliminary plat of the Property via Resolution 2021-078 (the "Preliminary Plat Approval"), adopted by the City Council on December 7, 2021, and the City approved a final plat of the Property via Resolution No. 2021-087 (the "Final Plat Approval"), adopted by the City Council on December 21, 2021, which are incorporated into this Agreement as if fully set forth herein. The plat of the Property is entitled MILE 14 ON MINNEHAHA CREEK.

D. To accommodate the Development, the City also conditionally approved a rezoning of the Property to Mixed Use/PUD, per Ordinance 2021-1177 (the "Rezoning Approval"), adopted by the City Council on December 21, 2021, which is incorporated into this Agreement as if fully set forth herein.

E. To accommodate the Development, the City also conditionally approved four planned unit development site plans per Resolutions 2021-079, 2021-080, 2021-081, and 2021-082 (collectively, the "Site Plan Approvals"), adopted by the City Council on December 7, 2021, which

are each incorporated into this Agreement as if fully set forth herein.

F. The Preliminary Plat Approval, the Rezoning Approval, and the Site Plan Approvals shall be referred to collectively in this Agreement as the "City Approvals."

G. As a condition of the City Approvals, the City required the Developer to enter into a planned unit development agreement, and the parties hereto are willing to be bound by the terms and conditions provided herein.

Agreement

In consideration of each party's promises as set forth in this Agreement, it is mutually agreed as follows:

ARTICLE ONE
REPRESENTATIONS AND WARRANTIES

1.01. City Representations and Warranties. The City makes the following representations as the basis for the undertakings on its part contained herein:

A. The City is a municipal corporation under the laws of Minnesota.

B. The City has the right, power, and authority to execute, deliver, and perform its obligations under this Agreement.

1.02. Developer Representations and Warranties. The Developer makes the following representations as the basis for the undertakings on its part contained herein:

A. The Developer is a limited liability company, duly organized and in good standing under the laws of Minnesota.

B. The Developer has the right, power, and authority to execute, deliver, and perform its obligations under this Agreement. The Developer assures the City that the individuals who execute this Agreement on behalf of the Developer are duly authorized to sign on behalf of the Developer and to bind the Developer thereto.

C. The Developer is not in default under any lease, contract, or agreement to which it is a party or by which it is bound which would affect its performance under this Agreement. The Developer is not a party to or bound by any mortgage, lien, lease, agreement, instrument, order, judgment, or decree which would prohibit the execution or performance of this Agreement by the Developer or prohibit any of the transactions provided for in this Agreement.

D. The Developer has complied with and will continue to comply with all applicable federal, state and local statutes, laws, ordinances, and regulations including, without limitation, any permits, licenses, and applicable zoning, environmental, or other laws, ordinances, or regulations affecting the Property. The Developer is not aware of any pending or threatened claim of any such

violation. Without limitation of the foregoing, the Developer expressly acknowledges and agrees that it has and shall at all times comply with each and every provision of the City's subdivision, zoning, and other related municipal code regulations.

E. There is no suit, action, arbitration, or legal, administrative, or other proceeding, or governmental investigation pending or threatened against or affecting the Property or against the Developer that would affect the Property. The Developer is not in default with respect to any order, writ, injunction, or decree of any federal, state, local or foreign court, department, agency, or instrumentality affecting the Property.

F. None of the representations and warranties made by the Developer or made in any exhibit hereto or memorandum or writing furnished or to be furnished by the Developer or on its behalf contains or will contain any untrue statement of material fact or omits any material fact, the omission of which would be materially misleading.

1.03. Incorporation of Recitals, City Approvals, and Exhibits. The Recitals set forth in the preamble to this Agreement, the City Approvals, and the Exhibits attached to this Agreement are incorporated into this Agreement as if fully set forth herein.

ARTICLE TWO
IMPROVEMENTS, PLATTING, AND OTHER REQUIREMENTS

2.01. Improvements. Following the platting of the Property, as required by this Agreement, certain public improvements shall be constructed and otherwise installed by the Developer and after completion will be dedicated to and accepted by the City (the "Public Improvements"). The Public Improvements will extend the system of City streets and utility systems to provide adequate access, sewer main, water main, and storm sewer facilities to Property and, more specifically, the development contemplated herein. Other non-public improvements that may be constructed by the Developer, either in conjunction with the Public Improvements or in the future and which are part of or otherwise in support of the proposed mixed-use development shall be herein referred to as the "Private Improvements." The Public Improvements and Private Improvements may be collectively referred to in this Agreement as the "Improvements." The Developer agrees to grant or dedicate via the plat of the Property all right-of-way and other easements necessary for the Public Improvements, in the City's discretion.

2.02. Plan Approval. Before proceeding with any construction of the Improvements, the Developer shall submit to the City the required engineering plans and specifications, and all associated documentation, outlining the development, including all Improvements necessary (collectively, the "Plans"), for review and approval by the City and its engineer. All construction, including both the Public and Private Improvements, shall be in conformance with the approved Plans and any future City approval documents, including but not limited to those approvals relating to the final plat of the Property. The Public Improvements shall be constructed to all City standards and requirements for publicly owned and operated infrastructure, in the sole discretion of the City engineer, and the Plans shall only be carried out after they are approved, in writing, by the City engineer.

2.03. Obligations Related to Improvements.

a. The Developer shall construct and install all Improvements at the Developer's sole cost and expense and shall furnish all materials, tools, equipment, and labor necessary to complete the Improvements in accordance with the approved Plans. The Developer shall obtain all necessary permits and approvals before beginning construction of the Improvements, and the Developer shall construct the Improvements in a workmanlike and timely manner according to the Plans and any other requirements imposed by the City. The Developer shall not commence construction of any of the Improvements and no permits for the Improvements shall be issued until the final plat of the Property is approved by the City and recorded in land records in Hennepin County. Notwithstanding the foregoing, the Developer shall complete construction of all Public Improvements on or before _____, 20____.

b. In completing the Improvements, Developer shall comply and cause its agents and employees to comply with all federal, state, and local laws and regulations applicable to the Improvements.

c. Developer shall take all reasonable precautions necessary to protect the public from injury, including but not limited to taking all reasonable precautions to prevent the public from entering the site of the Improvements during construction and erecting signs advising the public of the danger of entering the construction site.

d. The Developer shall be responsible for street maintenance for any new public streets, including street sweeping, until the entire development is complete and the City thereafter has accepted all Public Improvements. The Developer shall be financially responsible for the repair of any damage done to the streets and public utilities from the time of installation until the Public Improvements have been approved and accepted by the City.

2.04. Financial Guarantee. Prior to commencement of construction of any Improvements, the Developer agrees to furnish the City with a cash escrow or irrevocable letter of credit from a bank in the amount of 125 percent of the estimated costs of the Public Improvements (the "Financial Guarantee"), and such estimate shall be based on received bids or other evidence satisfactory to the City engineer in its sole discretion after the Plans are approved.

Upon failure of Developer to perform any of its obligations under this Agreement, the City may declare the Developer to be in default and, upon failure of the Developer to cure the default within 30 days' written notice as provided in section 3.12 of this Agreement, may immediately draw on and utilize the Financial Guarantee for purposes of curing said default to any extent it deems necessary. The City shall also be reimbursed through the Financial Guarantee for any attorneys' fees, engineering fees, or other technical, administrative, or professional assistance reasonably required in response to an event of default by the Developer. The Developer shall be liable to the City in the event that the Financial Guarantee is inadequate to reimburse the City for its costs associated with curing a Developer's default. Upon completion of the Improvements and passage

of any and all required inspections and final acceptance of the Public Improvements by the City, absent any default of the Developer, the Financial Guarantee may be released in full.

If the Financial Guarantee consists of a letter of credit, it shall be issued by a bank determined by the City to be solvent and creditworthy and shall be in a form acceptable to the City. The letter of credit shall be automatically renewable until the City releases the Developer from responsibility. The letter of credit shall secure compliance with the terms of this Agreement and all obligations of the Developer under it. With City approval, at its sole discretion, the letter of credit may be reduced from time to time as financial obligations are paid and Improvements completed to the City's requirements, it being the intent to retain a financial security of no less than 125 percent of any outstanding Public Improvements at all times.

If at any time the City reasonably determines that the bank issuing the letter of credit no longer satisfies the City's requirements regarding solvency and creditworthiness, the City shall notify the Developer and the Developer shall provide the City within 45 days a substitute for the letter of credit from another bank meeting the City's requirements. If the Developer fails to provide the City within 30 days with a substitute Letter of Credit from an issuing bank satisfactory to the City, the City may draw under the existing Letter of Credit.

2.05. Warranty/Maintenance. The Developer hereby provides the City with a warranty for the proper operation of the Public Improvements for a period of two years following acceptance of the Public Improvements by the City (the "Warranty Period"). To that end, upon completion of the Public Improvements and prior to their acceptance by the City, the Developer and/or Developer's contractors shall be required to furnish a two-year warranty bond in the amount of 100% of the total cost of the Public Improvements guaranteeing the work of the construction of the Public Improvements to the City. During the Warranty Period, the Developer shall be solely responsible for repairing any issues that may arise with respect to the proper operation of the Public Improvements. Upon written notification by the City to the Developer identifying a deficiency, the Developer shall take all necessary steps to repair or replace the deficiency within 30 days, including exercising any rights pursuant to the contractors' two-year warranties. The City may, at its sole discretion, provide Developer with additional time to complete these repairs, and such requests shall not be unreasonably denied.

2.06. Authority to Work in Right-of-Way. Until the Public Improvements are accepted by the City, the City hereby grants to the Developer and its contractors a limited, non-exclusive right to work within the City's right-of-way and other public easements, as may be reasonably necessary, for the sole purpose of completing the Improvements contemplated herein and outlined in the approved Plans.

2.07. Permits. The Developer shall obtain any necessary permits from the City, the Minnesota Pollution Control Agency, the Minnesota Department of Natural Resources, the Minnesota Department of Health, the Minnesota Department of Transportation, Hennepin County, and any other public agency that may have jurisdiction over the Property before proceeding with any construction.

2.08. Engineer Construction Observation of Public Improvements.

a. The City engineer shall to the extent it deems reasonably necessary perform construction observation throughout construction of the Public Improvements and, accordingly, the Developer will allow the City engineer complete access to the site at any and all times. The Developer shall provide the City engineer with a construction schedule prior to commencing construction, and the Developer agrees to make its best efforts to comply with said construction schedule. The Developer agrees to reimburse the City for all fees and costs associated with observation, review, and administration of the Public Improvements contemplated herein pursuant to section 3.01 of this Agreement.

b. The Developer agrees to take all steps, at its sole expense, and which the City engineer reasonably deems necessary to satisfactorily complete the Public Improvements in conformance with the Plans. The City engineer will notify the City when the Developer has fully completed the Public Improvements in conformance with the Plans, and Developer understands and agrees that the City will not be obligated to accept the Public Improvements until the City has received such notice from its engineer.

2.09. Maintenance and Ownership. Developer shall be solely responsible for maintenance of the Public Improvements during the construction thereof. Upon formal acceptance by the City via resolution, the Public Improvements shall become the property of the City without any further act or deed of the Developer; provided, however, that the City shall assume responsibility for repairs of the Public Improvements, normal wear and tear excepted, only after the Warranty Period outlined in section 2.05 has expired.

2.10. Platting. The Developer shall plat or cause the platting by a third party of the Property in accordance with the Hopkins City Code, this Agreement, state statutes, and all City Approvals as MILE 14 ON MINNEHAHA CREEK. Prior to approval of the final plat by the City, the Developer shall amend the plat as required by any preliminary plat approval, the Hopkins City Code, this Agreement, City consultants, and state statutes.

2.11. City Attorney Review; Title Work. Prior to recording the final plat with Hennepin County, the Developer agrees to provide the City with updated title work for the Property identifying any other entity with a legal interest in the Property, including but not limited to any entity with a mortgage interest, easement interest, etc. Any plat approval is subject to the Developer's compliance with this provision.

The Developer shall provide an updated and certified Abstract of Title and/or Registered Property Abstract as required by Minn. Stat. § 505.03, or in the alternative, the Developer must provide an updated Commitment for a Title Insurance Policy for the Property naming the City as the proposed insured and with the amount of coverage for this policy being equal to $100,000.00. The above-mentioned evidence of title shall be subject to the review and approval of the City Attorney to determine what entities must execute the final plat and other documents to be recorded against the Property. In the event the Developer provides the City with a Commitment for a Title Insurance Policy, the Developer shall cause a Title Insurance Policy to be issued consistent with the Commitment for a Title Insurance Policy provided by the Developer and the requirements of the City

Attorney and with an effective date on which the final plat is recorded (the City will not issue any building permits or certificates of occupancy until it is provided with said Title Insurance Policy). Further, the Developer shall provide the City with evidence, which sufficiency shall be determined by the City, that all documents required to be recorded pursuant to this Agreement and by the City Attorney are recorded and all conditions for release of the final plat have been met prior to the City processing or approving any building permits or other permits applicable to the development of the Property.

2.12. Plat Modifications and Revisions. The parties to this Agreement acknowledge that various potential modifications and revision issues associated with the plat may need to occur. The Developer agrees to undertake, assist with and resolve such issues as directed by the City. The Developer and the City agree to cooperate with each other and their representatives regarding any reasonable requests made subsequent to the execution of this Agreement to revise or correct any errors in the plat and to provide any and all additional documentation deemed necessary by either party to effectuate such revisions or corrections to the plat.

2.13. Park Dedications/Fees/Dedications. Without limitation of any other obligation of the Developer contained in this Agreement or set forth in federal, state, or local law, the Developer agrees to comply with any dedication requirements, including park dedications or payments in lieu which may be required by the City's subdivision regulations.

The Developer further expressly acknowledges and agrees that all easements and other rights in the Property necessary and related to the City's control over the public dedications (all of which shall be described in the plat required by the City's subdivision regulations), shall inure to the City upon the Developer's compliance with this Agreement and approval and recording of a final plat as set forth in the City's subdivision regulations.

2.14. Property Monumentation. The Developer agrees to install all permanent subdivision monumentation within six (6) months from the date of recording of the final plat, and shall submit to the City written certification by a licensed land surveyor that the required monuments have been installed throughout the plat. All monuments shall be marked with a steel or fiberglass post to allow for easy location following their installation.

2.15. City Approvals. The Developer shall satisfy, complete and abide by all requirements set forth in any City approvals related to the Property, including adequately addressing all items as may be directed by the City Attorney, City Engineer or others with review and approval authority of the City including any plat, or engineer opinions and the City Attorney's plat opinion, and all adopted City ordinances and resolutions affecting the Property and the proposed development.

2.16. Additional Requirements. The Developer shall satisfy, complete and abide by all requirements set forth in the City Approvals, the PUD Declaration (as hereinafter defined), and any other adopted City ordinances and resolutions affecting the Property, all of which are incorporated herein by reference as if fully set forth in this Agreement. In doing so, the Developer shall adequately address all items as may be directed by the City Attorney, the City Engineer or others with review and approval authority for the City with respect to the City Approvals, the PUD Declaration, and any other adopted City ordinances and resolutions affecting the Property.

2.17. Zoning/PUD. Pursuant to the Rezoning Approval, the Property was rezoned to Mixed Use/Planned Unit Development. In order to secure the benefits and advantages of the approved planned unit development, the Developer shall execute and record a Declaration of Covenants, Conditions and Restrictions against the Property in the form attached hereto as Exhibit B (the "PUD Declaration").

2.18. Stormwater Management Requirements. As part of the Improvements, the Developer shall be responsible for the construction, operation, and maintenance of stormwater management facilities to achieve compliance with applicable stormwater treatment requirements. The Developer shall be required to execute and record a stormwater declaration in favor of the Minnehaha Creek Watershed District ("MCWD") to the satisfaction of the MCWD for those stormwater facilities constructed. The purpose of the declaration is to ensure that the Developer, and future developers/owners of the Property, maintain the stormwater facilities. The declaration shall be recorded against the Property and will run with the land. The Developer acknowledges that i) the City will not accept ownership of the stormwater facilities; and ii) the City does not plan to maintain or pay for maintenance, repair or replacement of the stormwater facilities and that the Developer will have responsibility for such work.

ARTICLE THREE
ADDITIONAL REQUIREMENTS

3.01. Payment of City Costs. The Developer agrees to reimburse the City its actual costs regarding: (i) preparing and administering this Agreement and all other documents, permits, and applications related to the proposed development; (ii) processing the approvals relating to the development of the Property; and (iii) any other cost expressly required under or directly related to this Agreement. In addition to and without limitation of the foregoing, the costs to be reimbursed by the Developer to the City shall include, but not be limited to, attorneys' fees, engineering fees, inspection fees, and the costs and fees of other technical and professional assistance (including but not limited to the cost of City staff time) incurred or expended by the City on activities arising out of this Agreement and other undertakings directly related thereto. The Developer shall, upon request by the City, pay such costs to the City within 30 days of such request.

In the event the City does not recover any costs under the provisions of this section 3.01, as an additional remedy, the City may, at its option, assess the Property in the manner provided by Minnesota Statutes, chapter 429, and the Developer hereby consents to the levy of such special assessments without notice or hearing and waives its rights to appeal such assessments pursuant to Minnesota Statutes, section 429.081, provided the amount levied, together with the funds deposited with the City under this section, does not exceed the expenses actually incurred by the City. Further, the City may, at its option, as an additional remedy, recover expenses actually incurred by the City, in the manner provided by Minnesota Statutes, sections 415.01, 366.011 and 366.012, and the Developer hereby consents to the levy of such assessments without notice or hearing and waives its rights to appeal such assessments pursuant to such Minnesota Statutes, provided the amount levied, together with the funds deposited with the City under this section 3.01, does not exceed the expenses actually incurred by the City pursuant to this Agreement.

This section 3.01 shall survive termination of this Agreement and shall be binding on the Developer regardless of the enforceability of any other provision of this Agreement.

3.02. Attorneys' Fees. The Developer agrees to pay the City's reasonable costs and expenses, including attorneys' fees, in the event a suit or action is brought by the City against the Developer to enforce the terms of this Agreement.

3.03. Amendment. Any amendment to this Agreement must be in writing and signed by both parties.

3.04. Assignment. The Developer may not assign any of its obligations under this Agreement without the prior written consent of the City. Notwithstanding the foregoing, the Developer may, without the City's consent transfer assign this Agreement to an affiliate of the Developer that is owned by or under common ownership with the Developer or any affiliate of Developer; provided that any such transferee must enter into an agreement pursuant to which it assumes and agrees to perform the obligations of the Developer under this Agreement.

3.05. Agreement to Run with Land. This Agreement shall be recorded among the land records of Hennepin County, Minnesota. The provisions of this Agreement shall run with the Property and be binding upon the Developer and its assigns or successors in interest. Notwithstanding the foregoing, no conveyance of the Property or any part thereof shall relieve the Developer of its liability for full performance of this Agreement unless the City expressly so releases the Developer in writing. Additionally, in the event that all obligations of the Developer contained in this Agreement are duly satisfied, the City shall, upon written request from the Developer or any of its assigns or successors in interest, execute a document (a) releasing the Property from the terms and conditions of this Agreement; (b) stating the Developer is in good standing under this Agreement. The execution and recording of such instrument shall not affect or otherwise alter the PUD Declaration. Any such instrument may be executed by the city manager without city council approval.

Prior to the recording of this Agreement or any documents required herein with Hennepin County, the Developer agrees to provide the City with a signed consent from any other entity with a legal interest in the Property, including but not limited to any entity with a mortgage interest. Further, the Developer shall provide the City with evidence, which sufficiency shall be determined by the City, in its sole discretion, that all documents required to be recorded pursuant to this Agreement are recorded and all conditions related to the City Approvals have been met prior to the City processing or approving any building permits or other permits applicable to the development of the Property. The City Approvals are subject to the Developer's compliance with this section.

3.06. Representatives Not Individually Liable. No official, agent, or employee of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City on any obligation or term of this Agreement. No agent, officer or employee of the Developer shall be personally liable to the City, or any successor in interest, in the event of any default or breach by the Developer on any obligation or term of this Agreement.

3.07. Notices and Demands. Any notice, demand, or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally:

(a)	as to the Developer:	Alatus Hopkins MD LLC IDS Center 80 South 8th Street, Suite 4155 Minneapolis, MN 55402 Attn: Robert Lux
	with a copy to:	Fabyanske, Westra, Hart & Thomson, P.A. Suite 2600 333 South Seventh Street Minneapolis, MN 55402 Attn: Steve Cox
(b)	as to the City:	City of Hopkins 1010 1st Street South Hopkins, MN 55343 Attn: City Manager
	with a copy to:	Scott J. Riggs, City Attorney Kennedy & Graven, Chartered 150 South 5th Street, Suite 700 Minneapolis, MN 55402

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section 3.07.

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

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

3.10. Choice of Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

3.11. Indemnification. Notwithstanding anything to the contrary in this Agreement, the City, its officials, agents, and employees shall not be liable or responsible in any manner to the Developer, the Developer's successors or assigns, the Developer's contractors or subcontractors, material suppliers, laborers, or to any other person or persons for any claim, demand, damage, or cause of action of any kind or character arising out of or by reason of the execution of this Agreement or the performance of this Agreement except with respect to matters of gross negligence or willful misconduct of the City

or its officials, agents, or employees. The Developer, and the Developer's successors or assigns, agree to protect, defend and save the City, and its officials, agents, and employees, harmless from all such claims, demands, damages, and causes of action and the costs, disbursements, and expenses of defending the same, including but not limited to, attorneys' fees, consulting engineering services, and other technical, administrative, or professional assistance except with respect to matters of gross negligence or willful misconduct of the City or its officials, agents, or employees. Nothing in this Agreement shall constitute a waiver or limitation of any immunity or limitation on liability to which the City is entitled under Minnesota Statutes, chapter 466 or otherwise.

This section 3.11 shall survive termination of this Agreement with respect to matters first arising prior to such termination and shall be binding on the Developer regardless of the enforceability of any other provision of this Agreement.

3.12. Developer's Default. In the event of an uncured default by the Developer as to any work or undertaking required by this Agreement, the City may, at its option, (i) refuse to issue building permits, certificates of occupancy, or other City approvals for the Property until such time as such default has been cured; or (ii) perform any work required under this Agreement, and the Developer shall promptly reimburse the City for any expense incurred by the City related thereto. An "uncured default" is any default the Developer has not cured, or undertaken to cure, within 30 days from the date the City notifies Developer of such default. This Agreement is a license for the City to enter onto the Property and act in accordance with the terms of this Agreement, and it shall not be necessary for the City to seek an order from any court for permission to enter the Property for such purposes. If the City does any such work, the City may, in addition to its other remedies, levy special assessments against the Property to recover the costs thereof. For this purpose, the Developer, for itself and its successors and assigns, expressly waives any and all procedural and substantive objections to the special assessments, including, but not limited to, hearing requirements and any claim that the assessments exceed the benefit to the land so assessed. The Developer, for itself and its successors and assigns, also waives any appeal rights otherwise available pursuant to Minnesota Statutes, section 429.081.

3.13. Compliance with Existing Laws. The Developer warrants that all work performed pursuant to this Agreement shall be in compliance with existing laws, ordinances, pertinent regulations, standards, and specifications of the City.

3.14. Building Permits. The City Approvals and this Agreement do not include approval of any building permits for any structures on the Property. The Developer must submit and the City must approve building plans prior to an application for a building permit for a structure on the Property. The Developer or the parties applying for the building permit shall be responsible for payment of the customary fees associated with the building permits and other deferred fees as specified in this Agreement. In addition to all other remedies, permits may be withheld if the Developer is in violation of any of the terms of this Agreement.

3.15. City's Access. The Developer hereby grants the City, its agents, employees, officers and contractors a non-revocable, non-exclusive, license to enter the Property to perform any work and inspections deemed appropriate by the City related to any of the Developer's obligations contained in this Agreement. Such license shall terminate upon the issuance of a certificate of occupancy for

all Improvements contemplated as part of the development.

3.16. Miscellaneous Provisions.

A. The Developer represents to the City that the development of the Property will comply with all city, county, state, and federal laws and regulations including, but not limited to: subdivision ordinances, zoning ordinances and environmental regulations. If the City determines that the development of the Property does not comply, the City may, at its option, refuse to allow construction or development work on the Property until the Developer does comply. Upon the City's demand, the Developer shall cease work until there is compliance.

B. Third parties shall have no recourse against the City under this Agreement.

C. An ongoing default by the Developer under the terms of this Agreement shall be grounds for denial of building permits or certificates of occupancy until any such defaults are cured by the Developer.

D. Wherever possible, each provision of this Agreement and each related document shall be interpreted so that it is valid under applicable law. If any provision of this Agreement or any related document is to any extent found invalid by a court or other governmental entity of competent jurisdiction, that provision shall be ineffective only to the extent of such invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement or any other related document.

E. No failure by any party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach of any other covenant, agreement, term, or condition, nor does it imply that such covenant, agreement, term, or condition may be waived again. The action or inaction of the City shall not constitute a waiver or amendment to the provisions of this Agreement. To be binding, amendments or waivers shall be in writing and signed by the parties. The City's failure to promptly take legal action to enforce this Agreement shall not be a waiver or release.

G. Each right, power, or remedy herein conferred upon the City is cumulative and in addition to every other right, power, or remedy, express or implied, now or hereafter arising, available to the City, at law or in equity, or under any other agreement, and each and every right, power and remedy herein set forth or otherwise so exciting may be exercised from time to time as often and in such order as may be deemed expedient by the City and shall not be a waiver of the right to exercise at any time thereafter any other right, power, or remedy.

H. This Agreement, together with the exhibits hereto, which are incorporated by reference, constitutes the complete and exclusive statement of all mutual understandings between the parties with respect to this Agreement, superseding all prior or contemporaneous proposals, communications, and understandings, whether oral or written, pertaining to the subject matter of this Agreement.

I. No official, agent, or employee of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City on any obligation or term of this Agreement.

J. Data provided to the Developer or received from the Developer under this Agreement shall be administered in accordance with the Minnesota Government Data Practices Act, Minnesota Statutes, chapter 13.

[The remainder of this page to remain intentionally blank].

IN WITNESS OF THE ABOVE, the parties have caused this Agreement to be executed on the date and year written above.

THE CITY:

By: _____
Jason Gadd
Mayor

By: _____
Michael Mornson
City Manager

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ___ day of _____, 20__, by Jason Gadd and Michael Mornson, the Mayor and City Manager, respectively, of the City of Hopkins, a Minnesota municipal corporation, on behalf of the City.

_____
Notary Public

THE DEVELOPER:

ALATUS HOPKINS MD LLC

By: _____

Its: _____

STATE OF _____)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this __ day of _____, 20___, by _____, the _____ of Alatus Hopkins MD LLC, a _____ limited liability company, by and on behalf of said company.

_____
Notary Public

This document drafted by:

KENNEDY & GRAVEN, CHARTERED
150 South 5th Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

EXHIBIT A

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

The land to which this Agreement applies is legally described as follows:

A portion of the property legally described below that is to be platted as MILE 14 ON MINNEHAHA CREEK:

PARCEL 1:

Lot 74, Auditor's Subdivision No. 239, Hennepin County, Minnesota, except that part of said Lot 74 which is designated and delineated as Parcel 29, Hennepin County Right of Way Map No. 2, according to the plat thereof on file or of record in the office of the County Recorder in and for said County.

(Torrens Property, Certificate of Title No. 1341193)

PARCEL 2:

That part of Lot 97, Auditor's Subdivision No. 239, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), with the most Northerly right of way line of The Minneapolis & St. Louis Railway Company; thence in a Northeasterly direction along said Northerly right of way line, a distance of 845 feet to a point; thence South parallel with and 845 feet from the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to a point; thence in a Southwesterly direction parallel with and 13 feet from the most Northerly right of way line, a distance of 845 feet to a point on said East line of Monck Avenue, (as shown on the recorded plat of said subdivision); thence North along said East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to the point of beginning, except that part of said Lot 97 which is designated and delineated as Parcel 29A, Hennepin County Right of Way Map No. 2, according to the map thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, all being located in the Southeast Quarter of the Northeast Quarter of Section 19, Township 117 North, Range 21 West of the 5th Principal Meridian.

(Abstract Property)

EXHIBIT B

FORM OF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
BLAKE ROAD STATION (SITE A) PLANNED UNIT DEVELOPMENT

THIS DECLARATION made this ___ day of _____, 20__, by Alatus Hopkins MD LLC, a _____ limited liability company (hereinafter referred to as the "Declarant");

WHEREAS, Declarant is the owner of the real property legally described on Exhibit A attached hereto (hereinafter referred to as the "Subject Property"); and

WHEREAS, the Subject Property is subject to certain zoning and land use restrictions imposed by the City of Hopkins, Minnesota ("City") in connection with the approval of an application for a mixed-use planned unit development on the Subject Property and surrounding parcels; and

WHEREAS, on December 7, 2021, the City approved four site plans for the Subject Property via Resolutions 2021-079 ("Site A"), 2021-080 ("Site B"), 2021-081 ("Site C"), and 2021-082 ("Site D"); and

WHEREAS, the City has approved the development to be located on the Subject Property, including the required site plan approvals mentioned above, on the basis of the determination by the City Council of the City that such development is acceptable only by reason of the details of the development proposed and the unique land use characteristics of the proposed use of the Subject Property; and that but for the details of the development proposed and the unique land use characteristics of such proposed use, the planned unit development would not have been approved; and

WHEREAS, as a condition of approval of the planned unit development, the City has required the execution and filing of this Declaration of Covenants, Conditions and Restrictions (hereinafter the

"Declaration"); and

WHEREAS, to secure the benefits and advantages of approval, the Declarant desires to subject the Subject Property to the terms hereof.

NOW, THEREFORE, the Declarant declares that the Subject Property is, and shall be, held, transferred, sold, conveyed and occupied subject to the covenants, conditions, and restrictions, hereinafter set forth.

1. The use and development of the Subject Property shall conform to the following documents, plans, drawings, and requirements:

a. The plans ("Plans"), prepared by _____, dated _____, 20___, the sheets of which are specified on Exhibit B hereof. Original documents are on file with the City and are made a part hereof.

b. In exchange for the flexibility provided by the City as part of the approved planned unit development to be located on the Subject Property, the Developer has agreed to provide the elements contained in the Plans, including, but not necessarily limited to, a design that emphasizes public access to Minnehaha Creek; a mixture of both rental and ownership dwellings in both midrise and townhouse buildings; a mixture of different levels of affordable and residential commercial units; a transit-supportive density of at least 80 units per acre; an enhanced pedestrian realm; certain structures are LEED certified; electric vehicle charging stations, VRF HVAC systems, and rooftop photovoltaic solar energy systems; enhanced stormwater management features; privately owned and maintained public open space; and at least two public art displays.

2. The Subject Property may only be developed and used in accordance with all requirements of the City's Mixed Use District, except for those deviations contained in the Plans or otherwise outlined herein, and all other requirements contained in Paragraph 1 of this Declaration,

unless the then-owner of the Subject Property first secures approval by the City Council of an amendment to the planned unit development plan or a rezoning to a zoning classification that permits such other development and use.

3. In connection with the approval of development of the Subject Property, the deviations from the City's land use regulations contained on the attached Exhibit C, to the extent contained in the Plans, were approved. In all other respects the use and development of the Subject Property shall conform to the requirements of the Paragraphs 1 and 2 of this Declaration and the City Code of Ordinances.

4. The obligations and restrictions of this Declaration run with the land of the Subject Property and shall be enforceable against the Declarant, its successors and assigns, which successors and assigns shall be jointly and severally responsible for obligations under this Declaration, by the City of Hopkins acting through its City Council. This Declaration may be amended from time to time by a written amendment executed by the City and the owner or owners of the lot or lots to be affected by said amendment.

[remainder of page left blank]

IN WITNESS WHEREOF, the undersigned as duly authorized agents, officers or representatives of Declarant have hereunto set their hands and seals as of the day and year first above written.

DECLARANT:

ALATUS HOPKINS MD LLC

By: _____

Its: _____

STATE OF _____)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this __ day of _____, 20___, by _____, the _____ of Alatus Hopkins MD LLC, a _____ limited liability company, by and on behalf of said company.

_____
Notary Public

This document drafted by:
KENNEDY & GRAVEN, CHARTERED
150 South 5th Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

EXHIBIT A

This Subject Property, which is to be platted as MILE 14 ON MINNEHAHA CREEK, is legally described as follows:

PARCEL 1:

Lot 74, Auditor's Subdivision No. 239, Hennepin County, Minnesota, except that part of said Lot 74 which is designated and delineated as Parcel 29, Hennepin County Right of Way Map No. 2, according to the plat thereof on file or of record in the office of the County Recorder in and for said County.

(Torrens Property, Certificate of Title No. 1341193)

PARCEL 2:

That part of Lot 97, Auditor's Subdivision No. 239, Hennepin County, Minnesota, described as follows: Beginning at the point of intersection of the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), with the most Northerly right of way line of The Minneapolis & St. Louis Railway Company; thence in a Northeasterly direction along said Northerly right of way line, a distance of 845 feet to a point; thence South parallel with and 845 feet from the East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to a point; thence in a Southwesterly direction parallel with and 13 feet from the most Northerly right of way line, a distance of 845 feet to a point on said East line of Monck Avenue, (as shown on the recorded plat of said subdivision); thence North along said East line of Monck Avenue, (as shown on the recorded plat of said subdivision), a distance of 14.48 feet to the point of beginning, except that part of said Lot 97 which is designated and delineated as Parcel 29A, Hennepin County Right of Way Map No. 2, according to the map thereof on file and of record in the office of the County Recorder in and for Hennepin County, Minnesota, all being located in the Southeast Quarter of the Northeast Quarter of Section 19, Township 117 North, Range 21 West of the 5th Principal Meridian.

(Abstract Property)

EXHIBIT B

The following documents, prepared by _____, dated _____, 20____, collectively constitute the Plans:

[insert list of Plan sheets]

EXHIBIT C

Site A Deviations

Height. Residential buildings shall be a minimum of 3 and a maximum of 4 stories. The building proposed for Site A will be 6 stories.

Setbacks. Setback standards and allowed deviations are detailed in the table below.

Setback Deviations for 325 Blake Road - Site A			
Setback	**Standard**	**Proposed**	**Deviation**
Front (West)	15' – 25'	20.3'	None
Side (North)	5-15'	22'	+7
Side (South)	10'	18.6'	+8.6'
Rear (East)	10'	17.4'	+7.4'

Parking. The Mixed Use district requires residential uses provide a minimum of 1 and a maximum of 1.5 enclosed parking stalls per unit and 1 guest stall per 15 units. Using these standards, the 112 unit building on Site A is required to provide at least 120 and no more than 176 off-street parking stalls. With 147 stalls shown on the plan, Site A exceeds the minimum off-street parking requirement by 27 stalls.

Exterior Materials. The Mixed Use district requires the primary exterior treatment of walls facing a public right-of–way or parking lot on a structure shall be brick, cast concrete, stone, marble or other material similar in appearance and durability. Regular or decorative concrete block, float finish stucco, EIFS-type stucco, cementitious fiberboard, or wood clapboard may be used on the front façade as a secondary treatment or trim but shall not be a primary exterior treatment of a wall facing a public right-of-way. Staff interprets primary to be at least 65 percent and secondary to not exceed 35 percent of the side of a building. Approved deviations from the Mixed Use district exterior materials standards are detailed in the table below.

Exterior Materials Deviations for 325 Blake Road – Site A				
Material	**North Lake Street**	**South Pedestrian Way**	**East Pedestrian Way**	**West Blake Road**
Brick	61%	18%	25%	35%
Cast Stone	19%	14%	29%	10%
Metal Panel	0%	28%	13%	35%
Fiber Cement Panel-Reveal System	20%	40%	29%	20%
Total	100%	100%	100%	100%

Site B Deviations

Height. Residential buildings shall be a minimum of 3 and a maximum of 4 stories. The building proposed for Site B will be 5 stories.

Setbacks. Setback standards and allowed deviations for Site B are detailed in the table below.

Setback Deviations for 325 Blake Road - Site B			
Setback	**Standard**	**Proposed**	**Deviation**
Front (West)	15' – 25'	18.5'	None
Side (North)	10'	17.7'	+7.7'
Side (South)	10'	11.7'	+1.7'
Rear (East)	10'	16.3'	+6.3'

Parking. The Mixed Use district requires residential uses provide a minimum of 1 and a maximum of 1.5 enclosed parking stalls per unit and 1 guest stall per 15 units. Using these standards, the 112 unit building on Site B is required to provide at least 120 and no more than 176 off-street parking stalls. With 184 stalls shown on the plan, Site B exceeds the minimum off street parking requirement by 64 stalls and the maximum off-street parking standard by 8 stalls. Exceeding the maximum off-street parking standard is allowable under the PUD.

Exterior Materials. The Mixed Use district requires the primary exterior treatment of walls facing a public right-of–way or parking lot on a structure shall be brick, cast concrete, stone, marble or other material similar in appearance and durability. Regular or decorative concrete block, float finish stucco, EIFS-type stucco, cementitious fiberboard, or wood clapboard may be used on the front façade as a secondary treatment or trim but shall not be a primary exterior treatment of a wall facing a public right-of-way. Staff interprets primary to be at least 65 percent and secondary to not exceed 35 percent of the side of a building. Approved deviations from the Mixed Use district exterior materials standards for Site B are detailed in the table below.

Exterior Materials Deviations for 325 Blake Road – Site B				
Material	**North Pedestrian Way**	**South New Street**	**East Pedestrian Way**	**West Blake Road**
Brick	0%	0%	0%	0%
Cast Stone	44%	42%	40%	48%
Metal Panel	26%	20%	28%	20%
Fiber Cement Panel-Reveal System	30%	38%	32%	32%
Total	100%	100%	100%	100%

Site C

Height. Mixed use buildings shall be a minimum of 5 and a maximum of 6 stories. Approximately two-thirds of the building on Site C will be 5 stories while the remaining one-third will be 14 stories.

Floor to Area Ratio (FAR). In the Blake Road Station Area of the Mixed Use district, the FAR standard is a minimum of 3 and a maximum of 5 for mixed use buildings. The FAR for Site C is 2.39.

Setbacks. Setback standards and allowed deviations are detailed in the table below.

Setback Deviations for 325 Blake Road - Site C			
Setback	**Standard**	**Proposed**	**Deviation**
Front (West)	15' – 25'	46.5'	+21.5
Side (North)	10'	43.4'	+33.4'
Side (South)	10'	27.9'	+17.9'
Rear (East)	10'	13.5'	+3.5'

Parking. The Mixed Use district requires residential uses provide a minimum of 1 and a maximum of 1.5 enclosed parking stalls per unit and 1 guest stall per 15 units. Using these standards, the 389 unit building proposed for Site C is required to provide at least 415 and no more than 610 off-street parking stalls. With 520 stalls showed on the plans, Site C exceeds the minimum off street parking requirement by 105 stalls. To ensure the capacity of the automated Multi-Purpose Shared Parking System, the City reserves the right to require a parking study prior to issuance of a building permit for the commercial spaces.

Exterior Materials. The Mixed Use district requires the primary exterior treatment of walls facing a public right-of–way or parking lot on a structure shall be brick, cast concrete, stone, marble or other material similar in appearance and durability. Regular or decorative concrete block, float finish stucco, EIFS-type stucco, cementitious fiberboard, or wood clapboard may be used on the front façade as a secondary treatment or trim but shall not be a primary exterior treatment of a wall facing a public right-of-way. Staff interprets primary to be at least 65 percent and secondary to not exceed 35 percent of the side of a building. Approved deviations from the Mixed Use district exterior materials standards for Site C are detailed in the table below.

Exterior Materials Deviations for 325 Blake Road – Site C				
Material	**North Spine Road**	**South LRT/Trail**	**East Pedestrian Way**	**West Blake Road**
Brick	23.5%	49.7%	37%	30%
Cast Stone	0%	0%	0%	0%
Metal Panel	41.5%	15.3%	30.2%	60%
Fiber Cement Panel-Reveal System	35%	35%	32.8%	10%
Total	100%	100%	100%	100%

Site D

Height. Residential buildings shall be a minimum of 3 and a maximum of 4 stories. The building proposed for Site D will be 5 stories.

Floor to Area Ratio (FAR). In the Blake Road Station Area of the Mixed Use district, the FAR standard is a minimum of 3 and a maximum of 5 for residential buildings. The FAR for Site D is 1.57.

Setbacks. Setback standards and allowed deviations are detailed in the table below.

Setback Deviations for 325 Blake Road - Site D			
Setback	**Standard**	**Proposed**	**Deviation**
Front (North)	15' – 25'	76.8'	+51.8'
Side (East)	10'	14.9'	+4.9'
Side (West)	10'	48.4'	+38.4'
Rear (South)	10'	11.3'	+1.3'

Parking. The Mixed Use district requires residential uses provide a minimum of 1 and a maximum of 1.5 enclosed parking stalls per unit and 1 guest stall per 15 units. Using these standards, the 187 unit building proposed for Site D is required to provide at least 200 and no more than 274 off-street parking stalls. With 277 stalls shown on the plans, Site D exceeds the minimum off-street parking requirement by 77 stalls and the maximum off-street parking standard by 3 stalls. To ensure the capacity of the automated Multi-Purpose Shared Parking System, the City reserves the right to require a parking study prior to issuance of a building permit for the commercial spaces.

Exterior Materials. The Mixed Use district requires the primary exterior treatment of walls facing a public right-of–way or parking lot on a structure shall be brick, cast concrete, stone, marble or other material similar in appearance and durability. Regular or decorative concrete block, float finish stucco, EIFS-type stucco, cementitious fiberboard, or wood clapboard may be used on the front façade as a secondary treatment or trim but shall not be a primary exterior treatment of a wall facing a public right-of-way. Staff interprets primary to be at least 65 percent and secondary to not exceed 35 percent of the side of a building. Approved deviations from the Mixed Use district exterior materials standards for Site D are detailed in the table below.

Exterior Materials Deviations for 325 Blake Road – Site D				
Material	**North Pedestrian Way**	**South New Street**	**East Pedestrian Way**	**West Blake Road**
Brick	14%	16%	14%	15%
Cast Stone	0%	0%	0%	0%
Metal Panel	58.4%	60.8%	54%	54%
Fiber Cement Panel-Reveal System	27.6%	23.2%	32%	31%
Total	100%	100%	100%	100%

Automated Multi-Purpose Shared Parking System Narrative

Buildings C & D will include "multi-purpose" parking garages that serve both the residents of the housing projects and the patrons of the public realms and entertainment node within the Development – these garages will include a combined 797 parking stalls (520 in Site C and 277 in Site D).

General guidelines for the multi-purpose garages operated in Buildings C & D are provided below. The City is agreeable to this parking system given the transit-oriented design of the development under the overall planned unit development agreement.

- Approximately one-third of the parking stalls (250-300 of the approx. 800) would be dedicated reserved stalls leased to residents of the buildings.
- The remaining two-thirds of the parking stalls (500-550 of the approx. 800) would be split between unreserved resident parking and transient parking.
- In the developer's recent experience with similar suburban projects, the parking needs of the average rental community is approx. 1.20 parking stalls per unit.
- Buildings C & D are currently designed to include approx. 576 rental units, which would equate to 576 total parking stalls (reserved + unreserved) dedicated to the residents based on a 1.20 parking factor. That would leave 105 parking stalls for transient/overflow demand.
- The parking garages will be equipped with state-of-the-art parking technology that uses machine learning to make sure there are no inventory problems; this technology would ensure that there is ample parking for residents and track the utilization by the public.

December 21, 2021 Council Report 2021-130

Calling for a Public Hearing and Providing Preliminary Approval for the Issuance of Housing Revenue Bonds for the Benefit of Alatus LLC

Proposed Action.

Staff recommends that the Council approve the following motion: Adopt Resolution 2021-100: Calling Public Hearing Regarding the Issuance of Housing Revenue Bonds and Providing Preliminary Approval for the Issuance of Housing Revenue Bonds.

Overview:

Pursuant to Minnesota Statutes, Chapter 462C (the Housing Act), a municipality is authorized to issue revenue bonds to provide funds to finance multifamily housing developments.

Alatus LLC has proposed construction of a 112-unit affordable rental housing development for individuals and families of low and moderate income. The building will be located within the 325 Blake Road Development. Alatus LLC is requesting that the city issue housing revenue bonds in an amount not to exceed $25,000,000 in order to finance the project. In order to issue the bonds the City must grant preliminary approval of the issuance of bonds, submit an application to the office of Minnesota Management and Budget for an allocation of bonding authority, adopt a housing program based on the Housing Act and hold a public hearing.

Approval of the resolution will authorize the submittal of an application to Minnesota Management and Budget for an allocation of the State's available bonding pool for this project in January 2022. If the allocation is granted a Housing Program will be prepared and submitted to Metropolitan Council for review and comment; and a public hearing will be scheduled. The bonds require a final approval by City Council before issuance.

The Bonds issued would be a limited obligation of the City payable solely from the revenues pledged to the payment and will not be a general obligation of the City and will not be secured by or payable from revenue derived from any exercise of the taxing authority powers of the City.

Representatives from Kennedy & Graven, the City's bond counsel and Alatus LLC will be available for questions.

Supporting Information:
-Resolution 2021-100

Nick Bishop, Finance Director

CITY OF HOPKINS, MINNESOTA

RESOLUTION NO. 2021-100

RESOLUTION CALLING PUBLIC HEARING REGARDING THE ISSUANCE OF HOUSING REVENUE BONDS AND PROVIDING PRELIMINARY APPROVAL FOR THE ISSUANCE OF HOUSING REVENUE BONDS

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

Section 1. Recitals.

1.01. Pursuant to Minnesota Statutes, Chapter 462C, as amended (the "Housing Act"), the City is authorized to carry out the public purposes described in the Housing Act by providing for the issuance of revenue bonds to provide funds to finance multifamily housing developments.

1.02. Alatus LLC, a Minnesota limited liability company, or an affiliate or assign (collectively, the "Borrower"), has proposed to acquire, construct, and equip an approximately 112-unit multifamily rental housing facility and facilities functionally related and subordinate thereto located at 325 Blake Road in the City (the "Project") for occupancy by individuals and families of low and moderate income.

1.03. The Borrower is requesting that the City issue one or more series of tax-exempt revenue obligations in the approximate principal amount not to exceed $25,000,000 and one or more series of taxable revenue obligations in the approximate principal amount to be determined (collectively, the "Bonds") and loan the proceeds thereof to the Borrower in order to finance all or a portion of (i) the costs of the acquisition, construction, and equipping of the Project; (ii) required reserve funds, if any; (iii) capitalized interest during the construction of the Project; and (iv) the costs of issuing the Bonds.

1.04. As a condition to the issuance of such revenue bonds, the City must prepare and adopt a housing program providing the information required by Section 462C.03, subdivision 1a of the Housing Act (the "Housing Program"). The City Council must also grant preliminary approval of the issuance of revenue bonds to finance the multifamily rental housing development referred to in the Housing Program.

1.05. Under Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), prior to the issuance of the Bonds, the City Council must conduct a public hearing after providing notice in a newspaper of general circulation in the City or on the City's website at least seven (7) days before the hearing. Under Section 462C.04, subdivision 2 of the Housing Act, a public hearing must be held on the Housing Program after one publication of notice in a newspaper circulating generally in the City at least fifteen (15) days before the hearing.

1.06. Pursuant to Section 146 of the Code, the Bonds must receive an allocation of the bonding authority of the State of Minnesota. An application for such an allocation must be made pursuant to the requirements of Minnesota Statutes, Chapter 474A, as amended (the "Allocation Act"). The City Council must grant preliminary approval to the issuance of the Bonds to finance the Project and authorize the submission of an application to the office of Minnesota Management and Budget for an allocation of bonding authority with respect to the Bonds to finance the Project.

Section 2. Preliminary Findings. Based on representations made by the Borrower to the City to date, the City Council hereby makes the following preliminary findings, determinations, and declarations:

(a) The Bonds will finance a multifamily housing development designed and intended to be used for rental occupancy.

(b) The proceeds of the Bonds will be loaned to the Borrower and the proceeds thereof, along with other available funds, will be used to finance all or a portion of the costs of the acquisition, construction, and equipping of the Project, capitalized interest during the construction of the Project, required reserve funds (if any), and costs of issuance of the Bonds. The City will enter into one or more loan agreements (or other revenue agreement) with the Borrower requiring loan repayments from the Borrower in amounts sufficient to repay the loan of the proceeds of the Bonds when due and requiring the Borrower to pay all costs of maintaining and insuring the Project, including taxes thereon.

(c) In preliminarily authorizing the issuance of the Bonds, the City's purpose is and the effect thereof will be to promote the public welfare of the City and its residents by retaining and improving multifamily housing developments and otherwise furthering the purposes and policies of the Housing Act.

(d) The Bonds will be special, limited obligations of the City payable solely from the revenues pledged to the payment thereof, will not be a general or moral obligation of the City, and will not be secured by or payable from revenues derived from any exercise of the taxing powers of the City.

Section 3. Submission of an Application for an Allocation of Bonding Authority. The City Council hereby authorizes the submission of an application for allocation of bonding authority with respect to the Bonds to be issued on a tax-exempt basis in the approximate principal amount of up to $25,000,000 (the "Tax-Exempt Bonds") pursuant to Section 146 of the Code and the Allocation Act in accordance with the requirements of the Allocation Act. City staff and Kennedy & Graven, Chartered, acting as bond counsel to the City ("Bond Counsel"), shall take all actions, in cooperation with the Borrower, as are necessary to submit an application for an allocation of bonding authority to the office of Minnesota Management and Budget.

Section 4. Public Hearing. The City Council shall meet at a future date to be determined by City staff to conduct a public hearing on the Housing Program, the Project, and the issuance of the Bonds by the City. Notice of such hearing (the "Public Notice") will be published and/or posted as required by Section 462C.04, subdivision 2 of the Housing Act and Section 147(f) of the Code. Bond Counsel is hereby authorized and directed to publish the Public Notice, in substantially the form attached hereto as EXHIBIT A, in the *Sun Sailor*, a newspaper of general circulation in the City. At the public hearing reasonable opportunity will be provided for interested individuals to express their views, both orally and in writing, on the Project, the Housing Program, and the proposed issuance of the Bonds.

Section 5. Housing Program. Bond Counsel shall prepare and submit to the City a draft Housing Program to authorize the issuance by the City of the Bonds to finance all or portion of the acquisition, construction, and equipping of the Project by the Borrower. Bond Counsel is authorized and directed to submit, on behalf of the City, the Housing Program to Metropolitan Council for review and comment pursuant to Section 462C.04, subdivision 2 of the Housing Act.

Section 6. Preliminary Approval. The City Council hereby provides preliminary approval to the issuance of the Bonds, subject to: (i) a public hearing as required by the Housing Act and Section 147(f) of the Code; (ii) final approval of the issuance of the Bonds in the total principal amount to be determined following the preparation of bond documents, provided that the principal amount of the Tax-Exempt Bonds may not exceed $25,000,000; (iii) receipt of an allocation of bonding authority from the office of Minnesota Management and Budget with respect to the Tax-Exempt Bonds; and (iv) final determination by the City Council that the financing of the Project and the issuance of the Bonds are in the best interests of the City.

Section 7. Reimbursement of Costs under the Code.

7.01. The United States Department of the Treasury has promulgated regulations governing the use of the proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the City or the Borrower for project expenditures paid prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the "Regulations") require that the City adopt a statement of official intent to reimburse an original expenditure not later than sixty (60) days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds occur within eighteen (18) months after the later of: (i) the date the expenditure is paid; or (ii) the date the project is placed in service or abandoned, but in no event more than three (3) years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the Bonds.

7.02. To the extent any portion of the proceeds of the Bonds will be applied to expenditures with respect to the Project, the City reasonably expects to reimburse the Borrower for the expenditures made for costs of the Project from the proceeds of the Bonds after the date of payment of all or a portion of such expenditures. All reimbursed expenditures shall be capital expenditures, costs of issuance of the Bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations and also qualifying expenditures under the Housing Act.

Based on representations by the Borrower, other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures permitted to be reimbursed under prior regulations pursuant to the transitional provision contained in Section 1.150-2(j)(2)(i)(B) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a "de minimis" amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures with respect to the Project to be reimbursed with the proceeds of the Bonds have been made by the Borrower more than sixty (60) days before the date of adoption of this resolution of the City.

7.03. Based on representations by the Borrower, as of the date hereof, there are no funds of the Borrower reserved, allocated on a long-term basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Project to be financed from proceeds of the Bonds, other than pursuant to the issuance of the Bonds. This resolution, therefore, is determined to be consistent with the budgetary and financial circumstances of the Borrower as they exist or are reasonably foreseeable on the date hereof.

Section 8. Costs. The Borrower will pay the administrative fees of the City and pay, or, upon demand, reimburse the City for payment of, any and all costs incurred by the City in connection with the Project and the issuance of the Bonds, whether or not the Bonds are issued.

Section 9. Commitment Conditional. The adoption of this resolution does not constitute a guaranty or firm commitment that the City will issue the Bonds as requested by the Borrower. The City

retains the right in its sole discretion to withdraw from participation and accordingly not to issue the Bonds, or issue the Bonds in an amount less than the amount referred to herein, should the City at any time prior to issuance thereof determine that it is in the best interest of the City not to issue the Bonds, or to issue the Bonds in an amount less than the amount referred to in Section 6 hereof, or should the parties to the transaction be unable to reach agreement as to the terms and conditions of any of the documents required for the transaction.

Section 10. Effective Date. This resolution shall be in full force and effect from and after its passage.

Approved by the City Council of the City of Hopkins, Minnesota this 21st day of December, 2021.

Jason Gadd, Mayor

ATTEST:

Amy Domeier, City Clerk

EXHIBIT A

NOTICE OF PUBLIC HEARING

CITY OF HOPKINS, MINNESOTA

NOTICE OF PUBLIC HEARING ON THE APPROVAL OF A HOUSING PROGRAM FOR A MULTIFAMILY HOUSING DEVELOPMENT AND THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS UNDER MINNESOTA STATUTES, CHAPTERS 462C AND 474A, AS AMENDED

NOTICE IS HEREBY GIVEN that the City Council of the City of Hopkins, Minnesota (the "City") will hold a public hearing on Tuesday, _____, 2022, at or after 7:00 p.m. [at City Hall, located at 1010 First Street South in the City,] to consider a proposal that the City approve and authorize the issuance of one or more series of taxable or tax-exempt revenue obligations (the "Bonds"), pursuant to Minnesota Statutes, Chapters 462C and 474A, as amended (the "Act"), for the purposes of providing financing for all or a portion of (i) the costs of the acquisition, construction, and equipping of an approximately 112-unit multifamily rental housing facility and facilities functionally related and subordinate thereto located at 325 Blake Road in the City (the "Project") for occupancy by individuals and families of low and moderate income; (ii) any required reserve funds; (iii) capitalized interest during the construction of the Project; and (iv) costs of issuing the Bonds. Alatus LLC, a Minnesota limited liability company, or an affiliate or assign (collectively, the "Borrower"), will own the Project. The aggregate principal amount of the proposed Bonds is estimated not to exceed $_____.

Following the public hearing, the City Council will consider a resolution approving a housing program prepared in accordance with the requirements of the Act and granting approval to the issuance of the Bonds.

The Bonds if and when issued will be special, limited obligations of the City, and the Bonds and interest thereon will be payable solely from the revenues and assets pledged to the payment thereof. No holder of any Bond will have the right to compel any exercise of the taxing power of the City to pay the Bonds or the interest thereon, nor to enforce payment against any property of the City except money payable by the Borrower to the City and pledged to the payment of the Bonds. Before issuing the Bonds, the City will enter into an agreement with the Borrower, whereby the Borrower will be obligated to make payments at least sufficient at all times to pay the principal of and interest on the Bonds when due.

At the time and place fixed for the public hearing, the City Council will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may direct any questions or file written comments respecting the proposal with the City Manager, at or prior to said public hearing.

[Due to the ongoing COVID-19 pandemic, members of the City Council and City staff will either participate in the meeting by telephone or other electronic means pursuant to Minnesota Statutes, Section 13D.021, or in-person at the City Council's regular meeting place at Hopkins City Hall, 1010 1st St. S., Hopkins, Minnesota. The City will provide an update on the meeting method/type for the hearing on the City's website at www.hopkinsmn.com as the meeting gets closer and those details can be finalized with certainty. Additionally, questions or comments related to the public hearing may be emailed to nbishop@hopkinsmn.com, made by phone at 952-548-6330, or mailed to 1010 First Street South, Hopkins, MN 55343. Comments submitted through these methods must be received by Tuesday, _____, 2022 at 12:00 p.m. in order to be considered during the hearing.]

Dated: [Date of Publication]

BY ORDER OF THE CITY COUNCIL OF THE CITY OF HOPKINS, MINNESOTA

/s/ Amy Domeier
City Clerk
City of Hopkins, Minnesota