



**REGULAR HOUSING AND REDEVELOPMENT AUTHORITY MEETING
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS
JULY 15, 2019
7:00 PM**

Call to Order

Approval of the minutes of the: Regular Housing and Redevelopment Authority meeting of June 17, 2019.

AGENDA APPROVAL

1. Approval of the Agenda

PUBLIC HEARINGS

2. Consideration of the approval of a resolution authorizing the sale of 6812 Emerson Lane and the approval of a Contract for Private Development between the Housing and Redevelopment Authority and Endres Custom Homes, Inc. for the construction of five single family homes under the Richfield Rediscovered Program.

Staff Report No. 27

HRA DISCUSSION ITEMS

3. HRA Discussion Items

EXECUTIVE DIRECTOR REPORT

4. Executive Director's Report

CLAIMS AND PAYROLLS

5. Claims and Payrolls
6. Adjournment

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9738.



HOUSING AND REDEVELOPMENT AUTHORITY MEETING MINUTES

Richfield, Minnesota

Regular Meeting

June 17, 2019

CALL TO ORDER

The meeting was called to order by Chair Supple at 7:00 p.m. in the Council Chambers.

HRA Members Present: Mary Supple, Chair; Pat Elliott; Maria Regan Gonzalez; Sue Sandahl; and Erin Vrieze Daniels.

Staff Present: Julie Urban, Acting Executive Director; Katie Rodriguez, City Manager

APPROVAL OF THE MINUTES

M/Regan Gonzalez, S/Elliott to approve the (1) Special concurrent City Council and Housing and Redevelopment Authority meeting of May 20, 2019; and (2) Regular Housing and Redevelopment Authority meeting of May 20, 2019.

Motion carried 5-0.

Item #1

APPROVAL OF THE AGENDA

M/Sandahl, S/Elliott to approve the agenda.

Motion carried 5-0.

Item #2

CONSENT CALENDAR

Acting Executive Director Urban presented the consent calendar:

- A. Consider approval of revisions to the First Time Homebuyer Program Guidelines. (S.R. No. 24)
- B. Consider adoption of a resolution approving a Subordination Agreement and Estoppel Certificate related to construction financing for the Cedar Point II townhomes. (S.R. No. 25)

HRA RESOLUTION NO. 1335
RESOLUTION APPROVING SUBORDINATION AGREEMENT RELATING
TO TOWNHOMES DEVELOPMENT

M/Sandahl, S/Elliott to approve the consent calendar.

Motion carried 5-0.

Item #3	CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM CONSENT CALENDAR
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None.

Item #4	PUBLIC HEARING AND CONSIDER ADOPTION OF A RESOLUTION AUTHORIZING THE SALE OF 6412 BLOOMINGTON AVENUE TO ENDRES CUSTOM HOMES AND THE APPROVAL OF A CONTRACT FOR PRIVATE DEVELOPMENT WITH ENDRES CUSTOM HOMES FOR THE CONSTRUCTION OF A SINGLE FAMILY HOME THROUGH THE RICHFIELD REDISCOVERED PROGRAM. (S.R. NO. 26)
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Acting Executive Director Urban presented Staff Report No. 26.

Chair Supple opened the public hearing. No one came forward to speak on the item.

M/Sandahl, S/Elliot to close the public hearing.

In response to a question from Commissioner Elliot, Acting Executive Director Urban explained the minimum value was established by the builder given the cost to build and expected end value and that the goal of the Richfield Rediscovered Program is to encourage the construction of higher-valued homes.

Motion carried 5-0.

M/Sandahl, S/Regan Gonzalez to adopt a resolution authorizing the sale of 6412 Bloomington Avenue to Endres Custom Homes and authorize execution of a Contract for Private Development between the Housing and Redevelopment Authority and Endres Custom Homes for the redevelopment of 6412 Bloomington Avenue.

HRA RESOLUTION NO. 1336
RESOLUTION AUTHORIZING THE SALE OF REAL PROPERTY LOCATED AT 6412
BLOOMINGTON AVENUE TO ENDRES CUSTOM HOMES

Motion carried 5-0.

Item #5	HRA DISCUSSION ITEMS
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Commissioner Regan Gonzalez discussed the joint meeting the Council had with school board explaining that City Manager Rodriguez shared all that we do regarding housing in the community.

Item #6	EXECUTIVE DIRECTOR REPORT
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Acting Executive Director Urban gave an update on Emerson Lane, Lyndale Gardens, and RF64.

Item #7	CLAIMS AND PAYROLLS
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M/Elliot, S/Vrieze Daniels that the following claims and payroll be approved:

U.S. BANK	06/17/2019
Section 8 Checks: 130792 – 130875	\$169,237.36
HRA Checks: 33647 - 33657	\$13,986.29
TOTAL	\$183,223.65

Motion carried 5-0.

Item #8	ADJOURNMENT
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The meeting was adjourned by unanimous consent at 7:14 p.m.

Date Approved: July 15, 2019

Mary B. Supple
HRA Chair

Julie Urban
Housing Manager

Julie Urban
Acting Executive Director



STAFF REPORT NO. 27
HOUSING AND REDEVELOPMENT AUTHORITY
MEETING
7/15/2019

REPORT PREPARED BY: Celeste McDermott, Housing Specialist
OTHER DEPARTMENT REVIEW: N/A

EXECUTIVE DIRECTOR REVIEW: John Stark, Executive Director
7/10/2019

ITEM FOR COUNCIL CONSIDERATION:

Consideration of the approval of a resolution authorizing the sale of 6812 Emerson Lane and the approval of a Contract for Private Development between the Housing and Redevelopment Authority and Endres Custom Homes, Inc. for the construction of five single family homes under the Richfield Rediscovered Program.

EXECUTIVE SUMMARY:

Endres Custom Homes, Inc. (Builder) is applying to purchase and redevelop the property at 6812 Emerson Lane from the Housing and Redevelopment Authority (HRA). The Builder would split the 1.3 acre lot into five separate lots, construct five new single-family homes, and extend Emerson Lane into the development. The homes would be based on the same split-level model with varying roof lines, siding patterns and exterior colors. Each home would have four bedrooms, three bathrooms, an attached two-car garage and would receive sound-attenuation upgrades to mitigate the noise of nearby Interstate Highway 35W. The estimated sale price for each home would be \$349,900. The Builder would begin marketing the homes following HRA approval of the land sale.

A public road would be constructed to provide access to the homes, with a turnaround for emergency vehicles. In addition to the road extension, water, storm, and sanitary sewer mains would be extended to serve the new development. The Builder has estimated the cost of completing the infrastructure improvements at \$300,000. The Builder would pay for and construct the public improvements. Given the high cost of preparing the site for development, the sale price for the property would be one-dollar.

RECOMMENDED ACTION:

By motion: Approve and authorize execution of a Contract for Private Development between the Housing and Redevelopment Authority and Endres Custom Homes, Inc. for the redevelopment of 6812 Emerson Lane.

BASIS OF RECOMMENDATION:

A. HISTORICAL CONTEXT

- The property was purchased by the HRA in 2005 for the purpose of building new single-family homes under the Richfield Rediscovered (RR) program. At that time, the HRA anticipated creating three or four lots and public infrastructure costs of approximately \$140,000.

- Two substandard structures were removed from the property.
- When staff began marketing the property to builders, the housing market had begun its downturn, and interest was scarce.
- Over the past few years, the HRA has fielded a few inquiries to build one to three homes but no formal proposal was ever submitted.
- Work sessions were held with the HRA and the City Council on November 13, 2018, and again on April 15, 2019, to review these proposals, along with other ideas, including building one, two, three or four houses; incorporating the property into Wood Lake Nature Center; building a dog park or archery range, and leaving it as-is.
- At the April work session, policymakers determined that either two or five houses would be appropriate and fiscally responsible uses given the HRA's financial investment in the property and the need for housing in the community. They directed staff to also offer neighbors the opportunity to submit a proposal. Neighbors submitted a preliminary proposal for two houses but determined that they couldn't submit a financially-feasible final proposal.

B. POLICIES (resolutions, ordinances, regulations, statutes, etc):

- The proposed project meets the objectives of the Richfield Rediscovered Program:
 - Removes substandard, functionally obsolete housing and eliminates its blighting influence.
 - Provides new, higher valued housing.
 - Alleviates the shortage of housing choice for buyers in the community.
- The project meets the Housing Design and Site Development Criteria, as defined in the Richfield Rediscovered Guidelines.
- Approval of the development would meet the requirements of the HRA's Inclusionary Housing Policy: over a three-year period, at least 20% of the scattered-site units constructed must be affordable at 80% of the Area Median Income (AMI). From 2017-2019, the HRA is on track to facilitate construction of eight market rate homes and four affordable homes (33% affordable). With the addition of five market-rate homes built at 6812 Emerson Lane, the percentage of affordable new homes constructed would be 24% for the 2018-2020 time period.
- The property at 6812 Emerson Lane is designated for Low Density Residential in the Comprehensive Plan and is zoned for single-family residential housing. In this zoning district, single-family dwelling units are permitted uses, up to seven units per acre.
- If the development of five homes on the property proceeds for approvals, the plat of the property would come before the Richfield City Council for approval. Some of the proposed lots may be non-conforming in width (i.e., less than 50 feet).
- There is high demand for new single family homes in Richfield, with nearly 200 individuals on the notification list for the Richfield Rediscovered program.

C. CRITICAL TIMING ISSUES:

- The Contract for Private Development (Contract) requires the Builder to close on the property by December 31, 2019, and to complete construction by December 31, 2020. The Contract authorizes staff to authorize an extension of these deadlines up to six months. Any additional extension would need to be approved by the HRA.
- If the HRA agrees to sell the property to the Builder, the Builder will need to apply to plat the property. The plat would be reviewed by the City Council, likely in the Fall.
- The Builder initially contacted staff in the Summer of 2018. At that time, he had two buyers interested in building new homes; however, both buyers have since found other lots to build homes. The Builder won't close on the HRA property until buyers are identified.
- Emerson Lane is scheduled for mill and overlay to be completed in 2020, so utility improvements necessary for development should be completed beforehand to avoid damaging the newly refurbished road.
- The Contract incorporates right-of-entry provisions to enable the Builder to enter the property for survey and other pre-construction activities before closing on the property.
- A separate Infrastructure Construction Agreement (Agreement) would be reviewed and approved by the City Council before the construction of the public improvements.

- Property-specific landscape plans will be required before the issuance of a building permit.

D. FINANCIAL IMPACT:

- The cost to prepare the property for development of five homes is estimated at \$300,000. This includes the cost of site preparation, road construction and utility installation. These costs are beyond the normal costs undertaken at other RR lots because utility mains and the public road would need to be extended. The developer would pay these costs for making the property developable. The HRA would not receive any sale proceeds because of the need to offset the high cost to develop the property.
- Since 2005, the HRA has spent over \$330,000 for the acquisition, demolition and maintenance of this property. The long-term tax benefits from constructing five homes offers the greatest opportunity to recoup these public costs. For taxes payable in 2019, the approximate taxes collected from a home valued at \$350,000 is \$5,000.
- The Builder does not have buyers for the houses at this time. He believes, however, that he will be successful in selling the homes at this price-point. He has been waiting to market the homes until he receives an indication from the HRA that it is interested in selling the lot to him. He would not close on the property until buyers are identified.
- The Richfield Rediscovered Program offers a \$5,000 reduction in the lot sale price for homes that obtain an energy-efficiency certification, given as a credit once construction is complete and certification obtained. Because the price of the property is a dollar, there will be no credit given for these homes. The Builder will still build the homes to the standard of Minnesota Green Path; however, the cost will be passed on to the homebuyer.
- In accordance with Richfield Rediscovered guidelines, the Builder will be required to submit a cash escrow in the amount of \$10,000 per house that will be returned upon completion of each house.

E. LEGAL CONSIDERATION:

- The HRA Attorney has prepared the Contract for Private Redevelopment.
- There are occasionally changes of an administrative or technical nature that are required of a contract as more information becomes available; HRA legal counsel may be given authority to make these changes without further HRA consideration.
- Notification of the public hearing was published in the Sun Current. A mailed notice was sent to property owners on Emerson Avenue, south of 66th Street, as a courtesy.

ALTERNATIVE RECOMMENDATION(S):

- Do not execute the Contract for Private Development.
- Direct staff to work with the Builder to revise the proposal.

PRINCIPAL PARTIES EXPECTED AT MEETING:

Dustin Endres, Endres Custom Homes, Inc.

ATTACHMENTS:

Description	Type
<input type="checkbox"/> Resolution	Resolution Letter
<input type="checkbox"/> Contract for Development	Contract/Agreement
<input type="checkbox"/> Site plan	Backup Material
<input type="checkbox"/> House plan	Backup Material

HRA RESOLUTION NO.

**RESOLUTION AUTHORIZING THE SALE OF REAL PROPERTY LOCATED AT
6812 EMERSON LANE TO ENDRES CUSTOM HOMES**

WHEREAS, the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota (HRA) desires to develop certain real property pursuant to and in furtherance of the Richfield Rediscovered Program adopted by the HRA, said real property located at 6812 Emerson Lane and as legally described in Exhibit A.

WHEREAS, the HRA is authorized to sell real property within its area of operation after a public hearing; and

WHEREAS, the purchaser of the described property has been identified as Endres Custom Homes, Inc.; and

WHEREAS, Endres Custom Homes, Inc., is proposing to construct five single-family homes on the property; and

WHEREAS, a Contract for Private Development has been prepared, and the sale price of 6812 Emerson Lane is \$1.00 with performance security in the amount of \$50,000; and

WHEREAS, a public hearing has been held after proper public notice.

NOW, THEREFORE, BE IT RESOLVED by the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota:

1. A public hearing has been held and 6812 Emerson Lane is authorized to be sold for \$1.00 to Endres Custom Homes, Inc.; and
2. The Chairperson and Executive Director are authorized to execute a Contract for Private Development and other agreements as required to effectuate the sale to the Builder.

Adopted by the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota this 15th day of July, 2019.

Mary Supple, Chair

ATTEST:

Erin Vrieze Daniels, Secretary

EXHIBIT A

LEGAL DESCRIPTION

That part of Government Lot 6, Section 28, Township 28, North Range 24, West of the 4th Principal Meridian, described as follows: Commencing at the Northeast corner of the West 20 acres of said Government Lot 6; thence East along Fort Snelling and Minnetonka Road 160 feet; thence South to shore of Wood Lake; thence along the said Shore to the East line of said 20 acres; thence North to place of beginning, Except the North 783 feet thereof; and except that part of Government Lot 6, Section 28, Township 28, Range 24, Hennepin County, Minnesota, described as follows, to-wit: Beginning at a point on the West line of Lot 6, "Vehe Addition," 16 feet North of the Southwest corner thereof; thence West on a line parallel with the Northerly line of said Government Lot 6 a distance of 148.0 feet; thence South on a line parallel with the East line of the West 20 acres of said Government Lot 6 to its place of intersection with the Northerly line of West 68th Street; thence Northeasterly along the Northerly line of said West 68th Street to the Southwesterly corner of Lot 7, "Vehe Addition;" thence North along the West line of said Lots 6 and 7, "Vehe Addition," to the point of beginning; and except that part of Government Lot 6, Section 28, Township 28, Range 24, lying South of the following described boundary line, to-wit: Commencing at the Southeast corner of Lot 7, "Vehe Addition;" thence Southwesterly a distance of 135.35 feet to the Southwest corner of said Lot 7, "Vehe Addition," to the actual point of beginning; thence continuing Southwesterly on an extension of the South line of said Lot 7, "Vehe Addition" to the East line of the West 20 acres of Government Lot 6, Section 28, Township 28, Range 24, also; the East 10 feet of the North 783 feet of that part of Government Lot 6, lying West of the West line of Payton Manor and the same extended, Section 28, Township 28, Range 24, Hennepin County, Minnesota, according to the United States Government Survey thereof and situate in Hennepin County, Minnesota.

That part of the south 10 acres of the west 20 acres of Government Lot 6 of Section 28, Township 28 North, Range 24 West, together with that part of dried up lake bed of Wood Lake appurtenant thereto, lying easterly of Trunk Highway No. 65 as located and established on March 23, 1956; which lies between two lines run parallel with and distant 1 foot and 21 feet westerly of the east line of the above described tract, northerly of a line run parallel with and distant 1 foot north of the south line of said tract, and southerly of the following described line:

Beginning at a point on a line run parallel with and distant 783 feet south of the east and west quarter line of said Section 28, distant 55 feet westerly of its intersection with a line run parallel with and distant 10 feet west of the west line of Payton Manor extended southerly; thence run southwesterly to a point on the east line of the above described tract distant 345 feet north of the southeast corner thereof; thence continue southwesterly on the last described course for 60 feet and there terminating; containing 0.15 acre, more or less.

Subject to the following restrictions:

No access shall be permitted to Trunk Highway No. 50, renumbered 65, and to Trunk Highway No. 394, renumbered 35W from the lands herein conveyed. No advertising devices in any form or size shall be constructed, placed or permitted to be constructed or placed upon the lands except: (1) signs, displays and devices advertising the sale or lease of the property and (2) signs, displays and devices advertising activities conducted on the property; the real estate shall not be used as an automobile junk yard or as a repository for rubbish in any form.

Except that part of Government Lot 6, Section 28, Township 28, Range 24, shown as parcel 65A on Minnesota Department of Transportation right of way plat numbered 27-111 as the same is on file and of record in the office of the county recorder in and for Hennepin County, Minnesota.

Except the South 12.0 feet or the North 45.0 feet or the following described tract: the East 10 feet of the North 783 feet of that part of government Lot 6, lying west of the west line of Payton Manor and the same extended, Section 28, Township 28, Range 24, Hennepin County, Minnesota, together with right of access, begin the right of ingress and egress from that part of the above described tract not acquired to CSAH No. 53.

CONTRACT FOR PRIVATE DEVELOPMENT

Between

**HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF RICHFIELD**

and

Endres Custom Homes, Inc.

for property located at

6812 Emerson Lane

This Instrument Drafted by:

**The Housing and Redevelopment Authority
in and for the City of Richfield
6700 Portland Avenue South
Richfield, Minnesota 55423
Telephone: (612) 861-9760**

CONTRACT FOR PRIVATE DEVELOPMENT

THIS AGREEMENT, made and entered into as of this _____ day of _____, 20____, by and between the Housing and Redevelopment Authority in and for the City of Richfield, a public body corporate and politic under the laws of the State of Minnesota, having its principal office at 6700 Portland Avenue, Richfield, Minnesota (HRA) and Endres Custom Homes, Inc. (Builder).

WITNESSETH:

WHEREAS, the City of Richfield (City) and the HRA have previously created and established a Redevelopment Project (Project) pursuant to the authority granted in Minnesota Statutes, Sections 469.001 through 469.047 (collectively, the Act); and

WHEREAS, pursuant to the Act, the City and the HRA have previously adopted a redevelopment plan for the Project (Redevelopment Plan); and

WHEREAS, in order to achieve the objectives of the Redevelopment Plan and particularly to make specified land in the Project available for development by private enterprise for and in accordance with the Redevelopment Plan, the HRA has determined to provide substantial aid and assistance to finance development costs in the Project; and

WHEREAS, the Builder has proposed to purchase a large lot owned by the HRA, divide the property into five lots and build homes on each lot; and

WHEREAS, the Builder has proposed a development as hereinafter defined within the Project which the HRA has determined will promote and carry out the objectives for which the Project has been undertaken, will assist in carrying out the obligations of the Redevelopment Plan, will be in the vital best interests of the City and the health, safety and welfare of its residents and is in accord with the public purposes and provisions of the applicable state and local laws and requirements under which development in the Project has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the mutual covenants and obligation of the HRA and the Builder, each party does hereby represent, covenant and agree with the other as follows:

ARTICLE I.

DEFINITIONS, EXHIBITS, RULES OF INTERPRETATION

Section 1.1. Definitions. In this Agreement, the following terms have the meaning given below unless the context clearly requires otherwise:

Building Plans. Detailed plans for the Improvements to be constructed on the Property, as required by the local building official for issuance of a building permit.

Construction Plans. The construction plans approved by the HRA pursuant to Section 4.1 of this Agreement. The Construction Plans include a schedule for construction of the Improvements, preliminary plans and schematics of the Improvements to be constructed, and a landscaping plan.

Development. The Property and the Improvements to be constructed thereon according to the Construction Plans approved by the HRA.

Event of Default. Event of Default has the meaning given such term in Section 8.1.

Guidelines. The Richfield Rediscovered Program Guidelines Lot Sale Program, revised April 23, 2013 and attached as Exhibit C to this Agreement.

Homeowner. Each of the individuals purchasing a Lot from Builder and who will be living in the homes to be constructed.

Improvements. Each and all of the structures (including five homes) and site improvements constructed on the Property by the Builder, as specified in the Construction Plans to be approved by the HRA.

Lot. Each of the five lots that the Property will be divided into.

Minimum Market Value. \$349,000, which is the minimum market value for each Lot, including the land and Improvements as confirmed by the Hennepin County Assessor.

Mortgage. One or more mortgages obtained by the Builder from a third party lender in accordance with Section 7.2 of this Agreement.

Property. The real property legally described in Exhibit A. Located on land having a street address of:

6812 Emerson Lane

Unavoidable Delays. Delays which are the direct result of strikes, labor troubles, fire or other casualty to the Improvements, litigation commenced by third parties which results in delays or acts of any federal, state or local government, except those contemplated by this Agreement, which are beyond the control of the Builder.

Section 1.2. Exhibits. The following Exhibits are attached to and by reference made a part of this Agreement:

- A. Legal Description
- B. Form of Certificate of Completion
- C. Program Guidelines – Lot Sale Program

- D. Form of Quit Claim Deed
- E. Well Disclosure

Section 1.3. Rules of Interpretation.

- (a) This Agreement shall be interpreted in accordance with and governed by the laws of the State 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.

ARTICLE II.

REPRESENTATIONS AND UNDERTAKINGS

Section 2.1. By the Builder. The Builder makes the following representations and undertakings:

- (a) The Builder has the legal authority and power to enter into this Agreement and has duly authorized the execution, delivery and performance of this Agreement;
- (b) The Builder has the necessary equity capital or has obtained commitments for financing necessary for construction of the Improvements;
- (c) The Builder will construct the Improvements in accordance with the terms of this Agreement and all local, state and federal laws and regulations;
- (d) The Builder will obtain, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, the requirements of all local, state and federal laws and regulations which must be obtained or met before the Improvements may be constructed;
- (e) The plans for the Improvements have been prepared by a qualified draftsman or architect; and
- (f) The Builder has read and understands the Guidelines and agrees to be bound by them.

Section 2.2. By the HRA. The HRA makes the following representations as the basis for the undertaking on its part herein contained:

(a) The HRA is authorized by law to enter into this Agreement and to carry out its obligations hereunder; and

(b) The HRA will, in a timely manner, subject to all notification requirements, review and act upon all submittals and applications of the Builder and will cooperate with the efforts of the Builder to secure the granting of any permit, license, or other approval required to allow the construction of the Improvements.

ARTICLE III.

ACQUISITION OF PROPERTY; CONVEYANCE TO BUILDER

Section 3.1. Purchase of Property by Builder. The HRA agrees to sell the Property to Builder and the Builder agrees to purchase the Property from the HRA in an “as-is” condition. The sale of the Property is contingent upon (i) the Builder providing the HRA with evidence satisfactory to the HRA that Builder has entered into a binding legal commitment, in the form of a Purchase Agreement for the resale of each of the five Lots to a Homeowner following completion of the Improvements on each Lot; and (ii) the Builder entering into a development agreement with the City regarding construction of public improvements necessary for the Improvements as more fully described in Section 3.9. The HRA agrees to convey the Property to the Builder by Quit Claim Deed in the general form of Exhibit D. The HRA’s deed to the Builder will contain the right of reverter required in Section 8.3. The purchase price for the Property, payable on the Closing Date (as defined in Section 3.7), will be \$1.00 (“Purchase Price”).

Section 3.2. Title and Examination. As soon as reasonably possible after execution of this Contract for Private Development by both parties,

(a) HRA shall surrender any abstract of title and a copy of any owner’s title insurance policy for the Property, if in HRA’s possession or control, to Builder or to Builder’s designated title service provider; and

(b) Builder shall obtain the title evidence determined necessary or desirable by Builder or Builder’s lender, including but not limited to title searches, title examinations, abstracting, a title insurance commitment or an attorney’s title opinion, at Builder’s selection and cost, and provide a copy to the HRA.

The Builder shall have 20 days from the date it receives such title evidence to raise any objections to title it may have. Objections not made within such time will be deemed waived. The HRA shall have 90 days from the date of such objection to effect a cure; provided, however, that the HRA shall have no obligation to cure any objections, and may inform Builder of such. The Builder may then elect to close notwithstanding the uncured objections or declare this Agreement null and void, and the parties will thereby be released from any further obligation hereunder.

Section 3.3. Taxes and Special Assessments. Real estate taxes and installments of special assessments will be prorated between the HRA and Builder as of the Closing Date.

Section 3.4. Soil Conditions and Hazardous Wastes. The Builder acknowledges that the HRA makes no representations or warranties as to the conditions of the soils on the Property, its fitness for the construction of improvements or any other purpose for which the Builder may use the Property, or regarding the presence of hazardous wastes on the Property. The HRA will allow reasonable access to the Property for the Builder to conduct such tests regarding soils conditions and hazardous wastes as the Buyer may desire. Permission to enter the Property to conduct such tests must be given in writing under reasonable terms and conditions established by the HRA.

Section 3.5. Site Clearance. The HRA will be responsible for clearance of all buildings as required to prepare the Property for development. All other site preparation is the responsibility of Builder. Builder will comply with all of the provisions of the Guidelines relating to tree protection, preservation and replacement.

Section 3.6. Other Preconditions to Closing. Closing may not take place until the HRA is satisfied that the Project is in all respects in full compliance with the provisions of the Guidelines contained in Exhibit C. It is anticipated that the Builder will involve the Homeowners in the various activities required under the Guidelines so that the Homeowners will have an opportunity to contribute suggestions concerning development of each Lot.

Section 3.7. Closing. Closing must take place on or before December 31, 2019, ("Closing Date") or such other date as may be agreed to by the Builder and HRA in writing. On the Closing Date, the Builder will provide the HRA with five separate cash deposits for the escrow accounts to be established for each Lot pursuant to Section 5.1, in addition to the Purchase Price.

Section 3.8. Closing Costs. The Builder will pay: (a) all closing fees charged by its title insurance company or other closing agent, if any, utilized to close the transaction for Builder; (b) title services chosen by Builder pursuant to Section 3.2 above, including the premium for title insurance policy, if any, and (c) the recording fees for the Contract for Private Development and the deed transferring title to the Builder. HRA will pay (a) any transfer taxes, and (b) fees and charges related to the filing of any instrument required to make title marketable. Each party shall pay its own attorney fees.

Section 3.9. Sewer, Water, and Street. The Builder acknowledges and understands that it will be required, at its own cost, to construct public utilities (sewer and water) to extend City utilities to the Property. In addition, Builder understands that it will be required, at its own cost, to extend the public street to the Property. Builder will enter into a separate development agreement with the City setting forth the Builder's responsibilities with respect to public infrastructure required for the Improvements.

Section 3.10. ISTS Disclosure. HRA is **not** aware of any individual sewage treatment system on the Property. Buyer is responsible for all costs of removing any individual sewage treatment system that may be discovered on the Property.

Section 3.11. Well Disclosure. HRA's knowledge of wells on the Property is disclosed in Exhibit E.

Section 3.12. Methamphetamine Disclosure. To the best of HRA's knowledge, methamphetamine production has not occurred on the Property.

Section 3.13. Platting Property. The Builder understands and acknowledges that it will be required to plat the Property into five Lots at its own cost.

Section 3.14. Right of Entry.

(a) The HRA hereby grants to the Builder, its agents, employees and contractors, the right to enter upon the Property for purposes of making surveys, inspections, investigations, soil borings, and testing relative to the Builder's possible purchase of the Property.

(b) In consideration for such right of entry, the Builder agrees to:

(i) Notify the HRA at least 48 hours in advance of the date and time that the Builder, its agents, employees or contractors, will enter the Property and of the purpose for the entry, in order to permit the HRA to be present during the time any work is being done by the Builder, its agents, employees or contractors;

(ii) Provide to the HRA a copy of all test results and reports prepared by the Builder or its consultants evaluating the conditions present on the Property, as soon as reasonably possible following final completion thereof;

(iii) Dispose of all solid waste generated during the course of the Builder's sampling activities and other work on the Property in accordance with applicable federal, state and local laws, rules and regulations;

(iv) Coordinate activities with the HRA so as to avoid unnecessary disruption to or interference with the HRA's use of the Property;

(v) Do no unnecessary damage to the Property and restore the Property to substantially the same condition as the condition in which it was found by the Builder at the time of entry upon the Property by the Builder, its agents, employees or contractors;

(vi) Hold the HRA harmless from and indemnify the HRA from any and all claims, damages, judgments or obligations, including the cost of defense of suit, arising out of damage to Property or arising out of injury to anyone incurred or alleged to have been incurred in connection with or as a result of any work done pursuant to this right of entry, or as a result of the intentional torts or negligence of the Builder, its agents, employees or contractors. Notwithstanding the foregoing, (i) neither the Builder nor its contractors shall be responsible for the timeliness of any submission or application for further investigation or feasibility analysis or determining the proper methods of removal, treatment or disposal of any pollutants, contaminants or hazardous substances present on

the Property; and (ii) nothing in this Agreement shall be deemed a waiver of defenses or limitations available to the HRA under Minnesota Statutes Chapter 466 (the Municipal Tort Claims Act); and

(v) If the Builder or its contractors removes a sample or portion of the Property for investigation, monitoring or testing or obtains any data or issues any report, it must give the HRA an equal amount of the sample or portion and a copy of any data or report, and must permit the HRA to perform an independent investigation, monitoring, or testing of the sample or portion.

Section 3.15. Storage of Equipment on Property Prior to Purchase. The Builder may store an excavator on the Property following the execution of this Agreement and prior to conveyance of the Property to the Builder. The Builder will be responsible for all liability related to the storage of the excavator on the Property. Prior to storing the excavator on the Property, the Builder shall provide the HRA with proof of general liability insurance in the amount of at least \$1,000,000.

ARTICLE IV.

CONSTRUCTION OF IMPROVEMENTS

Section 4.1. Construction of Improvements. The Builder shall construct the Improvements on each Lot in accordance with the Guidelines and the Construction Plans, shall cause each of the Lots and the Improvements constructed thereon to meet or exceed the Minimum Market Value for each Lot specified in Section 1.1, and shall maintain, preserve and keep the Improvements in good repair and condition. The Builder shall provide his or her proposed construction plans for each Lot to the HRA for review; if the proposed construction plans are in conformity with this Agreement and the Guidelines, the HRA will approve the Construction Plans for each Lot following review and comment by the Homeowner.

Section 4.2. Construction Plans. No building permit will be issued by the City unless the Building Plans for each Lot are in conformity with the Guidelines, the Construction Plans, the Builder's Minimum Market Value, other requirements contained in this Agreement, and all local, state and federal regulations. The Builder shall provide the HRA with a set of Building Plans to be used in connection with any application for a building permit. The HRA shall, within 25 days of receipt of the Building Plans review the same to determine whether the foregoing requirements have been met. If the HRA determines such Building Plans to be deficient, it shall notify the Builder in writing stating the deficiencies and the steps necessary for correction. Issuance of the building permit by the City shall be a conclusive determination that the Building Plans have been approved and shall satisfy the provisions of this Section 4.2.

Section 4.3. Schedule of Construction. Subject to Unavoidable Delays, construction of the Improvements on each Lot shall be completed prior to December 31, 2020 ("Construction Completion Date"). All construction shall be in conformity with the approved Construction Plans and the Guidelines. Periodically during construction the Builder shall make reports in such detail as may reasonably be requested by the HRA concerning the actual progress of construction. If at any time prior to completion of construction the HRA has cause to believe

that the Builder will be unable to complete construction of the Improvements on each Lot in the time permitted by this Section 4.3, it may notify the Builder and demand assurances from the Builder regarding the Builder's construction schedule. If such assurances are not forthcoming or are deemed by the HRA at its sole discretion to be inadequate, the HRA may declare an Event of Default and may avail itself of any of the remedies specified in Section 8.2 of this Agreement.

Section 4.4. Certificate of Completion. After notification by the Builder of completion of construction of the Improvements, the HRA shall inspect the construction to determine whether the Improvements on each Lot have been completed in accordance with the Construction Plans and the terms of this Agreement, including the date of the completion thereof. In the event that the HRA is satisfied with the construction, and upon closing on the sale of each Lot to the Homeowner, the HRA shall furnish the Builder with a Certificate of Completion in the form attached hereto as Exhibit A. Such certification by the HRA shall be a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement as to the applicable Lot. Issuance of the Certificate of Completion for each Lot shall also serve as a satisfaction of any obligation of Builder secured by the escrow account established under Section 5.1 for such Lot, and the cash in the escrow account for such Lot will be released to the Builder.

If the HRA shall refuse or fail to provide certification in accordance with the provisions of this Section 4.4, the HRA shall within 15 days of such notification provide the Builder with a written statement, indicating in adequate detail in what respects the Builder has failed to complete the Improvements in accordance with the provisions of this Agreement necessary, in the opinion of the HRA, for the Builder to take or perform in order to obtain such certification.

Section 4.5. Failure to Construct. In the event that construction of the Improvements is not completed as provided in Section 4.3 of this Agreement, an Event of Default shall be deemed to have occurred with respect to the Lots that do not have completed Improvements as determined by the receipt by Builder of a Certificate of Completion, and the HRA may proceed with its remedies under Section 8.2 for such Lots.

ARTICLE V.

REDEVELOPMENT ASSISTANCE

Section 5.1. Establishment of Cash Escrow. Builder acknowledges that in order to promote development of the Property, the HRA is selling the Property for \$1.00 but the HRA has incurred significant costs in acquiring and preparing the Property for development by Builder. On the Closing Date, Builder will deliver to the HRA \$10,000 for each Lot to be placed in a non-interest bearing escrow account pursuant to the Escrow Agreement, dated as of the date hereof, between Builder and HRA. The obligation to pay the \$10,000 for each Lot to the HRA will be forgiven, and the cash in the escrow account will be returned to Builder if: (i) the Builder receives a Certificate of Completion; and (ii) the Builder is not otherwise in default of any of its obligations hereunder or under the Escrow Agreement. If such have not occurred, an Event of Default shall be deemed to have occurred and the HRA may exercise its remedies under Section 8.2.

ARTICLE VI.

FINANCING

Section 6.1. Financing. HRA acknowledges that Builder has submitted evidence of financing for the Improvements in compliance with the provisions of Section 2.1(b) of this Agreement. Builder must notify HRA immediately of any changes to or withdrawal of the approved financing. HRA shall have 10 days to approve or disapprove changes in financing. If the HRA rejects a change in the approved financing or if the approved financing is withdrawn, the Builder shall have 30 days or such additional period of time as the Builder may reasonably require from the date of the HRA's notification to submit evidence of financing satisfactory to the HRA. If the Builder fails to submit such evidence or fails to use due diligence in pursuing financing, the HRA may terminate this Agreement and both parties shall be released from any further obligation or liability hereunder. Closing shall not take place until Builder has provided HRA with acceptable evidence of financing for construction of the Improvements.

Section 6.2. Copy of Notice of Default to Lender. Whenever the HRA shall deliver any notice or demand to the Builder with respect to any Event of Default by the Builder in its obligations or covenants under this Agreement, the HRA shall at the same time forward a copy of such notice or demand to each holder of any Mortgage authorized by the Agreement at the last address of such holder shown in the records of the HRA.

Section 6.3. Subordination. In order to facilitate obtaining financing for the construction of the Improvements by the Builder, the HRA may, in its sole and exclusive discretion, agree to modify this Agreement in the manner and to the extent the HRA deems reasonable, upon request by the financial institution and the Builder.

ARTICLE VII.

PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER

Section 7.1. Representation as to Redevelopment. The Builder represents and agrees that its undertakings pursuant to the Agreement, are for the purpose of development of the Property and not for speculation in land holding. The Builder further recognizes that, in view of the importance of the Development to the general welfare of Richfield and the substantial financing and other public aids that have been made available by the HRA for the purpose of making the Development possible, the qualification and identity of the Builder are of particular concern to the HRA. The Builder further recognizes that it is because of such qualifications and identity that the HRA is entering into this Agreement, and, in so doing, is further willing to rely on the representations and undertakings of the Builder for the faithful performance of all undertakings and covenants agreed by the Builder to be performed.

Section 7.2. Prohibition Against Transfer of Property and Assignment of Agreement. For the reasons set out in Section 7.1 of this Agreement, the Builder represents and agrees as follows:

(a) Except as specifically allowed by this section, Builder has not made or created, and, prior to the issuance of the Certificate of Completion, Builder will not make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or any trust in respect to this Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the HRA.

(b) This provision shall not be deemed as preventing the Builder from entering into a Purchase Agreement for the sale of the Property to a Homeowner.

(c) This provision does not prohibit conveyances that are only by way of security for, and only for the purpose of obtaining financing necessary to enable the Builder or any successor in interest to the Property, or any part thereof, to perform its obligations with respect to the Development under this Agreement, and any other purpose authorized by this Agreement. Any Mortgage obtained by the Builder must be disclosed to the HRA, and must be subordinate to this Agreement. The Builder must provide the HRA with an address for the holder of the Mortgage for purposes of providing notices as may be required by this Agreement.

ARTICLE VIII.

EVENTS OF DEFAULT

Section 8.1. Events of Default Defined. The following shall be deemed Events of Default under this Agreement and the term shall mean, whenever it is used in this Agreement, unless the context otherwise provides, any one or more of the following events:

(a) Failure by the Builder to pay when due the payments required to be paid or secured under any provision of this Agreement;

(b) Failure by the Builder to observe and substantially perform any covenant, condition, obligation or agreement on its part to be observed or performed hereunder, including the time for such performance;

(c) If the Builder shall admit in writing its inability to pay its debts generally as they become due, or 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 of itself or of the whole or any substantial part of the Property;

(d) If the Builder, on a petition in bankruptcy filed against it, be adjudicated as bankrupt, or a court of competent jurisdiction shall enter an order or decree appointing, without the consent of the Builder, a receiver of the Builder or of the whole or substantially all of its property, or approve a petition filed against the Builder seeking reorganization or arrangement of the Builder under the federal bankruptcy laws, and such adjudication, order or decree shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(e) If the Development is in default under any Mortgage and has not entered into a work-out agreement with the holder of the Mortgage.

Section 8.2. Remedies on Default. Whenever any Event of Default occurs, the HRA may, in addition to any other remedies or rights given the HRA under this Agreement, take any one or more of the following actions following written notice by the HRA to the Builder as provided in Section 9.3 of this Agreement:

(a) Suspend its performance under this Agreement until it receives assurances from the Builder, deemed reasonably adequate by the HRA, that the Builder will cure its default and continue its performance under this Agreement;

(b) Cancel or rescind this Agreement;

(c) Exercise its right under Section 8.3;

(d) Withdraw all funds in the escrow account established in Section 5.1;

(e) Withhold the Certificate of Completion; or

(f) Take whatever action at law or in equity may appear necessary or desirable to the HRA to enforce performance and observance of any obligation, agreement, or covenant of the Builder under this Agreement; provided, however, that any exercise by the HRA of its rights or remedies hereunder shall always be subject to and limited by, and shall not defeat, render invalid or limit in any way (a) the lien of any Mortgage authorized by this Agreement and (b) any rights or interest provided in this Agreement for the protection of the holders of a Mortgage; and provided further that should any holder of a Mortgage succeed by foreclosure of the Mortgage or deed in lieu thereof to the Builder's interest in the Property, it shall, notwithstanding the foregoing, be obligated to perform the obligations of the Builder under this Agreement to the extent that the same have not therefore been performed by the Builder.

Section 8.3. Revesting Interest in HRA Upon Happening of Event of Default Subsequent to Conveyance of Property to Builder. In the event that subsequent to the closing or the sale of each Lot to the Builder and prior to the issuance of the Certificate of Completion:

(a) The Builder fails to begin construction of the Improvements on each Lot in conformity with this Agreement, and such failure is not due to Unavoidable Delays;

(b) The Builder, after commencement of the construction of the Improvements on each Lot, defaults in or violates obligations with respect to the construction of the Improvements, including the nature and the date for the completion thereof, or abandons or substantially suspends construction work, and such act or actions is not due to Unavoidable Delays;

(c) The Builder or successor in interest fails to pay real estate taxes or assessments on the Property or any part thereof when due, or places thereon any encumbrance or lien unauthorized by this Agreement, or suffers any levy or attachment to be made, or any supplier's or mechanic's lien, or any other unauthorized encumbrance or lien to attach;

(d) There is, in violation of Article VII of this Agreement, any transfer of the Property or any part thereof; or

(e) The Builder fails to comply with any of its covenants under this Agreement,

then the HRA shall have the right upon 30 days' written notice to Builder and the Builder's failure to cure within such 30 days period, to re-enter and take possession of the Property and to terminate and re-vest in the HRA the interest of the Builder in the Property; provided, however, that such re-vestiture of title shall be subject to the lien of any prior encumbrance permitted under this Agreement, or any right of a Homeowner pursuant to a valid Purchase Agreement authorized by this Agreement.

Section 8.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the HRA is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the HRA or the Builder to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in this Article VIII.

Section 8.5. No Additional Waiver Implied by One Waiver. In the event of the occurrence of any Event of Default by either party, which Event of Default is thereafter waived by the other party, such waiver shall be limited to the particular Event of Default so waived and shall not be deemed to waive any other concurrent, previous or subsequent Event of Default.

ARTICLE IX.

ADDITIONAL PROVISIONS

Section 9.1. Conflict of Interests; Representatives Not Individually Liable. No HRA officer who is authorized to take part in any manner in making this Agreement in his or her official capacity shall voluntarily have a personal financial interest in this Agreement or benefit financially there from. No member, official, or employee of the HRA shall be personally liable to the Builder, or any successor in interest, for any Event of Default by the HRA or for any amount which may become due to the Builder or successor or on any obligations under the terms of this Agreement.

Section 9.2. Non-Discrimination. The provisions of Minnesota Statutes Section 181.59, which relate to civil rights and non-discrimination, and any affirmative action program of the City shall be considered a part of this Agreement and binding on the Builder as though fully set forth herein.

Section 9.3. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is sent by mail, postage prepared, return receipt requested or delivered personally:

(a) As to the HRA:

Richfield HRA
Executive Director
6700 Portland Avenue South
Richfield, MN 55423

(b) As to the Builder:

Dustin Endres
Endres Custom Homes, Inc.
15561 Dunberry Way
Apple Valley, MN 55124

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 9.3.

Section 9.4. Counterparts. This Agreement may be simultaneously executed in any number of counterparts, all of which shall constitute one and the same instrument.

Section 9.5. Extensions. Any extension to the Closing Date and/or extension to Construction Completion Date that exceeds 6 months from the date agreed to in Section 3.7 and 4.3, respectively, must be approved by the HRA Board. HRA staff is authorized to extend the Closing Date to a date less than 6 months from the Closing Date agreed to in Section 3.7 and extend the Construction Completion Date to a date less than 6 months from the Construction Completion Date agreed to in Section 4.3.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the day and year first above written.

[signature pages follow]

Signature Page for HRA

**THE HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY OF
RICHFIELD, MINNESOTA**

By _____
Its Chairperson

By _____
Its Executive Director

STATE OF MINNESOTA)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, the Chairperson of the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota, a public body corporate and politic under the laws of Minnesota, on behalf of the authority.

Notary Public

STATE OF MINNESOTA)
) SS
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, the Executive Director of the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota, a public body corporate and politic under the laws of Minnesota, on behalf of the authority.

Notary Public

Signature Page for Builder

ENDRES CUSTOME HOMES, INC.

By _____
Its _____

[illegible]

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, the _____ of _____, a _____ under the laws of _____, on behalf of the _____.

Notary Public

EXHIBIT A

LEGAL DESCRIPTION

That part of Government Lot 6, Section 28, Township 28, North Range 24, West of the 4th Principal Meridian, described as follows: Commencing at the Northeast corner of the West 20 acres of said Government Lot 6; thence East along Fort Snelling and Minnetonka Road 160 feet; thence South to shore of Wood Lake; thence along the said Shore to the East line of said 20 acres; thence North to place of beginning, Except the North 783 feet thereof; and except that part of Government Lot 6, Section 28, Township 28, Range 24, Hennepin County, Minnesota, described as follows, to-wit: Beginning at a point on the West line of Lot 6, "Vehe Addition," 16 feet North of the Southwest corner thereof; thence West on a line parallel with the Northerly line of said Government Lot 6 a distance of 148.0 feet; thence South on a line parallel with the East line of the West 20 acres of said Government Lot 6 to its place of intersection with the Northerly line of West 68th Street; thence Northeasterly along the Northerly line of said West 68th Street to the Southwesterly corner of Lot 7, "Vehe Addition;" thence North along the West line of said Lots 6 and 7, "Vehe Addition," to the point of beginning; and except that part of Government Lot 6, Section 28, Township 28, Range 24, lying South of the following described boundary line, to-wit: Commencing at the Southeast corner of Lot 7, "Vehe Addition;" thence Southwesterly a distance of 135.35 feet to the Southwest corner of said Lot 7, "Vehe Addition," to the actual point of beginning; thence continuing Southwesterly on an extension of the South line of said Lot 7, "Vehe Addition" to the East line of the West 20 acres of Government Lot 6, Section 28, Township 28, Range 24, also; the East 10 feet of the North 783 feet of that part of Government Lot 6, lying West of the West line of Payton Manor and the same extended, Section 28, Township 28, Range 24, Hennepin County, Minnesota, according to the United States Government Survey thereof and situate in Hennepin County, Minnesota.

That part of the south 10 acres of the west 20 acres of Government Lot 6 of Section 28, Township 28 North, Range 24 West, together with that part of dried up lake bed of Wood Lake appurtenant thereto, lying easterly of Trunk Highway No. 65 as located and established on March 23, 1956; which lies between two lines run parallel with and distant 1 foot and 21 feet westerly of the east line of the above described tract, northerly of a line run parallel with and distant 1 foot north of the south line of said tract, and southerly of the following described line:

Beginning at a point on a line run parallel with and distant 783 feet south of the east and west quarter line of said Section 28, distant 55 feet westerly of its intersection with a line run parallel with and distant 10 feet west of the west line of Payton Manor extended southerly; thence run southwesterly to a point on the east line of the above described tract distant 345 feet north of the southeast corner thereof; thence continue southwesterly on the last described course for 60 feet and there terminating; containing 0.15 acre, more or less.

Subject to the following restrictions:

No access shall be permitted to Trunk Highway No. 50, renumbered 65, and to Trunk Highway No. 394, renumbered 35W from the lands herein conveyed. No advertising devices in any form or size shall be constructed, placed or permitted to be constructed or placed upon the lands except: (1) signs, displays and devices advertising the sale or lease of the property and (2) signs,

displays and devices advertising activities conducted on the property; the real estate shall not be used as an automobile junk yard or as a repository for rubbish in any form.

Except that part of Government Lot 6, Section 28, Township 28, Range 24, shown as parcel 65A on Minnesota Department of Transportation right of way plat numbered 27-111 as the same is on file and of record in the office of the county recorder in and for Hennepin county, Minnesota.

Except the South 12.0 feet or the North 45.0 feet or the following described tract: the East 10 feet of the North 783 feet of that part of government Lot 6, lying west of the west line of Payton Manor and the same extended, Section 28, Township 28, Range 24, Hennepin County, Minnesota, together with right of access, begin the right of ingress and egress from that part of the above described tract not acquired to CSAH No. 53.

EXHIBIT B

**FORM OF CERTIFICATE OF COMPLETION
(TO BE PROVIDED FOR EACH LOT)**

The undersigned hereby certifies that _____, has fully and completely complied with its obligations under that document entitled "Contract for Private Development", between the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota and _____ dated _____, filed _____ as Document No. _____ (the "Contract") with respect to the construction of the approved construction plans at _____, legally described as _____ and is released and forever discharged from its obligations under such Contract.

DATED: _____

THE HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY
RICHFIELD

By: _____
Its: Executive Director

STATE OF MINNESOTA)
) SS
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____ the Executive Director of the Housing and Redevelopment Authority in and for the City of Richfield, a public body corporate and politic under the laws of the State of Minnesota on behalf of the public body corporate and politic.

Notary Public

This instrument was drafted by:

Kennedy & Graven, Chartered
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402

EXHIBIT C
PROGRAM GUIDELINES – LOT SALE PROGRAM

RICHFIELD REDISCOVERED
PROGRAM GUIDELINES
LOT SALE PROGRAM

REVISED: April 23, 2013

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This document has been developed as a guidance tool for program administration. It should not be interpreted as constituting any contractual agreement or liability by the City or Housing and Redevelopment Authority (HRA). The HRA may modify or divert from the guidelines where it deems appropriate.

I. Program Objectives

1. To remove substandard, functionally obsolete housing on scattered sites throughout the City and replace with new, higher-valued housing.
2. To eliminate the blighting influence of substandard housing, thus improving residential neighborhoods.
3. To alleviate the shortage of housing choices for families.
4. To facilitate the construction of larger three- to four-bedroom, owner-occupied homes designed for families.
5. To facilitate the construction of multi-unit, owner-occupied homes designed to expand family opportunities or to serve elderly residents.

These objectives will be achieved through the sale of lots by the Housing and Redevelopment Authority to Builder/Buyer teams for the development of newly constructed homes.

II. Definitions

Applicant: An individual who submits an application for a Richfield Rediscovered lot. The Applicant may be a Builder or the end Buyer. If the Applicant is a Builder, an end Buyer should be identified. If the Applicant is the Buyer, the Applicant must submit a signed contract between the Builder and the Buyer to build a home on the lot identified in the application.

Buyer: An individual(s) who will build, own and occupy a new housing unit in Richfield.

The Buyer will occupy the property and not offer it for rent. The Buyer may not also function as the Builder on a Richfield Rediscovered project. The Buyer and Builder must be unrelated separate legal entities. A speculative project by a Buyer may be considered if all other program requirements can be met. However, neither the Buyer, the Buyer's Builder or Builder's subcontractors, or the Builder's realty agents may occupy or purchase the property.

Buyers, unless licensed in the trade specified, may not put any sweat equity into the construction of the foundation, wall/roof framing, shingling, exterior work, electrical/plumbing/HVAC systems or interior carpentry.

Builder: Contractor who has signed a contract with the Buyer to build a home on the lot identified in the application.

Contract for Private Development: A contract between the HRA and the Builder or Buyer that establishes the conditions under which the lot will be sold and the proposed house will be developed.

Green Community Concepts Plan: A written plan indicating how the proposed development will incorporate green building features and concepts. Priority will be given to projects that incorporate green building features.

HRA: Housing and Redevelopment Authority in and for the City of Richfield.

Lot List: A listing of available lots for sale. Information regarding the lot location, size and sale price is provided.

III. Program Basics

1. HRA publishes a list of available vacant lots for purchase including sale price and development criteria.

2. Builder/Buyer team proposes a plan for a lot consistent with development criteria and program requirements and makes an offer to purchase.
3. HRA approves lot sale.
4. Lot is sold to Builder or Buyer.
5. Builder constructs new home.
6. Projects must be completed within one year of HRA approval of the project.

IV. Application Requirements

The following must be submitted for application to the program:

1. \$525 application fee
An application fee must be paid at the time of application. This fee is non-refundable and is not part of the lot price.
2. Application Form
3. Blueprints
The layout of all levels, including basement and unfinished space, must be provided.
4. Elevations
Elevations of all four sides of the house, including view of garage shall be provided. Colored renderings may also be required.
5. Site plan
The site plan shall indicate the location of the new house, walkways and garage.
6. Landscaping plan
A landscaping plan must indicate the location and type of trees, shrubbery, flowers and landscaping materials (e.g. rocks, mulch) and any existing trees to be preserved.
7. Detail of construction materials to be used on the project.
8. Green Community Concepts Plan
The plan should indicate what Green Community Concepts will be incorporated into the project.
9. Construction timeline
Construction must be completed within one year of the purchase of the property.
10. Signed contract with Builder
11. Purchase agreement
If the Builder plans to purchase the lot, the application must include a valid purchase agreement between the Buyer and the Builder for the lot to be developed.
12. Financial capability statement
A statement from a financial institution indicating willingness to provide sufficient construction capital to complete the project must be provided.
13. Builder References
 - a. Five previous customers
 - b. Three major suppliers, one being the construction supplier
 - c. Building inspectors from two cities where the Builder has constructed new housing within the past three years
14. Proof of Builder's Comprehensive General Liability with Property Damage Protection.

15. Proof of sufficient worker's compensation insurance coverage by the Builder.
16. Written warranty program
To be provided to the Buyer, which guarantees at a minimum, warranted repairs as required by Minnesota State Statute.

V. Additional Program Requirements

1. The Applicant is expected to meet with an architectural/design consultant prior to submitting an application. A two-hour consultation is available through the HRA at a cost of \$25 to the applicant. See the City's website (www.cityofrichfield.org) for more information. This requirement may be waived if the applicant is using an architect for the project.
2. The site will be sold to the Builder or Buyer at the fair market value as appears on the Lot List. The HRA will not accept offers for less than the established sale price.
3. A Contract for Private Development is signed by the HRA and the Builder or the Buyer. The Contract is a standard form which includes conditions for acquisition and development of the property. The Contract will also establish a minimum required end-value for the property based on construction estimates provided by the applicant. The Builder or Buyer will be expected to agree to the terms of the Contract before the application can be scheduled on the HRA agenda.
4. All lots will have a required minimum end value that will be established in the Contract for Private Redevelopment.
5. The lot can be sold to either the Builder or the Buyer. If the lot is sold to the Builder, the Builder will pay cash for the lot at closing and submit a Letter of Credit or cash escrow for \$10,000. The Letter of Credit must be from a financial institution incorporated in the Twin Cities metropolitan area. The cash escrow will be held in a non-interest bearing account. The Letter of Credit or cash escrow will be released once the construction and landscape work are completed and a final Certificate of Occupancy is issued.
6. If the lot is sold to the Builder and the Builder fails to complete construction as approved by the HRA, the Letter of Credit or cash escrow may be drawn upon by the HRA. In addition, the Contract for Private Development will contain a reverter provision, which will enable the HRA to reclaim ownership of the property in the event of a default in the Contract. In the event that the Builder fails to complete construction, the HRA may exercise its rights under the reverter provision, as well as draw upon the Letter of Credit or cash escrow.
7. If the lot is sold to the Buyer, the Buyer will pay cash for the lot at closing and a \$10,000 mortgage in favor of the HRA will be filed on the property. The mortgage will be in first position. The HRA may consider subordinating its interest in appropriate cases.
8. If the lot is sold to the Buyer and the Buyer fails to complete construction as approved by the HRA, the HRA may exercise its rights provided in the mortgage.

VI. House Design and Site Development Requirements

The development of all sites shall meet the development criteria listed below, as reviewed and approved by the HRA. To maximize the development of a given lot, the HRA reserves the right to explore all development options without obligating the HRA to support any specific proposal, idea or solicitation.

Housing design is a critical element of the program. Siding materials, exterior façade presentation, roof, window, siding and building line variability, finished landscape, interior space function and use are all important issues of design to the HRA. The design requirements were created to ensure that the homes built on the HRA-sold lots blend in with the surrounding neighborhood and respond to the specific concerns of the HRA.

All new houses built under the Richfield Rediscovered Program must meet the requirements of the City's Zoning Code and additional criteria, as listed in this document.

A. New House Standards

1. New dwelling must be owner-occupied.
2. Three finished bedrooms are required.
3. Two finished bathrooms are required.
4. Two-car garage is required.
5. A full basement is required, unless the selected design results in a split-level or a garden-level type of basement. In the case of an "accessible" house, a basement may be omitted if it would otherwise prohibit accessible design elements.

B. Site Standards

1. After construction, the site must be fully landscaped, including plantings around the foundation. The entire grounds shall be landscaped and be aesthetically pleasing in all seasons. Land forms and plant materials shall be used to define the site and blend neatly with adjoining properties. Specific lot line blending requirements may be required, as appropriate, for specific sites.

At a minimum, the applicant must meet the "Landscaping and Screening Requirements" in the City's Zoning Code under Section 544.03, Subd. 4, General landscaping requirements and Subd. 5, Residential sites. The code is available on the City's website: <http://www.ci.richfield.mn.us>

To the greatest extent possible, existing trees should be preserved. Any trees removed must be replaced (they do not have to be the same species or in the same location) and should be labeled on the required landscape plan.

2. Utility meters shall be screened from street view and locations must be specified on plans.
3. Site drainage should be accommodated on the site so that water is directed away from the new home and the neighboring properties. Neighboring properties must not be disturbed by the creation of drainage swales. Specific storm water management requirements may be required, as appropriate, including the addition of gutters or on-site management for specific sites. Construction and the finished structure must not have a detrimental impact on storm water drainage patterns in the neighborhood.
4. All air conditioning units must be located in the rear yard of the house, or as approved by the HRA.

C. Construction Requirements

1. Existing trees identified on the landscape plan as being preserved, must be protected during construction. A tree wrap with board reinforcements shall be used on trees directly adjacent to active grading and construction areas. Damaged or destroyed trees must be replaced.
2. The construction site, neighboring properties and adjacent public streets shall be kept free of construction debris at all times.
3. No construction workers, construction equipment or construction material shall encroach upon neighboring properties.

4. The property shall have a new sanitary service line installed to the City sanitary sewer main consisting of schedule 40 PVC or equivalent. If there is an existing 6" sewer stub at the property line, it must be lined with 4" schedule 40 PVC or equivalent to the City's sanitary main, and it must include a "donut" at the end with cement.

The line must be televised after installation to ensure the following:

1. There are no obstructions in the line.
2. The PVC liner is not protruding into the City's sanitary sewer main line.

D. General Standards

1. The value of the new home must meet or exceed the minimum value specified in the Contract for Private Redevelopment.
2. All homes in the Richfield Rediscovered Program must be stick-built or high-quality modular, new construction.
3. Exterior materials (siding, soffit, doors and windows) should be low-maintenance and durable. Brick, aluminum, vinyl and fiber cement siding are preferred. Natural cedar lap is acceptable if properly stained or painted. Hardboard panels or hardboard lap siding are prohibited. Roof valleys must have metal valleys and not be woven.
4. Unit height and mass of the new house shall be compatible with the scale of the surrounding homes in the neighborhood.
5. Plans must present a balanced and pleasing distribution of wall, door and window areas from all views.
6. The dominance of the garage door must be minimized through placement, architectural detail, door design and utilization and design of windows. Garages, where the garage door faces the street, shall not be located closer to the front lot line than the foremost facade of the principal building facing the front property line. Garage sidewalls that face the street should appear to contain habitable space. This can be accomplished by incorporating windows and other design elements into the garage wall that are in character with the remainder of the dwelling. For lots that have alley access, the garage should be oriented to access the alley.
7. All building plans must have been prepared in consultation with an architect or qualified draftsman. All requirements by the Building Inspections Division must be met.
8. All Richfield Rediscovered houses must meet or exceed Minnesota Energy Code requirements.
9. All new homes shall be built to provide high quality sound insulation. Recommendations for sound insulation measures may be provided on a site-by-site basis. All construction must conform to current sound attenuation building standards for properties located within the 1996 65+ and/or 2007 63-64 DNL contours. In cases where sound attenuation standards are required and an increase in costs can be documented, the HRA may consider a reduction in the price of the lot in an amount equal to 75 percent of the cost of sound attenuation measures up to a maximum of \$7,500.
9. If a variance is required to construct the proposed development, the HRA may, at its sole discretion, choose to reject the application.
10. If the HRA accepts an application that needs a variance(s), sale of the property will be contingent upon the applicant obtaining the necessary variance(s). The Applicant is responsible for applying for the variance(s) at its own expense. The HRA, as owner of the property, will, however, cooperate with the application.

E. Green Community Concepts

Priority will be given to projects incorporating the green community concepts listed below. Any concepts the applicant would like considered during the application process should be explained in a written plan submitted with the application. A \$5,000 rebate will be provided to the Applicant for projects that obtain certification through LEED for Homes, Minnesota GreenStar or Minnesota Green Communities.

1. *Protect and conserve water and soil.* To reduce water consumption, consider the use of water-conserving appliances, fixtures, and landscaping. Steps should be taken to minimize the loss of soil and sediment during construction and occupancy to reduce storm-water sediment and air pollution.
2. *Minimize energy consumption.* Reduce energy consumption by taking advantage of natural heating, cooling and day lighting, and by using energy-efficient appliances, equipment and lighting.
3. *Enhance indoor environmental quality.* Use non-toxic materials, ventilation and exhaust systems, and moisture control products and systems.
4. *Use environmentally-preferable materials and resources.* Use locally-produced, salvaged and/or manufactured materials, products with recycled content or from renewable sources, recyclable or reusable materials, and low-VOC-emitting materials.
5. *Reduce waste.* Reduce and manage wastes generated during the construction process and operation of buildings. If demolition occurs, sort and recycle leftover materials and debris.

VII. City Review Procedure

1. Applicant reviews proposed project with HRA staff before plans are finalized.
2. Applicant submits application, plans, and application fee at least 45 days prior to the HRA meeting.
3. An application is considered to be received when delivered personally to HRA staff in a pre-arranged meeting. Following this meeting and upon receipt of the application fee, the lot will be considered reserved and no additional applications will be accepted for the proposed lot while the application is under review.
4. If an application is determined to be incomplete, the applicant will have 30 days to submit a complete application. If a complete application is not received within 30 days, the application will be rejected and the lot will be made available for new applications.
5. HRA staff review application to ensure conformance with House Design and Site Development Requirements.
6. HRA staff may reject or accept an application at its sole discretion.
7. The Builder or Buyer executes a Contract for Private Redevelopment.
8. An application is determined to be complete and the Contract executed at least three weeks prior to the HRA meeting.
9. HRA staff publishes a legal notice of the public hearing and prepares a report and recommendation for the HRA.
10. HRA reviews application, conducts a public hearing, and takes action at the HRA meeting.

11. If approved, the Contract for Private Redevelopment is executed by the HRA.

VIII. Lot Sale to Builder or Buyer

1. Upon approval of the application by the HRA, a closing will be scheduled between the HRA and the Builder or Buyer.
2. The HRA will prepare all statements, affidavits, documents, and general release forms required for closing.
3. The Builder applies for a building permit prior to closing. The Builder is responsible for acquiring the necessary building permits with the City of Richfield Building Inspections Division. If changes to the plans are required by the Inspections Division, the applicant must notify HRA staff.
4. The Applicant provides evidence to HRA staff that all requirements to proceed with construction, as determined in the Contract for Private Redevelopment, have been met.
5. The HRA conveys the property to the Builder or Buyer by Quit Claim Deed. The site will be sold to the Builder or Buyer at the fair market value as appears on the Lot List.
6. At closing with the Builder, the Builder provides a Letter of Credit or cash escrow for \$10,000 to the HRA.
7. At closing with the Buyer, the Buyer signs a mortgage and promissory note for \$10,000 in favor of the HRA.
8. Upon completion of the project, the Letter of Credit or cash escrow is released to the Builder or the Buyer's mortgage is released. A Certificate of Completion is executed by the HRA, releasing the obligations of the Contract for Private Redevelopment.

IX. Program Marketing

Richfield Rediscovered program marketing is entirely at the discretion of the HRA. It may include the following:

1. *Buyer Solicitation.* The HRA may market the program to potential Buyers through promotional articles, direct mail, the Internet, or other methods as deemed appropriate. Buyers may be any financially capable individual or household, including first-time buyers, move-up buyers or empty-nesters.
2. *Public Promotion.*
 - a. The HRA will periodically provide information about the program through articles in city publications, on the City's web site, on the Community Cable channel, or via press releases to promote community awareness.
 - b. A public open house may be held to provide an opportunity for residents and other interested parties to collectively view the finished homes. The Parade of Homes Fall Showcase and Spring Preview may also accomplish this.

A program information package will be mailed to all interested participants. The information packet may include the following:

1. Lot List
2. Richfield Rediscovered Lot Sale Procedural Guidelines
3. Application Form
4. Sample Contract for Private Redevelopment

X. Data Privacy

All information secured through the program is subject to the Data Privacy Act.

EXHIBIT D

QUIT CLAIM DEED

Deed Tax Due: \$ _____

ECRV _____

Date: _____

FOR VALUABLE CONSIDERATION, Housing and Redevelopment Authority in and for the City of Richfield, a public body corporate and politic under the laws of the State of Minnesota, Grantor, hereby conveys and quit claims to _____, a _____ under the laws of the State of _____, Grantee, real property in Hennepin County, Minnesota, described as follows:

, according to the map or plat thereof on file or of record in the office of the Hennepin County Recorder.

This deed is subject to that certain Contract for Private Development between Grantor and Grantee, dated _____, 20__ (the "Contract"), recorded in the office of the Hennepin County **Recorder/Registrar of Titles**. The Contract provides that the Grantee's rights and interest in the real property described above are subject to the Grantor's right to re-enter and revest in Grantor title to the Property under conditions specified therein, including but not limited to termination of the Grantor's right to re-enter and revest upon issuance of a Certificate of Completion as defined in the Contract.

together with all hereditaments and appurtenances.

- ☐ The Seller certifies that the Seller does not know of any wells on the described real property.
- ☐ A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____).
- ☐ I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

Housing and Redevelopment Authority in and for the City of Richfield

By _____

Its Chairperson

By _____

Its Executive Director

STATE OF MINNESOTA

} ss.

COUNTY OF HENNEPIN

The foregoing was acknowledged before me this ____ day of _____, 20__ by _____, the Chairperson of the Housing and Redevelopment Authority in and for the City of Richfield, a public body corporate and politic under the laws of Minnesota, on behalf of the corporation, Grantor.

NOTARY STAMP

SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

STATE OF MINNESOTA

} ss.

COUNTY OF HENNEPIN

The foregoing was acknowledged before me this _____ day of _____, 20__, by _____, the Executive Director, of Housing and Redevelopment Authority in and for the City of Richfield, a public body corporate and politic under the laws of the State of Minnesota, on behalf of the corporation, Grantor.

NOTARY STAMP

SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

This instrument was drafted by:

Tax Statements should be sent to:

Kennedy & Graven, Chartered
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402
(612) 337-9300

EXHIBIT E

WELL DISCLOSURE

- ☐ The Seller certifies that the seller does not know of any wells on the described real property.
- ☐ A well disclosure certificate accompanies this document [form attached] or has been electronically filed. (If electronically filed, insert WDC number: _____).
- ☐ The status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.



Minnesota Department of Health
Well Management Section
P.O. Box 64975
St. Paul, Minnesota 55164-0975
651-201-4587 or 800-383-9808
www.health.state.mn.us/divs/eh/wells

Well Disclosure Requirements

Well Disclosure Statement

Prior to signing an agreement to sell or transfer real property, the seller must **always** disclose in writing (well disclosure statement) the location and status (well status defined below) of all wells on the property to the buyer, along with the legal description and county of the property, and a sketch map showing the location of each well **or** indicate there are no wells on the property.

Well Disclosure Certificate

A Well Disclosure Certificate is required to be filed when there are wells on the property.

- At the time of closing, the well disclosure statement information, along with the property buyer's name and mailing address, must be provided on a Well Disclosure Certificate (WDC) form. When recording a deed or other instrument of conveyance requiring a Certificate of Real Estate Value (CRV), a completed WDC must be filed with the county recorder, including a \$50 fee payable to the county recorder.
- If there is a previously filed WDC and the number of wells and/or the well status has changed, a new WDC must be filed. You may search for previously filed WDCs at: [Well Disclosure Look-up](https://www.health.state.mn.us/divs/eh/wells/apps/disclosures/disclaimer.cfm) (<https://www.health.state.mn.us/divs/eh/wells/apps/disclosures/disclaimer.cfm>).
- If the number and status of wells on the property remain unchanged since the previously filed WDC, a statement must be placed on the deed or other instrument of conveyance that reads *"I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate."* This statement must be certified by the buyer or seller and no WDC is required.

If there are no wells on the property, a Well Disclosure Certificate is not required to be filed. However, the Seller must certify a statement on the deed or other instrument of conveyance that reads *"The Seller certifies that the Seller does not know of any wells on the described real property."*

Instructions for Completing the Well Disclosure Certificate

A \$50 fee must be included when submitting this form to the county recorder's office. The fee is to be paid by the buyer or person filing the deed. Please make the check payable to the County Recorder. A copy of this WDC should be provided to the property buyer at the time of closing.

Property, Buyer, and Seller Information

- A. Property Location Legal Description** – Provide the county name; "unplatted" a metes and bounds description (quartile [one quarter section is required] or government lot, section, township, and range number); and/or "platted" (lot number and/or block number, and addition name); property street address (if applicable), and city (this is the physical location of the property not the mailing address); property ID number or parcel number (optional). Attach a complete legal description of the property.
- B. Property Buyer Mailing Address After Closing** – Provide the buyer's full name (or company name if buyer is a company), full address, and phone number (including area code). Be sure to include a complete mailing address. If the property is jointly owned, provide the name and complete mailing address of the contact person.

Seller's Name – Please provide the name of the seller in space provided (please print).

C. Certification by Seller – The seller (or designated representative) should sign this certificate before it is submitted to the county recorder's office. If the seller is unable to sign the document, the buyer (or designated representative) may sign the certificate before it is submitted to the county recorder's office.

D. Certification by Buyer – If the seller is unable to sign the document, the buyer (or designated representative) may sign the certificate before it is submitted to the county recorder's office. Where deeds are given in fulfillment of a **Contract for Deed** the WDC **must** be signed by the **buyer** or the person authorized to act on behalf of the buyer.

Signature Required – There must be at least one signature on the certificate.

Well Information

E. Well Location Legal Description – For **each well being disclosed** the following physical location information is required:

- county name, quartile (one quarter section is required), section, township, and range number; **and/or**
- county name, government lot, section, township, and range number; **and/or**
- county name, lot number and/or block number, and addition name

Well Status Information – Indicate the status of each well. **Check only one box.**

In Use – A well is “in use” if the well is operated on a daily, regular, or seasonal basis. A well “in use” includes a well that operates for the purpose of irrigation, fire protection, or emergency pumping.

Not In Use – A well is “not in use” if the well does not meet the definition of “in use” above and has not been sealed by a licensed well contractor.

- If the well is “not in use,” is there a Minnesota Department of Health (MDH) variance for this well? Please provide the variance tracking number (TN), if known.
- If the well is “not in use,” is there an MDH maintenance permit for this well? Please provide the permit number, if known.

Sealed – A well is “sealed” if a licensed well contractor has completely filled a well by pumping grout material throughout the entire well after removal of any obstructions from the well. A Well and Boring Sealing Record must be on file with MDH. Contact MDH to verify if a sealing record is on file. A well is “capped” if it has a metal or plastic cap or cover which is threaded, bolted, or welded onto the top of the well to prevent entry into the well.

A “capped” well is not a “sealed” well.

Important Well Status Information:

- MDH will follow-up with the property buyer regarding any wells disclosed as “not in use.” If a well is “not in use,” the property owner must either return the well to “in use,” have the well “sealed” by a licensed well contractor, or obtain an annual maintenance permit from MDH for \$175.
- Maintenance permits are not transferable. If a well is “in use,” a maintenance permit is not required.
- If the well has been “sealed” by someone other than a licensed well contractor or a licensed well sealing contractor, check the well status as “not in use.”

Additional Well Information – Provide the following information, if known: Minnesota Unique Well Number or Sealing Record Number, date of well construction or sealing, and name of licensed well contractor.

Sketch Map

Complete the sketch map as instructed on the WDC. The location of each well must be indicated. If the location of a well is not known, have the well located by a person qualified to locate wells, such as a licensed well contractor.

Additional Information

If you have questions, please contact MDH Well Management Section at 651-201-4587 or 800-383-9808.

To request this document in another format, call 651-201-4600.

MDH Well Management Section, [Well Disclosure/Property Transfer](http://www.health.state.mn.us/divs/eh/wells/disclosures) (www.health.state.mn.us/divs/eh/wells/disclosures).

COUNTY USE ONLY	<h1 style="margin: 0;">Well Disclosure Certificate</h1> <p style="margin: 5px 0;"><i>Please Type Or Print All Information</i></p> <p style="margin: 5px 0;">Person filing deed must include a \$50 fee payable to the county recorder.</p> <p style="margin: 5px 0;">Minnesota Department Of Health</p> <p style="margin: 5px 0;">Well Management Section, P.O. Box 64975, St. Paul, Minnesota 55164-0975 651-201-4587 or 800-383-9808</p>	MDH USE ONLY
-----------------	---	--------------

A. Property Location Legal Description
 Attach a legal description of the property.

County	Section No.	Township No.	Range No.	Quarter (or Government Lot)
Lot No(s).	Block No.	Addition Name		Outlot
Tract				
Property Street Address				
City/Township			ZIP Code	Property ID No./Parcel No. (optional)

B. Property Buyer Mailing Address After Closing

First Name	Middle Initial	Last Name
Company Name (if applicable)		
Mailing Address		
Mailing Address		
City	State/Province	ZIP Code
Telephone No. (including area code)		

Provide Name of Seller (please print): _____

C. Certification by Seller

I certify that the information provided on this certificate is accurate and complete to the best of my knowledge.

 Signature of Seller or Designated Representative of Seller

 Date

D. Certification by Buyer

For fulfillment of a contract for deed, the buyer or person authorized to act on behalf of the buyer, must sign a Well Disclosure Certificate if there is a well on the property.

In the absence of a seller's signature, the buyer, or person authorized to act on behalf of the buyer may sign this Well Disclosure Certificate. No signature is required by the buyer if the seller has signed above.

Based on disclosure information provided to me by the seller or other available information, I certify that the information on this certificate is accurate and complete to the best of my knowledge.

 Signature of Buyer or Designated Representative of Buyer

 Date

Important Note: Minnesota Department of Health (MDH) will follow-up with the property buyer regarding any wells disclosed as not in use. If a well is not in use, the property owner must either return the well to use, have the well sealed by a licensed well contractor, or obtain an annual maintenance permit from MDH for \$175. A copy of this Well Disclosure Certificate should be provided to the property buyer at the time of closing.



Minnesota Department of Health
Well Disclosure Certificate
Please Type or Print all Information

Total Number of Wells
on Property: _____

Fill out a separate well information page if more than **two** wells are located on the property.

E. Well Location Legal Description					
Well No. 1 – If the property legal description has more than one section, township, or range number; quarter (or government lot); or lot or block number; provide specific legal description information regarding the physical location of this well.					
County		Section No.	Township No.	Range No.	Quarter (or Government Lot)
Lot No.	Block No.	Addition Name		Outlot	Tract
					MN Unique Well No. or Sealing Record No.
Well Status (Check only one box.) Well Is: <input type="checkbox"/> In Use (1) <input type="checkbox"/> Not in Use (2) <input type="checkbox"/> Sealed by Licensed Well Contractor (3)* *Call MDH to verify sealing record is on file. If the well has been sealed by someone other than a licensed well contractor or a licensed well sealing contractor, check the well status as not in use. Also see "Important Note" on page 1.					Date of Well Construction or Sealing
					Name of Licensed Well Contractor
If well is not in use, is there an MDH variance for this well? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide the variance tracking number (TN): _____			If the well is not in use, is there an MDH maintenance permit for this well? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide the permit number: _____		
Well No. 2 – If the property legal description has more than one section, township, or range number; quarter (or government lot); or lot or block number; provide specific legal description information regarding the physical location of this well.					
County		Section No.	Township No.	Range No.	Quarter (or Government Lot)
Lot No.	Block No.	Addition Name		Outlot	Tract
					MN Unique Well No. or Sealing Record No.
Well Status (Check only one box.) Well Is: <input type="checkbox"/> In Use (1) <input type="checkbox"/> Not in Use (2) <input type="checkbox"/> Sealed by Licensed Well Contractor (3)* *Call MDH to verify sealing record is on file. If the well has been sealed by someone other than a licensed well contractor or a licensed well sealing contractor, check the well status as not in use. Also see "Important Note" on page 1.					Date of Well Construction or Sealing
					Name of Licensed Well Contractor
If well is not in use, is there an MDH variance for this well? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide the variance tracking number (TN): _____			If the well is not in use, is there an MDH maintenance permit for this well? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide the permit number: _____		
Sketch Map – Sketch the location of the well(s) and include estimated distances from roads, streets, and buildings. If more than one well on property, use the well location number above to identify each well. The location of the well(s) must be provided. If the location of a well is not known, have the well located by a person qualified to locate wells, such as a licensed well contractor.					

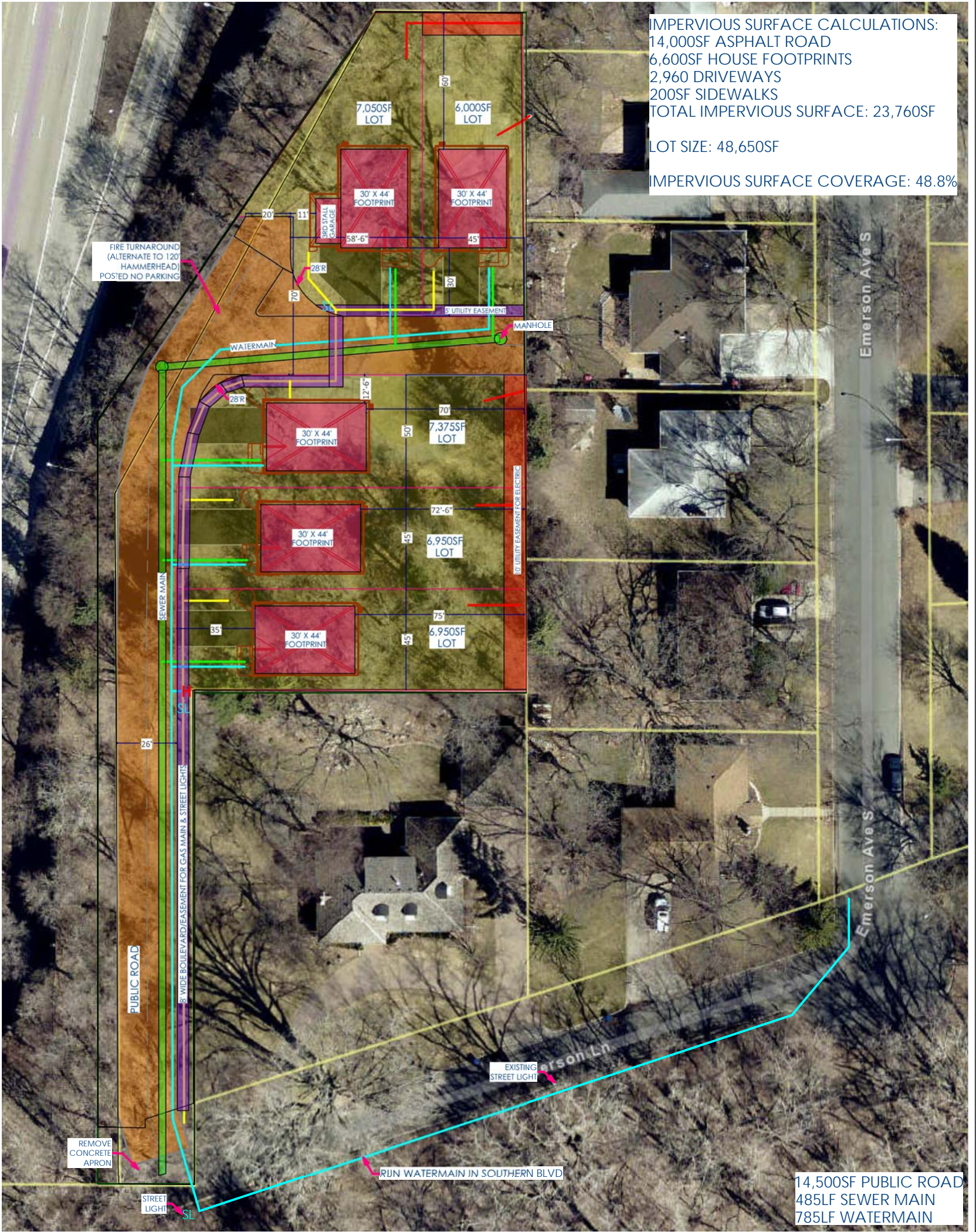
Information provided on this form is classified as public information under Minnesota Statutes, chapter 13.

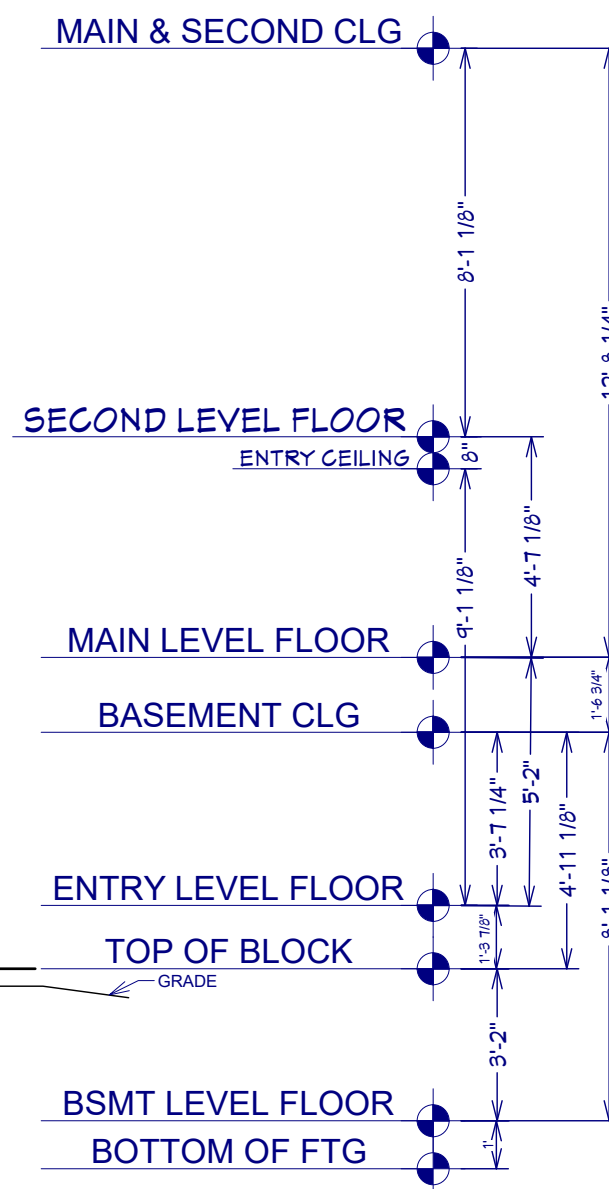
To request this document in another format, call 651-201-4600.

MDH Well Management Section, [Well Disclosure/Property Transfer](http://www.health.state.mn.us/divs/eh/wells/disclosures) (www.health.state.mn.us/divs/eh/wells/disclosures).

HE-01387-13

origs/well disclosure certificate-instructions 7/27/2015R





2
A1 REAR ELEVATION
SCALE: 1/4" = 1' 0"

1
A1 FRONT ELEVATION
SCALE: 1/4" = 1' 0"
ALL DIMENSIONS TO OS SHEATHING
BUILDING TO BE CONSTRUCTED PER
MN/IRC 2015 CODE W/ 2015 ENERGY CODE

BUILDING ENVELOPE TO BE
COMPRISED OF TYVEK WATER
RESISTIVE BARRIER AND SHALL BE
INSTALLED PER TYVEK INSTALLATION
GUIDELINES
WINDOWS AND DOORS
SHALL BE FLASHED AND
SEALED PER TYVEK
FLASHING SYSTEMS
INSTALLATION GUIDELINES



3
A1 RIGHT ELEVATION
SCALE: 3/16" = 1' 0"

SEE SELECTIONS FORM & OPTIONS FORM FOR OWNER SELECTIONS

MASTER PLAN FOR GREENVILLE PLAN

REVISION TABLE	
NUMBER	DATE

MASTER PLAN FOR GREENVILLE PLAN

6421 14TH AVES
RICHFIELD

DRAWINGS PROVIDED BY:
Endres
custom homes
7245 S Robert Trail, Inver Grove Heights, MN 55077

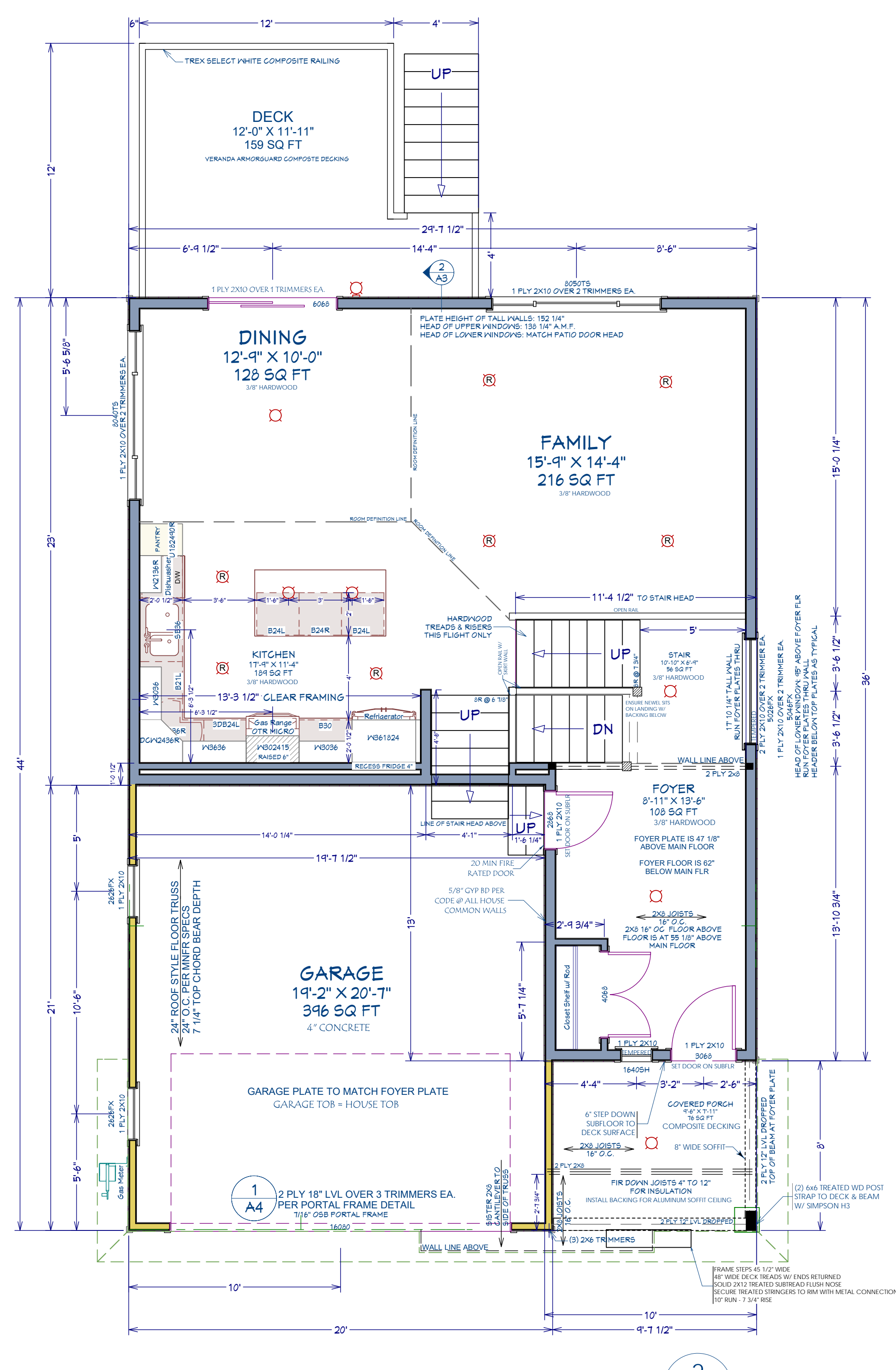
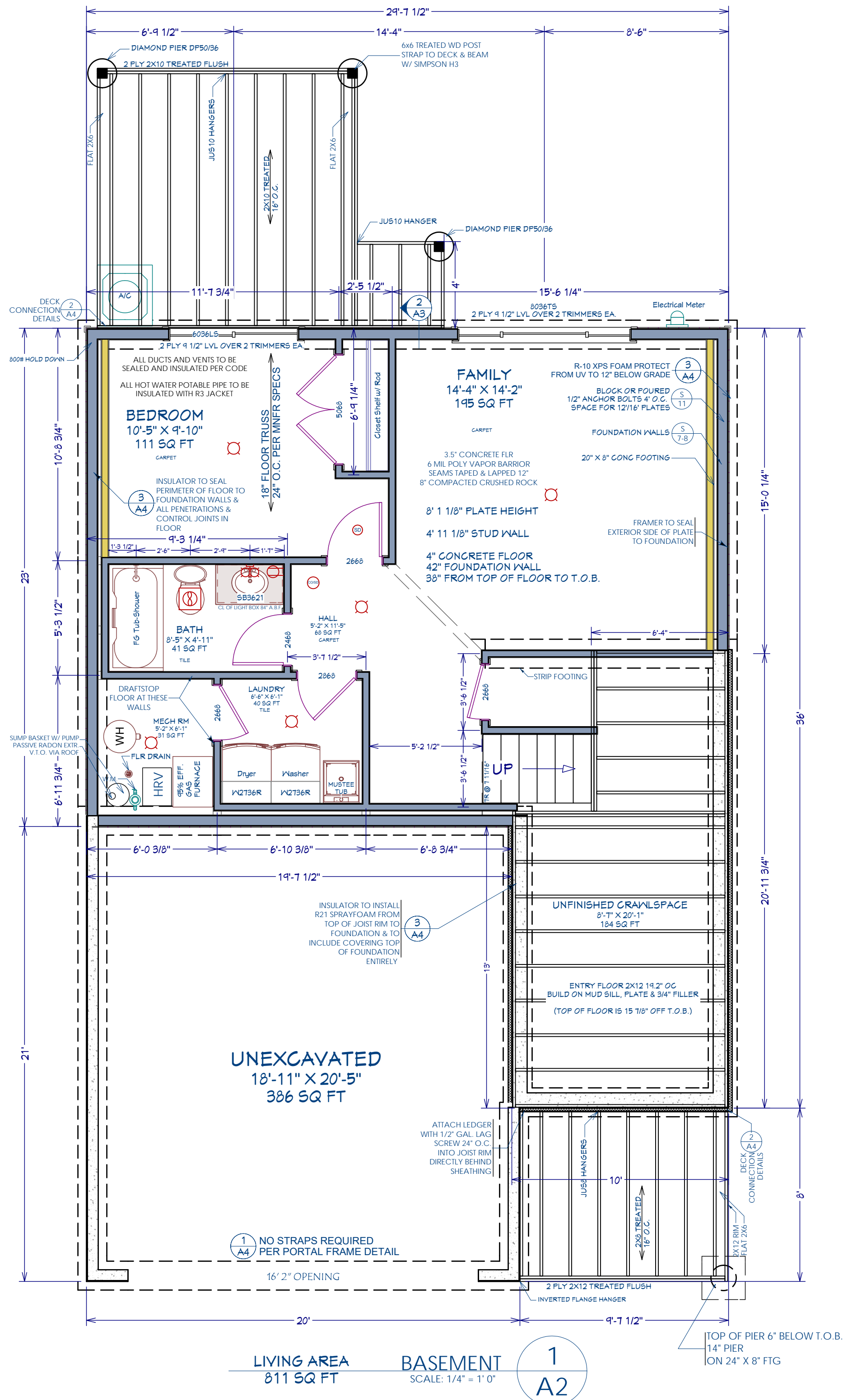
DATE:

1/26/2018

SCALE:

SHEET:

A1



WALL BRACING DESIGN PER ATTACHED ENGINEERING

INSPECTION REQUIRED BEFORE COVERING

REVISION TABLE	
NUMBER	DATE

MASTER PLAN FOR GREENVILLE PLAN

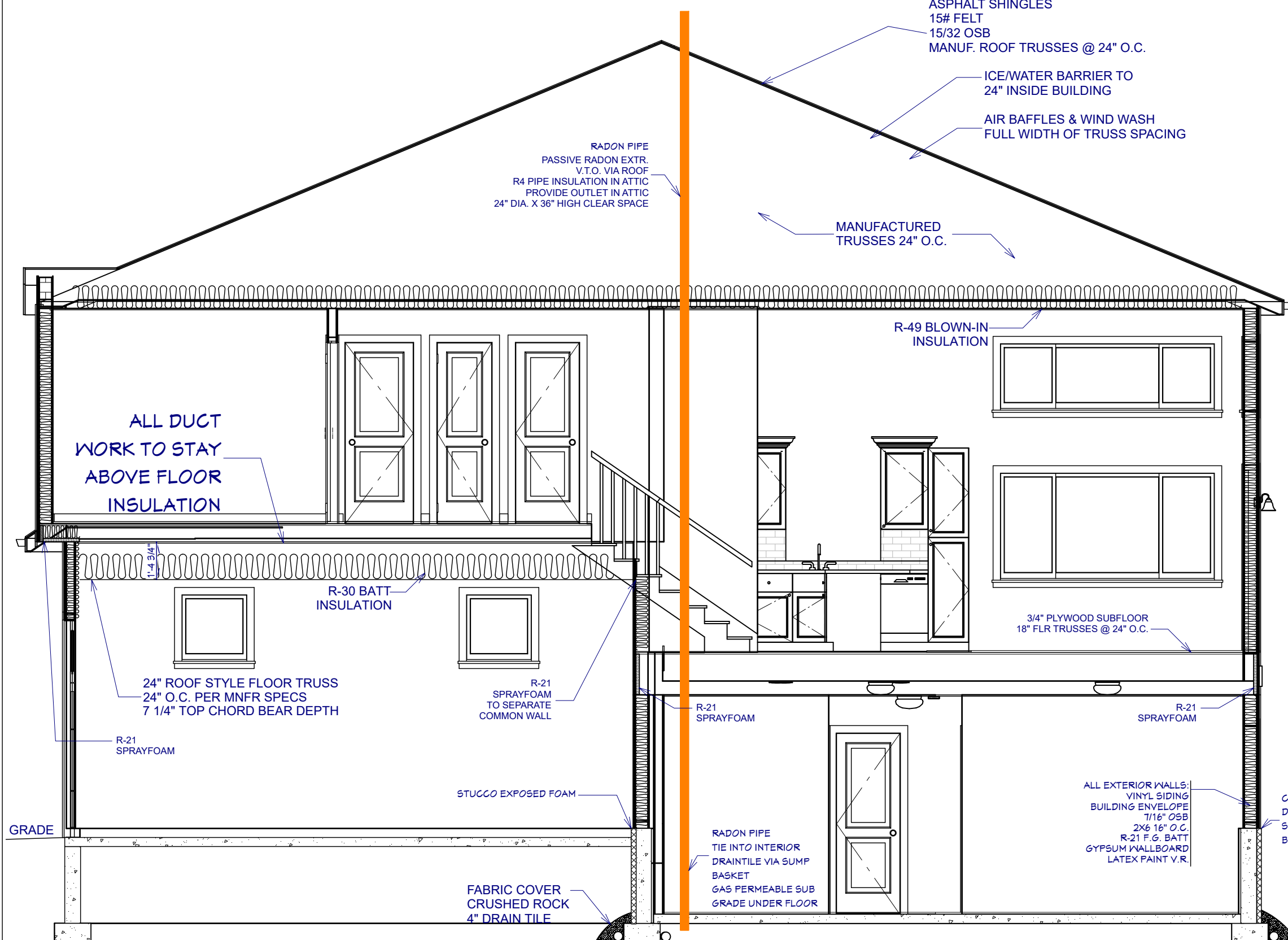
6421 14TH AVES
RICHFIELD

DRAWINGS PROVIDED BY:
Endres custom homes
7245 S Robert Trail, Inver Grove Heights, MN 55077

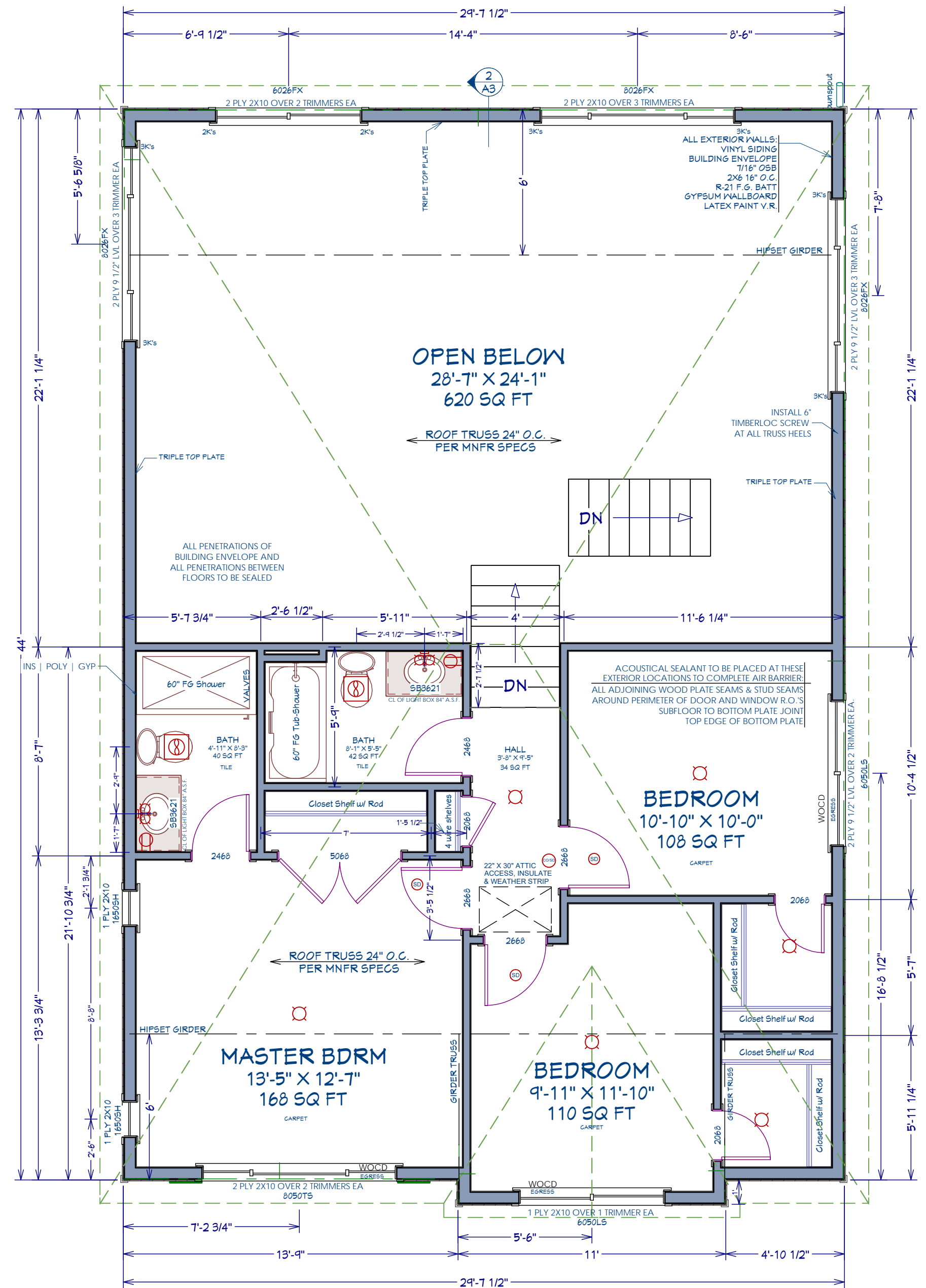
DATE:
1/26/2018
SCALE:
SHEET:
A2



3
A3 LEFT ELEVATION
SCALE: 3/16" = 1' 0"



2
A3 CROSS SECTION
SCALE: 1/4" = 1' 0"



LIVING AREA 663 SQ FT
SECOND FLOOR SCALE: 1/4" = 1' 0"
2ND FLOOR WINDOW HEADS @ 82 1/2" U.N.O.
ALL DIMENSIONS TO OUTSIDE SHEATHING

1
A3

REVISION TABLE	
NUMBER	DATE

MASTER PLAN FOR
GREENVILLE PLAN

6421 14TH AVES
RICHFIELD

DRAWINGS PROVIDED BY:
Endres
custom homes
7245 S Robert Trail, Inver Grove Heights, MN 55077

DATE:
1/26/2018

SCALE:

SHEET:

A3

TABLE R602.3(1) FASTENER SCHEDULE FOR STRUCTURAL MEMBERS				
ITEM	DESCRIPTION OF BUILDING ELEMENTS	NUMBER AND TYPE OF FASTENER ^{a, b}	SPACING OF FASTENERS	
Roof				
1	Blocking between joists or rafters to top plate, toe nail	3-8d (2½" × 0.113")	—	
2	Ceiling joists to plate, toe nail	3-8d (2½" × 0.113")	—	
3	Ceiling joists not attached to parallel rafter, laps over partitions, face nail	3-10d	—	
4	Collar tie to rafter, face nail or 1¼" × 20 gage ridge strap	3-10d (3" × 0.128")	—	
5	Rafter or roof truss to plate, toe nail	3-16d box nails (3½" × 0.135") or 3-10d common nails (3" × 0.148")	2 toe nails on one side and 1 toe nail on opposite side of each rafter or truss ^c	
6	Roof rafters to ridge, valley or hip rafters: toe nail face nail	4-16d (3½" × 0.135") 3-16d (3½" × 0.135")	—	
Wall				
7	Built-up studs-face nail	10d (3" × 0.128")	24" o.c.	
8	Abutting studs at intersecting wall corners, face nail	16d (3 ½" × 0.135")	12" o.c.	
9	Built-up header, two pieces with ½" spacer	16d (3½" × 0.135")	16" o.c. along each edge	
10	Continued header, two pieces	16d (3½" × 0.135")	16" o.c. along each edge	
11	Continuous header to stud, toe nail	4-8d (2½" × 0.113")	—	
12	Double studs, face nail	10d (3" × 0.128")	24" o.c.	
13	Double top plates, face nail	10d (3" × 0.128")	24" o.c.	
14	Double top plates, minimum 24-inch offset of end joints, face nail in lapped area	8-16d (3½" × 0.135")	—	
15	Sole plate to joist or blocking, face nail	16d (3½" × 0.135")	16" o.c.	
16	Sole plate to joist or blocking at braced wall panels	3-16d (3½" × 0.135")	16" o.c.	
17	Stud to sole plate, toe nail	3-8d (2½" × 0.113") or 2-16d (3½" × 0.135")	—	
18	Top or sole plate to stud, end nail	2-16d (3½" × 0.135")	—	
19	Top plates, laps at corners and intersections, face nail	2-10d (3" × 0.128")	—	
20	1" brace to each stud and plate, face nail	2-8d (2½" × 0.113") 2 staples 1½"	—	
21	1" × 6" sheathing to each bearing, face nail	2-8d (2½" × 0.113") 2 staples 1½"	—	
22	1" × 8" sheathing to each bearing, face nail	2-8d (2½" × 0.113") 3 staples 1½"	—	
23	Wider than 1" × 8" sheathing to each bearing, face nail	3-8d (2½" × 0.113") 4 staples 1½"	—	
Floor				
24	Joist to sill or girder, toe nail	3-8d (2½" × 0.113")	—	
25	Rim joist to top plate, toe nail (roof applications also)	8d (2½" × 0.113")	6" o.c.	
26	Rim joist or blocking to sill plate, toe nail	8d (2 ½" × 0.113")	6" o.c.	
27	1" × 6" subfloor or less to each joist, face nail	2-8d (2½" × 0.113") 2 staples 1½"	—	
28	2" subfloor to joist or girder, blind and face nail	2-16d (3½" × 0.135")	—	
29	2" planks (plank & beam - floor & roof)	2-16d (3½" × 0.135")	at each bearing	
30	Built-up girders and beams, 2-inch lumber layers	10d (3" × 0.128")	Nail each layer as follows: 32" o.c. at top and bottom and staggered. Two nails at ends and at each splice.	
31	Ledger strip supporting joists or rafters	3-16d (3½" × 0.135")	At each joist or rafter	
Wood structural panels, subfloor, roof and interior wall sheathing to framing and particleboard wall sheathing to framing				
32	¾" - 1½"	6d common (2" × 0.113") nail (subfloor, wall) 8d common (2½" × 0.131") nail (roof)	6	12 ^e
33	19/32" - 1"	8d common nail (2½" × 0.131")	6	12 ^e
34	1½" - 1¼"	10d common (3" × 0.148") nail or 8d (2½" × 0.131") deformed nail	6	12
Other wall sheathing ^d				
35	½" structural cellulose fiberboard sheathing	½" galvanized roofing nail, 7/16" crown or 1" crown staple 16 ga., 1½" long	3	6
36	25/32" structural cellulose fiberboard sheathing	1½" galvanized roofing nail, 7/16" crown or 1" crown staple 16 ga., 1½" long	3	6
37	½" gypsum sheathing ^d	1½" galvanized roofing nail; staple galvanized, 1½" long; 1½" screws, Type W or S	7	7
38	¾" gypsum sheathing ^d	1½" galvanized roofing nail; staple galvanized, 1½" long; 1½" screws, Type W or S	7	7
Wood structural panels, combination subfloor underlayment to framing				
39	¾" and less	6d deformed (2" × 0.120") nail or 8d common (2½" × 0.131") nail	6	12
40	7/8" - 1"	8d common (2½" × 0.131") nail or 8d deformed (2½" × 0.120") nail	6	12
41	1½" - 1¼"	10d common (3" × 0.148") nail or 8d deformed (2½" × 0.120") nail	6	12

- For SI: 1 inch = 25.4 mm, 1 foot = 304.8 mm, 1 mile per hour = 0.447 m/s; 1 Ksi = 6.895 MPa.
- a. All nails are smooth-common, box or deformed shanks except where otherwise stated. Nails used for framing and sheathing connections shall have minimum average bending yield strengths as shown: 80 ksi for shank diameter of 0.192 inch (20d common nail), 90 ksi for shank diameters larger than 0.142 inch but not larger than 0.177 inch, and 100 ksi for shank diameters of 0.142 inch or less.
- b. Staples are 16 gage wire and have a minimum 7/16-inch on diameter crown width.
- c. Nails shall be spaced at not more than 6 inches on center at all supports where spans are 48 inches or greater.
- d. Four-foot by 8-foot or 4-foot by 9-foot panels shall be applied vertically.
- e. Spacing of fasteners not included in this table shall be based on Table R602.3(2).
- f. For regions having basic wind speed of 110 mph or greater, 8d deformed (2½" × 0.120) nails shall be used for attaching plywood and wood structural panel roof sheathing to framing within minimum 48-inch distance from gable end walls, if mean roof height is more than 25 feet, up to 35 feet maximum.
- g. For regions having basic wind speed of 100 mph or less, nails for attaching wood structural panel roof sheathing to gable end wall framing shall be spaced 6 inches on center. When basic wind speed is greater than 100 mph, nails for attaching panel roof sheathing to intermediate supports shall be spaced 6 inches on center for minimum 48-inch distance from ridges, eaves and gable end walls; and 4 inches on center to gable end wall framing.
- h. Gypsum sheathing shall conform to ASTM C 1396 and shall be installed in accordance with GA 253. Fiberboard sheathing shall conform to ASTM C 208.
- i. Spacing of fasteners on floor sheathing panel edges applies to panel edges supported by framing members and required blocking and at all floor perimeters only. Spacing of fasteners on roof sheathing panel edges applies to panel edges supported by framing members and required blocking. Blocking of roof or floor sheathing panel edges perpendicular to the framing members need not be provided except as required by other provisions of this code. Floor perimeter shall be supported by framing members or solid blocking.
- j. Where a rafter is fastened to an adjacent parallel ceiling joist in accordance with this schedule, provide two toe nails on one side of the rafter and toe nails from the ceiling joist to top plate in accordance with this schedule. The toe nail on the opposite side of the rafter shall not be required.

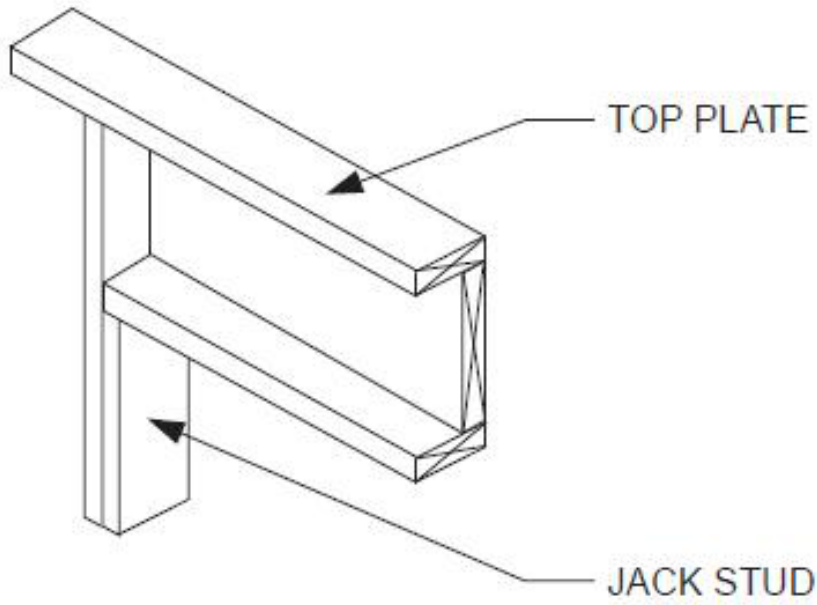
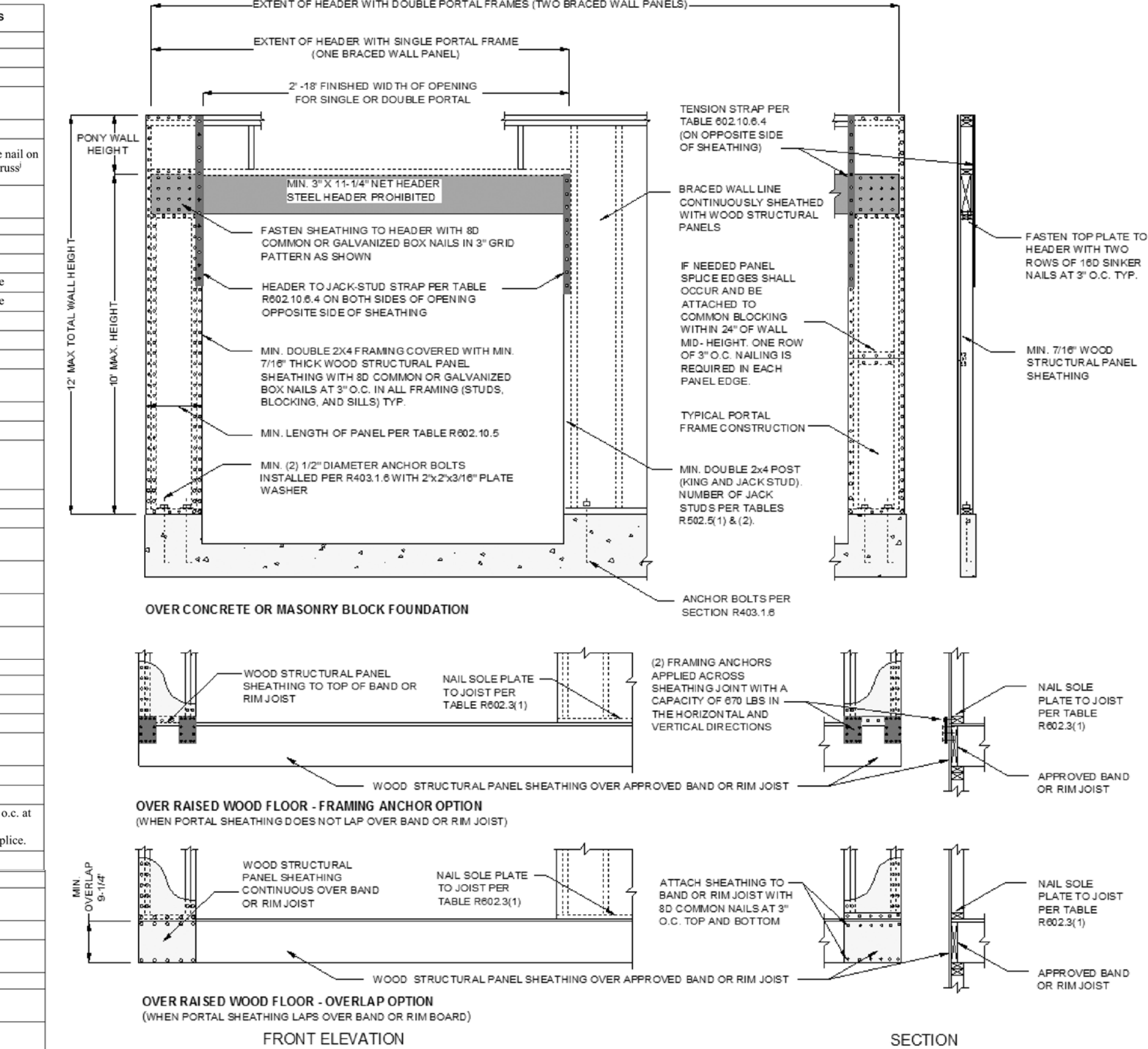


FIGURE R602.7.1(2)
ALTERNATIVE SINGLE MEMBER HEADER WITHOUT CRIPPLE



r SI: 1 inch = 25.4 mm, 1 foot = 304.8 mm.

FIGURE R602.10.6.4
METHOD CS-PF—CONTINUOUSLY SHEATHED PORTAL FRAME PANEL CONSTRUCTION

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PORTAL FRAME DETAIL

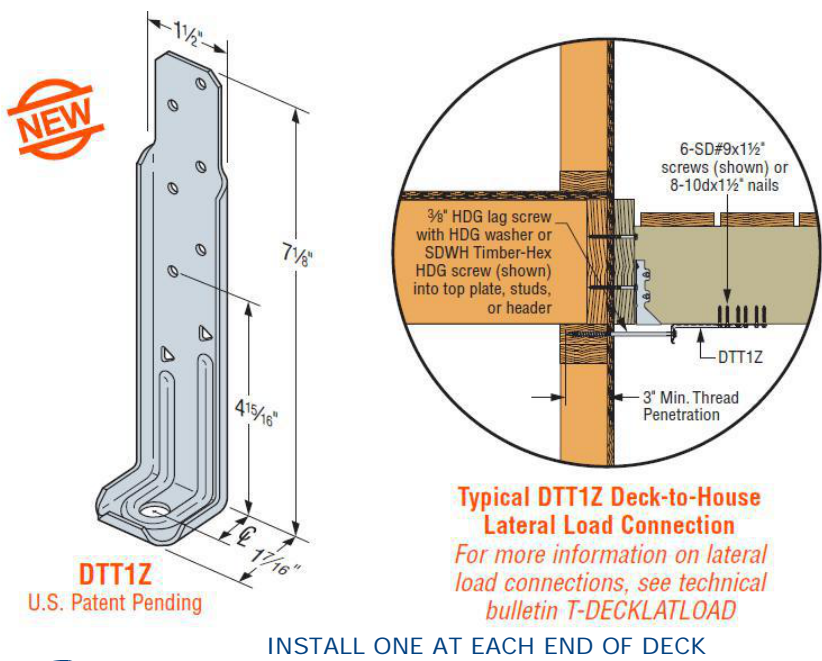
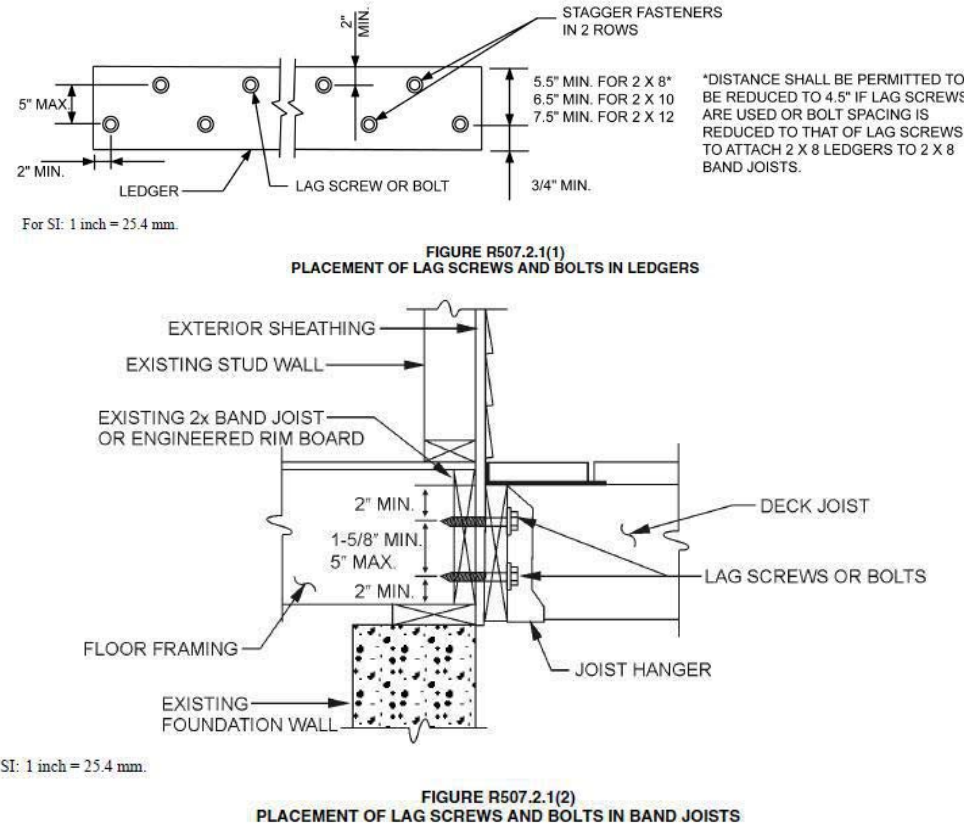
MN Mechanical Ventilation Systems 1322.1104 SectionN1104 Table N1104.2

Total Ventilation 115 cfm
Continuous Ventilation 58 cfm

These Numbers are contrived from this formula: Total Ventilation= .02 x square feet of Conditioned Space + (15 x (number of bedrooms + 1))
Total Ventilation=.02 x 2905+(15x(4 + 1))
Total Ventilation= 133 cfm

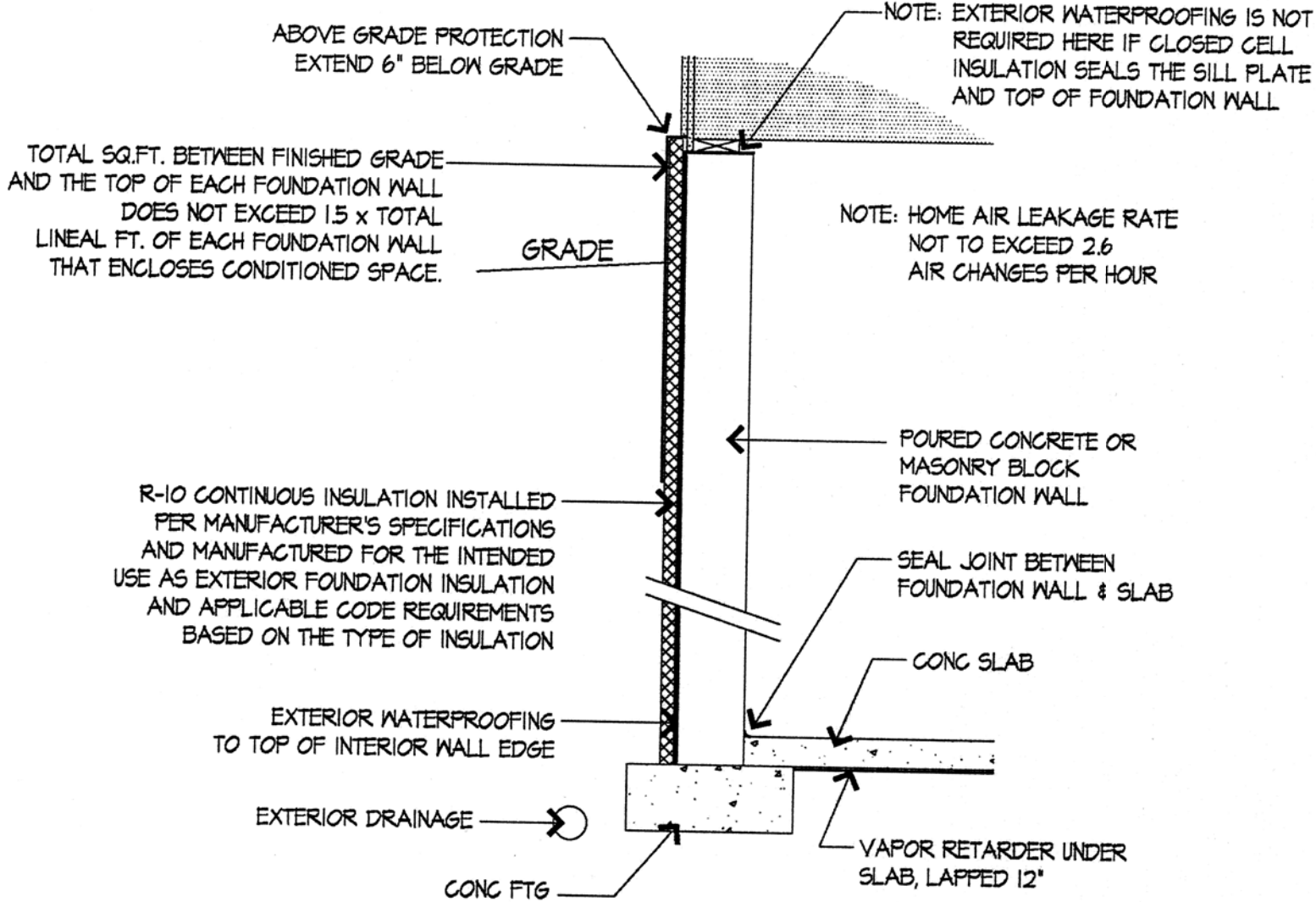
The equation for Continuous Ventilation : Total Ventilation/2
133/2 =66.5 cfm
Continuous Ventilation = 66.5

Total heat needed including ventilation 60,000 btus
Total cooling needed including ventilation 36,118 btus



DECK CONNECTION DETAILS

ALTERNATE; EXTERIOR R-10 INSULATION REQUIREMENTS



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FOUNDATION INSULATION, SEALING &
WATERPROOFING DETAIL

NO.	DESCRIPTION	BY	DATE

SHEET TITLE:

SHEET TITLE

PROJECT DESCRIPTION:

Eagle 1

Endres
custom homes
15561 Dunberry Way, Apple Valley, MN 55124

DATE:

3/3/2015

SCALE:

SHEET:

A-4