

## AGENDA

### ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CRYSTAL

#### • REGULAR MEETING •

TUESDAY, DECEMBER 3, 2013

6:30 P.M.

CRYSTAL CITY HALL  
COUNCIL CHAMBERS

1. Call to order
2. Roll call
3. Consider approval of minutes from the November 19, 2013 special meeting \*
4. PUBLIC HEARING: Consider a resolution authorizing the sale of a lot at 6516 Brentwood Avenue North to Novak-Fleck for construction of a new house \*
5. Consider a consultant services agreement with Greater Metropolitan Housing Corporation for the Housing Resource Center in 2014 \*
6. Consider an agreement with Greater Metropolitan Housing Corporation for the Home Improvement Incentive program in 2014 \*
7. Other business
8. Adjournment

*\* Materials attached*

**Minutes of the  
Crystal Economic Development Authority  
Special Meeting  
November 19, 2013**

President Hoffmann called the special meeting of the Crystal Economic Development Authority to order at 8:10 p.m.

Upon call of the roll, the following members were present: Jim Adams, John Budziszewski, Julie Deshler, Mark Hoffmann, Laura Libby, Casey Peak and Joe Selton.

The following staff members were present: Anne Norris, Executive Director; Patrick Peters, Deputy Executive Director; and Mike Norton, City Attorney.

Motion by Commissioner Selton (Libby) to approve the minutes from the October 1, 2013 regular meeting.

Motion carried.

The EDA considered a resolution approving Second Amendment to the Contract for Private Redevelopment with Crystal Leased Housing Associates I, Limited Partnership [Dominium entity for The Cavanagh Senior Apartments].

Motion by Commissioner Selton (Budziszewski) to approve the Second Amendment to the Contract for Private Redevelopment with Crystal Leased Housing Associates I, Limited Partnership [Dominium entity for The Cavanagh Senior Apartments].

Motion carried.

Motion by President Hoffmann (Budziszewski) to adjourn the special meeting.

Motion carried.

The meeting adjourned at 8:14 p.m.

\_\_\_\_\_  
Mark Hoffmann, President

ATTEST:

\_\_\_\_\_  
Julie Deshler, Vice President



**EDA STAFF REPORT**  
**6516 Brentwood**  
**Public Hearing - Sale of Lot to Novak-Fleck**

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**FROM:** John Sutter, City Planner/Assistant Community Development Director *JBS*

**DEPARTMENT HEAD REVIEW:** Patrick Peters, Community Development Director *pap*

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**DATE:** November 25, 2013

**TO:** Anne Norris, Executive Director (for December 3, 2013 EDA meeting)

**SUBJECT:** Public Hearing: Consider a resolution authorizing the sale of a lot at 6516 Brentwood Avenue North to Novak-Fleck for construction of a new house

On September 3 the EDA tentatively accepted a proposal from Novak-Fleck to purchase the lot at 6516 Brentwood Avenue North for \$50,000. Novak-Fleck has a Minnesota Residential Building Contractor license with no enforcement actions.

The house would be a split entry with an attached three car garage. The upper level would have 1,002 sq. ft. with an open living-dining-kitchen area, two bedrooms and one bathroom. The lower level would be finished with two bedrooms, one bathroom, a family room and laundry room. The house would look much like the one recently completed at 4633 Douglas Drive but with the garage on the right instead of the left.

The house is being custom-built for a specific buyer. Compared with the preliminary proposal from the builder, the homebuyer is making the house 28 sq. ft. larger and finishing the basement. In light of the additional value being created on the site, the builder is requesting one concession from the EDA: Closing the existing curb cut and installing a new 16' wide curb cut. The EDA's cost for this work would be approximately \$1,000, and it would occur in May 2014 after frost is out.

The proposal meets city code including zoning, and also is in conformance with the EDA's lot sale guidelines. Lot sale closing and construction start are anticipated for early December with house completion by spring 2014.

The proposed resolution, 2012 aerial photo, site sketch and house plan are attached.

**REQUESTED EDA ACTION:** After holding the public hearing and receiving any testimony, consider adopting the attached resolution authorizing the property sale.

**ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CRYSTAL  
HENNEPIN COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING THE SALE OF  
6516 BRENTWOOD AVENUE NORTH  
FOR NEW HOUSE CONSTRUCTION**

WHEREAS, the Economic Development Authority of the City of Crystal ("the EDA") is the owner of 6516 Brentwood Avenue North, legally described as Lot 15, Block 4, Kensey Manor, according to the recorded plat thereof on file and of record in the office of the County Recorder or Registrar of Titles in and for Hennepin County, Minnesota ("the Property"); and

WHEREAS, the EDA has solicited proposals from builders who desire to purchase the Property from the EDA and construct thereon a new single family house; and

WHEREAS, the EDA has reviewed and accepted the proposal from Novak-Fleck.

NOW, THEREFORE, BE IT RESOLVED that the EDA authorizes the sale of the Property to Novak-Fleck.

BE IT FURTHER RESOLVED that the sale shall be completed in accordance with the terms of the Purchase and Redevelopment Agreement in substantially the form on file in City Hall, and that the President and Executive Director are hereby authorized to sign said Agreement and other documents required to complete the sale of the Property to Novak-Fleck.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Mark G. Hoffmann, President

\_\_\_\_\_  
Anne L. Norris, Executive Director



**Parcel ID:** 05-118-21-41-0075

**Owner Name:** Eco Devl Auth Cty Of Crystal

**Parcel Address:** 6516 Brentwood Ave N  
Crystal, MN 55428

**Property Type:** Residential

**Home-stead:** Non-Homestead

**Parcel Area:** 0.23 acres  
10,126 sq ft

**A-T-B:** Torrens

**Market Total:** \$81,000

**Tax Total:** \$1,465.34  
(Payable: 2013)

**Sale Price:** \$24,900

**Sale Date:** 10/2012

**Sale Code:**

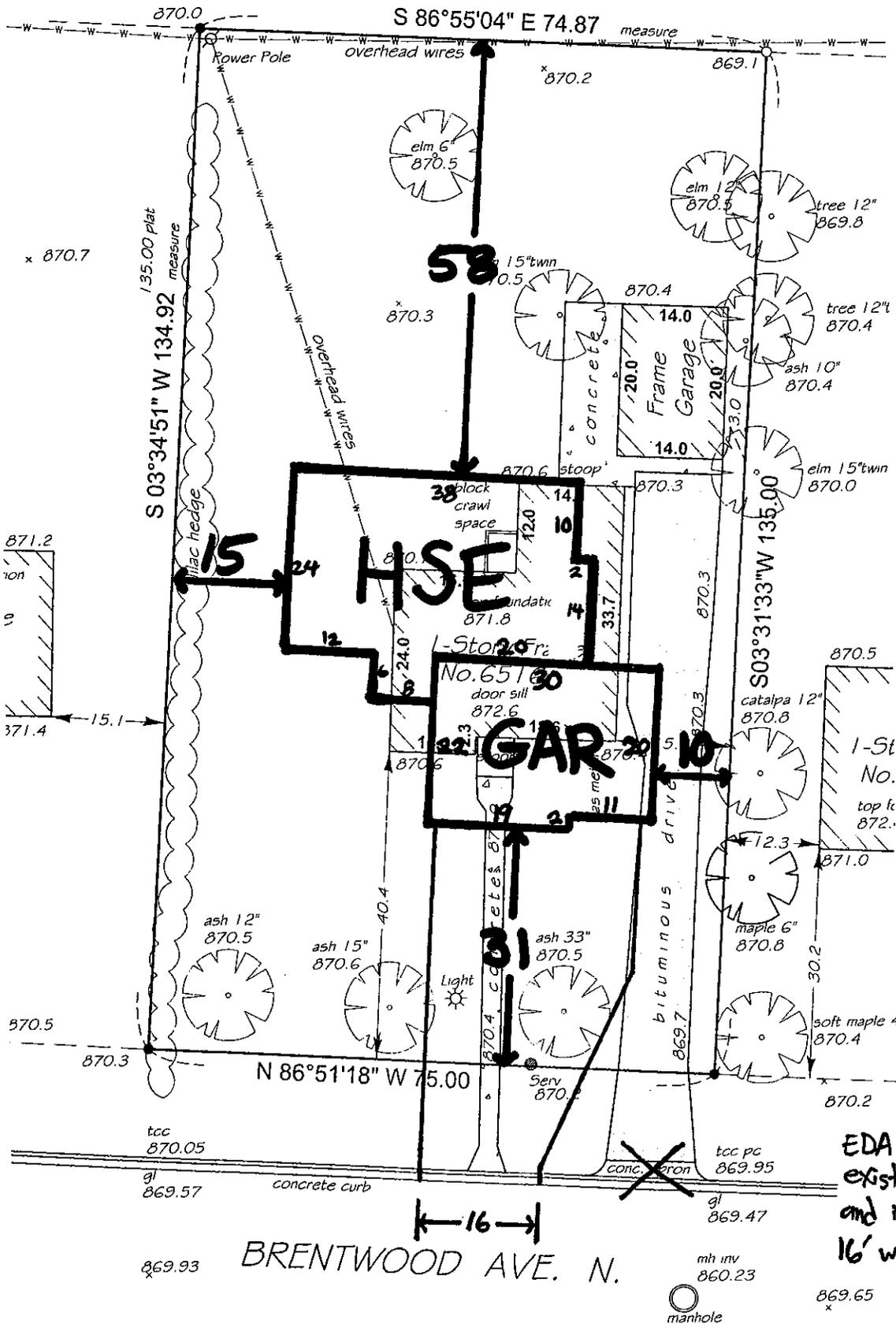
Map Scale: 1" ≈ 50 ft.  
Print Date: 8/20/2013



This map is a compilation of data from various sources and is furnished "AS IS" with no representation or warranty expressed or implied, including fitness of any particular purpose, merchantability, or the accuracy and completeness of the information shown.

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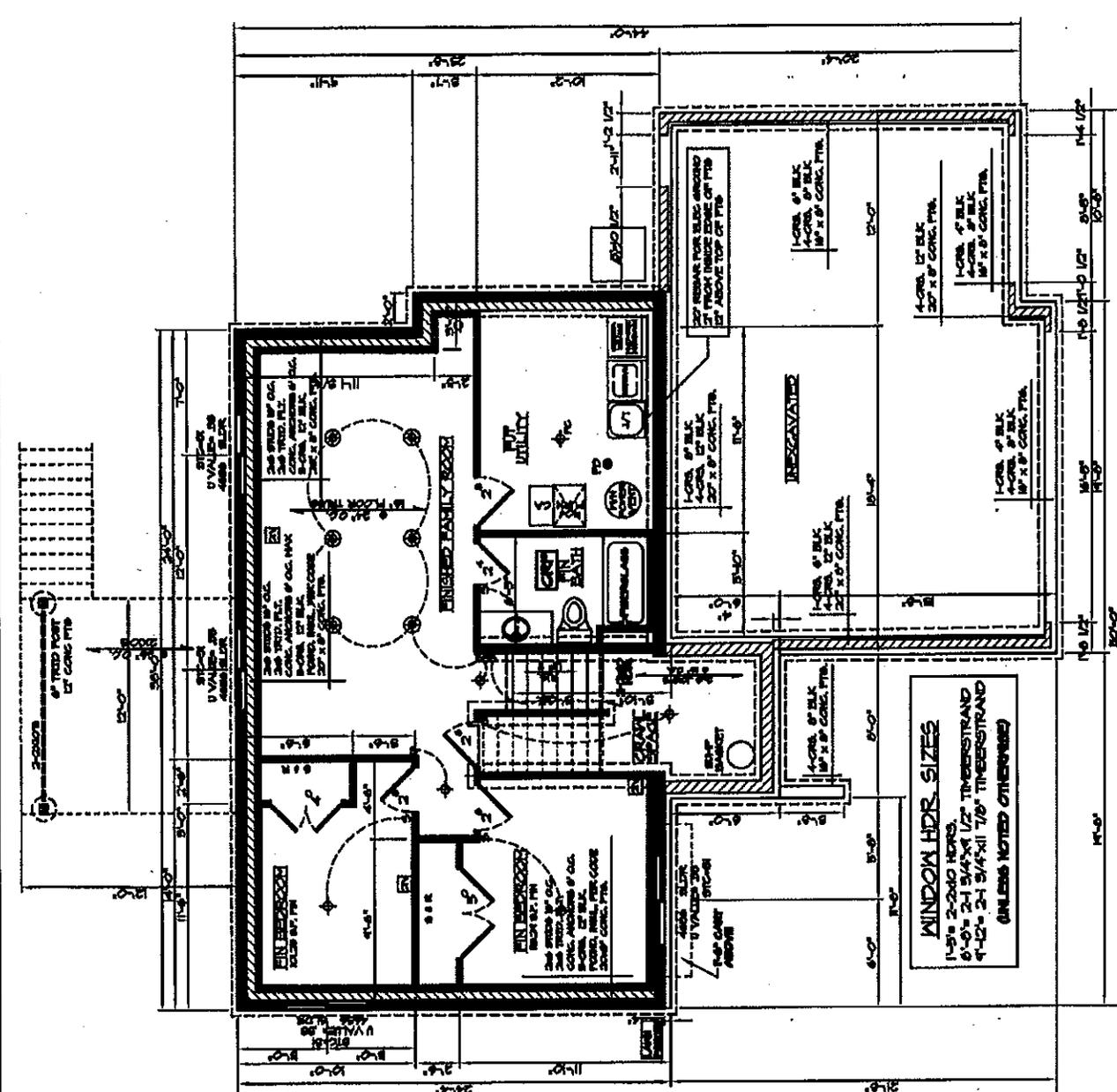
SCALE  
~1" : 20'

EDA to remove existing curb cut and install new 16' wide curb cut.





**NOTE:**  
 THIS FOUNDATION PLAN HAS NOT BEEN APPROVED BY THE LOCAL HEALTH DEPARTMENT. THE HEALTH DEPARTMENT WILL BE CONTACTED BY THE ARCHITECT FOR APPROVAL. ACTUAL PLACEMENT SHALL BE DETERMINED BY THE HEALTH DEPARTMENT. ALL DIMENSIONS AND SPECIFICATIONS ARE TO THE DIMENSIONS SHOWN. ALL DIMENSIONS ARE TO THE CENTERLINE UNLESS OTHERWISE NOTED.  
 ALL DIMENSIONS ARE TO THE CENTERLINE UNLESS OTHERWISE NOTED.  
 ALL DIMENSIONS ARE TO THE CENTERLINE UNLESS OTHERWISE NOTED.



**WINDOW HDR SIZES**  
 1'-0" 2'-0" 2'-0" 2'-0"  
 2'-0" 2'-0" 2'-0" 2'-0"  
 2'-0" 2'-0" 2'-0" 2'-0"  
 (UNLESS NOTED OTHERWISE)

**LOWER LEVEL & FOUNDATION PLAN**  
 SCALE: 1/8" = 1'-0"







## EDA STAFF REPORT Housing Resource Center funding for 2014

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FROM: John Sutter, City Planner/Assistant Community Development Director *JS*

DEPARTMENT HEAD REVIEW: Patrick Peters, Deputy Executive Director *PP*

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DATE: November 25, 2013

TO: Anne Norris, Executive Director (for December 3, 2013 EDA meeting)

SUBJECT: Consider a Consultant Services Agreement with Greater Metropolitan Housing Corporation for Housing Resource Center services in 2014

The Greater Metropolitan Housing Corporation ("GMHC") is proposing to continue providing the services of its Housing Resource Center to Crystal residents. The proposed Consultant Services Agreement would continue the program in essentially the same manner as the past several years. The amount paid by the EDA to GMHC to provide these services would remain at \$15,000, as it has been for more than ten years.

This agreement funds the baseline services provided to residents of cities served by the Housing Resource Center, which includes technical assistance with remodeling projects and applications for a number of different home improvement programs. This agreement does not include Crystal's unique Home Improvement Incentive Rebate which is an additional, locally-funded program that is administered by the Housing Resource Center for the EDA under a separate annual agreement.

A printout of the Crystal page on GMHC's Housing Resource Center website is attached.

EDA approval of the attached \$15,000 Consultant Services Agreement is requested to continue Housing Resource Center services through 2014.



HOMES FOR SALE

Making Your Dream Come True.

Learn More



GET A MORTGAGE

YES! You Can.

Learn More



IMPROVE YOUR HOME

Remodel, Upgrade, Rehabilitate, Innovate.

Learn More



DOWN PAYMENT ASSISTANCE

Helping You Own Your New Home.

Learn More

Back to Housing Resource Center

Crystal

Download information as PDF

Crystal Rehab Incentive Program

Depending on household income, applicants can qualify for a 10% 15% or 20% rebate on the total project cost. Household income must be less than \$98,760 (adjusted annually). Homeowners must apply & sign a participation agreement for the rebate before any work begins or materials are purchased. Maximum rebate is \$10,000 per calendar year per household. Minimum project cost must be \$2,000 to be eligible for a rebate.

Crystal Last Resort Grant

Last Resort offers a \$3,000 grant to address serious and immediate health and safety issues or code violations. Household income must not exceed 50% AML, adjusted by household size. Construction manager evaluation & City approval are required. Work must be performed by a contractor, no sweat equity allowed.

Minnesota Housing Community Fix-Up Loan

Crystal is offering a special low-interest home improvement loan in partnership with the Minnesota Housing Finance Agency. Owner-occupied households, from single-family up to four units, with an annual income at or below \$96,500, can borrow up to \$50,000 at a 3% interest rate. Loan term can extend to 20 years. Funds may be used to repair or remodel your home, including energy-saving improvements. This low interest rate is available for a limited time. Apply now!

Also available is an unsecured loan up to \$15,000 with no equity requirement for a higher interest rate.

Minnesota Housing Rental Rehabilitation Loan Program

You may receive up to \$25,000 for a one or two unit property, or \$10,000 per unit for larger properties, with a maximum loan amount of \$100,000. The interest rate is 6%, and the term of the loan may be up to 15 years. At the time the property improvements are completed and the units are rented, 75% of the units must be occupied by persons with an income less than 80% of the median income.

Home Improvement Advice

Our construction managers provide free construction consultations to residents of Crystal.

These services include:

- Site visits with homeowners
- Contractor information
- Create a list of work for contractors to bid from
- Review contractor bids, proposals or estimates
- Accessibility modifications
- Health and safety issues

For more information contact the HousingResource Center™ – North

2143 44th Ave N

Minneapolis MN 55412

Phone: (612) 588-3033

## CONSULTANT SERVICES AGREEMENT

**THIS IS AN AGREEMENT** entered into the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the Crystal Economic Development Authority, (“EDA”), and **GREATER METROPOLITAN HOUSING CORPORATION**, a Minnesota non-profit corporation (“Consultant”).

### RECITALS

A. The Consultant has a division called The Housing Resource Center (“HRC”). GMHC has agreed to provide certain Services through HRC (as defined below) in connection with the EDA’s housing program.

B. The EDA desires to hire the Consultant to render this technical, professional, and marketing assistance in connection with housing programs in the EDA for the term as set forth in this Agreement.

C. Consultant is willing to provide such services on the terms and conditions set forth herein.

In consideration of the foregoing recitals and following terms, conditions and mutual promises contained herein, the parties agree as follows:

1. **Scope of Services.** The Consultant shall provide services as follows (the “Services”):
  - a. Administer the following home improvement programs for residents of the City of Crystal (the “City”): MHFA Fix Up Fund, Community Fix Up Fund, and the MHFA Rental Rehab Program (collectively the “MHFA Programs”):
    1. Providing information to residents and property owners about the programs, upon request; assisting the City with marketing materials through various mediums;
    2. Assist the EDA in developing procedures for the programs;
    3. Receipt of applications from residents;
    4. Processing applications;
    5. Closing loans to qualified applicants in accordance with the applicable program;
    6. Overseeing the draw process for the funds, including, as necessary, reviewing draws, reviewing the progress of the work and collecting lien waivers and certificates of occupancy. Consultant may, for this purpose, rely on third-party representations and certifications.
    7. Provide monthly reports about the number of loans closed and the balance in each loan program.

- b. Assist City residents considering rehabilitation, including property visits, meet with homeowners and potential contractors, suggest alternatives for rehabilitation to homeowners, educate homeowners on the construction bid process, assist homeowners to evaluate bids and work completed and construction progress.
- c. Provide housing information to City residents, including information on emergency assistance, housing rehabilitation, first time homebuyers and limited rental information;
- d. Assist the EDA in developing programs to purchase and rehabilitate homes;
- e. Coordinate these services out of Consultant's Minneapolis office; and
- f. Have Consultant's staff visit residences as determined necessary by Consultant.

2. **Term.** This Agreement shall be in full force and effect from January 1, 2014 and shall continue through December 31, 2014, unless otherwise terminated as set forth below.

3. **Compensation.**

For services provided under this Agreement, the EDA shall pay to the Consultant Fifteen Thousand Dollars (\$15,000.00) within thirty (30) days after execution of this Agreement.

The Consultant shall receive compensation for administering the MHFA Programs directly from the Minnesota Housing Finance Agency and not from the EDA.

4. **Termination.** Notwithstanding any other provision hereof to the contrary, this Agreement may be terminated as follows:

- a. The parties, by mutual written agreement, may terminate this Agreement at any time in which case the parties shall agree to the amount of fees payable to Consultant.
- b. EDA may terminate this Agreement upon the breach by Consultant of any of its material covenants contained herein, where such breach shall have continued for a period of thirty (30) days following the receipt by Consultant of a written notice from EDA, specifying the alleged breach; provided, however, if the nature of a non-monetary breach is such that Consultant cannot reasonably cure same in the thirty (30) day period, Consultant shall not be deemed to be in breach if it commences to cure within the thirty (30) day period, and diligently pursues same to completion within ninety (90) days following receipt by Consultant of such written notice. In the event of termination by EDA hereunder, Consultant shall be entitled to fees due to the date the notice of breach is sent by the EDA.
- c. If Consultant or EDA (as applicable) (i) files a voluntary petition in bankruptcy (ii) files a voluntary petition for reorganization under any bankruptcy law, statute or regulation or other similar statute or regulation, (iii) is adjudicated a bankrupt,

(iv) makes an assignment for the benefit of creditors or applies for or consents to the appointment of a receiver or trustee as part of or in conjunction with a “creditor plan” with respect to any substantial part of its assets, or (v) a receiver or trustee is appointed, or an attachment or execution levied with respect to any substantial part of its assets, and said appointment is not vacated, or the attachment or execution not released, within sixty (60) days, then this Agreement shall, effective as of such date, without notice or further action by either party, immediately terminate.

- d. Consultant may terminate this Agreement upon the breach by EDA of any of its material covenants contained herein, where such breach shall have continued for a period of thirty (30) days following the receipt by EDA of a written notice from Consultant, specifying the alleged breach; provided, however, if the nature of a non-monetary breach is such that EDA cannot reasonably cure same in the thirty (30) day period, EDA shall not be deemed to be in breach if it commences to cure within the thirty (30) day period, and diligently pursues same to completion within ninety (90) days following receipt by EDA of such written notice. In the event of termination by Consultant hereunder. Consultant shall be entitled to retain the entire fee under this Agreement.

5. **Insurance.**

- a. During the term of this Agreement, the Consultant shall obtain and maintain workers compensation, comprehensive general liability, and automobile liability insurance. Comprehensive general liability insurance shall have an aggregate limit of Two Million Dollars (\$2,000,000.00).
- b. Upon request by the EDA, the Consultant shall provide a certificate or certificates of insurance relating to the insurance required. Such insurance secured by the Contractor shall be issued by insurance companies licensed in Minnesota. The insurance specified may be in a policy or policies of insurance, primary or excess.
- c. Such insurance shall be in force on the date of execution of an Agreement and shall remain continuously in force for the duration of the Agreement.

6. **Indemnification.**

- a. Notwithstanding anything to the contrary in this Agreement, the EDA, its officers, agents, and employees shall not be liable or responsible in any manner to the Consultant, the Consultant’s successors or assigns, the Consultant’s subcontractors, or to any other person or persons for any third party claim, demand, damage, or cause of action of any kind, nature, or character, including intentional acts, arising out of or by reason of the performance of this Agreement by Consultant. The Consultant, and the Consultant’s successors or assigns, agree to protect, defend and save the EDA, and its officers, agents, and employees, harmless from all third party claims, demands, damages, and causes of action, to the extent caused by the

negligence or wrongful acts of Consultant, and the costs, disbursements, and expenses of defending the same, including but not limited to, attorneys fees, consulting services, and other technical, administrative or professional assistance.

b. Nothing in this Agreement shall constitute a waiver or limitation of any immunity or limitation of any immunity or limitation on liability to which the EDA is entitled under Minnesota Statutes, Chapter 466, or otherwise.

7. **Assignment.** This Agreement shall not be assigned, sublet, or transferred, in whole or in part without the prior written approval of the EDA.

8. **Conflict of Interest.** The Independent Contractor shall use best efforts to meet all professional obligations to avoid conflicts of interest and appearances of impropriety in representation of the EDA. In the event of a conflict, the Independent Contractor, with the prior written consent of the EDA, shall arrange for suitable alternative services.

9. **Compliance with Laws.** The Consultant shall comply with all applicable Federal, State, and local laws, rules, ordinances, and regulations at all times and in the performance of the services pursuant to this Agreement.

10. **Notices.** Any notices permitted or required by this Agreement shall be deemed given when personally delivered or upon deposit in the United States mail, postage fully prepaid, certified, return receipt requested, addressed to:

Consultant: Greater Metropolitan Housing Corporation  
15 South 5<sup>th</sup> Street, Suite 710  
Minneapolis, MN 55402  
ATTN: Suzanne Snyder

EDA: Economic Development Authority of the City of Crystal  
4141 Douglas Drive North  
Crystal, MN 55422

Or such other address as either party may provide to the other by notice given in accordance with this provision.

11. **Entire Agreement.** This Agreement, any attached exhibits and any addenda or amendments signed by the parties shall constitute the entire agreement between the EDA and the Consultant, and supersedes any other written or oral agreements between the EDA and the Consultant. This Agreement can only be modified in writing signed by the EDA and the Consultant.

12. **Third Party Rights.** The parties to this Agreement do not intend to confer on any third party any rights under this Agreement.

13. **Counterparts.** This Agreement may be signed in one or more counterparts but all of which taken together shall constitute one instrument.

14. **Choice of Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

15. **Agreement Not Exclusive.** The EDA retains the right to hire other housing program consultants, in the EDA's sole discretion.

16. **Data Practices Act Compliance.** Data provided to the Consultant or created by the Consultant under this Agreement shall be administered in accordance with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, as amended.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement on the respective dates indicated below.

ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF CRYSTAL

By: \_\_\_\_\_

Its: President

Date: \_\_\_\_\_, 20\_\_.

By: \_\_\_\_\_

Its: Executive Director

Date: \_\_\_\_\_, 20\_\_.

CONSULTANT:

GREATER METROPOLITAN HOUSING CORPORATION

By: \_\_\_\_\_

Its: President

Date: \_\_\_\_\_, 200\_\_.



## EDA STAFF REPORT Home Improvement Incentive Program for 2014

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**FROM:** John Sutter, City Planner/Assistant Community Development Director *JSS*

**DEPARTMENT HEAD REVIEW:** Patrick Peters, Deputy Executive Director *PP*

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**DATE:** November 25, 2013

**TO:** Anne Norris, Executive Director (for December 3, 2013 EDA meeting)

**SUBJECT:** Consider an agreement with Greater Metropolitan Housing Corporation for the Home Improvement Incentive program in 2014

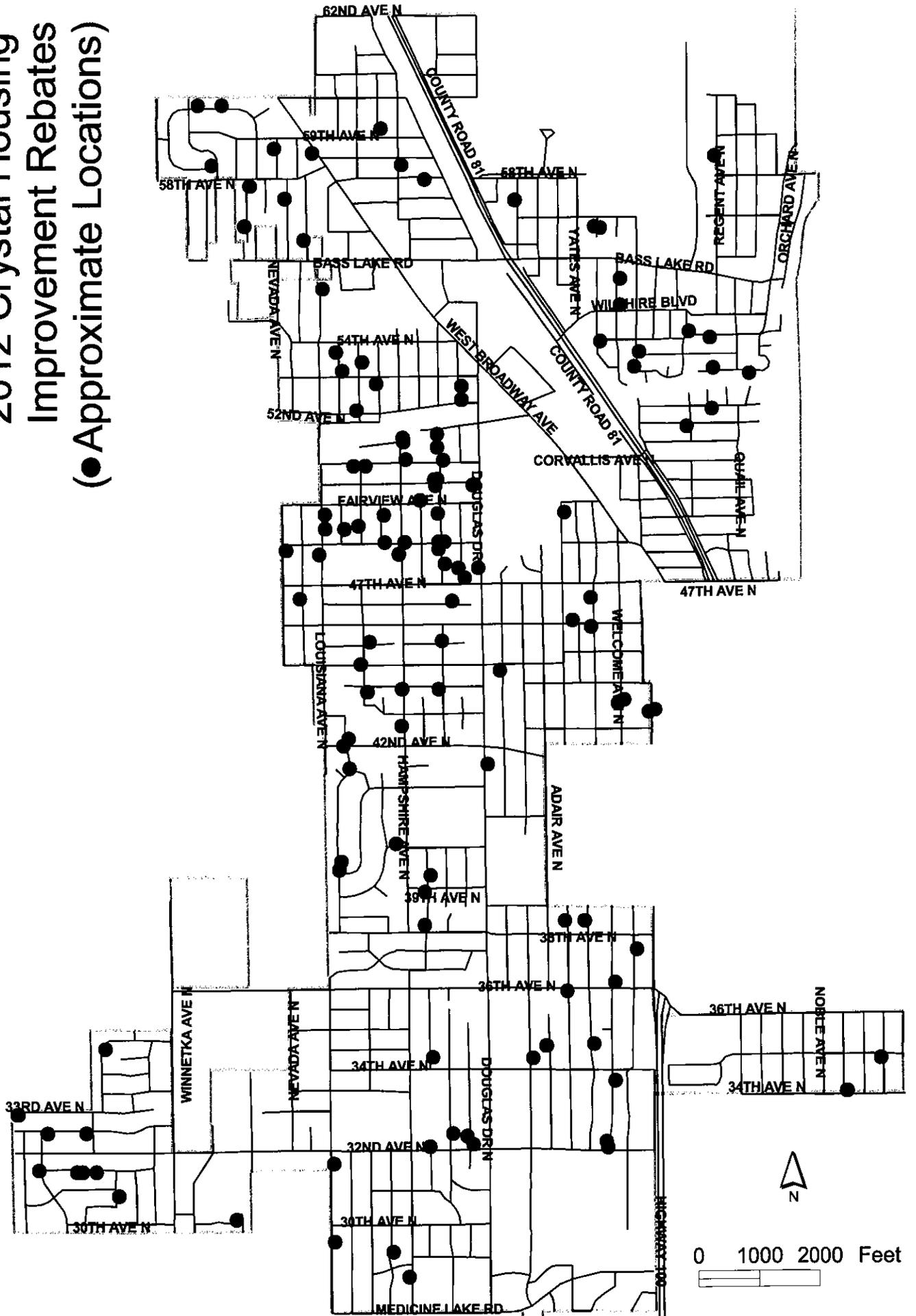
Since 2000, the EDA has operated an incentive program for home improvements under contract with Greater Metropolitan Housing Corporation (GMHC) and its Northwest Housing Resource Center. An average of 120 Crystal homeowners receive rebates each year (2012 project locations map attached).

The program was initially funded by the Minnesota Housing Finance Agency and Metropolitan Council. In 2002 the EDA began providing local funding as the MHFA and MC funding was exhausted. In 2009 the EDA began funding most of the program with available increment from the expired TIF District #1 (2150). At this time about 75% comes from available TIF and goes to households at or below 80% of metro area median income, and the remaining 25% comes from the EDA fund and goes to households from 80-120% of metro area median income.

Total program costs would be capped at \$249,750 per year, to ensure that a sudden surge in projects does not deplete the available funding for the subsequent year. In the unlikely event that the cap is reached before the end of 2014, the rebate program would be put on hold until the beginning of 2015 when either a new agreement will have been approved or the program will be discontinued.

EDA approval of the attached 2014 agreement is requested.

# 2012 Crystal Housing Improvement Rebates (● Approximate Locations)



# **Home Improvement Incentive Program**

***(January 1, 2014 –December 31, 2014)***

- A. Parties.** This agreement is entered into between the Economic Development Authority of the City of Crystal ("EDA") and the Greater Metropolitan Housing Corporation ("GMHC").
- B. Program Title and Purpose of Agreement.** This agreement is in regards to the Home Improvement Incentive administered for EDA by GMHC at the Northwest Housing Resource Center. This agreement is intended to provide funding to continue the program after December 31, 2013, and to supersede and terminate the current agreement on December 31, 2013, said current agreement having been authorized by EDA on December 4, 2012.
- C. Program Outline.**
- 1. Objective.** Encourage reinvestment in the City's owner occupied housing stock, which makes up approximately  $\frac{3}{4}$  of the City's housing units. EDA has determined that this is a housing development project under Minnesota Statutes 469.017, and that households meeting the income eligibility requirements described in Section 3 are considered to be low or moderate income households for the purposes of this project. A secondary objective is, on a more limited basis, to provide Last Resort grants that do not require homeowner match.
  - 2. Goal.** Assist with improvements to approximately 150 houses per year.
  - 3. Eligibility.**
    - a. Type of Property.** The following property types are eligible for either Rebates or Last Resort Grants:
      - Owner-occupied single family homes in the City of Crystal, including owner occupied townhouses.

- Two family dwellings in the City of Crystal, provided that (1) the owner occupies one of the units and the property is homesteaded according to the Hennepin County Assessor, (2) the rental unit has a current rental license from the City of Crystal, and (3) the use of the property as a two family dwelling is listed as a permitted use in the zoning district in which it is located. Before approving such a request, GMHC staff shall contact EDA staff to ensure that these requirements have been met.

Rental property is not eligible, except for the aforementioned qualifying two family dwellings subject to pre-approval by EDA staff.

Property which is not the owner's principal residence is not eligible.

- b. Household Income.** For Incentive Rebates, eligibility will be based on household income as a percentage of the regional median income. In the case of qualifying two family dwellings, eligibility will be based on the household income of the owner occupant.

Eligibility shall be based on income as follows:

- 20% Rebate: Households with income up to 50% of the regional median income.
  - 15% Rebate: Households with income from 50%-80% of the regional median income.
  - 10% Rebate: Households with income from 80%-120% of the regional median income.
  - For Last Resort Grants, only households with income up to 50% of the regional median income are eligible.
- c. Type of Expenditures.** Materials and labor expenditures for mechanical, plumbing, electrical, exterior (roofing, siding, windows and doors), general remodeling and additions to the principal building are considered to be eligible

expenditures. Eligible site improvements are limited to essential utilities, detached accessory buildings, retaining walls, fences, driveways, sidewalks and patios, decks, removal or trimming of diseased or otherwise hazardous trees, and treatment of trees to protect from Dutch Elm Disease or the Emerald Ash Borer. In all cases, for do-it-yourself projects, only materials costs are eligible expenditures for either Rebates or Last Resort grants.

**d. Minimum Project Size.** For a project to be eligible for a rebate, the eligible project costs must be at least \$2,000.

**4. Funding Cycle.** Rebates and Last Resort Grants shall be disbursed on a first-come, first-served basis beginning January 1, 2014 and ending whenever EDA funds have been expended or December 31, 2014, whichever is earlier. The maximum EDA expenditure during the term of this agreement shall be \$249,750 comprised of the maximum of \$225,000 for Rebates and Last Resort Grants combined plus the maximum of \$24,750 in administration fees described in Section 6.

No more than \$15,000 of EDA funds shall be spent on Last Resort grants per year.

Effective January 1, 2014, this agreement supersedes the current agreement which was authorized by EDA on December 4, 2012.

**5. Amount of Assistance.** For Rebates, depending on household income (see "Eligibility" above), the Rebate amount shall be 10%, 15% or 20% of eligible expenditures, not to exceed \$10,000 per property per year. Rebates are to be paid upon fulfillment of all requirements established by GMHC and EDA including submittal of proof of payment and satisfactory completion of work including final inspection as verified by GMHC with the city's Building Official. Rebates are not retroactive; an application must be made to and approved by GMHC before costs are incurred and work begins.

For Last Resort Grants, the maximum is \$3,000 per property, one time. A property receiving a Last Resort Grant will not be eligible again for Last Resort funds until the property has a new owner occupant who is similarly eligible for Last Resort Grant. Other rules governing Rebates, including satisfactory completion and permit/inspection requirements, also apply to Last Resort Grants.

6. **Administration.** Administrative fees paid to GMHC shall not exceed \$24,750 for the term of this Agreement. GMHC shall field initial inquiries, receive and keep copies of all cost invoices, prepare quarterly progress reports, and verify that all required permits have been secured and that the work has been satisfactorily completed. Administration fees shall be invoiced by and paid to GMHC at a rate of 11% of the amount of Rebates and Last Resort Grants paid by GMHC. Administrative fees shall be invoiced by and paid to GMHC concurrent with reimbursement for the respective actual Rebates and Last Resort Grants paid by GMHC as described in Section 7.

Any invoices for administration shall include the property address, Rebate amount and payment date of any Incentive Rebates or Last Resort Grants paid in the respective time period identified above.

7. **Reimbursement for Rebates Paid.** Upon receipt of an invoice and supporting documentation from GMHC, EDA shall reimburse GMHC for the actual payments of Rebates and Last Resort Grants not previously reimbursed by EDA. Such reimbursement shall be in addition to the disbursement of administrative fees described in Section 6. GMHC shall provide to EDA copies of any audit reports and financial management reports that include funds disbursed under this agreement.
8. **Records Retention and Availability.** GMHC shall retain all records and files for each respective Rebate or Last Resort Grant until the end of the calendar year following its final close out by GMHC, at which time GMHC shall provide the records and files to EDA. EDA retains the right to inspect or audit all records relating to Crystal projects and

the associated funding. Upon proper notice, EDA or its delegate (City Auditors, State Auditor etc.) can review and inspect all records.

9. **Term.** The term of this Agreement is from January 1, 2014 through December 31, 2014.

**D. Signatures.**

For Economic Development Authority of the City of Crystal:

Name: Anne L. Norris

Title: Executive Director

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

For Greater Metropolitan Housing Corporation:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date