



Red Wing Housing and Redevelopment Authority Equal Opportunity Housing/Equal Opportunity Employment

Our Mission

To provide quality, affordable, sustainable housing and community redevelopment programs utilizing resources that develop public and private partnerships.

Statement of Intent

We gather today in this room as one people to discuss and attend to the matters of Red Wing. Together, as a government body and as community members, we agree to treat everyone with courtesy, dignity, and respect. We will listen to all sides of an issue, encourage participation, support each other, act with honor and accountability, and inspire pride in our community. This we commit as we open this meeting.

Meeting Announcement and Agenda Housing & Redevelopment Authority Board Regular Meeting City Council Chambers, 315 West 4th Street, Red Wing, MN & Virtually Tuesday, April 11, 2023, at 3:30 PM

This meeting will be held in the City Hall Council Chambers and virtually via Webex at the same time. Members of the public can join this meeting either in person at City Hall or virtually. To join this meeting via Webex, [click this link](#). To join via telephone, please dial (415) 655-0001. Enter access code 2559 127 7149 and password 2023 when prompted.

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Approval of Agenda**
5. **Public Comment**

We now invite anyone to share their thoughts on a topic that is not on the agenda. We welcome all opinions and ideas. We appreciate you stating your name at the lectern, and please remember that personal attacks may be ruled out of order. You will have up to three minutes to comment, and we appreciate your time in coming tonight.

6. **Consent Agenda (Roll Call Required *)**

Approval of the Consent Agenda constitutes approval of the following Consent Agenda items:

- 6.A. Motion to Approve March 14, 2023 Regular Meeting Minutes.
- 6.B. Motion to Approve Bills (Checks #50487-50578, totaling \$97,305.62).

- a. Public Housing: \$30,165.35
- b. Housing Choice Voucher: \$2,514.74
- c. Jordan Tower II: \$42,739.33
- d. Redevelopment: \$21,886.20
- e. Small Cities: \$0

- f. TIF: \$0
- g. AHTF: \$0

7. **Motions & General Business**

- 7.A. Resolution No. 1438-23 Approving the Purchase Agreement and Party Wall Agreement for Twin Home Sale
- 7.B. Resolution No. 1439-23 Project Based Voucher-Resolution of Commitment

8. **Communication Items**

- 8.A. Director's Report
- 8.B. Finance Report
- 8.C. Housing Report
- 8.D. Community Redevelopment Report
- 8.E. Resident Council Report
- 8.F. Hope Coalition Liaison Report
- 8.G. City Council Liaison Report
- 8.H. Announcements

- a. The Board Workshop/Property Tour will be on Tuesday, May 2, 2023 at 4:00pm. We will meet and load at the front of Jordan Towers II.
- b. The next HRA Board Meeting will be on May 9, 2023 at 3:30pm in City Council Chambers.

9. **Adjournment**

Accommodations for signing interpreter, Braille, large print, etc. can be made. Call City Hall at 385.3600 seven days prior to the need. Hearing assistance devices are available during meetings.

Red Wing Housing & Redevelopment Authority
City Council Chambers
March 14, 2023

Board Members Present: Board Chair, Glen Witham; Vice Chair, Jason Jech; Commissioners: Sara Hoffman, Roseanne Grosso, Dana Borgschatz, Jackie Luikart, and Kristi Reuter.

Others Present: Kurt Keena, Executive Director; Corrine Stockwell, Finance Director; Jennifer Cook, Housing Director; Megan Conway, Housing Assistance Navigator; Jessica Kitzmann, Senior Resident Service Coordinator, and Ron Goggin, City Council Liaison.

1. Call to Order

The meeting was called to order at 3:30 p.m. by Board Chair Witham.

2. Pledge of Allegiance

3. Excusal of Absent Commissioners-ROLL CALL

Roll Call was taken and all members present.

4. Approval of Agenda

A motion to approve the agenda was made by Luikart and seconded by Grosso. Motion carried.

5. Public Comment

First call for public comments there were none. HRA property resident arrived late and was allowed to address the Board. The resident shared concerns she was having within her unit. Board Chair Witham will address these concerns and HRA staff will provide further information to commissioners.

6. Consent Agenda

A. Motion to Approve February 14, 2023 Meeting Minutes.

B. Motion to Approve Bills and Expenses

(Check numbers 50360-50429; totaling \$200,741.91)

a. Public Housing: \$33,261.80

b. Housing Choice Voucher: \$1,173.46

c. Jordan Tower II: \$45,502.02

d. Redevelopment: \$17,451.20

e. Small Cities: \$130

f. AHTF: \$0

A motion was made by Hoffman to accept the Consent Agenda. Motion seconded by Jech. Roll Call was taken and all board were in favor of approving the Consent Agenda.

7. Motions and General Business

8. Communication Items

A. Director's Report

a. Continuing to monitor budget and funding proposals at the Federal and State levels. Possible proposal to fund a state-based voucher program that could be equal in size to the Federal program. Met with GCHFH

Director to draft purchase and Common Wall Agreement for sale of the Twin Home property.

B. Finance Report

- a. December financials are in. Slight increase in public housing is due to building up reserves. There was an increase in employee, liability, and property insurance. Annual reports for MURL and Hill Street Triplex are due by March 31. Currently, in the process of updating Employee Handbook. Plan to bring the Handbook to April's meeting for Board review. Board Tour will be May 2nd or May 16th, please email date and time preferences to Stockwell. Audit is set for April 3-7, 2023.

C. Housing Report

- a. Waitlists are growing. HCV is still in the middle of a purge so next month will show an accurate active list. Some individuals are transitioning from Bridges to HCV, numbers will be fluctuating as this occurs. Shared information on an upcoming series put on by NAHRO called Understanding the Multifaceted Role of the HRA Commissioner. Commissioners are encouraged to register by this Friday, March 17th. Recently had a HUD contracted REAC inspection for our public housing units, RWHRA scored a 98B out of 100. Cook has agreed to be on the Board of Directors for the Goodhue County Resource Center.

D. Community Redevelopment Report

- a. Waiting on a couple of roofing and outside projects that are weather dependent. TIF proceeds will be disbursed once all information is certified, progress in construction continues on the final phase. Keena and a few commissioners attended the City Council Meeting to show their support for Three Rivers project the resolution passed with a 4:3 vote. Discussion was had regarding the false claims and benefits of the LIHTC project.

E. Resident Council Report

- a. Had a Spaghetti Dinner at the Towers on February 14th for Valentine's Day. Upcoming gathering will be on Friday, March 17th for St. Patrick's Day. Cookies, coffee, and punch will be served.

F. Hope Coalition Liaison Report

- a. Meeting is this Thursday, March 16th at 4:00pm. Grosso will attend in place of Borgschatz.

G. City Council Liaison Report

- a. Shared an overview of the March 13th City Council meeting. Assured his role and voice for community members and other factors that need to be considered.

H. Announcements

- a. Next Regular Meeting April 11, 2023, in City Council Chambers.

9. Adjourn

Board Chair Witham adjourned the meeting at 4:40 p.m.

Respectfully Submitted by,
Megan Conway



Board Chair

Red Wing Housing and Redevelopment Authority

Checks Written Report

March 1, 2023 - March 31, 2023

Payment Date	Payment Number	Payment Amount	Payee Name
3/3/2023	1087	\$200.00	Charles Bleything
3/3/2023	1088	\$50.00	Dana Borgschatz
3/3/2023	1089	\$278.00	ESI Hosted Services
3/3/2023	1090	\$220.00	FileVision USA
3/3/2023	1091	\$50.00	Roseanne Grosso
3/3/2023	1092	\$50.00	Jason Jech
3/3/2023	1093	\$200.00	Barry Preble
3/3/2023	1094	\$50.00	Kristi L. Reuter
3/3/2023	1095	\$43.25	Shred-It USA, LLC
3/3/2023	1096	\$50.00	Glen Witham
3/10/2023	1097	\$290.92	Carahsoft Technology Corporation
3/10/2023	1098	\$325.00	MKC Inc.
3/10/2023	1099	\$352.50	Albn Acquisition Corp/dba RHR
3/17/2023	1100	\$41.00	Adam's Pest Control
3/17/2023	1101	\$595.00	Maids in Minnesota
3/24/2023	1102	\$139.26	Jennifer Cook
3/24/2023	1103	\$16,147.15	Minnesota Housing Finance Agency
3/24/2023	1104	\$767.31	THEIPGUYS.NET, LLC OneNet Global
3/24/2023	1105	\$30.00	Barry Preble
3/3/2023	50487	\$200.00	James Alexander
3/3/2023	50488	\$286.61	American Heritage Life Insurance Company
3/3/2023	50489	\$550.00	Blitz Tree Service
3/3/2023	50490	\$0.00	Void / City of Red Wing-water & sewer
3/3/2023	50491	\$0.00	Void / City of Red Wing-water & sewer
3/3/2023	50492	\$12,333.80	City of Red Wing-water & sewer
3/3/2023	50493	\$220.00	Culligan Water Conditioning
3/3/2023	50494	\$200.00	Candis Fleck
3/3/2023	50495	\$2,000.00	Goodhue County Habitat for Humanity
3/3/2023	50496	\$335.00	P Hanson Marketing Inc
3/3/2023	50497	\$500.00	Quadient Finance USA, INC
3/3/2023	50498	\$50.00	Sara Hoffman
3/3/2023	50499	\$397.81	Innovative Office Solutions
3/3/2023	50500	\$50.00	Jackie Luikart
3/3/2023	50501	\$220.75	Menards-Red Wing
3/3/2023	50502	\$650.00	Plunketts Pest Control Inc
3/3/2023	50503	\$86.00	Christina Parks
3/3/2023	50504	\$198.35	Estate of Diana Bundy
3/3/2023	50505	\$4.21	Estate of Philip Breuer
3/3/2023	50506	\$645.61	Estate of Guy Williams
3/3/2023	50507	\$50.00	Barbara Rietmann
3/3/2023	50508	\$1,274.13	Schumacher Elevator Company
3/3/2023	50509	\$250.00	Startech Computing Inc

3/3/2023	50510	\$191.75	Vickis Foot and Nail Care PLLC
3/3/2023	50511	\$3,286.72	Visa
3/3/2023	50512	\$108.48	Xcel Energy
3/10/2023	50513	\$20.28	Allegra
3/10/2023	50514	\$480.60	City of Red Wing-Other Utils
3/10/2023	50515	\$900.00	Coinmach Corporation-NY
3/10/2023	50516	\$1,897.50	Custom Alarm
3/10/2023	50517	\$974.21	Finn Daniels Architects
3/10/2023	50518	\$520.00	Fireline Sprinkler, LLC
3/10/2023	50519	\$2,492.00	Hawkins, Ash,CPAs, LLP
3/10/2023	50520	\$374.80	Hiawatha Broadband
3/10/2023	50521	\$25.45	Menards-Red Wing
3/10/2023	50522	\$1,200.00	MJS of Red Wing, Inc.
3/10/2023	50523	\$127.96	Runnings Farm & Fleet
3/10/2023	50538	\$500.00	Startech Computing Inc
3/10/2023	50539	\$903.50	Tee Jay North Inc.
3/10/2023	50540	\$1,697.64	Xcel Energy
3/17/2023	50541	\$893.92	City of Red Wing-Other Utils
3/17/2023	50542	\$331.32	Culligan Water Conditioning
3/17/2023	50543	\$711.08	Dearborn National
3/17/2023	50544	\$1,770.72	Directv
3/17/2023	50545	\$50.00	Goodhue County Public Works
3/17/2023	50546	\$76.63	HD Supply Facilities Maintenance
3/17/2023	50547	\$808.71	Menards-Red Wing
3/17/2023	50548	\$924.03	Estate of Leonard Young
3/17/2023	50549	\$232.40	Estate of Garland Bradley
3/17/2023	50550	\$282.00	Red Wing Plumbing & Heating
3/17/2023	50551	\$560.38	The Sherwin Williams Co
3/17/2023	50552	\$3,588.25	Stortz Satellite
3/17/2023	50553	\$133.81	Xcel Energy
3/24/2023	50554	\$20.00	Irene Alger
3/24/2023	50555	\$30.00	Larry Cedar
3/24/2023	50556	\$94.00	City of Red Wing-Other Utils
3/24/2023	50557	\$744.50	Colonial Life
3/24/2023	50558	\$768.01	Companion Life Insurance
3/24/2023	50559	\$30.00	Jeanelle Fosberg
3/24/2023	50560	\$150.00	Steven Gregory
3/24/2023	50561	\$30.00	Joyce Hadler
3/24/2023	50562	\$691.86	HD Supply Facilities Maintenance
3/24/2023	50563	\$4,394.00	Housing Insurance Services Inc.
3/24/2023	50564	\$161.46	Erick Johnson
3/24/2023	50565	\$30.00	Cheryl Lund
3/24/2023	50566	\$822.11	Menards-Red Wing
3/24/2023	50567	\$150.00	Nathan Mewes
3/24/2023	50568	\$350.00	Minnesota NAHRO
3/24/2023	50569	\$30.00	Romelia Moreno
3/24/2023	50570	\$30.00	Barbara Rietmann

3/24/2023	50571	\$30.00	Linda Rowan
3/24/2023	50572	\$245.00	Red Wing Plumbing & Heating
3/24/2023	50573	\$20.00	Jaime Schmldt
3/24/2023	50574	\$807.00	Schwab Vollhaber Lubratt Service Corp
3/24/2023	50575	\$922.59	State Farm Insurance Companies
3/24/2023	50576	\$288.93	Corrine Stockwell
3/24/2023	50577	\$30.00	Joyce Thompson
3/24/2023	50578	\$19,990.36	Xcel Energy
		\$97,305.62	



Red Wing Housing & Redevelopment Authority

428 West Fifth Street
Red Wing, MN 55066
TDD/TTY 7-1-1

Telephone (651) 388-7571
FAX (651) 385-0551
www.redwinghra.org

April 11, 2023

To: Red Wing HRA Board of Commissioners
From: Kurt Keena, Executive Director
Re: Twin Home Property - Purchase and Party Wall Agreements

Background

In previous meetings the Board has given staff direction to explore the sale of one half of the twin home property to Habitat for Humanity for the purpose of promoting affordable home ownership and to provide resources in our General Redevelopment account for future affordable housing activities and/or capital improvements at or properties.

At the February HRA meeting the sales price for the property was set at \$205,000 and staff was directed to negotiate a purchase agreement with GCHFH. A Purchase Agreement and Party Wall Agreement have both been negotiated and are attached for your review.

Recommendation

Staff recommend to the HRA Board of Commissioners to adopt Resolution #1438-23 approving:
1) The Purchase Agreement and Party Wall Agreement related to the sale of the property at 119 West Fifth Street to Goodhue County Habitat for Humanity; and 2) authorize the Executive Director to execute all necessary documents.

PARTY WALL AGREEMENT

This Party Wall Agreement is made and entered into this _____ day of _____, 2023 by and between Red Wing Housing and Redevelopment Authority and Goodhue County Habitat for Humanity, Inc.

WHEREAS, the properties affected by this party wall agreement are known as

119 5th Street West, Red Wing, MN

---- See attached legal description ----

WHEREAS, the property being sold is one half of a twin home (or townhome) and constitutes one building structure separated by a "Party Wall" and/or "Party Fence" as defined herein; and

WHEREAS, in order to maintain a high quality, private residence while insuring a consistent, harmonious character to such properties and the preservation of their residential suitability to each owner of his/her unit, it is deemed desirable to place certain restraints on the herein above described properties.

NOW THEREFORE BE IT RESOLVED: That the above referenced Parties do hereby adopt and prescribe the following covenants and restrictions which should be and are hereby impressed upon and henceforth will run with the land, to wit:

1. "Party Wall" shall mean and refer to the dividing wall between each adjoining dwelling unit. Any matters concerning a Party Wall which are not covered by the terms of this Agreement shall be governed by the general rules of law regarding party walls. "Party Fence" shall mean and refer to the exterior fences separating the two lots, if any. Any matters concerning Party Fences which are not covered by the terms of this Agreement shall be governed by the general rules of law concerning party fences.
2. The cost of maintaining each Party Wall and each Party Fence shall be borne equally by the owners of the lots on either side of said Party Wall or Party Fence.
3. In the event of damage or destruction to any Party Wall, Party Fence, shared slab, or shared roof if the roofline is joined ("Common Structure" herein) from any cause, other than the negligence of either party hereto, the owners of the lots on either side of said Common Structure shall repair or rebuild said Common Structure. The cost of such repair or rebuilding shall be borne equally by the owners whose lots adjoin said Common Structure. Each such owner shall have the right to the full use of said Common Structure so repaired or rebuilt. If either owner's negligence shall cause damage to or destruction of said Common Structure, such negligent party shall bear the entire cost of repair or reconstruction. If either party shall neglect or refuse to pay his share, or all of such costs in case of negligence, the other party may have such Common

Structure repaired or restored and shall be entitled to have a mechanic's lien on the lot and dwelling unit of the party so failing to pay, for the amount of such defaulting party's share of the repair or replacement costs together with interest at the rate of 10% per annum. The party having such Common Structure repaired shall, in addition to the mechanic's lien, be entitled to recover attorney's fees and shall be entitled to all other remedies provided herein or by law. The mechanic's lien granted herein is effective only if filed in the Real Property Records of the County where the Property is located, by affidavit declaring under oath the claim of the mechanic's lien.

4. Neither owner shall alter or change a Common Structure in any manner, non-structural interior decoration excepted, and such Common Structures shall remain in the same location as when originally erected. Each adjoining owner to said Common Structure shall have a perpetual easement in that part of the premises of the other on which said Common Structure is located, for the purposes of such Common Structure and any other additional area necessary to repair, replace, and maintain same.
5. Each owner shall keep all exterior walls of his dwelling unit in good condition and repair at his sole cost and expense. No owner shall do or permit to be done any act or thing that would tend to depreciate the value of the building (i.e. variance in design, colors, roofing etc.)
6. Each owner shall maintain the roof over his dwelling unit in good condition and in such manner so as not to damage other portion of the building. Each owner shall share equally in the costs to repair or maintain the roof over the Party Wall or Party Fence due to normal wear or physical damage. If a roofline is joined and both roofs must be replaced, replacement will be coordinated between the owners.
7. An owner who, by his negligence, disinterest or willful act causes a Party Wall or roof to be exposed to the elements, shall bear the whole cost of furnishing the necessary protection against such elements and shall pay all damages resulting from such exposure. The cost of normal and timely weatherproofing and maintenance of the roof shall be in accordance with Paragraph 6.
8. If any floor or slab repairs are required, the entire foundation may be involved in the repair process. Owners of both properties must cooperate regarding repairs to the floor or slab if the repair involves the foundation. Each party shall share equally in any necessary repair.
9. In the event it shall be necessary for any owner to place this Agreement in the hands of an attorney for the enforcement of any of such owner's rights hereunder or for the recovery of any monies due to such owner hereunder, and if it is necessary to bring suit for the enforcement of such rights or such recovery, the prevailing party in such suit shall recover from the losing party all costs of court and reasonable attorney's fees, as determined by the court, in addition to any other relief or recovery awarded by the Court.
10. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty (20) years from the date this Declaration is recorded, after which time said covenants, restrictions and easements shall be automatically extended for a period of ten years, with successive ten (10) years extensions thereafter.

11. Enforcement of these covenants shall be by proceeding at law or in equity against any person or persons violating or attempting to violate the same seeking either to restrain violation or to recover damages or both.
12. The parties agree that this document shall be recorded with the Goodhue County Recorder's Office under the legal description for each of the respective lots which are affected by this agreement.
13. Invalidation of any one of these covenants by judgement or court order shall in no way effect any of the other provisions which remain in full force and effect.

Signatures:

Red Wing Housing and Redevelopment Authority Goodhue County Habitat for Humanity, Inc

STATE OF MINNESOTA)

COUNTY OF _____) :SS

On this the ____ day of _____, 2023, before me, _____, the undersigned officer, personally appeared _____, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL)

 Notary Public - Minnesota

My Commission Expires: _____

Northeast
119

934
58
142

EXHIBIT "A"

Parcel "A"

That part of Lot 9, Block 9, original plat of RED WING, according to the recorded plat on file and of record in the Office of the County Recorder, Goodhue County, Minnesota, described as follows:

Beginning at the most northerly corner of said Lot 9; thence South 41 degrees 08 minutes 10 seconds West, along the northwesterly line of said Lot 9 a distance of 30.18 feet; thence South 48 degrees 59 minutes 16 seconds East a distance of 84.82 feet; thence South 49 degrees 19 minutes 41 seconds East a distance of 58.30 feet to the southeasterly line of said Lot 9; thence North 41 degrees 07 minutes 01 second East, along said southeasterly line a distance of 29.93 feet to the most easterly corner of said Lot 9; thence North 49 degrees 01 minute 42 seconds West, along the northeasterly line of said Lot 9 a distance of 143.71 feet to the point of beginning.

55-005-1160 (pt)

Parcel "B"

That part of Lot 9, Block 9, original plat of RED WING, according to the recorded plat on file and of record in the Office of the County Recorder, Goodhue County, Minnesota, described as follows:

Commencing at the most northerly corner of said Lot 9; thence South 41 degrees 08 minutes 10 seconds West, along the northwesterly line of said Lot 9 a distance of 30.18 feet to the point of beginning; thence South 48 degrees 59 minutes 16 seconds East a distance of 84.82 feet; thence South 49 degrees 19 minutes 41 seconds East a distance of 58.30 feet to the southeasterly line of said Lot 9; thence South 41 degrees 07 minutes 01 second West, along said southeasterly line a distance of 30.29 feet to the most southerly corner of said Lot 9; thence North 49 degrees 00 minutes 44 seconds West, along the southwesterly line of said Lot 9 a distance of 143.13 feet to most westerly corner of said Lot 9; thence North 41 degrees 08 minutes 10 seconds East, along the northwesterly line of said Lot 9 for a distance of 30.00 feet to the point of beginning.

55-005-1160 (balance)
1161

Southwestly

121

MINNESOTA STANDARD RESIDENTIAL PURCHASE AGREEMENT

© Copyright 1987 – 2016 Minnesota State Bar Association, Minneapolis, Minnesota.

BEFORE YOU USE OR SIGN THIS CONTRACT, YOU SHOULD CONSULT WITH A LAWYER TO DETERMINE THAT THIS CONTRACT ADEQUATELY PROTECTS YOUR LEGAL RIGHTS. Minnesota State Bar Association disclaims any liability arising out of use of this form.

1 **1. PARTIES.** This Purchase Agreement is made on _____, 2023, by and between
 2 Red Wing Housing and Redevelopment Authority
 3 [marital status]
 4 of [seller's address] 428 West 5th Street, Red Wing, MN 55066, SELLER, and
 5 Goodhue County Habitat for Humanity Inc.
 6 as joint tenants [strike "joint tenants" if tenancy-in-common is intended] of [buyer's address] 614 Plum Street, Red Wing, MN 55066
 7 _____, BUYER.

8 **2. OFFER/ACCEPTANCE.** Buyer offers to purchase and Seller agrees to sell real property legally described as:

9 See Attached

10 _____
11 _____
12 _____
13 _____
14 _____
15 _____
16 [Property Tax Identification Number or Tax Parcel Number 55-005-1160]

17 located at 119 5th Street West, City of Red Wing,
18 County of Goodhue, State of Minnesota, Zip Code 55066.

19 **3. ACCEPTANCE DEADLINE.** The acceptance date of this Purchase Agreement is the date it is delivered by the last party signing to the other party.
20 This offer to purchase, unless accepted sooner, shall be void at 11:59 A.M., on [date] _____, and in such event all earnest
21 money shall be refunded to Buyer.
22
23

24 **4. FIXTURES AND PERSONAL PROPERTY.** For the purposes of this Purchase Agreement, "Fixtures" are items that are embedded in the land
25 or attached to the building(s) and cannot be removed without damage to the real property. The method by which the fixture is "attached" could be
26 screws, nails, adhesives, or any other mechanical connection which shows Seller's intent to make the item a relatively permanent part of the real estate.
27 Examples of fixtures are doors and cabinets. "Personal property" includes items that are not attached to the building(s) or embedded in the land and
28 that are removable without damage to the real property. Examples of personal property are free-standing (not "built in") appliances and furniture. Buyer
29 and Seller should consider carefully the fixtures and personal property to be included in the sale. For example, a mirror attached to a wall by screws
30 or nails is a fixture, while a mirror hung from a nail or picture hanger is personal property.
31

32 **A. FIXTURES INCLUDED IN THE SALE.** Title to fixtures passes to Buyer with the deed. All fixtures except those excluded at B., below, are
33 included in this sale such as: garden bulbs, plants, shrubs, trees, landscaping, storm windows and inserts, storm doors and inserts, screens,
34 awnings, window shades, blinds, curtain-traverse-drapery rods, mirrors, door mirrors, cabinets, counter tops, doors, door hardware, mantels,
35 woodwork, attached lighting fixtures with bulbs, electrical wiring, electric outlets, electric switches, electric outlet plates and switch plates, all plumbing
36 and piping, plumbing fixtures, sump pumps, water heaters, heating systems, heating stoves, fireplace inserts, fireplace doors and screens, built-in
37 humidifiers, built-in air conditioning units, built-in electronic air filters, automatic garage door openers with controls, television antennas, satellite
38 dishes, water softeners, built-in dishwashers, garbage disposals, built-in trash compactors, built-in ovens and cooking stoves, hood-fans, intercoms,
39 installed carpeting, built-in work benches, security systems, fences, retaining walls, kennels, gates, survey monuments, culverts, sheds, gazebos,
40 trellises, underground irrigation systems, weathervanes, lightning rods, flagpoles, light poles and lights, outdoor statuary, pumps, mail boxes, mail
41 box posts, and newspaper boxes.

42 **B. FIXTURES EXCLUDED FROM THE SALE.** The following fixtures are excluded from this sale and will be removed by Seller prior to closing:
43 _____
44 _____
45 _____

46 Any damage to the real property that occurs in Seller's removal of these fixtures will be repaired by Seller prior to closing.
47 The following excluded and removed fixtures will be replaced by Seller with a functional equivalent:
48 _____
49 _____
50 _____
51 _____

52 At closing or prior to closing, Seller shall provide for payment of, satisfaction of, or release of any existing liens, claims, or encumbrances on the fixtures,
53 except for the following encumbrances which Buyer accepts or assumes [list here]:
54 _____
55 _____
56 _____

57 **C. PERSONAL PROPERTY.** Any personal property to be purchased by Buyer is listed on the attached Personal Property Agreement.

58 **5. PRICE AND TERMS.** The price for the real property is

59 Two Hundred Five Thousand and 00 Dollars (\$ 205,000.00),
60 which Buyer shall pay as follows:
61
62

Earnest money of \$ 500.00 by [CASH, CHECK, NOTE - state which] CHECK payable to

[select one:]

- 65 [x] Seller, to be deposited and held by Seller (and may be commingled with Seller's other funds) pending closing,
66 [] Seller's lawyer, to be deposited and held in the lawyer's trust account pending closing,
67 [] Seller's broker, to be deposited or held by broker according to the requirements of Minnesota Statutes,
68 [] Other [describe how the earnest money will be held]

69 receipt of which is hereby acknowledged and \$ 204,500.00 cash, on June 1, 2023, the DATE OF CLOSING,
70 and the balance of \$ 0.00 by financing as shown on the attached Financing Addendum.

71
72 6. DEED / MARKETABLE TITLE.

73 A. Upon performance by Buyer, Seller shall execute and deliver a Warranty Deed, joined in by spouse, if any,
74 conveying good and marketable title of record, subject to the following Title Exceptions:

- 75 (1) Building and zoning laws, ordinances, state and federal regulations; and
76 (2) The lien of real property taxes and the lien of special assessments and interest due thereon, if any, payable in the year of closing which by
77 the terms of this Purchase Agreement are to be paid or assumed by Buyer.

78
79 B. Seller proposes to Buyer that Seller's good and marketable title will be delivered to Buyer at closing subject to the following title issues:

80
81 [Check (1), if applicable:]

- 82 (1) [] Encumbrances, easements, covenants, conditions, restrictions, a declaration (without an association), and reservation of mineral rights
83 by the State of Minnesota, as disclosed in M.S.B.A. Real Property Form No. 19, ADDENDUM TO PURCHASE AGREEMENT: TITLE
84 ISSUES (2005), attached as a part of this Purchase Agreement.

85 [Check (2), if applicable:]

- 86 (2) [] A Declaration of covenants, conditions, and restrictions with an association in a planned community, condominium, or other common
87 interest ownership community, as disclosed in M.S.B.A. Real Property Form No. 12, ADDENDUM TO PURCHASE AGREEMENT :
88 COMMON INTEREST COMMUNITY attached as a part of this Purchase Agreement.

89
90 [Check (3), if applicable:]

- 91 (3) [] The rights of tenants or other parties in possession, as disclosed in M.S.B.A. Real Property Form No. 20, ADDENDUM TO PURCHASE
92 AGREEMENT: TENANTS AND PARTIES IN POSSESSION (2005) attached as a part of this Purchase Agreement.

93
94 Although Seller has disclosed these title issues and Buyer has indicated a general willingness to take title subject to these title issues,
95 these title issues are subject to the other provisions of the Purchase Agreement and to an examination of title based upon the Minnesota
Title Standards and upon Minnesota law.

98 Buyer also reserves the right to evaluate these title issues in the light of Buyer's intended use and enjoyment of the property. Buyer shall have
99 until the end of the period for stating Title Objections under Paragraph 14., of this Purchase Agreement to make the evaluation and determine if
100 these title issues will affect Buyer's intended use and enjoyment of the property. Except for matters disclosed under B.(2), above, and governed
101 by the statutory remedies referenced in M.S.B.A. Real Property Form No. 12, ADDENDUM TO PURCHASE AGREEMENT : COMMON INTEREST
102 COMMUNITY, if Buyer, in Buyer's sole discretion, determines that these title issues will adversely affect Buyer's intended use and enjoyment of
103 the property, Buyer may declare this Purchase Agreement void by notice to Seller, neither party shall be liable for damages hereunder to the other,
104 and earnest money shall be refunded to Buyer. If the period for stating Title Objections under Paragraph 14., passes without Buyer's declaring
105 that these title issues will adversely affect Buyer's intended use and enjoyment of the property, then, subject to Seller's covenant to deliver a good
106 and marketable title of record, Buyer shall take title subject to these title issues. [Seller should consider full disclosure of all title issues to Buyer
107 in this Purchase Agreement or in addenda to this Purchase Agreement. Full disclosure as to the substance of title issues allows Buyer an early
108 opportunity to ensure that this is the right property for Buyer and to measure the impact on the Buyer's intended use or potential enjoyment of the
109 property. In other words, Buyer's consent to take title subject to the existence of title issues must be a fully informed consent. If Buyer is fully
110 informed early, it is less likely that Buyer will elect to void the Agreement.]

111
112 7. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS.

113 A. Prior Years' Delinquent Real Estate Taxes and Delinquent Special Assessments. Delinquent real estate taxes payable in years prior to the
114 year of closing and delinquent installments of special assessments certified for collection with real estate taxes payable in years prior to the year
115 of closing, together with penalty, interest and costs, shall be paid by Seller not later than the actual date of closing.

116
117 B. Real Estate Taxes Payable in the Year of Closing. Real estate taxes payable in the year of closing shall [select from (1) or (2):]

- 118 [x] (1) Be prorated between Seller and Buyer [select (a) or (b)]:
119 [x] (a) On a calendar year basis to the actual date of closing;
120 [] (b) As follows: Seller %; Buyer %;
121 adjusted between Seller and Buyer at closing, and paid to the county at closing if then due and Buyer shall assume installments not
122 paid at closing.
123 [] (2) Not be prorated and the entire year's taxes shall be [select (a) or (b)]:
124 [] (a) Paid by Seller when due, but not later than closing,
125 [] (b) Assumed by Buyer, to be paid when due and not later than closing if due prior to closing, and Buyer shall reimburse
126 Seller at closing for any installments paid by Seller prior to closing.

127 Seller shall pay penalty, interest and costs on any delinquent installment of taxes and special assessments payable in the year of closing. If
128 closing is delayed to a later year, real estate taxes payable in the year of closing shall be prorated between Seller and Buyer on a calendar year
basis to the actual date of closing.

131 C. Tax Statements. If tax statements for taxes payable in the year of closing are not available on the Date of Closing, the amount to be used for
132 closing purposes shall be 100 % of the prior year's taxes, and such amount shall be [select one] [x] FULL AND FINAL BETWEEN SELLER AND
133 BUYER [] ADJUSTED UPON RECEIPT OF TAX STATEMENTS FOR SUCH YEAR (in which case the party obligated to pay the adjustment
134 shall pay it to the other party within 30 days of issuance of the tax statements).

D. Homestead Classification. Seller represents that, as of the date of this Agreement, the property tax classification is [~~strike one~~] ~~homestead~~ / **nonhomestead**. If the property is nonhomestead, Buyer may change the tax classification for taxes payable in the year following closing by taking possession of the real property as Buyer's homestead and filing a new homestead declaration within the time required by law. If the property tax classification in the year of closing is not homestead, Seller shall pay to Buyer at closing [*select one*]

\$ _____

the difference (on Buyer's portion of the taxes) between the taxes in the actual classification and the taxes that would have been payable under homestead classification.

If the property tax classification for taxes payable in the year following closing is not homestead and, through no fault of Buyer, the closing takes place after the date by which Buyer must take possession of the real property as Buyer's homestead to file for homestead tax status for taxes payable in such year, Seller shall pay to Buyer at closing [*select one*]

\$ _____

the difference (on Buyer's portion of the taxes) between the taxes in the actual classification and the taxes that would have been payable under homestead classification.

[If Buyer intends to claim the property as Buyer's homestead, Buyer should file Buyer's homestead declaration as soon as possible after taking possession and occupancy of the property.]

E. Deferred Real Estate Taxes. [*select one:*] BUYER SELLER shall pay on date of closing or provide for payment of any deferred real estate taxes (including "Green Acres" taxes under Minnesota Statutes Section 273.111) payment of which is required as a result of the closing of this sale or the recording of the Deed or Contract for Deed. Provision for payment shall be by payment into escrow of 1.5 times the estimated amount of the assessor's reassessment for deferred taxes.

F. Valuation Exclusions from Assessed Value. Seller warrants and represents that the property [*select one:*] does does not have an exclusion from estimated market value for certain home improvements pursuant to Minnesota Statutes Section 273.11, Subd. 16 (1997). Such exclusion expires on the sale of the property and will cause the assessed value of the property to increase for property tax purposes. The increase in assessed value will cause the property taxes to increase and might make the property unaffordable for Buyer. If Seller represents that the property does not have an exclusion and an exclusion is discovered prior to closing, Buyer may, at Buyer's option:

- (1) Assume payment of the increased property taxes without adjustment to the purchase price of the real property;
- (2) Require that the price of the property be reduced by the estimated increase in property taxes over the three calendar years following the year of closing (such estimated increase shall be obtained from the county assessor or city assessor), or.
- (3) Rescind this Agreement, in which case all earnest money shall be refunded to Buyer.

If the exclusion is not discovered until after closing, Seller shall be liable to Buyer for liquidated damages in the amount that is five times the estimated increase in real estate taxes based on the reassessed value provided that any notice of a claim of breach of warranty must be in writing and must be given by Buyer to Seller within one year of the Date of Closing or be deemed waived. The provisions of this Paragraph F., shall survive the delivery of the Deed or Contract for Deed.

G. Certified Special Assessments. All installments of special assessments certified for payment with the real estate taxes payable in the year of closing shall be [*select one*]:

- Prorated between Seller and Buyer on a calendar year basis to the actual date of closing, adjusted at closing, and unless otherwise provided in this Purchase Agreement, shall be paid at closing
- Paid by Buyer at closing
- Paid by Seller at closing
- Assumed by Buyer.

H. Pending Special Assessments. [*select one:*] BUYER SHALL ASSUME PAYMENT OF SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as of the date of this Purchase Agreement for improvements that have been ordered by the City Council or other governmental assessing authorities. (Seller's provision for payment shall be by payment into escrow of 1.5 times the estimated amount of the assessments.) As of the date of this Purchase Agreement, Seller represents that Seller has not received a Notice of Hearing of a new public improvement project from any governmental assessing authority, the costs of which project may be assessed against the real property. If a special assessment becomes pending after the date of this Purchase Agreement and before the Date of Closing, Buyer may, at Buyer's option:

- (1) Assume payment of the pending special assessment without adjustment to the purchase price of the real property; or,
- (2) Require Seller to pay the pending special assessment (or escrow for payment of same as provided above) and Buyer shall pay a commensurate increase in the purchase price of the real property, which increase shall be the same as the estimated amount of the assessment; or,
- (3) Rescind this Agreement, in which case all earnest money shall be refunded to Buyer.

I. Deferred Special Assessments. [*select one:*] BUYER / SELLER shall pay on date of closing or provide for payment of any deferred special assessments payment of which is required as a result of the closing of this sale or the recording/filing of the Deed or Contract for Deed. Provision for payment shall be by payment into escrow of 1.5 times the estimated amount of the deferred special assessments.

J. All Other Levied Special Assessments. [*select one:*] BUYER SHALL ASSUME PAYMENT OF / SELLER SHALL PAY ON DATE OF CLOSING all other special assessments levied as of the date of this Purchase Agreement, except deferred special assessments (covered at Paragraph 7.I., above).

K. Taxes and Special Assessments in the Years Following Closing. Buyer shall pay real estate taxes payable in the years following closing and special assessments payable therewith, the payment of which is not otherwise provided herein. Seller makes no representation concerning the amount of future real estate taxes or of future special assessments.

8. DAMAGES TO REAL PROPERTY. Until completion of closing and delivery of possession, all risk of loss is on Seller. If the real property is damaged prior to closing, Seller shall give notice to Buyer within 3 business days after such damage has occurred. The notice shall include Seller's proposal for repairing the damage. From the date that Buyer receives Seller's notice, Buyer shall have 3 business days to inspect the real property, and an additional 2 business days to determine if the damages and Seller's proposal for repairs are acceptable to Buyer. If Buyer does not accept Seller's proposals for repairs within the 2 day period, this Agreement is cancelled and the earnest money shall be refunded to Buyer.

210 **9. SELLER'S BOUNDARY LINE, ACCESS, RESTRICTIONS AND LIEN WARRANTIES.** Seller warrants that buildings, if any, are entirely within the
211 boundary lines of the real property. Seller warrants that there is a right of access to the real property from a public right of way. Seller warrants that
212 there has been no labor or material furnished to the real property for which payment has not been made. Seller warrants that there are no present
213 violations of any restrictions relating to the use or improvement of the real property. Seller warrants that the real property is not subject to a lien for
214 Medical Assistance or other public assistance. These warranties shall survive the delivery of the Deed or Contract for Deed.
215

216 **10. CONDITION OF THE REAL PROPERTY.**

217 **A. Statutory Disclosure.** Pursuant to Minnesota Statutes Sections 513.52 - 513.60, Seller must provide a written disclosure [see (1) below], or
218 Buyer must have received an inspection report [see (2) below], or Buyer and Seller may waive the written disclosure requirements [see (3) below].
219

220
221 Minnesota Statutes Section 513.57, Subd. 2. **LIABILITY.** A seller who fails to make a disclosure as required by sections 513.52 to 513.60 and was aware
222 of material facts pertaining to the real property is liable to the prospective buyer. A person injured by a violation of this section may bring a civil action and
223 recover damages and receive other equitable relief as determined by the court. An action under this subdivision must be commenced within two years after
224 the date on which the prospective buyer closed the purchase or transfer of the real property.
225

226 *[Select only one of these three:]*

227
228 (1) **Seller's Disclosure.** Seller has provided a written disclosure to Buyer. A copy of Seller's disclosure is attached. Seller shall correct
229 in writing any inaccuracies in the disclosure as soon as reasonably possible before closing.
230

231 Minnesota Statutes Section 513.55. **GENERAL DISCLOSURE REQUIREMENTS.**
232 Subdivision 1. **CONTENTS.**

- 233 (a) Before signing an agreement to sell or transfer residential real property, the seller shall make a written disclosure to the prospective buyer. The
234 disclosure must include all material facts of which the seller is aware that could adversely and significantly affect:
235 (1) an ordinary buyer's use and enjoyment of the property; or
236 (2) any intended use of the property of which the seller is aware.
237 (b) The disclosure must be made in good faith and based upon the best of the seller's knowledge at the time of the disclosure.

238 Minnesota Statutes Section 513.58. **AMENDMENT TO DISCLOSURE.**

239 Subdivision 1. **NOTICE.** A seller must notify the prospective buyer in writing as soon as reasonably possible, but in any event before closing, if the seller
240 learns that the seller's disclosure required by Section 513.55 was inaccurate.

241 Subdivision 2. **FAILURE TO NOTIFY; LIABILITY.** A seller who fails to notify the prospective buyer of any amendments to the initial disclosure required
242 under subdivision 1 is liable to the prospective buyer as provided in Section 513.57.

243 (2) **Inspection Report.** Buyer has received an inspection report by a qualified third-party. If a copy of the inspection report is provided to
244 Seller, Seller shall disclose to Buyer material facts known to Seller that contradict any information in the inspection report.
245

246 Minnesota Statutes Section 513.56 Subd. 3. **INSPECTIONS.**

- 247 (a) Except as provided in paragraph (b), a seller is not required to disclose information relating to the real property if a written report that discloses the
248 information has been prepared by a qualified third party and provided to the prospective buyer. For purposes of this paragraph, "qualified third party"
249 means a federal, state, or local governmental agency, or any person whom the seller, or prospective buyer, reasonably believes has the expertise
250 necessary to meet the industry standards of practice for the type of inspection or investigation that has been conducted by the third party in order to
251 prepare the written report.
252 (b) A seller shall disclose to the prospective buyer material facts known by the seller that contradict any information included in a written report under
253 paragraph (a) if a copy of the report is provided to the seller.
254
255

256 (3) **Waiver of Disclosure.**

257
258 Minnesota Statutes Section 513.60. **WAIVER.** The written disclosure required under Sections 513.52 to 513.60 may be waived if the seller and the
259 prospective buyer agree in writing. Waiver of the disclosure required under Sections 513.52 to 513.60 does not waive, limit, or abridge any obligation
260 for seller disclosure created by any other law.
261

262 **Seller and Buyer waive the written disclosure required under Sections 513.52 to 513.60.**

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264
265 SELLER: _____ BUYER: _____
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269 SELLER: _____ BUYER: _____
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271 **NOTICE REGARDING PREDATORY OFFENDERS:** Information about the predatory offender registry and persons registered with the registry
272 may be obtained by contacting the local law enforcement agency or by contacting the Minnesota Department of Corrections at 651-361-7200 or
273 at <http://www.doc.state.mn.us>.

274 **B. WELL DISCLOSURE.** *[Check one of the following:]*

- 275 Seller certifies that Seller does not know of any wells on the real property and will so certify on the Deed or Contract for Deed delivered at
276 closing.
277 Wells on the real property are disclosed by Seller on the attached M.S.B.A. Real Property Form No. 21 (2005), **Well Disclosure Statement**.
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279

280 **C. SEWAGE TREATMENT SYSTEM DISCLOSURE.**

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[Check either (1) or (2):]

- (1). Seller certifies that sewage generated at the property goes to a facility permitted by the Minnesota Pollution Control Agency (for example, a city or municipal sewer system).
- (2). Seller certifies that sewage generated at the property does not go to a facility permitted by the Minnesota Pollution Control Agency and Seller's Disclosure of Individual Sewage Treatment System is attached (attach form).

[Check either (3) or (4):]

- (3). Seller does not know if there is an abandoned individual sewage treatment system on the property.
- (4). Seller knows that there ~~[strike one:]~~ are no abandoned individual sewage treatment systems on the property. If Seller discloses the existence of an abandoned individual sewage treatment system on the property, then Minnesota law requires that the location of the system be disclosed to Buyer with a map. [Attach Seller's Disclosure of Individual Sewage Treatment System with map completed.]

D. LEAD PAINT DISCLOSURE. [Check one of the following:]

- Seller represents that the dwelling was constructed on the real property in 1978 or later.
- Seller represents that the dwelling was constructed on the real property before 1978. (If such housing is located on the real property, attached and made a part of this Purchase Agreement is M.S.B.A. Real Property Form No. 11 (1996), **LEAD PAINT ADDENDUM FOR HOUSING CONSTRUCTED BEFORE 1978.**)

E. HAZARDOUS SUBSTANCES, PETROLEUM PRODUCTS, AND UNDERGROUND STORAGE TANKS. Seller knows of no hazardous substances or petroleum products having been placed, stored, or released from or on the real property by any person in violation of any law, nor of any underground storage tanks having been located on the real property at any time, except as follows:

If the presence of underground storage tanks is disclosed, then this paragraph applies: Seller hereby represents and warrants to Buyer that all of the underground tanks known to Seller on the subject property have been disclosed to Buyer on the attached drawing or map. Seller shall provide at closing the affidavits required by Minnesota Statutes Sections 115B.16, Subd. 2, and 116.48 if applicable to the subject property and record an affidavit attesting to the location of any underground tanks which are used for the storage of petroleum products.

F. PROTECTED SITES. Seller has no knowledge that the property has any conditions that are protected by federal or state law (such as American Indian burial grounds, other human burial grounds, ceremonial earthworks, historical structures or materials, or archeological sites). [Check the box if the following provision applies to this Purchase Agreement:] **ADDENDUM TO PURCHASE AGREEMENT: CONTINGENCIES FOR SURVEY, APPRAISAL, DEVELOPMENT EVALUATION, AND ARCHEOLOGICAL / HISTORICAL SURVEY, M.S.B.A. Real Property Form No. 17 (2005),** is included as an addendum to this Purchase Agreement.

G. DISEASED TREES. Seller has not received any notice from any governmental authority as to the existence of, and Seller has no knowledge of, any Dutch elm disease, oak wilt, or other disease of any trees on the real property.

H. MECHANICAL SYSTEMS. Seller represents that all fixtures, heating and air conditioning equipment, fireplaces (including mechanisms, dampers, flues, and doors), wiring, and plumbing used and located on the real property will be in working order on the Date of Closing. For the purposes of this Purchase Agreement, "in working order" means that the item functions for the purpose that it is intended to perform, that it is not in violation of any public codes or regulations (although it may be legally nonconforming under current law), that it does not presently need replacement, cleaning, repairs or service, that it is not missing any essential parts, and that its only imperfections are "cosmetic" or signs of "wear and tear" associated with a product of its age.

I. WET BASEMENT. Seller ~~[strike one]~~ ~~YES~~ / has not had a wet basement.

J. ROOF. Seller ~~[strike one]~~ ~~YES~~ / has not had a leaky roof.

K. UTILITIES CONNECTIONS. Seller represents that the property is connected to:
city sewer ~~[strike one]~~ ~~YES~~ / ~~NO~~, city water ~~[strike one]~~ ~~YES~~ / ~~NO~~, cable communications ~~[strike one]~~ ~~YES~~ / ~~NO~~.

L. CLEAN CONDITIONS. Seller shall remove all debris, trash, rubbish, garbage, rubble, and yard waste from the land before the possession date. Seller shall remove all trash, garbage, and miscellaneous discarded materials from the buildings, and shall leave the buildings in "broom clean" condition before the possession date. Seller shall remove all personal property not included in this sale from the real property before possession date.

M. BUYER'S INSPECTIONS. Buyer may have inspections of the property conducted prior to closing. [Check the box if the following provision applies to this Purchase Agreement:] **ADDENDUM TO PURCHASE AGREEMENT: BUYER'S HOME INSPECTION CONTINGENCY, M.S.B.A. Real Property Form No. 18 (2005),** is included as an addendum to this Purchase Agreement

N. METHAMPHETAMINE DISCLOSURE. [Check only one box, either (1) or (2).]

- (1) To the best of Seller's knowledge, methamphetamine production has not occurred on the property.
- (2) To the best of Seller's knowledge, methamphetamine production has occurred on the property and Seller's disclosure is continued in Part B., **METHAMPHETAMINE DISCLOSURE STATEMENT, M.S.B.A. Real Property Form No. 22 (2005),** included as an addendum to this Purchase Agreement.

O. NOTICE OF AIRPORT ZONING REGULATIONS. If airport zoning regulations affect this real property, a copy of those airport zoning regulations as adopted can be viewed or obtained at the office of the county recorder where the zoned area is located.

P. WARRANTIES SURVIVE CLOSING. Seller's warranties and representations contained in this Paragraph 10., shall survive the delivery of the Deed or Contract for Deed.

This Paragraph 10., shall not change or affect any rights that Buyer might have under the Uniform Commercial Code [Minnesota Statutes Section 336.2-312], or under Minnesota's "Prevention of Consumer Fraud Act" [Minnesota Statutes Sections 325F.68 — .70], or under Minnesota's "Homeowners Warranty Act" [Minnesota Statutes Chapter 327A]; nor shall it preclude Seller's liability for an action for fraud, negligent misrepresentation, or other actions allowed by law [Minnesota Statutes Section 513.57.]

11. DISCLOSURE OF NOTICES. Seller has not received any notice from any governmental authority as to violation of any law, ordinance or regulation affecting the real property. If the real property is subject to restrictive covenants, Seller has not received any notice from any person as to a breach of the covenants. Seller has not received any notice from any governmental authority concerning any eminent domain, condemnation, special taxing district, or rezoning proceedings. Seller's representations contained in this Paragraph 11., shall survive the delivery of the Deed or Contract for Deed.

12. TRUTH-IN-HOUSING. Buyer acknowledges receipt of the Truth-in-Housing Disclosure Report or other inspection report if required by the municipality in which the real property is located.

13. POSSESSION. Seller shall deliver possession of the property not later than June 1, 2023 closing. All interest, fuel oil, liquid petroleum gas, and all charges for city water, city sewer, electricity, and natural gas shall be prorated between the parties as of June 1, 2023.

14. TITLE.

A. ABSTRACT AND EXAMINATION OF TITLE. To demonstrate that Seller's title is good and marketable of record, within a reasonable time after acceptance of this Purchase Agreement, Seller shall furnish Buyer with an Abstract of Title [see B., below] or a Registered Property Abstract certified to date including proper searches covering bankruptcies and state and federal judgments, federal court judgment liens in favor of the U.S., liens, and levied and pending special assessments. Buyer shall have ten business days after receipt of the Abstract of Title or Registered Property Abstract either to have Buyer's lawyer examine the title and provide Seller with written Title Objections or, at Buyer's own expense, to make an application for a title insurance policy and notify Seller of the application. Buyer shall have ten business days after receipt of the Commitment for Title Insurance to provide Seller with a copy of the Commitment and written Title Objections. Buyer shall be deemed to have waived any Title Objections not made within the ten day period above, except that this shall not operate as a waiver of Seller's covenant to deliver a statutory Warranty Deed, unless a Warranty Deed is not specified above. If Buyer obtains title insurance, Buyer is not waiving the right to obtain a good and marketable title of record from Seller.

For the purposes of this Agreement, an "Objection to Title" or "Title Objection" is some title matter which fails to pass a title examination based upon Minnesota law and the Minnesota Title Standards promulgated by the Real Property Section of the Minnesota State Bar Association thereby rendering the title unmarketable and is a title matter which requires a remedial response by the Seller prior to or at closing.

An "Exception to Title" or "Title Exception" is some title matter which passes a title examination based upon Minnesota law and the Minnesota Title Standards; is generally regarded by title examiners as not rendering the title unmarketable and, which, because of its nature, is generally disclosed by title examiners to the recipient of the title opinion or title insurance commitment.

B. ABSTRACT LOST OR UNAVAILABLE: TITLE INSURANCE BY SELLER. If Seller is unable to find the Abstract of Title or if Seller did not receive an Abstract of Title when Seller purchased the Property, then, to demonstrate that Seller's title is insurable for marketability and subject to only those matters disclosed at Paragraph 6., above, within a reasonable time after acceptance of this Agreement, Seller shall furnish Buyer with a Commitment for Title Insurance including proper searches covering bankruptcies and state and federal judgments, federal court judgment liens in favor of the U.S., liens, and levied and pending special assessments. [Seller: see Advisory below.] The Commitment shall be obtained from [select one:]

- The title insurer of Buyer's choice; or,
- The same title insurer that issued title insurance to Seller so that Seller may obtain a reissue credit from the insurer.

The Commitment shall contain the insurer's requirements for deleting these exceptions in the owner's policy (except for those matters accepted by Buyer in this Agreement):

- (1) Rights or claims of parties in possession, not shown by the public records
- (2) Easements, or claims of easements, not shown by the public records;
- (3) Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records; and,
- (4) Any lien, or right to a lien, for services, labor or material furnished, imposed by law and not shown by the public records.

Seller shall provide to Buyer and to the title insurer all documents [except a survey, unless Seller is required by other provisions of this Agreement to provide a survey] necessary to enable the title insurer to delete these exceptions from the owner's policy of title insurance. Buyer shall have ten business days after receipt of the Commitment for Title Insurance to provide Seller with a copy of the Commitment and written Title Objections. Buyer shall be deemed to have waived any Title Objections not made within the ten day period above, except that this shall not operate as a waiver of Seller's covenant to deliver a statutory Warranty Deed, unless a Warranty Deed is not specified above. By agreeing to receive title insurance in lieu of an Abstract, Buyer is not waiving the right to obtain a good and marketable title of record from Seller. [Buyer: see Advisory below.]

Select one of the following:

- The Commitment shall be accompanied by, at Seller's expense, the insurer's agreement (or the separate agreement of a Minnesota-licensed abstracter) to provide Buyer with an Abstract of Title at any time in the future. The abstract to be provided shall be at no cost to Buyer for all abstracting through the date of recording of the instrument of conveyance contemplated by this Purchase Agreement. Seller shall pay all commitment, abstracting, examination, searches, and title insurance costs, including the premium for the owner's policy and excluding the premium for the lender's policies.
- The Commitment will not include the insurer's or abstracter's agreement to provide Buyer with an Abstract of Title at any time at no cost to Buyer. Seller shall pay all commitment, abstracting, examination, searches, and title insurance costs including the premiums for the owner's and the lender's policy.

ADVISORY TO SELLER: You should consult with your lawyer about the comparative costs of paying an abstract company to produce a new Abstract of Title versus paying the Buyer's title insurance costs. In many Minnesota counties, it is less expensive to obtain a new Abstract.

ADVISORY TO BUYER: You should consult with your lawyer about the relative merits of receiving an Abstract of Title versus receiving a title insurance policy. As a future seller of the same property, you likely will be asked to give your buyer an Abstract. If your Seller does not obtain the title insurance endorsement for future production of an Abstract, you might be facing a large expense when you sell.

15. TITLE CORRECTIONS AND REMEDIES. Seller shall have a limited time, from receipt of Buyer's written Title Objections, to make title marketable. Upon receipt of Buyer's Title Objections, Seller shall, within ten business days, give Notice to Buyer of Seller's intention to make title marketable within the title-clearing cure period selected in C.(1) or C.(2) below. Liens or encumbrances for liquidated amounts which can be released by payment or escrow from proceeds of closing shall not delay the closing. Cure of the defects by Seller shall be reasonable, diligent, and prompt. Pending correction of title, all payments required herein and the closing shall be postponed.

As an alternative to making title good and marketable of record, Seller may, within the ten day Notice period, make a written, dated offer to Buyer to obtain title insurance for Buyer with insuring provisions acceptable to Buyer (and, if applicable, Buyer's lender), as follows:

- Seller may procure, at Seller's expense, an owner's policy of title insurance, from an insurer registered and licensed to do business in Minnesota and acceptable to Buyer, specifically insuring over the Title Objections; or,
- If the Title Objections are stated in a title insurance commitment which Buyer has obtained, Seller may provide the insurer with such documents and escrows as are necessary to allow the insurer to specifically insure over the Title Objections and agree to pay all of the insurer's charges for issuing the owner's policy to Buyer.

Under either of these title insuring alternatives, "at Seller's expense" and "pay all of the insurer's charges" mean that Seller will pay all title insurance commitment and policy premium charges, search charges, plat drawing fees, and any other charge by the insurer to issue the owner's policy, but not the premium for a lender's policy, if any. If Buyer accepts Seller's offer of an insurable title, then in this Purchase Agreement, "making title marketable" shall mean "making title insurable," in the manner described above. Buyer is under no obligation to accept Seller's offer of an insurable title in lieu of a good and marketable title of record, but, if Buyer does not reject Seller's offer of an insurable title within three (3) business days of receiving Seller's offer, Buyer shall be deemed to have accepted Seller's offer of an insurable title. If Buyer rejects Seller's offer to make title insurable, Seller shall then make title good and marketable of record and shall be subject to the provisions of this agreement for failure to timely present good and marketable title of record.

- A. If Notice is given and Seller makes title marketable, then upon presentation to Buyer and proposed lender of documentation establishing that title has been made marketable, and if not objected to in writing and within 5 business days of receipt of Seller's documentation, the closing shall take place within ten business days or on the scheduled closing date, whichever is later.
- B. If Seller does not give Notice of intention to make title marketable within ten business days after receipt of Buyer's Title Objections, this Purchase Agreement is canceled and the earnest money shall be refunded to Buyer.
- C. **Selection of Title-Clearing Cure Period.** [C.(1) and C.(2) are alternative remedies. ONLY ONE OF THEM CAN APPLY FOR THIS PURCHASE AGREEMENT. If either party cannot endure more than a 30 to 45 day delay for the closing, select C.(1). If both parties can endure a longer delay for the closing, select C.(2). SELECT ONLY C.(1) OR C.(2).] IF THE PARTIES DO NOT SELECT C.(1) OR C.(2), BY CHECKING ONE OF THE BOXES BELOW, THEN C.(1) AUTOMATICALLY APPLIES AS A TERM FOR THIS PURCHASE AGREEMENT.

C.(1) is selected as a remedy for this Purchase Agreement.

(1) Seller shall have 30 days from receipt of Buyer's written Title Objections or until the Date of Closing, whichever date is later, to make title marketable. If Notice is given but the stated period expires without title being made marketable, Buyer may:

(a) Cancel this Purchase Agreement by notice to Seller pursuant to Minnesota Statutes Section 559.217, Subd. 3 (allowing Seller a 15 day right to cure) and neither party shall be liable for damages hereunder to the other, and the earnest money shall be refunded to Buyer, or,

(b) Elect to take title subject to some or all of the Title Objections.

C.(2) is selected as a remedy for this Purchase Agreement.

(2) Seller shall have [select one] 60 / 90 / 120 days from receipt of Buyer's written Title Objections or until the Date of Closing, whichever date is later, to make title marketable. If Notice is given but the stated period expires without title being made marketable, Buyer may seek, as permitted by law, one or more of the following:

(a) Proceed to closing without waiver or merger in the Deed of the Title Objections and without waiver of any remedies, and may:

(i) Seek damages, costs, and reasonable lawyer's fees from Seller as permitted by law (damages under this subparagraph (i) shall be limited to the cost of curing Title Objections, and consequential damages are excluded); or

(ii) Undertake proceedings to correct the Title Objections;

(b) Rescission of this Purchase Agreement by notice to Seller, in which case all earnest money paid shall be refunded to Buyer,

(c) Damages from Seller together with costs and reasonable lawyer's fees, as permitted by law;

(d) Specific performance within six months after such right of action arises, including costs and reasonable lawyer's fees;

(e) Cancellation of this Purchase Agreement pursuant to Minnesota Statutes Section 559.217, Subd. 3 (allowing Seller a 15 day right to cure).

D. If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller may elect either of the following options, as permitted by law:

(1) Cancel this Purchase Agreement pursuant to either Minnesota Statutes Section 559.21 or Section 559.217, Subd. 3, and retain all payments made hereunder as liquidated damages. [Note: Under federal law, Seller might not be able to legally claim or retain the earnest money under purchase agreements where Buyer applies for but is unable to secure F.H.A. or D.V.A. mortgage financing.] The parties acknowledge their intention that any note given pursuant to this contract is a down payment note, and may be presented for payment notwithstanding cancellation;

(2) Seek specific performance within six months after such right of action arises, including costs and reasonable lawyer's fees, as permitted by law.

E. If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein, Buyer may, as permitted by law:

(1) Seek damages from Seller including costs and reasonable lawyer's fees;

(2) Seek specific performance within six months after such right of action arises, including costs and reasonable lawyer's fees;

(3) Cancel this Purchase Agreement pursuant to Minnesota Statutes Section 559.217, Subd. 3 (allowing Seller a 15 day right to cure) and neither party shall be liable for damages hereunder to the other, and the earnest money shall be refunded to Buyer.

NOTE: If this Purchase Agreement is canceled using Minnesota Statutes Section 559.217, contract provisions and statutory provisions for refunding of the earnest money to Buyer might be in conflict.

23. ADDENDA. Attached are the following addenda which are made a part of this Purchase Agreement: [Check only those that are attached.]

FINANCING [Select only one financing addendum:]

- Financing Addendum for Conventional / Privately Insured Mortgage, M.S.B.A. Real Property Form No. 2 (2008)
- Financing Addendum for FHA Insured Mortgage, M.S.B.A. Real Property Form No. 3 (2008)
- Financing Addendum for VA Insured Mortgage, M.S.B.A. Real Property Form No. 4 (2008)
- Financing Addendum for Seller Mortgage, M.S.B.A. Real Property Form No. 5 (2005)
- Financing Addendum for Contract for Deed, M.S.B.A. Real Property Form No. 6 (2005)
- Contract for Deed Disclosure [Multiple Seller], M.S.B.A. Real Property Form No. 25
- Financing Addendum for Assumption, M.S.B.A. Real Property Form No. 7 (2005)

DISCLOSURE AND CONTINGENCY:

- Addendum to Purchase Agreement: Wetlands, Shoreland, and Flood Plain Disclosure, M.S.B.A. Real Property Form No. 8 (1997)
- Addendum for Contingent Sale or Purchase of Other Home(s), M.S.B.A. Real Property Form No. 9 (1997)
- Lead Paint Addendum for Housing Constructed Before 1978, M.S.B.A. Real Property Form No. 11 (1996)
- Disclosure of Sewage Treatment System, M.S.B.A. Real Property Form No. 14 (1998)
- Condition of Property, M.S.B.A. Real Property Form No. 15 (2005)
- Addendum to Purchase Agreement: Survey, Appraisal, Development Evaluation, and Archeological / Historical Survey, M.S.B.A. Real Property Form No. 17 (2005)
- Buyer's Home Inspection Contingency, M.S.B.A. Real Property Form No. 18 (2005)
- Well Disclosure Statement, M.S.B.A. Real Property Form No. 21 (2005)
- Methamphetamine Disclosure Statement, M.S.B.A. Real Property Form No. 22 (2005)
- Radon Disclosure, M.S.B.A. Real Property Form No. 24 (2013)

TITLE ISSUES:

- Addendum to Purchase Agreement: Title Issues, M.S.B.A. Real Property Form No. 19 (2005)
- Addendum to Purchase Agreement: Tenants and Parties in Possession, M.S.B.A. Real Property Form No. 20 (2005)

COMMON INTEREST COMMUNITY:

- Addendum to Purchase Agreement : Common Interest Community, M.S.B.A. Real Property Form No. 12 (2004)

Others: _____

24. TIME IS OF THE ESSENCE. Time is of the essence for all provisions of this Purchase Agreement.

25. MULTIPLE ORIGINALS. Seller and Buyer have signed [number] _____ originals of this Purchase Agreement.

THIS IS A LEGALLY BINDING CONTRACT. BEFORE SIGNING, CONSULT A LAWYER. Minnesota law permits licensed real estate brokers and sales agents to prepare purchase agreements. No recommendation or representation may be made by any real estate broker or sales agent as to the legal sufficiency, the legal effect, or the tax consequences of this contract. These are questions for your lawyer.

I agree to sell the property for the price and terms and conditions set forth above.

I agree to purchase the property for the price and terms and conditions set forth above.

SELLER: _____
Red Wing Housing and Redevelopment and Authority (date)

BUYER: _____
Goodhue County Habitat for Humanity Inc. (date)

SELLER: _____
(date)

BUYER: _____
(date)

This Purchase Agreement was prepared by:

Charles O. Richardson
Richardson & Richardson
434 W. 4th Street, #100
Red Wing, MN 55066

Others who will assist Seller or Buyer with this transaction:

<i>Lawyer for Buyer</i> _____	Telephone: 651-388-4796	Facsimile: 651-267-0325
<i>Listing Agent and Broker for this transaction are:</i>	Telephone:	Facsimile:
<i>Selling Agent and Broker for this transaction are:</i>	Telephone:	Facsimile:
<i>Buyer's or Lender's Title Insurer:</i>	Telephone:	Facsimile:



RADON DISCLOSURE

Copyright 2013, 2017 by Minnesota State Bar Association, Minneapolis, Minnesota. No copyright is claimed for statutory text. BEFORE YOU USE OR SIGN THIS FORM, YOU SHOULD CONSULT WITH A LAWYER TO DETERMINE THAT THIS FORM ADEQUATELY PROTECTS YOUR LEGAL RIGHTS. Minnesota State Bar Association disclaims any liability arising out of use of this form.

This document, dated March, 2023, concerns the real property located at:
[street address] 119 West 5th Street, Red Wing, MN 55066
and legally described as:

See Attached

MINNESOTA RADON AWARENESS ACT

Minn. Stat. Section 144.496 (2013)

Subdivision 1. Citation. This section may be cited as the "Minnesota Radon Awareness Act."

Subd. 2. Definitions. (a) The following terms used in this section have the meanings given them.

(b) "Buyer" means a person negotiating or offering to acquire for value, legal or equitable title, or the right to acquire legal or equitable title to residential real property.

(c) "Mitigation" means measures designed to permanently reduce indoor radon concentrations.

(d) "Radon test" means a measurement of indoor radon concentrations according to established industry standards for residential real property.

(e) "Residential real property" means property occupied as, or intended to be occupied as, a single-family residence, including a unit in a common interest community as defined in section 515B.1-103, clause (10), regardless of whether the unit is in a common interest community not subject to chapter 515B.

(f) "Seller" means a person who owns legal or equitable title to residential real property.

(g) "Elevated radon concentration" means a radon concentration at or above the United States Environmental Protection Agency's radon action level.

Subd. 3. Radon disclosure. (a) Before signing an agreement to sell or transfer residential real property, the seller shall disclose in writing to the buyer any knowledge the seller has of radon concentrations in the dwelling. The disclosure shall include:

- (1) whether a radon test or tests have occurred on the real property;
- (2) the most current records and reports pertaining to radon concentrations within the dwelling;
- (3) a description of any radon concentrations, mitigation, or remediation;
- (4) information regarding the radon mitigation system, including system description and documentation, if such system has been installed in the dwelling; and
- (5) a radon warning statement meeting the requirements of subdivision 4.

(b) The seller shall provide the buyer with a copy of the Minnesota Department of Health publication entitled "Radon in Real Estate Transactions."

(c) The seller's radon disclosure requirements in this section apply to the transfer of any interest in residential real estate, whether by sale, exchange, deed, contract for deed, lease with an option to purchase, or any other option.

(d) The seller's radon disclosure requirements in this section do not apply to any of the following:

- (1) real property that is not residential real property;
- (2) a gratuitous transfer;
- (3) a transfer made pursuant to a court order;
- (4) a transfer to a government or governmental agency;
- (5) a transfer by foreclosure or deed in lieu of foreclosure;
- (6) a transfer to heirs or devisees of a decedent;

- (7) a transfer from a cotenant to one or more other cotenants;
- (8) a transfer made to a spouse, parent, grandparent, child, or grandchild of the seller;
- (9) a transfer between spouses resulting from a decree of marriage dissolution or from a property settlement agreement incidental to that decree;
- (10) an option to purchase a unit in a common interest community, until exercised;
- (11) a transfer to a person who controls or is controlled by the grantor as those terms are defined with respect to a declarant under section 515B.1-103, clause (2);
- (12) a transfer to a tenant who is in possession of the residential real property; or
- (13) a transfer of special declarant rights under section 515B.3-104.

(e) A seller may provide the written disclosure required under this section to a real estate licensee representing or assisting a prospective buyer. The written disclosure provided to the real estate licensee representing or assisting a prospective buyer is considered to have been provided to the prospective buyer. If the written disclosure is provided to the real estate licensee representing or assisting the prospective buyer, the real estate licensee must provide a copy to the prospective buyer.

Subd. 4. Radon warning statement. The radon warning statement must include the following language: Radon Warning Statement. "The Minnesota Department of Health strongly recommends that ALL homebuyers have an indoor radon test performed prior to purchase or taking occupancy, and recommends having the radon levels mitigated if elevated radon concentrations are found. Elevated radon concentrations can easily be reduced by a qualified, certified, or licensed, if applicable, radon mitigator."

"Every buyer of any interest in residential real property is notified that the property may present exposure to dangerous levels of indoor radon gas that may place the occupants at risk of developing radon-induced lung cancer. Radon, a Class A human carcinogen, is the leading cause of lung cancer in nonsmokers and the second leading cause overall. The seller of any interest in residential real property is required to provide the buyer with any information on radon test results of the dwelling."

Subd. 5. Liability; transfer not invalidated. (a) A seller who fails to make a radon disclosure as required by this section, and is aware of material facts pertaining to radon concentrations in the dwelling, is liable to the buyer.

(b) A buyer who is injured by a violation of this section may bring a civil action and recover damages and receive other equitable relief as determined by the court. An action under this subdivision must be commenced within two years after the date on which the buyer closed the purchase or transfer of the real property.

(c) This section does not invalidate a transfer solely because of the failure of any person to comply with a provision of this section. This section does not prevent a court from ordering a rescission of the transfer.

Subd. 6. Effective date. This section is effective January 1, 2014, and applies to agreements to sell or transfer residential real property executed on or after that date.

Radon Warning Statement

"The Minnesota Department of Health strongly recommends that ALL home buyers have an indoor radon test performed prior to purchase or taking occupancy, and recommends having the radon levels mitigated if elevated radon concentrations are found. Elevated radon concentrations can easily be reduced by a qualified, certified, or licensed, if applicable, radon mitigator.

Every buyer of any interest in residential real property is notified that the property may present exposure to dangerous levels of indoor radon gas that may place the occupants at risk of developing radon-induced lung cancer. Radon, a Class A human carcinogen, is the leading cause of lung cancer in nonsmokers and the second leading cause overall. The seller of any interest in residential real property is required to provide the buyer with any information on radon test results of the dwelling."

Seller's Disclosure of Radon

Seller, answer each question with a check for "yes" or "no" where indicated or "unknown."

	Yes	No	Unknown
Seller has knowledge of radon concentrations in the dwelling.	<input type="checkbox"/>	<input type="checkbox"/>	
One or more radon tests have been conducted in the dwelling.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Seller has records or reports pertaining to radon concentrations within the dwelling. <i>If Seller has answered "yes," then the most current records and reports pertaining to radon concentrations within the dwelling are attached.</i>	<input type="checkbox"/>	<input type="checkbox"/>	
Has a mitigation system been installed? <i>If Seller has answered "yes," then information regarding the radon mitigation system, including system description and documentation, is attached.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Radon concentrations at or above the U.S. Environmental Protection Agency Radon Action Level are known to be present within the dwelling.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Radon concentrations have been mitigated to below the U.S. Environmental Protection Agency Radon Action Level.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Seller(s) signatures: _____

[date] _____

Buyer received this Disclosure and the brochure entitled "Radon in Real Estate Transactions" published by the Minnesota Department of Health.

Buyer(s) signatures: _____



Radon in Real Estate Transactions

All Minnesota homes can have dangerous levels of radon gas. Radon is a colorless, odorless and tasteless **radioactive gas** that can seep into homes from the soil. When inhaled, its radioactive particles can damage the lungs. Long-term exposure to radon can lead to **lung cancer**. About 21,000 lung cancer deaths each year in the United States are caused by radon.

The only way to know how much radon gas has entered the home is to conduct a radon test. MDH estimates 2 in 5 homes exceed the 4.0 pCi/L (picocuries per liter) action level. Whether a home is old or new, **any home can have high levels of radon**.

The purpose of this publication is to educate and inform potential home buyers of the risks of radon exposure, and how to test for and reduce radon as part of real estate transactions.

Disclosure Requirements

Effective January 1, 2014, the Minnesota Radon Awareness Act requires specific disclosure and education be provided to potential home buyers during residential real estate transactions in Minnesota. **Before signing a purchase agreement to sell or transfer residential real property**, the seller shall provide this publication and shall disclose in writing to the buyer:

1. whether a radon test or tests have occurred on the property
2. the most current records and reports pertaining to radon concentrations within the dwelling
3. a description of any radon levels, mitigation, or remediation
4. information on the radon mitigation system, if a system was installed
5. a radon warning statement

Radon Facts

How dangerous is radon? Radon is the number one cause of lung cancer in non-smokers, and the second leading cause overall. Your risk for lung cancer increases with higher levels of radon, prolonged exposure, and whether or not you are a current smoker or former smoker.

Where is your greatest exposure to radon? For most Minnesotans, your greatest exposure is at home where radon can concentrate indoors.

What is the recommended action based on my results? If the average radon in the home is at or above 4.0 pCi/L, the home's radon level should be reduced. Also, consider mitigating if radon levels are between 2.0 pCi/L and 3.9 pCi/L. Any amount of radon, even below the recommended action level, carries some risk.

Radon Warning Statement

"The Minnesota Department of Health strongly recommends that ALL homebuyers have an indoor radon test performed prior to purchase or taking occupancy, and recommends having the radon levels mitigated if elevated radon concentrations are found. Elevated radon concentrations can easily be reduced by a qualified, certified, or licensed, if applicable, radon mitigator.

Every buyer of any interest in residential real property is notified that the property may present exposure to dangerous levels of indoor radon gas that may place the occupants at risk of developing radon-induced lung cancer. Radon, a Class A human carcinogen, is the leading cause of lung cancer in nonsmokers and the second leading cause overall. The seller of any interest in residential real property is required to provide the buyer with any information on radon test results of the dwelling".

Radon Testing

Any test lasting less than three months requires **closed-house conditions**. This means keep all windows and doors closed, except for normal entry and exit.

Before testing: Begin closed-house conditions at least 12 hours before the start of the radon test.

During testing: Maintain closed-house conditions during the entire duration of the short-term test. Operate home heating or cooling systems normally during the test.

Where should the test be conducted? Any radon test conducted for a real estate transaction needs to be placed in the lowest livable area of the home suitable for occupancy. This is typically in the basement, whether finished or unfinished.

Place the test kit:

- twenty inches to six feet above the floor
- at least three feet from exterior walls
- four inches away from other objects
- in a location where it won't be disturbed
- not in enclosed areas or areas of high heat or humidity

How are radon tests conducted in real estate transactions?

There are special protocols for radon testing in real estate transactions. Here are the two most common.

Continuous Radon Monitor

This test is completed by a certified radon measurement professional with a calibrated CRM for a minimum of 48 hours. The data is analyzed to ensure a valid test. A report is generated by the measurement professional.

Simultaneous Short-Term Testing

Two short-term test kits are used at the same time, placed 4 inches apart, for a minimum of 48 hours. Test kits are sent to the lab for analysis. The lab generates a report. The two test results are averaged to get the radon level.

All radon tests should be conducted by a certified and MDH-listed professional. This ensures the test was conducted properly, in the correct location, and under appropriate building conditions. A list of these radon measurement professionals can be found at MDH's Radon web site.

Radon Mitigation

When elevated levels of radon are found, they can be easily reduced by a nationally certified and MDH-listed radon mitigation professional.

Radon mitigation is the process or system used to reduce radon concentrations in the breathing zones of occupied buildings. The goal of a radon mitigation system is to reduce the indoor radon levels to below the action level. This is done by drawing soil gas from under the house and venting it above the roof. A quality mitigation system is often able to reduce the annual average radon level to below 2.0 pCi/L. The cost of a radon mitigation system averages \$1,200 to \$2,500.

After a radon mitigation system is installed perform an independent short-term test to ensure the reduction system is effective. Operate the radon system during the entire test. This short-term test will confirm low levels in the home. Be sure to retest the house every two years to confirm continued radon reduction.

Radon Information on the Web:
www.health.state.mn.us/radon

Last Updated 3/2017

MDH Indoor Air Unit
PO Box 64975
St Paul, MN 55164-0975
651-201-4601
800-798-9050
health.indoorair@state.mn.us

Red Wing Housing and Redevelopment Authority

RESOLUTION No. 1438-23

Approving the Purchase Agreement and Party Wall Agreement for Twin Home Sale

WHEREAS, the HRA wished to sell one half of the twin home located at 119 West Fifth Street to Goodhue County Habitat for Humanity; and

WHEREAS, a purchase agreement and party wall agreement have been negotiated to facilitate the sale;

NOW, THEREFORE BE IT RESOLVED, that the Red Wing Housing and Redevelopment Authority Board of Commissioners hereby adopt Resolution 1438-23 Approving the purchase agreement and party wall agreement and authorize the Executive Director to close the transaction and sign any necessary documents.

DATED: April 11, 2023

Chairperson

Secretary / Treasurer



Red Wing Housing & Redevelopment Authority

428 West Fifth Street
Red Wing, MN 55066
TDD/TTY 7-1-1

Telephone (651) 388-7571
FAX (651) 385-0551
www.redwinghra.org

April 11, 2023

To: Red Wing HRA Board of Commissioners
From: Kurt Keena, Executive Director
Re: Project Based Vouchers – Resolution of Commitment

Background

The HRA has been involved with Three Rivers Community Action and the City Council in exploring the feasibility of submitting a competitive application for Tax Credits to Minnesota Housing for the 2023 funding round. If the application is selected for an award of tax credits it would allow Three Rivers to construct a development containing up to 48 quality, affordable and supportive units in Red Wing.

In order to score the most points possible and make their application as competitive as possible, Three Rivers is seeking a commitment from the HRA to conduct a process of awarding project-based vouchers in which they could apply at a future date. The award of project-based vouchers has always been included in the discussion of the feasibility of this project and something the HRA has verbally committed to during this process.

The attached resolution will demonstrate the HRA's commitment to such a process and document it so that Three Rivers can include it in their application to Minnesota Housing.

Recommendation

Staff recommend to the HRA Board of Commissioners to adopt Resolution #1439-23 approving:
1) A commitment to conduct a process of awarding up to 18 project-based vouchers in calendar year 2024.

Red Wing Housing and Redevelopment Authority
RESOLUTION No. 1439-23
Project Based Voucher – Resolution of Commitment

WHEREAS, The Red Wing HRA supports the creation of safe, decent and affordable rental housing units in the community and additional permanent supportive housing options;

WHEREAS, The Red Wing HRA is committed to working with Three Rivers Community Action, Inc, to assist low/modest income families and persons in need of permanent supportive housing gain access to local affordable housing units;

WHEREAS, In an effort to provide low income and homeless families access to local affordable housing units, Three Rivers Community Action, Inc. proposes to secure financing from Minnesota Housing Finance Agency to construct a 48-unit new construction apartment project located on the 500 block of Technology Drive (Med Tech Park Subdivision) on parcel #558930020 and 558910020 (Property PINs);

WHEREAS, The Three Rivers Community Action, Inc. affordable housing project will contain 12 units of permanent supportive housing for persons experiencing homelessness and persons with disabilities that have incomes at or below 30% of the Area Median Income. In addition, the project will serve large families in two, three and four-bedroom units;

WHEREAS, Contingent upon a funding award notice from Minnesota Housing Finance Agency by January of 2024, Three Rivers intends to apply to the Red Wing HRA to secure Project Based Housing Choice Vouchers to serve the project's 12 permanent supportive housing units and up to 6 family units to ensure that large families with modest incomes pay no more than 30% of their income in rent;

Therefore, let it be resolved that the Red Wing HRA is committed to modifying its Annual Plan to facilitate the release a Request for Proposals in early 2024, pursuant to HUD 24 CFR 983.51, for up to 18 Project Based Housing Choice Vouchers, for a period of 15 years, with a priority for supportive housing units and for fully funded, shovel ready projects.

Dated: April 11, 2023

Board Chair

Secretary/Treasurer



RED WING HOUSING & REDEVELOPMENT AUTHORITY

428 WEST FIFTH STREET, RED WING, MN 55066

TELEPHONE (651) 388-7571
TDD/TTY 711

FAX (651) 385-0551
WWW.REDWINGHRA.ORG

April 11, 2023

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director

Re: Executive Director's Report

Federal and State Funding

No change at this time. We continue to monitor the budget process and funding proposals at both levels to see what impact it may have on our agency and if there will be new opportunities for us to seek additional resources for our community. Items at the State level that we are watching include a proposal to increase the local HRA Levy capacity, a proposal to fund a state-based voucher program administered by HRA's that would mirror the federal program, and matching funds for local housing trust funds.

Congressionally Directed Spending

We had a short but very good call with HUD about using the funds we were awarded on other capital improvements at the shelter property. From HUD's perspective any capital improvement at that property is eligible as long as we don't expend any funds until they have approved everything. Our next step is to refine our scope of work items we would like to address and then circle back to our congressional contacts and make sure they are OK with the project. Some items we are considering are security and safety upgrades, flooring and kitchens/bath in the units.

Board Workshop/Property Tour

Our tour of HRA properties is set for Tuesday, May 2nd at 4:00PM right after the conclusion of the Finance Committee meeting. We will take a bus tour of our properties and get inside a few vacant units so you can see the product we offer to our residents. The tour will start and end at the entrance to Jordan Tower II and will be done around 6:00PM. More information will be sent prior to the date.

Port Authority Workshop

I'll be attending the Port's workshop tomorrow afternoon to listen to the discussion about the property at the intersection of Hwy 61 and 19 as they talk about next steps and the process they will be using. The HRA is interested in working with them to explore housing uses on a portion of the site.

Presentation to IRRRB Area

I presented an informational session and discussion about housing trust funds to a group of entities working on the affordable housing shortage in the northeastern portion of the state on March 29th. They wanted to learn about the creation and use of our AHTF here in Red Wing. More and more communities are exploring trust funds as a mechanism to help increase the supply of affordable housing in their communities as they try and meet the demand for housing to facilitate economic development.



RED WING HOUSING & REDEVELOPMENT AUTHORITY

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TELEPHONE (651) 388-7571

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TDD/TTY 711

WWW.REDWINGHRA.ORG

April 11, 2023

To: Red Wing HRA Board of Commissioners

From: Corrine Stockwell, Finance Director

Re: Finance Report

Reserves Adjusted

Program	December 2022	January 2023
Public Housing	\$242,696	\$236,038
Housing Choice Vouchers (FSS and restricted included)	\$30,865	\$30,117
Redevelopment	\$736,457	\$613,496
AHTF	\$333,121	\$333,524
Bridges	\$63	-\$376
Small Cities Program	\$329,600	\$336,970
Jordan Tower II	\$1,186,605	\$1,253,856
Total	\$2,859,408	\$2,803,625

Operating Budget Update

Category	YTD (January)	Budgeted	Variance
Revenues	\$300,075	\$385,710	-22%
Expenses	\$223,189	\$358,382	-38%
Net Income	\$76,886		

Notes to Financial Statements

- New Income/Expense report created by HRA staff instead of from Hawkins Ash. This report more accurately depicts revenues and expenses that affect account balances.
- Decrease in reserves in Public Housing and Redevelopment are due to adjustments made at yearend and missed transfers between accounts for AP. This is also reflected as an increase to Jordan II for an overpayment to Redevelopment.
- Bridges negative amount is due to an adjustment in HAP that was not paid by Minnesota Housing for a prorated rent amount. The credit will be applied in April.

Other Business

- Audit was last week. Waiting for a draft of the audit to present to Board in May or June
- Employee Handbook is under review by staff.
- Reviewing non-medical insurance plans to save the HRA and employees money. Trying to reduce the number of insurance carriers from 6 carriers down to 2. This will save a lot of administrative time.
- Starting to prepare the 2024 Budget and Tax Levy request. Will present to Board in May.
- Attending a 3-day training for HCV Accounting and Financials April 18-20. This online training will cover in-depth VMS, Two Year Tool, HUD calculations for disbursements, and much more.

Committee Reports

There was no Finance Committee meeting for April.

RED WING HRA RESERVE ACCOUNTS
January 2023 Month End

Program	Fund Account	31-Dec-2022	31-Jan-2023	31-Jan-2022
Jordan Tower I & Family Units	Unrestricted - CDs	\$ 42,925	42,925	42,711
	Unrestricted	\$ 159,936	154,702	157,954
	Restricted - Sec Dep	\$ 48,647	47,647	46,411
	Total	\$ 251,508	245,274	247,076
	Due to/from Redevelopment	8,812.35	9,235.68	0.00
Sec 8 Voucher	Unrestricted Cash	\$ 5,001	5,871	8,817
	FSS Escrow	\$ 14,342	15,590	8,034
	HAP Reserve Acct	\$ 12,128	15,277	50,309
	Total	\$ 31,471	36,738	67,160
	Due to/from Redevelopment	604.64	6,620.59	7,605.90
Redevelopment	MURL Investments	\$ 108,349	109,237	105,667
	Transitional Housing	\$ 6,120	6,120	6,119
	Bluff View	\$ 58,493	59,893	46,259
	Twin Homes	\$ 11,969	12,269	8,669
	Hill Street	\$ 6,724	4,447	12,783
	Restricted - Sec Dep	\$ 12,800	12,800	12,724
	Restricted - CDG	\$ 36,000	36,000	36,000
	ILSP	\$ -8,884	-691	-529
	Unrestricted	\$ 455,738	398,492	237,464
	Total	\$ 687,309	638,566	465,156
Bridges	Unrestricted	9,304	10,116	7,806
	Front Funded HAP	\$ 0	0	0
	Total	\$ 9,304	10,116	7,342
	Due to/from Redevelopment	9,240.63	10,492.39	7,806.39
AHTF	Unrestricted AHTF	\$ 333,121	333,524	326,039
	Program Income	0	0	0
	Total	\$ 333,121	333,524	326,039
	Due to/from Redevelopment	0.00	0.00	49,500.00
Small Cities	Small Cities Program	\$ 329,600	336,970	441,153
	Program Income	0	0	0
	Total	\$ 329,600	336,970	441,153
	Due to/from Redevelopment	0.00	0.00	0.00
Jordan II Tower	Unrestricted	\$ 1,137,860	1,147,712	994,032
	Restricted - Sec Dep	\$ 39,614	38,684	39,489
	City Bond Debt Escrow	\$ 39,622	16,041	5,994
	Total	\$ 1,217,096	1,202,437	1,039,514
	Due to/from Redevelopment	-30,490.59	-51,418.87	0.00
Total Cash Reserves		2,859,407	2,803,625	2,593,904

Financial Institution	Funds	Funds	Funds
Associated Bank	2,329,338	2,279,790	2,070,235
Edward D Jones	106,520	106,520	106,251
First Minnesota	147,844	147,844	146,770
Merchant's Bank	275,705	269,471	270,648
	\$2,859,407	\$2,803,625	\$2,593,904

REVENUES	Public Housing			Housing Choice Voucher			Jordan Tower II			Redevelopment			Budgets			AD Programs		
	YTD	YTD	YTD	YTD	YTD	Variance	YTD	YTD	YTD	YTD	Variance	YTD	YTD	YTD	Variance	Total	Total	Variance
Interest Income	\$49,500	\$48,167	0%	\$39,841	\$40,633	-2%	\$13,552	\$13,103	-3%	\$2,422	\$42	91%	\$7,311	\$10,500	-30%	\$102,003	\$104,163	-2%
Subsidy	\$12,452	\$12,500	0%	\$40,899	\$51,667	-21%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$142,871	\$149,702	-5%
Other Income - Tenants	\$12,843	\$1,967	61%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$12,843	\$1,967	85%
Interest Income	\$13,177	\$13,177	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$13,177	\$13,177	0%
Grants/Admin Fees	\$335	\$335	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$335	\$335	0%
Tenancy	\$11,000	\$11,000	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$11,000	\$11,000	0%
Tea Levy	\$15,679	\$15,679	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$15,679	\$15,679	0%
Direct TV	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Office Rent	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
TP Fee Increment	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
TP Fee Increment	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Operating Transfer in	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Total Receipts	\$78,178	\$80,163	-1%	\$89,649	\$84,445	6%	\$30,016	\$30,507	-2%	\$26,311	\$9,225	66%	\$7,621	\$12,270	-38%	\$300,075	\$338,710	-12%
EXPENSES																		
Administrative																		
Salaries	\$5,884	\$12,091	-51%	\$4,548	\$7,500	-39%	\$5,195	\$12,917	-60%	\$5,195	\$14,042	-63%	\$2,444	\$1,250	95%	\$21,291	\$42,292	-49%
Employee Benefits	\$2,299	\$4,833	-52%	\$1,897	\$3,000	-37%	\$7,082	\$5,197	36%	\$4,250	\$5,817	-28%	\$66	\$500	-87%	\$10,664	\$19,117	-44%
Advertising & Marketing	\$55	\$175	-68%	\$0	\$0	0%	\$11	\$375	-97%	\$0	\$36	100%	\$0	\$0	0%	\$67	\$67	0%
Memberships/Publications	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Legal	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Travel	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Training	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Accounting	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Audit	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Office Rent	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Office Supplies/Paper	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Supplies	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Telephone	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Total Admin Expenses	\$13,178	\$22,250	-41%	\$12,445	\$12,929	-1%	\$12,078	\$23,392	-48%	\$13,180	\$26,927	-50%	\$10	\$1,250	-99%	\$27,215	\$58,511	-53%
Tenant Services																		
Social Services Coordinator	\$5,487	\$6,429	-12%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$5,487	\$6,429	-12%
Resident Activities	\$33	\$577	-94%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$33	\$577	-94%
Total Tenant Services Exp.	\$5,520	\$7,006	-21%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$5,520	\$7,006	-21%
Utilities																		
Water & Sewer	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Electricity	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Gas	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Refrigeration/Recycling	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Total Utilities Exp.	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Maintenance Expenses																		
Materials	\$4,430	\$10,417	-57%	\$2,895	\$7,500	-61%	\$1,137	\$1,208	-6%	\$1,137	\$1,208	-6%	\$1,137	\$1,208	-6%	\$4,461	\$10,625	-57%
Benefits	\$999	\$4,167	-76%	\$395	\$3,000	-87%	\$42	\$483	-92%	\$42	\$483	-92%	\$42	\$483	-92%	\$1,077	\$7,650	-86%
Maintenance	\$998	\$2,500	-74%	\$480	\$2,000	-76%	\$728	\$1,083	-33%	\$728	\$1,083	-33%	\$728	\$1,083	-33%	\$1,903	\$5,667	-66%
Utilities	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Elevator Contract	\$837	\$667	21%	\$837	\$667	26%	\$837	\$667	26%	\$837	\$667	26%	\$837	\$667	26%	\$1,674	\$1,333	26%
Estimating	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Printing/Printing Contracts	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Printing/Printing Contracts	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Printing/Printing Contracts	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Unit Turnaround	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Contract Costs	\$2,487	\$12,500	-80%	\$2,487	\$5,000	-49%	\$2,487	\$4,921	-50%	\$2,487	\$4,921	-50%	\$2,487	\$4,921	-50%	\$5,749	\$435	1735%
Total Maintenance Exp.	\$14,157	\$32,217	-56%	\$4,606	\$10,967	-57%	\$4,606	\$10,967	-57%	\$4,606	\$10,967	-57%	\$4,606	\$10,967	-57%	\$5,674	\$25,792	-78%
General Expenses																		
Property Insurance	\$5,089	\$5,417	-6%	\$4,982	\$4,583	9%	\$4,982	\$4,583	9%	\$4,982	\$4,583	9%	\$4,982	\$4,583	9%	\$4,982	\$4,583	9%
Liability Insurance	\$416	\$433	-4%	\$416	\$433	-4%	\$416	\$433	-4%	\$416	\$433	-4%	\$416	\$433	-4%	\$416	\$433	-4%
Work Comp Insurance	\$4,388	\$750	74%	\$4,388	\$667	85%	\$4,388	\$667	85%	\$4,388	\$667	85%	\$4,388	\$667	85%	\$4,388	\$667	85%
Auto Insurance	\$166	\$333	-50%	\$166	\$333	-50%	\$166	\$333	-50%	\$166	\$333	-50%	\$166	\$333	-50%	\$166	\$333	-50%
PAID	\$4,994	\$3,667	35%	\$4,994	\$3,333	33%	\$4,994	\$3,333	33%	\$4,994	\$3,333	33%	\$4,994	\$3,333	33%	\$4,994	\$3,333	33%
Software Maintenance	\$78	\$78	0%	\$78	\$78	0%	\$78	\$78	0%	\$78	\$78	0%	\$78	\$78	0%	\$78	\$78	0%
Collection/Outlets	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Other General Expense	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
PAID Expense	\$433	\$433	0%	\$433	\$433	0%	\$433	\$433	0%	\$433	\$433	0%	\$433	\$433	0%	\$433	\$433	0%
Direct TV	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
ILSP	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Service	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Operating Transfer out	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
TP Payment	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Transfer to AMT	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%	\$0	\$0	0%
Total General Expenses	\$17,488	\$32,375	-45%	\$15,600	\$28,458	-45%	\$15,600	\$28,458	-45%	\$15,600	\$28,458	-45%	\$15,600	\$28,458	-45%	\$15,600	\$28,458	-45%
TOTAL EXPENSES	\$50,921	\$84,415	-40%	\$48,189	\$82,286	-41%	\$48,189	\$82,286	-41%	\$48,189	\$82,286	-41%	\$48,189	\$82,286	-41%	\$48,189	\$82,286	-41%
NET INCOME/LOSS	\$27,257	\$3,748	718%	\$41,560	\$2,159	193%	\$41,560	\$2,159	193%	\$41,560	\$2,159	193%	\$41,560	\$2,159	193%	\$41,560	\$2,159	193%

Housing Board Report

Month Ending March 2023

Waiting List Numbers

	Jordan Tower I	Jordan Tower II	Family Public Housing	Housing Choice Voucher
February 2023	67	43	25	222
March 2023	73	38	25	119

HRA Owned Properties

	Jordan Tower I	Jordan Tower II	Family Public Housing Units	Market Rate Rentals
Move-outs	2	2	0	0
Move-ins	2	1	0	0
Lease Terminations or Evictions this month	0	0	0	0
Occupancy Rate	97%	97%	89%	93%

Voucher Programs

Housing Choice Voucher		Monthly HAP Received	\$80,340
Allocated Vouchers	169	Monthly HAP Paid	\$79,540
Funded Vouchers	135	HAP Reserves	\$118,151
Leased Vouchers	129	Per Unit Cost	\$617
Utilization Rate for Provided Funding	96%	Utilization Rate for Monthly Funding	99%
Move-ins	0	FSS Program	3 Signed Contracts
Move-outs	1	Shopping	19
		Processing Applications	16

Bridges Rental Assistance	GY 2021-2023	Total Grant Awarded	\$206,784
Vouchers Leased	13	Available Balance	\$76,034
Awarded Vouchers	12	Grant Months remaining	3
Utilization of Vouchers	108%	Grant Funds Utilization	63%
Move-ins	0	Shopping	2
Move-outs	0	Processing Applications	3

Program/Project Updates

- Housing Choice Voucher waitlist purge has been completed.
- Congressionally Directed Spending 2023
 - Staff found that the funding could not be used for the Haven of Hope HVAC project since it had been completed before the funding was signed into law.
 - Staff spoke with HUD and found out that the funding could still be used at the Haven of Hope on another project. Staff have set up a time to go to the building with the architect and meet with Haven staff to discuss which project to work on.
 - Once the project has been selected, staff will inform the congressional contacts as to the project description.
- Jennifer has obtained her Certified Public Housing Manager certification through National NAHRO.

Homeless & Supportive Housing Updates

- Goodhue County Resource Center
 - Jennifer has agreed to be on the Board of Directors
 - Location:
 - Lower Level of Christ Episcopal Church
 - 321 West Ave (use East Ave Door)
 - Contact:
 - 651-448-6246
 - gcrcrw@gmail.com
 - Hours:
 - Monday 11:00 am - 4:00 pm
 - Tuesdays 3:00 pm – 7:00 pm
 - Thursday 11:00 am – 4:00 pm
 - Fridays 11:00 am – 4:00 pm
- Monthly meetings staff attend to review and update on local resources
 - Hands for Hope
 - Homeless Response Team
 - Continuum of Care



RED WING HOUSING & REDEVELOPMENT AUTHORITY

428 WEST FIFTH STREET, RED WING, MN 55066

TELEPHONE (651) 388-7571

FAX (651) 385-0551

TDD/TTY 711

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April 11, 2023

To: Red Wing HRA Board of Commissioners

From: Kurt Keena, Executive Director
Corrine Stockwell, Finance Director

Re: Community Redevelopment Report

Small Cities Program Income Notes Receivable and Cash Reserves

Category	January 2023
Notes Receivable	\$1,787,737
Forgivable	\$969,395
Reserves	\$336,970

Small Cities Loan Servicing and Activities

We have had a couple of new inquiries about these funds and have met with one of the property owners and provided them with an application. We continue working with CEDA and previously approved borrowers to schedule construction meetings and loan closings for their projects. The application approved for the Hallstrom property is moving forward now after we met with the owner and the staff from CEDA.

Affordable Housing Trust Fund Activities and Reserves

The approved loan for the Hallstrom project is moving towards closing now that we have met with the owner and CEDA staff. Work is expected to begin sometime in early May with completion targeted for November or December of this year.

The same owner has inquired about another loan for an additional property he has purchased and wants to add housing units above the street level retail. The project appears to meet the criteria for the program and an application may be forthcoming at some point in the future.

January reserves for AHTF are \$333,524.

TIF (Housing) District No. 8

We have received the information from the developers so we can get Phase 4 certified. We recently received annual reporting and certification information for the completed phases. Once all the information is certified, we will be disbursing TIF proceeds to them. Progress continues on the construction of the final phase of the development.

Three Rivers Tax Credit Development MOU

Now that the City Council has approved proceeding with the land sale and use of Housing TIF for the project we are working with Three Rivers, Community Development staff and our TIF consultant Baker-Tilly to complete the initial work of performing a TIF run and analysis of the projects finances so we can determine the amount of TIF available. This step will allow Three Rivers to complete their



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application to MHFA by the July submission date. The exact amount of TIF would be negotiated and finalized after Three Rivers is awarded Tax Credits for the project. We are also working with them on documenting our commitment to award project-based vouchers for supportive housing units for their application.

I'd like your feedback on the idea of utilizing HRA funds to assist Three Rivers with the purchase of the site from the City. The amount would be approximately \$58 to \$60K and would help secure 48 units of deeply affordable units for the community which seems like a great value and use of our funds while advancing our mission and strategic objectives.

Housing & Redevelopment Related Updates

We continue to be in dialogue with Goodhue County Habitat for Humanity about their purchase agreement on the former St. John's Hospital site and what role there may be for the HRA to partner with them in bringing much needed affordable ownership properties to the City.

I will be attending the Port Authority workshop to listen to the discussion about what direction they will take with the property they own at the intersection of Hwy 61 and 19. Should they decide to seek proposals from interested parties similar to what they did with the Bauer Built building; we intend to submit a proposal to explore housing uses with them for at least a portion of the parcel.

Attachments:

None.