



REPORT/RECOMMENDATION

To: MAYOR AND COUNCIL	Agenda Item <u>No. VI. C.</u>
From: Scott Neal	<input checked="" type="checkbox"/> Action
City Manager	<input type="checkbox"/> Discussion
Date: July 17, 2012	<input type="checkbox"/> Information
Subject: MEMO OF UNDERSTANDING WITH DRIVE FOR THE HIVE, LLC (HORNETS NEST PROJECT)	

ACTION REQUESTED: The City Council is being asked to grant a number of approvals for the proposed Hornets Nest Project at Braemar Ice Arena. The approvals are as follows:

- Conduct a public hearing on the proposed Hornets Nest Agreement
- Approve the proposed Hornets Nest Agreement
- Conditionally approve a Facility Use Agreement for Braemar Ice Arena with the Edina School District
- Approve Hornets Nest commercial tenant lease with Velocity Hockey
- Approve Hornets Nest commercial tenant lease with General Sports
- Award construction contract(s) for the Hornets Nest Project

INFORMATION/BACKGROUND:

The Hornets Nest Project is an expansion two-story expansion to Braemar Ice Arena. The expansion area will be north of the West Arena and will be connected to the West Arena through a short corridor. The purpose of the project is to create new locker rooms and associated space for the boys and girls hockey teams for Edina High School.

The group advocating for the Hornets Nest Project is called Drive For The Hive (“Drive”), a local non-profit corporation established specifically to raise private gifts to donate to the City for the project and to assist the City in managing the construction of the project itself.

Drive’s project finance goal from the start was to create an innovative project finance strategy that would minimize the use of public funds for construction. The strategy to achieve this project finance goal was to create five new funding streams:

- incorporating leasable commercial space into the project and then dedicating the rental income from that space to the project; and,
- a \$20/participant surcharge on participants in the Edina Hockey Association and the Braemar City of Lakes Figure Skating Club; and,
- a modest increase to the School District's hourly ice rental costs; and,
- revenue from the sale of naming rights within the locker room; and,
- private philanthropic gifts.

The City's official consideration of the Hornets Nest Project started at a Special Park Board meeting on January 23, 2012. At that special meeting, the Park Board received a comprehensive presentation from Drive representatives regarding their proposed project. At the end of the special meeting, the Board resolved that it was sufficiently interested in the proposal that it wanted to establish a Working Group to investigate the proposal in more detail. The Board's request to create the Hornets Nest Working Group was approved as a Consent Agenda item by the City Council on February 21, 2012.

The Working Group met regularly and researched the project and its innovative project finance strategy. The Working Group advanced its recommendation to the Park Board on April 10, 2012. The Park Board unanimously approved the following recommendation:

"Mr. Keprios stated that staff is recommending Park Board move forward with this project in concept to the City Council with some contingencies; however, not everything is in concrete at this point. He noted that it would be contingent upon 25% of the project (\$752,367.67) be covered through private donations. The recommendation would also be contingent upon getting a commitment from the EHA and Edina Figure Skating Club to commit to a \$20.00 surcharge on a per player basis per year for the life of the bonds and this would be consistent with what was done when they first built the West Arena. The last contingency would be that the City Council and School Board would have to agree on an ice rental surcharge fee needed to cover the operating expenses. He indicated that is not something that staff could just literally impose so don't consider that a given; however, the working group put approximately \$12,000 in their recommendation. Mr. Keprios commented that lastly he thinks it would be fair to propose to the City Council that before they were to embark on something like this they would want ten year lease agreements from the two vendors that would be leasing the space on the upper level."

The Park Board's recommendation was considered by the City Council on May 1. Representatives from Drive also attended the May 1 City Council meeting to share their presentation about the proposed project. After considerable discussion, the Council unanimously approved the following motion:

"Member Swenson made a motion, seconded by Member Brindle, approving Hornets' Nest concept subject to:

- 1. The project must receive all required municipal land use regulatory approvals from the City*
- 2. Drive for the Hive organization entering into memorandum of understanding approved by the City Council that formally established respective roles and responsibilities of both parties to accomplish this project*

3. *Vendors, School District, and pertinent sports organizations must enter into agreements acceptable to the City relative to lease or use of the facility, or portions thereof*
4. *Drive for the Hive must raise \$739,314.83 in private donations*
5. *Vendors for the dry-land training facility and the sporting goods retail store must commit to a minimum ten-year lease*
6. *The Edina School Board of Education must agree to an additional ice rental surcharge and restructuring to the spectator fee distribution for High School hockey games at Braemar Arena to help cover locker room operating expenses*
7. *The Edina Hockey Association must agree to a \$20 per player per year surcharge for a 20-year period (the life of the bonds)*
8. *The Braemar City of Lakes Figure Skating Club must agree to a \$20 per player per year surcharge for a 20-year period (the life of the bonds)”*

Since the Council's May 1 meeting, City staff and the City Attorney have been working in good faith with the representatives from Drive to fulfill the Council's contingencies. The City and Drive have been able to accomplish the following:

1. At the time of the Council's May 1 action, it was believed by City staff that land use regulatory changes were going to be required for this project. After further consideration, however, it was determined that no pre-project municipal land use regulatory approvals required for the project.
2. City staff and Drive have reached a tentative agreement (formerly known as the Memorandum of Understanding) defining the respective organizations' roles and responsibilities for the project.
3. City staff and School District staff have reached an agreement on a new Facilities Use Agreement for Braemar Sports Facility that describes in detail the rights, responsibilities and financial relationship between the parties at Braemar Ice Arena.
4. Drive has raised a substantial amount of money for the project from the sale of naming rights within the locker room area and from solicitation of cash gifts. At the time of this memorandum, I do not know if they have reached the \$750,000 threshold. Drive representatives can tell us their total cash fund raising at the July 17 Council meeting.
5. Tenants for the Hornets Nest commercial space have both executed ten year leases.
6. The Edina School Board has not yet approved the newly proposed Facilities Use Agreement. It is scheduled to be on their July 23 meeting agenda for review and approval.
7. The Edina Hockey Association has approved a \$20/player surcharge for 20 years.
8. The Braemar City of Lakes Figure Skating Club has also approved a \$20/participant surcharge for 20 years.

E.J. Anderson from Drive coordinated the production of plans and specifications for the project. He brought architect Nick Sperides of SRa Architects into the project. Mr. Sperides worked closely with Drive, City and School District representatives on the project design all the way through the production of the plans and specifications for the bid packages.

The bid opening for the project occurred on Thursday, July 12. The apparent low bidder for the project was RJM Construction at \$3,647,000. The project estimate was \$3,200,000. A team of City staff, architects and Drive representatives will meet with the representatives from RJM on Friday, July 13 to discuss their bid proposal to determine why it was 14% higher than our estimate. I will share the results of that information with the Council.

ISSUES FOR THE COUNCIL TO CONSIDER:

1. The proposed debt financing of the project has a 20 year term. The proposed terms of the commercial tenant leases are 10 years with options for renewal. The proposed Facilities Use Agreement with the School District has a 5 year term. The fact that terms of the revenue sources don't match up is not a reason for concern, but it is something to note for the future.
2. Approval of the Hornets Nest Project will require the City to also construct additional ADA-related improvements which are estimated to cost \$500,000. In order to fund a currently unprogrammed improvement of this size at the Arena, we will need to make adjustments in the City's CIP.
3. If Drive is not able to produce its required cash contribution to the project (\$750,000) by July 17, is the Council comfortable awarding the project anyway or would the Council defer action on the award of the construction contract until the full \$750,000 has been transferred to the City?
4. How much branding/marketing is the City willing to allow in exchange for cash contributions to the project?
5. 100% of the lease revenue from the commercial tenant leases is dedicated toward the new debt service obligations created for the City by the project. The commercial tenant leases are not personally guaranteed by the lessees. In the case of a default or non-payment, the City would need to make debt service payments without the benefit of the lease revenue. This is a new risk for the City.
6. The low bidder – RJM Construction – submitted a bid that is 14% higher than our estimate. Is the Council willing to proceed with the project on this basis?

SUMMARY:

The Hornets Nest Project has been reviewed and endorsed by the Park Board. It has been reviewed and endorsed by the multiple representatives of the local hockey community. The volunteers from Drive For The Hive have worked hard to put together a project that is creative and worthy of historic Braemar Arena. The project's innovative financing plan provides non-property tax sources of revenue to the construction of the project, but also exposes the City to an undefined element of risk of new debt service obligation if the project's commercial tenants are unsuccessful.

The Council is charged with weighing the risks and benefits of the project. My recommendation to the Council is if you are comfortable your May 1 conditions have been fulfilled, you should grant the necessary approvals and award the construction contract.

AGREEMENT

Agreement entered this ____ day of _____, 2012 by and between the **City of Edina**, a Minnesota municipal corporation, and the **Drive for the Hive, Inc.**

In consideration of their mutual covenants, the parties agree as follows:

1. The Hornets Nest Project ("project") will be an addition to the north side of the West Arena of Braemar Arena. The scope of the project shall be established by the City Council, but will be materially similar to the scope of the project as presented to the City Council at their May 1, 2012 by representatives of the Drive For The Hive.
2. The project will be developed and financed through a public-private partnership between the City of Edina ("City") and the Drive for the Hive, Inc. ("Drive"). The estimated cost of the project is \$3,000,000. "Project costs" include architectural and engineering fees, site preparation, permits, construction costs, utilities, legal, insurance, landscaping and all other costs associated with the project. The project shall be designed and constructed as a municipally owned public facility under the standards, rules and laws of the State of Minnesota.
3. Drive and City will share the project cost. Drive will contribute \$750,000 in privately donated cash and 25% of any project cost over the estimated project cost of \$3,000,000. The City will contribute \$2,250,000 and 75% of any project cost over the estimated project cost of \$3,000,000. Drive's \$750,000 cash contribution to the project is exclusive of any in-kind contributions Drive may also make to the project, including, but not limited to, serving as the project's construction manager and rental leasing agent.
4. Drive will provide a Construction manager acceptable to the City for the project using AIA Document 801 CMA - 1992 as may be amended by the parties. The construction manager will not be compensated by the City and the City will not reimburse the construction manager for any costs.
5. The project will be designed by an architect selected and contracted to the City. The City will consult with Drive regarding the selection of the architect. The City will negotiate a contract fee for service. The City will execute the contract with the architect upon receipt of the total amount of the contract fee from Drive. The amount contributed by Drive for this cost will be applied to their overall cost share of \$750,000.
6. The architect will be advised by a design team consisting of members of Drive and the City. Upon completion of the design drawings and plans and specifications, the project plans will be presented to the City Council for approval. Upon Council approval, but prior to the award of construction contracts, Drive must provide the balance of its contribution to the City.
7. The City's execution of construction contracts for the project will be conditioned on all of the following actions being accomplished to the satisfaction of the City Manager:

- a. The City has received the full cash contribution of \$750,000 from Drive.
- b. The City and School District have approved an agreement that describes the terms of the School District's lease of the Hornets Nest locker room facilities and the terms of their financial support of the project.
- c. The City and the Edina Hockey Association and the Braemar City of Lakes Figuring Skating Club have approved agreements which bind their clubs to implement an annual \$20 per participant surcharge to support the annual debt service cost of the project's debt financing until the bonds issued for the financing of the project are retired.
- d. Leases for the rentable commercial space have been executed.

8. Drive will be the City's initial property leasing agent for the rentable commercial space in the project. Drive will be responsible for soliciting Letters of Interest (LOI's) from potential tenants. Drive will present the LOI's to a committee consisting of representatives of Drive, City, Edina Hockey Association, Edina School District and the Braemar City of Lakes Figuring Skating Club who will review and recommend to the City Manager which tenants the City will negotiate final leases agreements with. The City Manager, or his designee, shall negotiate the tenant leases. The City Council must approve the final lease agreements.

9. The City will secure all necessary governmental permits, licenses, surveys, soil tests, and other entitlements necessary for the construction and operation of the project.

10. The City reserves all naming rights for the project, provided it may sell or lease those rights at its sole discretion, as long as the City uses the funds for maintenance and upkeep of the Braemar Ice Arena, including, but not limited to, the project.

11. The City will control all vending machine rights in the Braemar Ice Arena including the project and any other additions to the arena.

12. The City will control all branding decisions in the project. Drive may, however, sell the rights to name interior space in the locker rooms as part of its fund raising campaign if it is consistent with the City's donation policy.

13. The City will control all exterior and interior signage for the project.

14. The City reserves the right to cancel the project for any reason prior to the award of construction contracts, including, but not limited to, any of the following:

- a. Drive does not acquire a sufficient level of private cash donations.
- b. The School District does not agree to lease the proposed Hornets Nest locker rooms.
- c. The Edina Hockey Association does not agree to impose an annual player surcharge agreement.
- d. Leases for the rentable commercial space have not been executed.

- e. The Braemar City of Lakes Figuring Skating Club does not agree to an annual participant surcharge agreement.
- f. Project costs exceed the project budget.
- g. Excessive environmental damage

15. Any funds donate by Drive to the City for the Project not expended by the City for Project Costs will be returned to Drive.

CITY OF EDINA

BY: _____
James Hovland
Its Mayor

BY: _____
Scott Neal
Its City Manager

DRIVE FOR THE HIVE, INC.

BY: _____

Its _____

BY: _____

Its _____

**FACILITY USE AGREEMENT
BRAEMAR SPORTS FACILITY**

between

CITY OF EDINA, MINNESOTA

**INDEPENDENT SCHOOL DISTRICT NO. 273
(EDINA), MINNESOTA**

Dated _____, 2012

FACILITY USE AGREEMENT

THIS FACILITY USE AGREEMENT (the "Agreement") made this ____ day of _____, 2012 by and between the **CITY OF EDINA**, a Minnesota municipal corporation (the "City"), and **INDEPENDENT SCHOOL DISTRICT NO. 273 (EDINA), MINNESOTA**, an independent school district created and existing under the laws of the State of Minnesota (the "District").

RECITALS

WHEREAS, the City and the District have determined that it is in the best interests of the residents of the City and the District to undertake, in a cooperative fashion, the construction of four new locker rooms (the "Locker Rooms") at the Braemar Sports Facility Hornet's Nest Addition; and

WHEREAS, the City and the District desire to maximize the use of the Locker Rooms by all residents of the City and the District; and

WHEREAS, this Agreement sets forth the rights and obligations of the City and the District relating to the joint use of the Locker Rooms; and

WHEREAS, the City and the District have authority to enter into this Agreement and to take all actions required of it hereby, and have taken all actions necessary to authorize the execution and delivery of this Agreement.

WITNESSETH THAT, in the joint and mutual exercise of their powers, and in consideration of the mutual covenants herein contained, the parties hereto recite and agree as follows:

ARTICLE I Joint Use

1.01. Joint Use. The City and the District shall jointly use the Locker Rooms in accordance with the terms and conditions set forth herein.

1.02. Term. This Agreement shall be for a term of five (5) ~~thirty (30)~~ years commencing on the date of substantial completion of the Locker Rooms.

1.03. Use and Scheduling.

- a. The City shall be responsible for allowing access to the Locker Rooms. The District shall have exclusive use of the Locker Rooms from November 1 through March 31. The City shall have exclusive use of the Locker Rooms at all other times.

- b. In order to maximize the use of the Locker Rooms, the City and the District agree that the other party may schedule use of the Locker Rooms during the other party's exclusive use period, with the other party's consent. Such consent may not be unreasonably withheld.
- c. If it is deemed necessary to have a City custodian present in the Locker Rooms in an overtime capacity during a City-sponsored event, the District will be billed for such time.

1.04. Parking and Roads. The City will permit the District, and its employees, agents and invitees to use the internal roadway systems and parking lots for access to the Locker Rooms, and to use the parking lots of the City adjacent to the Locker Rooms for parking purposes, subject to the City's reasonable rules and regulations.

1.05. Meeting. The City and the District shall meet at least annually to review the use of the Locker Rooms.

1.06. Alcohol and Tobacco Policy. The Locker Rooms shall be treated as "school ground" as contemplated by the alcohol control provisions of Minnesota Statutes, Section 624.701; that the District's alcohol and tobacco policies and regulations, and any additions or amendments thereto, shall apply to the Locker Rooms; that the area should be appropriately posted; and that the City shall withhold access from groups for alcohol or tobacco violations.

ARTICLE II

Ownership, Operation, and Maintenance of Locker Rooms

2.01. Ownership. The City will be the owner of the Locker Rooms, subject to the rights and obligations of the parties set forth in this Agreement and in the Joint Powers Agreement.

2.02. Set-up and Access. The City will ensure the Locker Rooms are unlocked and accessible for all scheduled uses. With the intent to minimize maintenance, and access expenses, whenever possible, the District may, with the consent of the City assume the responsibilities of minimal maintenance, and access on Saturdays, Sundays, and holidays, and not rely on City staff for those job functions. The City, however, agrees to provide those functions on Saturdays, Sundays and holidays when the District is unable to assume those responsibilities.

2.03. Maintenance and Upkeep. The City will be responsible for all maintenance, repairs, replacement and upkeep of the Locker Rooms necessary to keep the Locker Rooms in good repair and clean condition. The City at its expense shall also maintain the internal roadway systems, parking areas, associated common areas and HVAC system used in connection with the Locker Rooms, including snow plowing, to the same standards as provided by the City to other City buildings. The City shall determine standards of maintenance. The District will reimburse the City.

2.04. Operating and Utilities Costs. The City will provide for all electric, heat, phone, water, sewer, trash removal and other utilities, janitorial services and other services for the

Locker Rooms, the costs of which will be paid by the District, for the months of November 1st through March 31st, as provided in Section 3.02 hereof. The City will maintain reasonable temperatures in the Locker Rooms during the District's use time; provided, the City is not required to provide air conditioning.

2.05. Insurance. The City will be responsible to insure the Locker Rooms, fixtures, and furnishings therein against loss or damage by fire and loss or damage by such other risks and in such amounts, with such deductible provisions, in accordance with prevailing community standards and the City shall carry and maintain, and pay timely the premiums for, with respect to the Locker Rooms, fixtures and furnishings therein, direct damage insurance covering all risks of loss on a replacement cost basis in an amount equivalent to the full insurable value thereof. ~~50% of the cost of such premium shall be paid by the District and 50% shall be paid by the City.~~ Each party will obtain and maintain during the term of this Agreement a comprehensive liability insurance policy in at least the amounts specified as to the extent of liability under Minnesota Statutes, Section 466.04. The District will be named as an additional insured on the City's policy and the City will be named an additional insured on the District's policy. Each party shall furnish to the other party a certificate of insurance documenting the required coverage.

2.06. Damage or Destruction. Upon any damage or destruction of any of the Locker Rooms by fire or other casualty, the City shall within one hundred twenty (120) days after such damage or destruction, commence the process required to repair, reconstruct and restore the damaged Locker Rooms to substantially the same condition or utility value as existed prior to the event causing such damage or destruction and shall diligently pursue such repair, reconstruction and restoration.

ARTICLE III

Charge for Use of the Locker Rooms and ice time

3.01 Ticket Sales. The District will pay the City ~~30%~~ 50% of the revenue from ticket sales from District hockey games at the Braemar arena. The revenue due the City from the sales of tickets shall be paid the City following each game

3.02. User Fees. The City will charge the District ice time user fees. The hourly rate for District-sponsored activity ice time uses shall be the same rate charged by the City to other users adjusted to include the costs set forth in Sections 2.03, 2.04, and 2.05.

3.03. Payments by City to District. The City will invoice the District semiannually for the charges in Section 3.02 at the end of December and at the end of the District's exclusive use period. The billing at the end of the exclusive use period will be adjusted to reflect actual ice time usage in the prior 12 months. The District will pay the invoice within 35 days of receipt of the invoice.

3.04. Estimated Fees 2012-2013 Season. The Parties estimate that the following fees will be due the City from the District pursuant to this Agreement for the 2012-2013 season:

Home Games – 50/50 Gate split
Ice Costs – Estimated for 2012-2013
Practices - (250 hours @ \$200 per hour) - \$50,000
Games – (90 hours @ \$200 per hour) \$18,000
Locker Rooms – Estimated \$11,432.96
Total Annual Expenses – \$79,432.96
Total Hours Purchased - 340
Cost per hour - \$233.62

ARTICLE IV Indemnification

4.01. Each party is responsible for its own acts and omissions and the results thereof to the extent authorized by law. Minnesota Statutes Chapter 466 and other applicable law govern the parties' liability. To the full extent permitted by law, this Agreement is intended to be and shall be construed as a "cooperative activity" and it is the intent of the parties that they shall be deemed a "single governmental unit" for the purposes of liability, all as set forth in Minnesota Statutes, Section 471.59, Subd. 1a (a); provided further that for purposes of that statute, each party to this Agreement expressly declines responsibility for the acts or omissions of the other party. In addition to the foregoing, nothing herein shall be construed to waive or limit any immunity from, or limitation on, liability available to either party, whether set forth in Minnesota Statutes, Chapter 466 or otherwise.

ARTICLE V Dispute Resolution

5.01. Negotiation. If a dispute arises between the City and the District regarding this Agreement or the operation or maintenance of the Locker Rooms, the District Superintendent and the City Manager, or their designees, must promptly meet and attempt in good faith to negotiate a resolution of the dispute.

5.02. Mediation and Arbitration. If the City and the District have not negotiated a resolution of the dispute within 30 days after this meeting, the parties may jointly select a mediator to facilitate further discussion. If a mediator is not used or if the parties are unable to resolve the dispute within 30 days after first meeting with the selected mediator, the dispute will be submitted to binding arbitration before a panel of three arbitrators in accordance with the commercial arbitration rules of the American Arbitration Association, except that disputes involving a monetary dispute in an amount less than \$25,000 will be submitted to a single arbitrator. The parties will equally share the costs of conducting any mediation or arbitration, excluding each party's cost for preparation of its own case.

5.03. Specific Performance. In addition to the dispute resolution mechanisms contained in this section, each party may seek specific performance of the other party's obligations under this agreement.

**ARTICLE VI
Miscellaneous**

6.01. Relationship of Parties. The City and the District agree that it is their intention hereby to create only the relationships of licensor and licensee, and no provision hereof, or act of either party hereunder, shall ever be construed as creating the relationship of lessor and lessee, principal and agent, or a partnership, joint venture or enterprise between the parties hereto.

**ARTICLE VII
Administrative Provisions**

7.01. Rights Cumulative. The rights and remedies of the City and the District under this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by such party, at the same or different times, of any other remedy for the same default or breach or of any of its remedies for any other default or breach of the party. No waiver made by either such party with respect to the performance or the manner or time thereof; of any obligation under this Agreement, shall be considered a waiver with respect to the particular obligation of the other party or a condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver of any obligations of the other party. Delay by a party hereto instituting or prosecuting any cause of action or claim hereunder shall not be deemed a waiver of any rights hereunder.

7.02. Notices. All notices, certificates or other communications required to be given to the City and the Developer hereunder shall be sufficiently given and shall be deemed given when delivered or deposited in the United States mail in registered or certified form with postage fully prepaid and addressed as follows:

If to the City: City of Edina
 4801 W. 50th Street
 Edina, Minnesota 55424-1330
 Attn: City Manager

If to the District: Independent School District No. 273
 5701 Normandale Road
 Edina, MN 55424
 Attn: Superintendent

The City and the District, by notice given hereunder, may designate different addresses to which subsequent notices; certificates or other communications should be sent.

7.03. Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by written amendment as mutually agreed upon authorized and executed by the City and the District.

7.04. Assignment. The City and the District may not assign their rights or obligations under this Agreement without the prior written consent of the other party.

7.05. Binding Effect. All of the covenants, conditions and agreements herein contained shall extend to, be binding upon, and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

7.06. Severability. If any provisions of this Agreement shall be declared invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect,

7.07. Execution Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

7.08. Governing Law. This Agreement shall in all respects be governed by and interpreted under the laws of the State of Minnesota.

7.09. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope of intent of any provisions or sections of this Agreement.

IN WITNESS WHEREOF the City and the District have subscribed their names as of the day and year first above written.

CITY OF EDINA

By: _____
James Hovland
Its Mayor

And: _____
Scott Neal
Its City Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by James Hovland and Scott Neal, respectively, the Mayor and City Manager of the City of Edina, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by its City Council.

Notary Public

IN WITNESS WHEREOF the City and the District have subscribed their names as of the day and year first above written.

INDEPENDENT SCHOOL DISTRICT
NO. 273 (EDINA), MINNESOTA

By: _____
Its Chairperson

And _____
Its Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

The foregoing instrument was acknowledged before me this ____ day of _____, 2012 by _____ and _____, respectively, the Chairperson of the School Board and the Clerk of the School Board of Independent School District No. 273, a Minnesota independent school district, on behalf of the school district and pursuant to the authority granted by its School Board.

Notary Public

This Instrument was Drafted by:
CAMPBELL KNUTSON P.A.
1380 Corporate Center Curve, Suite 317
Eagan, MN 55121
651-452-5000
[RNK]