



**Inver Grove Heights Economic Development Authority**  
**Monday, April 13, 2026 at 5:00 PM**  
**8150 Barbara Avenue, Inver Grove Heights, MN 55077**

## **AGENDA**

**NOTICE TO RESIDENTS:** Individuals may submit written public comments in advance of the meeting by emailing comments to Stacy Bodsberg ([sbodsberg@ighmn.gov](mailto:sbodsberg@ighmn.gov)). Comments received prior to 4:00 p.m. on Monday, April 13, 2026, will be provided to the EDA at or before the April 13, 2026 meeting.

**NOTICE OF REMOTE ATTENDANCE:** One or more Board members are expected to attend this meeting remotely, via interactive technology. The public may monitor the meeting electronically from a remote location via [www.townsquare.tv/webstreaming](http://www.townsquare.tv/webstreaming).

1. **Call to Order**
2. **Roll Call**
3. **Approval of Agenda**
4. **Consent Agenda**
  - A. Minutes of the February 23, 2026, Economic Development Authority Meeting.
  - B. Approval of Claims.
5. **Regular Business**
  - A. Continue SAC Credit Policy Discussion
  - B. EDA Executive Director Updates
6. **Public Comment**

Public comment provides an opportunity for the public to address the Council on items that are not on the agenda. Comments will be limited to three (3) minutes per person.
7. **Commission and Staff Comments**
8. **Adjourn**

**April 13, 2026 - Economic Development Authority Agenda**

**INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY MEETING  
FEBRUARY 23, 2026 – 8150 BARBARA AVENUE**

**1. CALL TO ORDER**

The Economic Development Authority (EDA) of Inver Grove Heights met in Regular Session on Monday, February 23, 2026, in the Council Chambers at City Hall. President Gliva called the meeting to order at 5:00 p.m. The Pledge of Allegiance was recited.

**2. ROLL CALL**

Present In-Person: President Gliva; Commissioners: Murphy, Scales, and T'Kach

Remote: Commissioner Dietrich

Staff in Attendance: Interim City Administrator Hiniker, City Attorney Nason, EDA Executive Director Ziemer, and City Clerk Kiernan.

**3. APPROVAL OF AGENDA**

Motion by Scales; Second by T'Kach to Approve the Agenda as Published.

Ayes: 5

Nays: 0      Motion carried.

**4. ELECTION OF OFFICERS**

A. Appoint 2026 Officers for the Economic Development Authority.

EDA Executive Director Ziemer stated that it was time to reelect the Commissions officers for the upcoming year. The current officer's roles were reviewed and Ziemer recommended appointing Clerk Kiernan as Secretary due to recent scheduling changes, stating this adjustment would improve efficiency.

Ziemer stated that although the agenda listed the officer appointments as individual motions, the Commission could approve them all in a single motion, consistent with past practice, unless separate consideration is preferred.

Motion by T'Kach; Second by Scales to Appoint President Gliva, Vice President Scales, Treasurer Dietrich, Assistant Treasurer Hove, and Secretary Kiernan for the year 2026.

Ayes: 5

Nays: 0      Motion carried.

**5. CONSENT AGENDA**

A. Minutes of the August 11, 2025, Economic Development Authority Meeting.

B. Minutes of the December 8, 2025, Economic Development Authority Meeting.

C. Approve a Resolution Amending the Economic Development Authority Bylaws Regarding Regular Meetings. **EDA Resolution 2026-001**

D. Approve the Economic Development Authority 2026 Meeting Schedule.

E. Approval of Claims.

Motion by Scales; Second by T'Kach to Approve the Consent Agenda Items.

Ayes: 5

Nays: 0      Motion carried.

**6. REGULAR BUSINESS**

A. Discussion Proposed Excess SAC Credit Policy.

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EDA Executive Director Ziemer provided an overview of the SAC Credit Policy and outlined the purpose of the discussion and the anticipated next steps. The intent is to obtain review, questions, and feedback, followed by a final staff review and policy update, with adoption by the EDA and City Council anticipated in April.

Ziemer explained that Sewer Availability Charge (SAC) is determined when a building receives its initial building permit, and each new use of the building triggers a re-evaluation. If the new use requires more SAC units than before, the applicant pays the difference (e.g., office → clinic). If the new use requires fewer SAC units (e.g., clinic → office), no payment is required. When a new use requires fewer units, the difference becomes a SAC Credit.

MCES has advised that SAC Credits may be used anywhere in the community. Credits may also remain tied to the specific property, but if so, they must stay with that property for 5 years unless designated as community wide. The City currently has 66 MCES SAC Credits, valued at \$2,485 per unit, for a total value of \$164,010.

Ziemer presented several policy questions for discussion. The first focused on whether eligibility should depend on demonstrated financial hardship. The recommendation is not to require hardship, but instead to base eligibility on the type of business and related criteria. The second question asked whether administrative review and approval should be allowed when all policy criteria are met. The feedback supports enabling administrative approval to increase flexibility and responsiveness, as long as clear criteria are defined for when this authority applies.

The third policy question explored whether additional eligibility requirements—such as job creation, business expansion, or focusing on redevelopment areas—should be included, noting that “expansion” would need a clear definition. Feedback indicated that these added considerations help clarify the purpose of the assistance and support tracking and enforcement, and they would supplement, not replace, existing eligibility criteria.

The fourth question asked whether the EDA and City Council should be able to consider other program tools—such as payment plans, grants or forgivable loans, and deferments—which MCES already permits. These options are commonly used with City SAC and WAC programs and would provide businesses with more flexible support.

Additional policy questions considered whether applications should be processed on a first-come, first-served basis and only when SAC Credits are available. The feedback supports this method. There was also discussion about placing limits on how often an applicant can receive credits—such as one application per year or no more than two within three years—with a general preference for having limits while remaining open to EDA and City Council guidance.

Further questions addressed whether to charge an application fee and whether to require formal agreements. The feedback does not support charging a fee solely for SAC Credit applications, though a fee could be justified if combined with other programs. It is recommended that the City require agreements for SAC Credits as well as for any related assistance programs.

Commissioner Scales stated that proving financial hardship is difficult and does not support including hardship as an eligibility requirement. He prefers focusing on the types of businesses the City wants to attract. He also expressed concern about relying solely on administrative review due to the number of requirements involved. Scales supports prioritizing job creation and finds the proposed program options reasonable, including a first-come, first-served structure and clear limits on applications. Does not

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support charging an application fee, as it conflicts with the purpose of offering assistance but supports requiring a formal agreement and emphasized keeping the overall approach simple.

Commissioner Murphy stated that administrative review should come before the Council rather than being handled solely at the staff level and expressed concern that determining financial hardship would be difficult to apply fairly. He also had concerns about the application fee and asked whether the application would be completed by staff or by the applicant. Ziemer clarified that the applicant would complete the application with staff providing the form and reviewing it to ensure all eligibility requirements are met before concurring. Murphy stated that he does not believe an application fee is necessary.

Commissioner T’Kach stated that she understands the potential complications associated with demonstrating financial hardship and asked what other cities are doing in this area. Ziemer stated that some cities include financial hardship language in their policies, though it is not clearly defined, while other cities are silent on the issue. T’Kach suggested developing clear criteria with staff over the few months to define the types of businesses the City wants to attract. She also questioned whether SAC or WAC credits should be limited, rather than awarded entirely on a first-come, first served basis, and proposed setting a cap or percentage limit per applicant. Ziemer explained that the policy limits the maximum number of SAC credits that may be requested to five or no more than 80%, and applicants cannot zero out their entire SAC obligation. The City Council retains full discretion to issue credits and that the policy allows flexibility to exceed standard limits if clearly defined community goals or other priorities justify doing so.

T’Kach suggested a tiered approach in which applicants meeting more of the City’s criteria could receive a higher percentage of SAC credits, while a standard award might be lower. She expressed support for a grant or forgivable loan option, contingent on reviewing a pro forma to ensure viability. She also raised the question of how to handle expiring credits, asking whether the City should have flexibility to award a higher amount to avoid losing them or still require some level of financial participation. Ziemer stated that he does not believe SAC credits expire but will verify that with the Metropolitan Council. The only timeline applies when extra credits are not claimed at the time of filing a report, in which case they remain attached to the property for five years. After that period, if unused or increased, they may be applied community wide.

T’Kach supported developing clear eligibility requirements, such as job creation, expansion, or redevelopment in targeted areas, and suggested ideas be submitted in the coming weeks. She also expressed concern with a first come, first served approach, stating applicants should meet a defined percentage of the criteria. Ziemer stated that the eligibility requirements would remain in place.

T’Kach inquired about the timing of SAC credit decisions, asking when an applicant would be informed whether a credit will be awarded. Ziemer stated that under a first come, first served approach, applicants must apply for SAC credits before paying building permit fees, as requests cannot be made afterward. The applicants generally know their SAC obligation in advance, credits are available only while supply remains, and applications cannot be held while awaiting additional requests.

T’Kach questioned the limitation of one application per year, confirming that it refers to one application per business. She questioned whether a business that applies upon initial entry or expansion would be ineligible to apply again for an additional expansion within the same year and referenced the limitation of no more than two applications within a three-year period. Ziemer confirmed the limitation of no more than two applications within a three-year period, explaining that the intent is to ensure multiple applicants can access credits rather than allowing a single applicant to repeatedly pursue them.

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Commissioner Dietrich expressed appreciation for the advance questions regarding the policy and stated that, moving forward, she would like to see practical examples demonstrating how the policy would apply to existing businesses and those considering locating in the City, to understand its full impact.

President Gliva asked a scope related question, stating that if a restaurant comparable in size to Applebee's were to locate in the City, how many SAC credits would typically be required for a development of that scale. Ziemer stated that he does not have a specific figure available but will provide comparable examples, noting that SAC requirements for commercial uses vary widely. Gliva questioned whether a single-family home equates to one SAC unit. Ziemer confirmed that a single-family home equals one SAC unit. Apartments are calculated by unit count and common area square footage, while commercial, industrial, and institutional uses are based on specific use and square footage. The Met Council determinations are now more streamlined and will provide recent examples, including restaurants and other commercial developments, to illustrate typical SAC requirements. Gliva expressed support for establishing defined criteria and allowing discretion to award a greater number of SAC credits as more criteria are met, particularly for projects the EDA is seeking to attract. She suggested a structured approach, such as a point-based system, rather than a strict sliding scale. Ziemer confirmed that the Council has discretion to award a higher number of SAC credits, provided the decision is supported by clearly identified criteria and factors. Gliva stated that incorporating a structured approach, such as defined criteria with discretion, would make the policy clearer and easier to administer. Ziemer cautioned against defining criteria so narrowly that flexibility is lost. While supportive of factors such as job creation or business expansion, he advised against setting rigid thresholds, such as a minimum number of jobs or a specific percentage increase in space, noting the importance of maintaining discretion while achieving the policy's goals.

Commissioner T'Kach inquired as to how mixed-use developments would be treated, specifically projects that include first floor commercial space with residential or senior housing units above. Ziemer stated that in a mixed-use development, the commercial portion would be eligible for SAC credits, while the residential portion would not. T'Kach asked for clarification on how the physical space would be calculated within a mixed-use development. Ziemer explained that in a mixed-use development, the retail and residential portions receive separate SAC determinations, allowing the uses to be calculated independently. T'Kach expressed uncertainty about the administrative review process and supported Commissioner Dietrich's suggestion to review several scenarios to better understand how the policy would function in practice. Ziemer referenced the draft list of eligible business types, including retail, food and beverage, entertainment, and small manufacturing, noting it was based on prior discussions. He questioned whether additional general categories should be identified, emphasizing that the intent is to maintain flexibility rather than narrowly defining specific uses. Most cities keep their eligibility criteria broad.

Commissioner T'Kach asked whether a library or another governmental entity relocating to the City would be eligible under the nonprofit category. Ziemer clarified that the policy identifies ineligible entities, including businesses without a physical location, nonprofit organizations, national chain businesses, adult gambling and cannabis-oriented businesses, and those that do not meet the general purpose of the policy. T'Kach asked whether an expansion of the Dakota County Library, if it required one additional SAC unit, would it be eligible under the policy given the listed exclusions. Ziemer stated that if the Council wishes to consider certain public uses, such as a library expansion, as eligible, the policy should be revised to expressly include those types of uses. T'Kach stated that while a library expansion may not directly meet criteria related to attracting businesses or expanding the tax base, it could enhance community appeal. These are considerations that need further discussion and review.

President Gliva stated that she is comfortable with the current list of eligible uses and asked whether staff has sufficient direction to proceed.

Director Ziemer summarized that no substantive changes were requested to the proposed policy. Administrative review will not be included, the financial hardship language will be removed, eligibility requirements will be further refined, and discussion of other program options will continue. The first come, first served structure and existing limitations will remain, no application fee will be charged, and a formal agreement will be required for SAC credits. Practical examples of how the policy would apply will be provided and will verify whether SAC credits have an expiration timeline.

Commissioner T’Kach questioned whether a building permit would be required even for minor improvements, such as installing a sink, and questioned whether a business could occupy or expand within a building without triggering a building permit. Ziemer clarified that SAC is triggered by a change in use. When a new business occupies a commercial or industrial space, a new SAC determination is completed to confirm whether additional units are required or not. Minor improvements, such as installing a sink or toilet, would not independently trigger a SAC review unless they are associated with a change in use.

T’Kach questioned whether expanding a restroom, such as increasing from one stall to five, would trigger a SAC review. Ziemer stated that a SAC review would more likely be triggered by an expansion in overall space or a change in use, such as adding interior space or an outdoor patio, rather than by simply increasing the number of restroom stalls.

T’Kach stated that these are examples the City Council should consider further and requested that staff provide additional scenarios for review. Suggests that any strong or exemplary City policies be shared for reference. Ziemer stated that most City policies are generally similar, though some are more detailed. The intent is to adopt a clear, defined policy outlining eligibility, decision making criteria, and process, so that staff, the EDA, the City Council, and applicants understand expectations, rather than a policy lacking structure.

Mayor Dietrich expressed support for the effort to create a clear and well-defined policy.

**B. Discuss EDA Strategic Plan.**

EDA Executive Director Ziemer stated that shortly after beginning his role with the City, he conducted research and reviewed prior EDA materials to better understand historical efforts and direction. The previous year was especially active, with numerous initiatives underway. Based on this review, he emphasized the importance of establishing a clearly defined Economic Development Strategy that outlines what the City seeks to achieve, why those goals are important, the desired outcomes, and the resources required, including the respective roles of staff and the EDA.

**While significant progress was made and efforts were moving forward effectively, there were times** when priorities may not have been fully aligned with clearly articulated goals. Developing or revisiting a formal Strategic Plan would provide clarity, structure, and accountability, ensuring that meetings consistently measure progress against defined objectives.

Alignment with a broader Citywide Strategic Plan was identified as essential to ensure a coordinated and symbiotic relationship between overall City goals and Economic Development priorities. The intent of raising the topic was to provide historical context, initiate discussion, and seek direction from the EDA regarding the preferred path forward and next steps in establishing a clear, goal driven framework. President Gliva stated that the effort would likely require one or two dedicated meetings and suggested identifying tentative dates to focus on the discussion. She expressed support for the idea, noting that while many important initiatives are underway, a clearer framework is needed to provide direction and keep efforts aligned.

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Mayor Dietrich expressed support for strategic planning, noting it would help align efforts with the Planning Commission and provide clearer timelines for evaluating new ideas. She supported scheduling dedicated dates to advance the discussion.

Commissioner T’Kach concurred with the previous comments and expressed support for moving forward with the proposed strategic planning discussions.

Director Ziemer proposed holding strategic planning sessions on non-EDA meeting nights to maintain the structure of regular business meetings. He outlined a process that may include individual meetings to frame priorities, followed by one or two work sessions to define goals and strategies, with draft review occurring at a regular meeting.

He will identify potential dates, considering travel schedules and the upcoming budget calendar to avoid conflicts.

Mayor Dietrich suggested distributing a scheduling survey to determine member availability for the proposed strategic planning sessions.

7. **PUBLIC COMMENT:** None

8. **COMMISSION AND STAFF COMMENTS:** None

9. **ADJOURN**

**Motion to Adjourn at 5:46 p.m. by Scales, seconded by Murphy.**

**Ayes: 5**

**Nays: 0      Motion carried.**

Minutes prepared by City Recording Secretary Tammy Greenlee.



		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
<b>Fund: 290 - EDA-OPERATING FUND</b>							
<b>Revenue</b>							
<a href="#">290.5800.000.4610</a>	Investment Interest-Received	10,500.00	10,500.00	0.00	1,807.90	-8,692.10	82.78 %
<a href="#">290.5800.000.4990</a>	Transfers In from Other Funds	182,390.00	182,390.00	15,199.17	60,796.68	-121,593.32	66.67 %
<b>Budget Detail</b>							
<b>Description</b>		<b>Units</b>	<b>Price</b>	<b>Amount</b>			
5% Increase for 2026		1.00	-8,900.00	-8,900.00			
Add'l Reduction 9.9.2025		1.00	800.00	800.00			
Reduced 9.9.2025		1.00	3,700.00	3,700.00			
Trsfr from General Fund Tax Levy (2025 Levy)		1.00	-177,990.00	-177,990.00			
	<b>Revenue Total:</b>	<b>192,890.00</b>	<b>192,890.00</b>	<b>15,199.17</b>	<b>62,604.58</b>	<b>-130,285.42</b>	<b>67.54 %</b>
<b>Expense</b>							
<a href="#">290.5800.000.5000</a>	Wages-Full Time Employees	118,400.00	118,400.00	659.60	4,599.34	113,800.66	96.12 %
<a href="#">290.5800.000.5010</a>	Wages-Non-Benefited Employees	1,300.00	1,300.00	0.00	166.53	1,133.47	87.19 %
<a href="#">290.5800.000.5030</a>	Employer Social Security	7,400.00	7,400.00	41.07	295.07	7,104.93	96.01 %
<a href="#">290.5800.000.5032</a>	Employer Medicare	1,700.00	1,700.00	9.60	69.00	1,631.00	95.94 %
<a href="#">290.5800.000.5040</a>	Medical Insurance	20,800.00	20,800.00	0.00	0.00	20,800.00	100.00 %
<a href="#">290.5800.000.5046</a>	Insurance-Cash Option	5,100.00	5,100.00	17.82	124.74	4,975.26	97.55 %
<a href="#">290.5800.000.5050</a>	Life Insurance	200.00	200.00	0.00	5.97	194.03	97.02 %
<a href="#">290.5800.000.5052</a>	LTD Insurance	400.00	400.00	0.00	12.54	387.46	96.87 %
<a href="#">290.5800.000.5053</a>	MN Paid Family & Medical Leave	900.00	900.00	2.58	18.62	881.38	97.93 %
<a href="#">290.5800.000.5058</a>	Account Fees-HSA/HRA/FSA	100.00	100.00	0.00	1.04	98.96	98.96 %
<a href="#">290.5800.000.5060</a>	Employer PERA	9,000.00	9,000.00	49.47	357.45	8,642.55	96.03 %
<a href="#">290.5800.000.5084</a>	Workers Compensation	500.00	500.00	41.67	166.68	333.32	66.66 %
<a href="#">290.5800.000.5105</a>	Office Supplies	500.00	500.00	0.00	0.00	500.00	100.00 %
<a href="#">290.5800.000.5190</a>	Other Supplies	5,500.00	5,500.00	0.00	0.00	5,500.00	100.00 %
<b>Budget Detail</b>							
<b>Description</b>		<b>Units</b>	<b>Price</b>	<b>Amount</b>			
General Other Supplies		1.00	500.00	500.00			
Marketing Campaign Materials-Signs,Flyers, Etc.		1.00	1,500.00	1,500.00			
MNCAR Fall Expo-Booth Display		1.00	1,000.00	1,000.00			
MNCAR Fall Expo-SWAG		1.00	2,500.00	2,500.00			
<a href="#">290.5800.000.5305</a>	Legal Services	10,000.00	10,000.00	1,031.95	6,879.31	3,120.69	31.21 %
<b>Budget Detail</b>							
<b>Description</b>		<b>Units</b>	<b>Price</b>	<b>Amount</b>			
Legal Services		0.00	0.00	10,000.00			
<a href="#">290.5800.000.5310</a>	Professional Services & Contracts	50,000.00	50,000.00	774.30	8,997.55	41,002.45	82.00 %
<b>Budget Detail</b>							
<b>Description</b>		<b>Units</b>	<b>Price</b>	<b>Amount</b>			
Financial Assistance (Ehlers)		0.00	0.00	10,000.00			
KREA Consulting Services		12.00	2,500.00	30,000.00			
Remove KREA Consulting for 2026		1.00	-30,000.00	-30,000.00			
Small Area Plan - Republic & Concord		0.00	0.00	35,000.00			
StrPlan: Marketing Campaign (Graphic Designer)		0.00	0.00	5,000.00			
<a href="#">290.5800.000.5335</a>	Dues, Licenses & Subscriptions	2,635.00	2,635.00	0.00	335.00	2,300.00	87.29 %
<b>Budget Detail</b>							
<b>Description</b>		<b>Units</b>	<b>Price</b>	<b>Amount</b>			
Membership: EDAM (ORG)		0.00	0.00	330.00			
Membership: MNCAR		0.00	0.00	325.00			

**Budget Report**

**For Fiscal: 2026 Period Ending: 04/30/2026**

		<b>Original Total Budget</b>	<b>Current Total Budget</b>	<b>Period Activity</b>	<b>Fiscal Activity</b>	<b>Variance Favorable (Unfavorable)</b>	<b>Percent Remaining</b>
MNCAR Fall Expo Exhibit Hall Booth		0.00	0.00	1,150.00			
Subscription: MNCAR Exchange (Fee+Setup)		0.00	0.00	830.00			
<a href="#">290.5800.000.5340</a>	Training & Travel	2,600.00	2,600.00	0.00	920.00	1,680.00	64.62 %
<b>Budget Detail</b>							
<b>Description</b>		<b>Units</b>	<b>Price</b>	<b>Amount</b>			
Chamber of Commerce Annual meeting		7.00	50.00	350.00			
Chamber of Commerce Awards & Trade Show		7.00	50.00	350.00			
EDA Winter Conference (Reg+Lodge+Travel)		0.00	0.00	600.00			
EDAM Summer Conference (Reg+Lodge+Travel)		0.00	0.00	1,120.00			
MNCAR Fall Expo Registration		3.00	60.00	180.00			
<a href="#">290.5800.000.5380</a>	Utility Charges-Storm Water	3,000.00	3,000.00	0.00	70.50	2,929.50	97.65 %
<a href="#">290.5800.000.5450</a>	Insurance Allocation	300.00	300.00	25.00	100.00	200.00	66.67 %
<a href="#">290.5800.000.5455</a>	City Facilities Allocation	350.00	350.00	29.17	116.68	233.32	66.66 %
	<b>Expense Total:</b>	<b>240,685.00</b>	<b>240,685.00</b>	<b>2,682.23</b>	<b>23,236.02</b>	<b>217,448.98</b>	<b>90.35 %</b>
	<b>Fund: 290 - EDA-OPERATING FUND Surplus (Deficit):</b>	<b>-47,795.00</b>	<b>-47,795.00</b>	<b>12,516.94</b>	<b>39,368.56</b>	<b>87,163.56</b>	<b>182.37 %</b>
	<b>Report Surplus (Deficit):</b>	<b>-47,795.00</b>	<b>-47,795.00</b>	<b>12,516.94</b>	<b>39,368.56</b>	<b>87,163.56</b>	<b>182.37 %</b>

### Group Summary

Account Typ...	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance	
					Favorable (Unfavorable)	Percent Remaining
<b>Fund: 290 - EDA-OPERATING FUND</b>						
Revenue	192,890.00	192,890.00	15,199.17	62,604.58	-130,285.42	67.54 %
Expense	240,685.00	240,685.00	2,682.23	23,236.02	217,448.98	90.35 %
<b>Fund: 290 - EDA-OPERATING FUND Surplus (Deficit):</b>	<b>-47,795.00</b>	<b>-47,795.00</b>	<b>12,516.94</b>	<b>39,368.56</b>	<b>87,163.56</b>	<b>182.37 %</b>
<b>Report Surplus (Deficit):</b>	<b>-47,795.00</b>	<b>-47,795.00</b>	<b>12,516.94</b>	<b>39,368.56</b>	<b>87,163.56</b>	<b>182.37 %</b>

### Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
290 - EDA-OPERATING FUND	-47,795.00	-47,795.00	12,516.94	39,368.56	87,163.56
<b>Report Surplus (Deficit):</b>	<b>-47,795.00</b>	<b>-47,795.00</b>	<b>12,516.94</b>	<b>39,368.56</b>	<b>87,163.56</b>



**Economic Development Authority  
Staff Report**

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**SUBJECT: Continue SAC Credit Policy Discussion**

**MEETING DATE:** April 13, 2026

**ITEM TYPE:** Regular Business

**CONTACT:** Jason Ziemer, Community Development Director, 651-450-2546

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**PURPOSE/ACTION REQUESTED**

The Economic Development Authority is asked to receive an update and provide further feedback regarding a draft SAC Policy.

**BACKGROUND**

At the February 23, 2026 EDA meeting, Executive Director Jason Ziemer presented EDA members with a draft policy regarding SAC Credits currently available to the City. Below is a recap of the revisions to the policy, completed by staff at the direction of the EDA.

SAC Recap

Sewer Availability Charge, or SAC, is a one-time fee paid at the time of a building permit for a home or business. The amount of the fee is set by the Metropolitan Council, which owns, operates and maintains the regional wastewater treatment system. It is paid by all use types – residential, commercial, industrial and institutional, including public facilities.

The Metropolitan Council assigns a certain number of SAC units to each property based on the type of use and/or development, and the anticipated amount of wastewater contributed to, or demand placed on, the regional system by that use. A single-family home typically equals 1 SAC unit. SAC for commercial varies depending on different factors, notably the type and size of use and different spaces within the business (i.e office, warehouse, dining areas, kitchens, etc.). The fee is collected by the City of Inver Grove Heights (City) and paid to the Metropolitan Council. The SAC unit is also used by the City to calculate City SAC and WAC to be paid by the property owner.

SAC Credits

The City ended up with SAC Credits due to a change in occupancy or use of a building. The new use required less SAC than paid by the previous occupant, which resulted in “excess” SAC or SAC credits. Those credits were captured by the City for use City-wide as a tool for economic development purposes. The City has SAC unit credits totaling approximately 67 units, which equals \$166,495 in fee value. The policy determines the parameters under which the City will use those SAC credits.

Policy Revisions

As mentioned, the EDA reviewed a draft policy at its February 2026 meeting, instructing the Executive Director to make revisions. Those revisions were incorporated and included the following:

- Providing example additional criteria for considering the “other businesses” not explicitly identified on the list of eligible businesses. Four additional review criteria were provided. See Section C on Page 3.
- Delete the “demonstrated financial hardship” requirement.
- All review and approval should follow the same process; no administrative review/approval.
- Allow the option to consider payment arrangements, grants or loans for SAC and WAC fees due (City only fees).
- Credits available first-come, first-served.
- Keep limitations as written: 1 application per year and no more than 2 in a 3 year period.
- Keep language allowing the City to charge a fee; not charge the fee at this time.
- Require agreements.

The Additional Criteria (Policy Page 5) are evaluation tools the EDA and/or City Council may use when determining requests for SAC Credits for businesses that are not explicitly identified as eligible (Policy Page 4). Generally, those criteria include size of the business (based on number of employees), jobs created, economic impact and location. The EDA and/or City Council would have the ability to use any of these criteria in those circumstances, or other qualifying criteria as may be determined from time to time.

Director Ziemer met with Finance Director Amy Hove regarding the Alternative Program Options. Those options include allowing the EDA and/or City Council to payment arrangements, grants or forgivable to loans for businesses where there are no SAC credits available or the business is not eligible and is not made eligible through the Additional Criteria but the EDA and/or City Council. Where a grant or forgivable loan is requested and approved, and that amount exceeds \$25,000, the business would also need to formally submit a business subsidy application through the City’s Public Financial Assistance policy. Attached is an example payment agreement.

Director Hove has also reviewed the entire SAC Credit policy.

### Metropolitan Council Questions

As requested, Director Ziemer did talk with Metropolitan Council Environmental Services (MCES) staff regarding SAC questions from EDA members.

- Do City-wide credits expire?

*No. SAC Credits remain on our reporting form until they are depleted. Site-specific credits also never expire; they remain onsite until the next use (or future) uses those available credits.*

- Can the City capture site-specific credits in the future?

*Yes, if a specific site has existing credits and a new use occurs but does not use all of those credits, the City can decide to leave them site-specific or capture them for City-wide use at that time of the new use, otherwise they remain with the property. This is true except for “grandparent” credits. Grandparent credits are SAC Credits determined to exist by the City and MCES in 2009 but with no record of said SAC payment or determination. These Credits must always remain with the property.*

## SAC Examples

Chief Building Official Steve Johnson worked with Inspections staff to pull information regarding SAC specific to certain properties recently occupied by new businesses. At my request, they also provided random scenarios, showing a 'what if' an existing business expands into new spaces at its current location. The goal was to show how this SAC credit policy might come into play in practice. Below is a quick breakdown of those examples. Staff will discuss how these uses may have qualified or not to the policy during the EDA meeting.

These table shows the business and use – new or change in business – total SAC determination for the new business, what SAC existed with the previous use, and what SAC the new business needs to pay.

Actual Scenarios					
Business	Use	New SAC	Prior SAC	SAC Owed	Value
Restaurant (Chipotle)	New	7	0	7	\$17,395
Restaurant (Tono's)	Change	8	1	7	\$17,395
Restaurant (Hangry Joe's)	Change	6	1	5	\$12,425
Restaurant (IGH Brewing)	Change	7	19	-12	-\$29,820
Restaurant (Cuppa More)	Change	4	2	2	\$4,9780

With this next table, staff is showing the 'what if' an existing business expands at its current location and whether it is an expansion of an existing business or change in business.

Sample Scenarios					
Business	Use	New SAC	Prior SAC	SAC Owed	Value
Food Service	Expansion	1	4	-3	-\$7,455
Office / Retail	Change	2	1	1	\$2,485
Manufacturer	Expansion	21	14	7	\$17,395

\* *Manufacturer scenario show represents a 50% increase in space from 50,000 sf to 75,000 sf.*

Note: The negative (-) SAC Owned and negative Value represent there is no SAC owed by the business. The negative numbers represent SAC units that would remain on the property or be captured for City-wide use. Specifically regarding IGH Brewing, the excess SAC (12) was left on the property as the business had previously talked about an expansion of the patio area, which would require more SAC to be paid.

### **FISCAL IMPACT**

None.

### **RECOMMENDATION**

City staff seek direction as to additional revisions or if the EDA is prepared to move forward to adoption.

### **ATTACHMENTS**

1. REVISED DRAFT\_V8\_IGH SEWER AVAILABILITY CHARGE (SAC) POLICY\_04-03-2026
2. Example\_Final Draft\_[Business Name] SAC Payment Agreement\_[Date]



CITY OF  
**INVER GROVE  
HEIGHTS**

## **SEWER AVAILABILITY CHARGE (SAC) POLICY**

**ADOPTED**

TBD

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## **INTRODUCTION**

The Sewer Availability Charge (SAC) is a one-time fee required when a residence or business connects to the Twin Cities metropolitan regional wastewater treatment system. The amount of the fee is set by the Metropolitan Council Environment Services (MCES), which owns, operates and maintains the regional wastewater treatment system. The MCES SAC fee is paid by all use types - residential, commercial, industrial and institutional, including public facilities.

MCES assigns a certain number of SAC units to each property based on the type of use and/or development, and the anticipated amount of wastewater contributed to, or demand placed on, the regional system by that use. For example, a single-family home typically equals 1 SAC unit. Conversely, commercial and industrial uses vary depending on different factors and the space occupied by those businesses and the size of each use within that space (i.e. office, warehouse, dining areas, kitchens, etc.). The fee is collected by the City of Inver Grove Heights (City) and transmitted to MCES. The MCES SAC unit is also used by the City to calculate City SAC and WAC to be paid by the property owner.

SAC fees are paid with the building permit for either a new building or building remodel, or when a connection permit is issued for an existing building connecting to the sanitary sewer system for the first time. Even though a property may have an existing sewer connection, a change in occupancy or use of a building may cause an increase in the demand on the public system, requiring additional SAC charges to be paid by the property owner. Conversely, a change in occupancy or use of a building may result in a SAC Credit.

SAC Credits are excess, or unused, SAC units created when a SAC determination for a new use equals less SAC units than what were previously paid by the prior user. These SAC Credits become available to the City and may be claimed and designated for use community wide.

## **PURPOSE & OBJECTIVES**

- A. Purpose: This Sewer Availability Charge (SAC) Policy (SAC Policy) establishes the policies and procedures related to the collection and use of community-wide SAC unit credits to aid in economic development and redevelopment within the City. The Economic Development Authority (EDA) shall receive and review applications for SAC Credits and provide a recommendation to the City Council for the allocation of any available credits.
- B. Objective: The program, as outlined by this SAC Policy, allows the consideration of aid to small businesses or certain types of businesses, as identified by the EDA and City Council as priority businesses, that choose to locate within Inver Grove Heights; or the expansion of an existing business within the City through the reduction of SAC fees.

## **COLLECTION OF COMMUNITY-WIDE CREDITS**

The Sewer Availability Charge (SAC) Procedure Manual issued by the Metropolitan Council Environmental Services (MCES) allows local governments the ability to retain SAC Credits upon redevelopment of a property or when a change in use occurs on a property. SAC Credits eligible to become community-wide credits include only those previously paid for.

- A. SAC Credits shall be designated and retained as community wide only after a new end-user has been identified for a property. If a site or building sits vacant, the SAC Credits previously paid for on that site or building remain tied to that site until such time as a new use is put in place and a new SAC determination is made by MCES. The City shall claim those SAC Credits on the MCES SAC-A form when a building permit is issued for the new use. If not claimed, the SAC Credits shall become site-specific and will remain with the site for a period of five (5) years.
- B. The collection of SAC Credits shall only occur following the determination of SAC Units required for the new use, and only if the new SAC Units are fewer than those SAC Units associated with the property.
- C. The City shall maintain records of SAC Credits. This includes maintaining record of community-wide credits available and record of businesses which have benefitted from this program. Records shall be kept within the Community Development Department.

## **USAGE OF COMMUNITY-WIDE CREDITS**

SAC Credits collected by the City shall be used to attract, retain and support the expansion of new businesses within the community, at the discretion of the City Council and in accordance with established City goals and priorities for development and redevelopment.

### A. Eligible Business Types

Business eligible to apply for SAC Credits include the following:

- food and beverage-based businesses
- entertainment businesses
- retail businesses
- small manufacturing.

The EDA may consider and recommend to the City Council the use of SAC Credits for other business types not explicitly listed as eligible provided those business-types meet the intended objectives, qualifications and Additional Criteria of this Policy. Eligible businesses must either open a new business within the City or expand an existing operation that requires additional SAC units to be paid by the business.

### B. Ineligible Business Types

The following businesses are ineligible to apply for SAC Credits through this program

- businesses with no physical location in the City
- non-profit organizations
- national chain businesses
- adult-, gambling- and cannabis-oriented businesses; and/or
- businesses that do not meet the Purpose and Objectives of this SAC Policy.

### C. Additional Criteria

For other business types not explicitly listed as Eligible, the EDA and/or City Council may any or all use these Additional Criteria when evaluating requests for SAC Credits. The EDA and/or City Council reserves the right to determine other qualifying criteria.

Size: Businesses with fewer than 40 employees.

Jobs: Businesses creating at least two (2) new full-time equivalent (FTE) jobs or retaining existing FTEs for a specific period of time, as determined by the EDA and/or City Council. Jobs creation must occur within two (2) years from the SAC Credit award date.

Economic Impact: Business investment that revitalizes an existing property through infill development, rehabilitation and repurpose of an existing building or property, and/or clean up blighted, neglected and deteriorated properties. The resulting economic impact may include but is not limited to: increased taxable value of the existing property, environmental remediation, improved business district aesthetics, and/or other economic impacts as determined by the EDA and/or City Council.

Location: Businesses occurring in development and redevelopment focus areas as established by the EDA and/or City Council through the City's Comprehensive Plan, neighborhood plans, small area plans or master development or redevelopment plans.

### D. Timing of Applicants

Applications for this program shall only be accepted prior to the issuance of a building permit. Applications may not seek reimbursement of previously paid-for credits.

### E. Maximum Credits Allowed Per Application

The maximum number of SAC Credits that may be requested by an applicant shall be limited to a maximum of five (5) credits or not more than 80% of the total number of SAC Credits needed, whichever is smaller. At no time shall SAC Credits be used to zero out SAC owed for a project. Additional credits greater than the maximum stated above, may only be granted upon recommendation by the EDA and approved by the City Council for eligible businesses with significant SAC costs. Under no circumstance shall the number of credits awarded to one applicant exceed ten (10) credits. The City cannot guarantee the availability of SAC credits.

SAC Credits issued are limited to the number of SAC Credits available up to the maximum allowed. The EDA may consider and recommend to the Council the issuance of SAC Credits greater than the maximums, as defined above, if the resulting development satisfies a significant community goal.

## **ALTERNATIVE PROGRAM OPTIONS**

In lieu of awarding SAC Credits, or if no SAC Credits are available, the EDA and City Council may consider these other program options for the purpose of supporting new business and business growth in the community.

Payment Arrangement. The EDA may recommend and the City Council may approve a no- to low-interest Payment Arrangement with an eligible business. Payment arrangements shall only apply to City SAC connection fees due; the City shall not enter payment arrangements for MCES SAC amounts due. No payment arrangement shall be offered by the City for a business applying for or receiving a SAC deferral or deferred payment or other assistance through MCES. Payment Arrangements may also be used for WAC connection fees.

Terms of a Payment Arrangement shall include the following terms. The City Council reserves the right to add additional terms and conditions to any Payment Arrangement.

- Initial downpayment, followed by an equivalent number of payments.
- Payment installment plan not exceeding 12 months, unless otherwise authorized.
- Interest rate; optional interest waiver.
- Failure to pay provisions with option for special assessment(s) due to lack of payment.

All arrangements shall include an interstate rate; waiver of interest, if approved, shall only occur with each payment made to the City. Failure to pay may result loss of an interest waiver and cancellation of Payment Arrangement.

Grant or Forgivable Loan. The City Council shall have the option to establish a Payment Arrangement as a Grant or Forgivable Loan. Terms of a Grant or Forgivable Loan shall follow the Payment Arrangement. The City Council may agree to a Grant or Forgivable Loan for all or a percentage of the total SAC and/or WAC due to the City. Grants or Forgivable Loans are equal to a fee waiver or reduction to the normal WAC and SAC connection fees due to the City.

Under a Grant, the business shall pay SAC or WAC fees in full at the time of building permit or successfully complete the payment arrangement. The City Council shall agree to reimburse the business for only those fees paid according to terms and conditions of the agreement.

Under a Forgivable Loan, payments according to the approved installment plan shall only be waived when the payment is due and based on the terms and conditions of the agreement.

If the business ceases operation (closes or relocates) at any time during the term of the Payment Arrangement, the business and/or property owner shall be required to remit payment for the balance due including interest. Businesses that cease operation may no longer be eligible for reimbursement under the Grant option. Payment Arrangements shall not be transferable to the next business or business owner or new business location upon relocation. The City shall reserve the right to assess the property for any balance due. The business must be eligible through this Policy and must apply for the Grant or Forgivable Loan according to the City's Public Subsidy and Business Assistance Policy.

SAC Deferral or Deferred Payment Agreement. Businesses not eligible for SAC credits or other program options through this Policy, or eligible businesses seeking assistance when no SAC credits are available, may make application to the MCES for assistance or deferral of SAC owed.

## **GENERAL TERMS & CONDITIONS**

- A. The City Council reserves the right to determine and limit the number of SAC Credits issued to applicants. Such limitations shall be implemented to ensure maximum utilization and benefit of SAC Credits available. Nothing herein shall imply or suggest that the City is under any obligation to issue SAC Credits to any applicant.
- B. SAC Credits are first-come, first-served and awarded to applicants that satisfy the Purpose and Objectives of this SAC Policy, as recommended by the EDA and approved by the City Council. If credits are not available, applications shall not be accepted.
- C. Businesses and/or property owners are limited to one (1) SAC Credit application per calendar year, and not more than two (2) applications in a three (3) year period. No subsequent SAC Credit applications will be considered for the same project or expansion of project for a business or property owner.
- D. Residential-related projects or requests are not eligible for SAC Credits. Neither the EDA nor City Council will consider such applications.
- E. A fee for requests under this Policy may be charged by the City, according to the adopted City Fee Schedule.
- F. Applicants shall not have their application considered if their business and/or property is not in compliance with any state and local licensing, building code and zoning and/or not in good financial standing with EDA or City, including but not limited to: any outstanding balances due, property taxes or utility bills in arrears, or other charges.
- G. Information contained in the application for assistance will become a matter of public record except for those items protected under Minnesota Statute §13.591.
- H. No officer of the EDA and/or City will have any personal financial interest or personally benefit financially from the business to be assisted under this program.
- I. The City and EDA retain the right to deny issuance of SAC Credits to any application and for any reason. All SAC Credit recipients shall be required to indemnify the City of Inver Grove Heights, the Inver Grove Heights Economic Development Authority, and any officers acting on their behalf.
- J. Neither the EDA nor City shall be responsible or liable for any expenses incurred by applicants in the preparation of their applications and related documentation for consideration under this program.

## **APPLICATION PROCESS**

All applications for SAC Credits through this program shall be accepted on a first-come, first-served basis. Applicants shall use the application form provided by the City and must include additional information as may be required by the application form. City staff shall follow the process generally outlined below. City staff shall have the authority to request additional information from the applicant as may be necessary to review and process an application. All requests for SAC Credits shall be reviewed by the EDA, which shall make a recommendation for approval or denial to the City Council.

- A. Deadline: Applications must be submitted not less than 15 business days prior to the next scheduled EDA meeting. EDA meetings are in February, April, June, August, October and December. No special meetings shall be called to consider applications.
- B. Submission: The Application shall be submitted electronically (PDF) and must include all supporting and necessary documentation as required or requested. Applications shall be emailed to the Community Development Director.
- C. Staff Meetings: City staff may request a meeting with the Applicant to review the application, discuss status and additional information needed, and review staff recommendations.
- D. EDA Meeting: A complete application, along with the staff recommendation, shall be presented to the EDA for consideration. The EDA retains the right to attach conditions of approval onto an application.
- E. Agreement: Upon approval of an application, an agreement shall be required between the City and the Applicant (i.e. Business). If the Applicant is not the owner of the property, the Property Owner shall be required to consent to and be a party to the agreement.

**PAYMENT AGREEMENT FOR  
METROPOLITAN COUNCIL ENVIRONMENTAL SERVICES  
SEWER AVAILABILITY CHARGE (SAC)**

THIS AGREEMENT is made this \_\_\_ day of \_\_\_, 20\_\_ ("Effective Date") by and between the City of Inver Grove Heights, 8150 Barbara Avenue, Inver Grove Heights, MN 55077, a Minnesota municipal corporation, ("City"), and \_\_\_\_\_, \_\_\_\_\_, Inver Grove Heights, MN, a Minnesota corporation ("Owner").

**RECITALS**

- A. The Owner owns the real property located at \_\_\_\_\_, Inver Grove Heights Minnesota which is legally described on Exhibit A ("Subject Property").
- B. A [Describe use associated with SAC] ("\_\_\_\_") is located on the Subject Property.
- C. In \_\_\_\_\_, the Owner applied for and obtained a building permit for the construction of a [Describe size and type of improvement] ("Improvement") on the Subject Property.
- D. As a result of the construction of the Improvement, the Metropolitan Council Environmental Services ("MCES") calculated and required the payment of a Sewer Availability Charge ("SAC").
- E. MCES SAC are pass-through fees determined by MCES and assessed and collected by the City at the time of building permit.
- F. MCES determined that the Improvement requires a total of \_\_\_ SAC units.
- G. Based on that SAC determination and related SAC fee of \$2,485 per SAC Unit, the Owner owes SAC fees totaling \$\_\_\_\_\_ ("SAC Fee") related to the Improvement, which are required to be paid to the City.
- H. The Owner of the Subject Property has requested the City allow payment of the MCES Sewer Availability Charge ("SAC") fee via the periodic payment schedule as provided herein.

**AGREEMENT**

In consideration of the promises as set forth in this Agreement, the parties agree as follows:

1. Representations and Warranties. The Owner makes the following representations as the basis for the undertakings on its part contained herein:
  - A. As of the date of execution of this Agreement, the Owner has the right, power and authority to execute, deliver and perform the obligations under this Agreement, and the Owner represents and assures the City that it is authorized to sign and to bind itself to the City as provided in this Agreement.
  - B. The Owner is not subject to any lease, contract, or agreement which would affect performance under this Agreement, nor bound by any lease, contract, agreement, instrument, order, judgment, or decree encumbering the Property which would prohibit the execution or performance of this Agreement.
  - C. The Owner has complied with and will continue to comply with all applicable federal, state and local statutes, laws, ordinances and regulations including, without limitation, any permits, licenses and applicable zoning, environmental, or other laws, ordinances, or regulations affecting the Subject Property, and the Owner expressly acknowledges and agrees that it has and shall at all times comply with each and every provision of the City's zoning and other related municipal regulations.
  - D. There is no suit, action, arbitration or legal, administrative or other proceeding or governmental investigation pending or threatened against the Owner or [Name of Use].
  
2. Payment of SAC. The Owner shall pay the SAC Fee in the amount of \$\_\_\_\_\_ as follows:
  - A. Initial Payment. Owner shall remit to the City an initial payment of \$\_\_\_\_\_, equivalent to \_\_\_ SAC units, toward the total amount due (\$\_\_\_\_\_). The Initial Payment shall be paid by the Owner at the time of Owner's execution of this Agreement and prior to approval of this Agreement by the City Council.
  - B. Payment Installments. Four (4) additional payments shall be due by the 1<sup>st</sup> day of each month beginning [date], 20\_\_\_, and according to the Payment Schedule attached hereto as Exhibit B.
  - C. Waiver of Interest. Interest shall accrue monthly against any outstanding SAC Fee balance at a rate of 2%. The interest shall not be owed with each monthly payment installment provided Owner satisfies terms of this Agreement and Payment Schedule. The interest shall be considered waived at the end of the term provided the Owner pays the full balance due according to the Agreement and Payment Schedule.
  - D. Payment in Full. The Owner reserves the right to pay, in full, the SAC Fee at any time prior to the final payment date. Any accrued interest shall be waived upon satisfaction of this Agreement. The Owner further agrees to pay, in full, any outstanding SAC Fee due to the City upon sale or transfer of the Subject Property.
  
3. Failure to Pay SAC Fee. In the event the Owner fails to make any payment toward the SAC Fee as provided herein, the Owner shall be responsible to pay the SAC fee in full, plus accrued interest, upon written demand of the City. Furthermore, should the Owner fail to pay any portion of the SAC Fee when due, the City may take any or all of the following actions:

- A. Give written notice of termination of this Agreement and all rights hereunder.
  - B. Certification of costs payment and collection via special assessment, per Section 4 below.
  - C. Initiate any available action of law or in equity to secure payment.
4. Certification of Costs Payable with Taxes; Special Assessments. If payment is not made by the Owner pursuant to Section 2 above, the City may, without notice and without hearing, specially assess the Subject Property for the unpaid SAC Fees and certify to Dakota County the amounts due as payable with the real estate taxes for the Subject Property in the next calendar year; such certifications may be made under Minnesota Statutes, Chapter 444 in a manner similar to certifications for unpaid utility bills. The Owner hereby waives any and all procedural and substantive objections to the special assessment of any unpaid SAC Fees up to a total amount of \$[amount due+interest] against the Subject Property. The Owner waives any appeal rights otherwise available pursuant to Minnesota Statutes § 429.081.
  5. Amendment. Any amendment to this Agreement must be in writing and signed by both parties.
  6. Assignment. This Agreement shall be the responsibility of the Owner, as stated herein, and may not be assigned to any other person or entity for any reason.
  7. City Representatives Not Individually Liable. No officer, agent or employee of the City shall be personally liable to the Owner, or any successor in interest, in the event of any default or breach by the City on any obligation or term of this Agreement.
  8. Disclaimer of Relationships. The Owner acknowledges that nothing contained in this Agreement nor any act by the City or the [Name of Use] shall be deemed or construed by the Owner or by any third person to create any relationship of third-party beneficiary, principal and agent, limited or general partner, or joint venture between the City and the Owner or [Name of Use].
  9. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.
  10. Choice of Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be venued in Dakota County District Court,
  11. Indemnification. Notwithstanding anything to the contrary in this Agreement, the City, its officers, agents, and employees shall not be liable or responsible in any manner to the Owner or [Name of Use], Owner's or [Name of Use]'s successors or assigns, the Owner's or [Name of Use]'s contractor or subcontractors, material suppliers, laborers, or to any other person or persons for any claim, demand, fee, fine, penalty, damage, or cause of action of any kind or character arising out of or by reason of the execution of this Agreement. The Owner or [Name of Use], and the Owner's or [Name of Use]'s successors or assigns, agree to protect, defend and save the City, and its officers, agents, and employees, harmless from all such claims, demands, damages, and causes of action and the costs, disbursements, and

expenses of defending the same, including but not limited to, attorneys' fees, consulting engineering services, and other technical, administrative or professional assistance. Nothing in this Agreement shall constitute a waiver or limitation of any immunity or limitation on liability to which the City is entitled under Minnesota Statutes, Chapter 466, or otherwise.

12. Miscellaneous.

- A. Third parties shall have no recourse against the City under this Agreement.
- B. Wherever possible, each provision of this Agreement and each related document shall be interpreted so that it is valid under applicable law. If any provision of this Agreement is to any extent found invalid by a court or other governmental entity of competent jurisdiction, that provision shall be ineffective only to the extent of such invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.
- C. No failure by any party to insist upon the strict performance of any duty, agreement, or condition of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach of any other covenant, agreement, term, or condition.
- D. This Agreement, together with the exhibits and incorporated references hereto, constitutes the complete and exclusive statement of all mutual understandings between the parties with respect to this Agreement, superseding all prior or contemporaneous proposals, communications, and understandings, whether oral or written, pertaining to the subject matter of this Agreement.
- E. Data received from the Owner or [Name of Use] under this Agreement shall be maintained and administered in accordance with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13.
- F. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

*[Remainder of this page intentionally left blank.]*

**IN WITNESS OF THE ABOVE**, the parties have caused this Agreement to be executed on the date and year written above.

**CITY OF INVER GROVE HEIGHTS**

\_\_\_\_\_  
Brenda Dietrich, Mayor

\_\_\_\_\_  
Rebecca Kiernan, City Clerk

STATE OF MINNESOTA     )  
  ) SS.  
COUNTY OF DAKOTA     )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by Brenda Dietrich and Rebecca Kiernan, the Mayor and City Clerk, respectively, of the City of Inver Grove Heights, a Minnesota municipal corporation, on behalf of said corporation.

\_\_\_\_\_  
Notary Public

**[ENTITY NAME PER PAGE 1]**

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[Name]  
[Title]

STATE OF MINNESOTA     )  
  ) SS.  
COUNTY OF DAKOTA     )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by [Name], the \_\_\_\_\_ of [Entity Name], a Minnesota corporation, on behalf of said corporation.

---

Notary Public

This document drafted by and after recording return to:

City of Inver Grove Heights  
8150 Barbara Avenue  
Inver Grove Heights, MN 55077  
(651) 450-2545

**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**

Real property located in Dakota County legally described as:

[Abstract] [Torrens] Property

**EXHIBIT B**  
**PAYMENT SCHEDULE**