

LEASE AGREEMENT
BETWEEN
CITY OF BLOOMINGTON
And
COUNTY OF HENNEPIN

FOR PREMISES LOCATED AT:

1800 West Old Shakopee Road
Bloomington, Minnesota

LEASE AGREEMENT

This LEASE AGREEMENT (the "Lease") is made and entered into as of September 30, 2016 ~~2017~~ (the "Execution Date"), between CITY OF BLOOMINGTON, a municipal corporation organized under the laws of Minnesota ("Landlord"), and COUNTY OF HENNEPIN, a public body politic and corporate organized under the laws of the State of Minnesota ("Tenant").

RECITALS:

- (a) At the Execution Date, Landlord owns the exclusive Fee Estate in the Premises and has the right to lease the Premises pursuant to the terms of this Lease.
- (b) Landlord desires to lease the Premises to Tenant, and Tenant desires to lease the Premises from Landlord.
- (c) The parties desire to enter into this Lease to set forth their rights and obligations to each other relating to the Premises.

NOW, THEREFORE, for good and valuable consideration, Landlord leases and demises the Premises to Tenant, and Tenant takes and hires the Premises from Landlord, subject only to Permitted Exceptions, for the Term, upon the terms and conditions of this Lease.

1. **Definitions**

The following definitions apply in this Lease.

"Base Rent" means the amount determined pursuant to Section 3.

"Building" means the building constructed on the Property as part of the Improvements.

judicial service consistent with the needs of the Fourth Judicial District of the State of Minnesota as an expansion of the existing Civic Plaza campus at 1800 West Old Shakopee Road, Bloomington, Minnesota and consisting of approximately 36,000 gross square feet (“GSF”), consisting of two stories and a 2,000 GSF mechanical penthouse for building support, as approved in the final construction plans, with the first floor providing approximately 17,000 GSF with approximately 9,290 GSF for City operations and the remainder for Court operations and building support. The second floor provides approximately 17,000 GSF for Court operations.

“Default” means any Monetary Default or Nonmonetary Default.

“Expiration Date” means the date when this Lease terminates or expires in accordance with its terms, whether on the Scheduled Expiration Date, by Landlord’s exercise of remedies for an Event of Default, or otherwise.

“Fee Estate” means Landlord’s fee estate in the Premises, including Landlord’s reversionary interest in the Premises after the Expiration Date.

“FF&E” means all movable furniture, furnishings, equipment, and personal property of Tenant or anyone claiming through Tenant (excluding Building Equipment) that may be removed without material damage to the Premises and without adversely affecting: (a) the structural integrity of the Premises; (b) any electrical, plumbing, mechanical, or other system in the Premises; (c) the present or future operation of any such system; or (d) the present or future provision of any utility service to the Premises. FF&E includes items such as, furniture, movable equipment, telephone, telecommunications and facsimile transmission equipment, kitchen equipment, televisions, radios, and computer systems and peripherals.

“Government” means each and every governmental agency, authority, bureau, department, quasi-governmental body, or other entity or instrumentality having or claiming jurisdiction over the Premises (or any activity this Lease allows), including the United States government, the State and County governments and their subdivisions and municipalities, and all other applicable governmental agencies, authorities, and subdivisions thereof. “Government” shall also include any planning commission, board of standards and appeals, department of buildings, city council, zoning board of appeals, or similar body having or claiming jurisdiction over the Premises or any activities on or at the Premises.

“Improvements” means all buildings, structures and other improvements located on, under, in or attached to the Property, including the Court Facility and Building Equipment, but excluding FF&E.

“Indemnify” means, where this Lease states that any Indemnitor shall “Indemnify” any Indemnatee from, against, or for a particular matter (the “Indemnified Risk”), that the Indemnitor shall indemnify the Indemnatee and defend and hold the Indemnatee harmless from and against any and all loss, cost, claims, liability, penalties, judgments, damages, and other injury, detriment, or expense (including Legal Costs, interest and penalties) that the Indemnatee suffers or incurs: (a) from, as a result of, or on account of the Indemnified Risk; or (b) in enforcing the Indemnitor’s indemnity. Indemnitor’s counsel shall be subject to Indemnatee’s approval, not to be unreasonably withheld. Any counsel satisfactory to Indemnitor’s

“Modification” means any abandonment, amendment, cancellation, discharge, extension, modification, rejection, renewal, replacement, restatement, substitution, supplement, surrender, termination, or waiver of a specified agreement or document, or of any of its terms or provisions, or the acceptance of any cancellation, rejection, surrender, or termination of such agreement, document, or terms.

“Modify” means agree to, cause, make, or permit any Modification.

“Monetary Default” means Tenant’s failure to pay any CAM charges or other money (including insurance premiums) when and as this Lease requires.

“New Lease” means a new lease of the Premises, effective as of (or retroactively to) the Expiration Date of this Lease, for the remainder of the Term of this Lease, through and including the Scheduled Expiration Date (taking into account any Renewal Options already exercised), considered as if this Lease had not been terminated, with New Tenant, on all the same terms and provisions of this Lease, and in the same form as this Lease, except as this Lease otherwise expressly provides, whether entered into pursuant to this Lease or by agreement between Landlord and a New Tenant. Any New Lease shall include all rights, Options, and privileges of Tenant under this Lease, including any Renewal Options not yet exercised, but shall not include any Excluded Obligations. Any New Lease or a memorandum thereof shall be in recordable form.

“New Lease Delivery Date” means the date when Landlord and New Tenant enter into and deliver a New Lease.

“New Parking” means the parking to be constructed pursuant to the Parking Development Agreement, as that term is defined in the Development Agreement. A copy of the Parking Development Agreement is attached hereto as Exhibit B and incorporated herein by reference.

“Nonmonetary Default” means Tenant’s: (a) failure to comply with any affirmative or negative covenant or obligation in this Lease, except a Monetary Default; or (b) breach of any representation or warranty (as of the date made or deemed made).

“Notice” means any consent, demand, designation, election, notice, or request relating to this Lease, including any Notice of Default. Notices shall be delivered, and shall become effective, only in accordance with the “Notices” Article of this Lease.

“Notify” means give a Notice.

“Notice of Default” means any Notice claiming or giving Notice of a Default or alleged Default.

“Option” means the following rights of Tenant under this Lease, in each case to the extent (if any) this Lease provides for them: (1) any Renewal Option; (2) any option to terminate or cancel this Lease, in whole or in part; (3) any other discretionary right or privilege of Tenant similar to any of the foregoing.

“Permitted Exceptions” means only: (1) the recorded title exceptions affecting the Fee Estate and prior to this Lease as of the Execution Date; (2) any title exceptions (including Subleases) caused by Tenant’s acts

construction as the pertinent party shall perform in conformity with this Lease, and subject to any changes to the extent that changes in Law would require modification or limitation of the foregoing.

“Restoration Funds” means any Loss Proceeds (and deposits by Tenant) to be applied to Restoration.

“Restore” means accomplish a Restoration.

“Scheduled Expiration Date” means 11:59 p.m. on the last day of the Term.

“State” means the State of Minnesota.

“Structure” of the Premises means only the concrete floors, footings, foundation, load-bearing walls, roof, roof support system, and structural steel or other structural support system of the Premises.

“Substantial Alteration” of the Premises means any alteration of the Structure or the removal, movement or replacement of walls, floors, ceilings, roof, windows or any structural component of the Premises, but not including the removal, movement or replacement of FF & E.

“Substantial Casualty” means a Casualty that: (a) renders 25% or more of the Premises not capable of being used or occupied; (b) occurs less than five (5) years before the end of the Term and renders 10% or more of the Premises not capable of being used or occupied; (c) requires Restoration whose cost Tenant reasonably estimates in writing would exceed \$10,000,000 times the CPI Adjustment Factor; or (d) pursuant to Law, prevents the Premises from being Restored to the same condition, and for the same use(s), as before the Casualty.

“Substantial Condemnation” means any Condemnation that (a) takes the entire Premises; (b) renders the remaining Premises Uneconomic; or (c) occurs less than five (5) years before the end of the Term.

“Temporary Condemnation” means a Condemnation of the temporary right to use or occupy all or part of the Premises.

“Term” means the period of thirty (30) years beginning on the Commencement Date and continuing through the Scheduled Expiration Date, as it may be extended in accordance with the terms of this Lease, unless sooner terminated as provided herein.

“Transfer” of any property means any of the following, whether by operation of law or otherwise, whether voluntary or involuntary, and whether direct or indirect: (a) any assignment, conveyance, grant, hypothecation, mortgage, pledge, sale, or other transfer, whether direct or indirect, of all or any part of such property, or of any legal, beneficial, or equitable interest or estate in such property or any part of it, including the grant of any easement, lien, or other encumbrance. “Transferor” and “Transferee” shall have correlative meanings.

“Unavoidable Delay” means delay in performing any obligation under this Lease (except payment of money) arising from or on account of any cause whatsoever beyond the obligor’s reasonable control, despite such obligor’s reasonable diligent efforts, including wars, terrorism, explosion, floods, labor disputes, unusual delay in transportation, epidemics, earthquakes, adverse weather conditions not

by the Tenant and / or their service vendors. Tenant shall pay these costs in equal monthly installments in advance on the first day of each month of the following amount: \$10.00 per square foot. Two months after the close of each budget year, City will true accounts for services with actual costs for the year and an adjustment (annual payment or credit) will be made for all services provided. If actual costs are higher than \$10.00 per square foot, Tenant shall make any additional payment to Landlord in an amount equal to the difference between the paid amount and the actual cost for the preceding year in question. Approximately four months prior to the start of the next budget year the City and County will agree to adjustments in services and the allocation of costs and identify the adjusted monthly payment for the new budget year.

b. Utilities. Tenant shall pay City for all fuel, gas, light, power, water, sewage, garbage disposal, telephone, cable, security systems, internet utilities and other utility charges, and the expenses of maintenance, use, and service in connection with the foregoing in accordance with the Operating Agreement for the Premises during the Term. Landlord shall have absolutely no liability or responsibility for the foregoing. County will pay directly for installation as part of the construction project, including separate metering where applicable.

c. Insurance. Commencing on the date a Certificate of Occupancy is issued for the Court Facility, Tenant shall pay on an annual basis its pro rata share of the cost of Property Insurance obtained by Landlord. Tenant shall be solely responsible for insuring all of its own FF&E and other personal property placed on or in the Premises at its sole cost.

d. Capital Improvements & Asset Preservation. County will pay City 100% for direct costs associated with capital improvements & asset preservation required for Court Facility space. County will pay City pro-rata share for common space / shared benefit capital improvements & asset preservation work. City will develop five-year CIP and work with County to identify planned improvements / costs for each budget year in order for County to include a budget for their share in County's capital budget program.

e. Parking. In the event that additional parking is required to be constructed on the contiguous or adjacent property of the Landlord in accordance with the terms of the Parking Development Agreement Tenant must timely pay its share of the costs of that construction under the terms of the Parking Development Agreement. Subsequent to start of use, County will pay its pro-rata share for annual maintenance and repair costs.

5. Use

a. Permitted Use. Tenant may use the Premises for a Court Facility and ancillary functions and for no other purpose. Tenant shall not use, operate, lease, license or sublet any portion of the Improvements for any other purpose. Tenant may discontinue operation of the Premises or any portion thereof at any time or from time to time. Tenant's use of the Premises must not result in any Landlord's External Costs without the Landlord's prior written approval of the use and resulting Landlord's External Costs.

7. Prohibited Liens

a. Tenant's Covenant. If a Prohibited Lien is filed then Tenant shall, within 30 days after receiving Notice from Landlord of such filing (but in any case within 15 days after Landlord Notifies Tenant of commencement of foreclosure proceedings), commence appropriate action to cause such Prohibited Lien to be paid, discharged, bonded, or cleared from title. Tenant shall thereafter prosecute such action with reasonable diligence and continuity. If Landlord receives notice of any such filing, then Landlord shall promptly Notify Tenant. Nothing in this Lease shall be construed to: (1) limit Tenant's right of Contest; or (2) obligate Tenant regarding any lien that results from any act or omission by Landlord.

b. Protection of Landlord. NOTICE IS HEREBY GIVEN THAT LANDLORD SHALL NOT BE LIABLE FOR ANY LABOR OR MATERIALS FURNISHED OR TO BE FURNISHED TO TENANT UPON CREDIT, AND THAT NO MECHANIC'S OR OTHER LIEN FOR ANY SUCH LABOR OR MATERIALS SHALL ATTACH TO OR AFFECT THE FEE ESTATE. NOTHING IN THIS LEASE SHALL BE DEEMED OR CONSTRUED IN ANY WAY TO CONSTITUTE LANDLORD'S CONSENT OR REQUEST, EXPRESS OR IMPLIED, BY INFERENCE OR OTHERWISE, TO ANY CONTRACTOR, SUBCONTRACTOR, LABORER, EQUIPMENT OR MATERIAL SUPPLIER FOR THE PERFORMANCE OF ANY LABOR OR THE FURNISHING OF ANY MATERIALS OR EQUIPMENT FOR ANY CONSTRUCTION, NOR AS GIVING TENANT ANY RIGHT, POWER OR AUTHORITY TO CONTRACT FOR, OR PERMIT THE RENDERING OF, ANY SERVICES, OR THE FURNISHING OF ANY MATERIALS THAT WOULD GIVE RISE TO THE FILING OF ANY LIENS AGAINST THE FEE ESTATE. TENANT SHALL INDEMNIFY LANDLORD AGAINST ANY CONSTRUCTION UNDERTAKEN BY TENANT OR ANYONE CLAIMING THROUGH TENANT, AND AGAINST ALL PROHIBITED LIENS.

8. Indemnification; Liability of Landlord

a. Obligations. Landlord and Tenant shall each Indemnify the other against any: (1) wrongful act, wrongful omission, or negligence of the Indemnitor (and anyone claiming by or through the Indemnitor) or its or their partners, members, directors, officers, or employees; (2) breach or default by the Indemnitor under this Lease; or (3) breach of any representation or warranty Indemnitor makes in this Lease. Notwithstanding anything to the contrary in this Lease, no Indemnitor shall be required to indemnify any Indemnitee regarding the Indemnitee's intentional acts or omissions or negligence.

b. Liability of Landlord. During the Term: (1) Tenant is and shall be in exclusive control and possession of the Court Facility on the Premises; and (2) Landlord shall not be liable for any injury or damage to any FF & E of Tenant or any other property of Tenant or any other Person or to any person occurring on or about the Court Facility on the Premises, except to the extent caused by Landlord's intentional act, omission, or negligence. Landlord's right to enter and inspect the Court Facility on the Premises is intended solely to allow Landlord to ascertain whether Tenant is complying with this Lease and (to the extent this Lease allows) to cure any Default. Such provisions shall not impose upon Landlord any liability to third parties. Nothing in this Lease shall be construed to exculpate, relieve, or Indemnify Landlord from or against any liability of Landlord to third parties existing at or before the Commencement Date; or arising from Landlord's intentional acts or omissions or negligence.

- (2) No Liability. Such deferral or noncompliance creates no material risk of a lien, charge, or other liability of any kind against the Fee Estate, unless Tenant has given Landlord Contest Security equal to the reasonably estimated amount of such lien, charge, or other liability.
- (3) No Cost to Landlord. Such Contest shall be without cost, liability, or expense to Landlord.
- (4) Diligence. Tenant shall prosecute such Contest with reasonable diligence and in good faith.
- (5) No Event of Default. No Uncured Event of Default shall exist under this Lease at the time of such Contest.
- (6) Named Parties. If Landlord has been named as a party in any action, then Tenant shall cause Landlord to be removed as such party and Tenant substituted in Landlord's place, if permissible under the circumstances.

b. Landlord Obligations and Protections. Landlord need not join in any Contest unless (1) Tenant has complied with the Contest Conditions; and (2) such Contest must be initiated or prosecuted in Landlord's name. In such case, Landlord shall cooperate, as Tenant reasonably requests, to permit the Contest to be prosecuted in Landlord's name. Landlord shall give Tenant any documents, deliveries, and information in Landlord's control and reasonably necessary for Tenant to prosecute its Contest. Landlord shall otherwise assist Tenant in such Contest as Tenant reasonably requires. Tenant shall pay all reasonable costs and expenses, including Legal Costs, of any Contest. Tenant shall, at Landlord's request, advance (when Landlord incurs them) such reasonable costs and expenses as Landlord incurs or reasonably anticipates incurring, for Tenant's Contest and Landlord's assistance with such Contest.

10. **Insurance**

a. Landlord to Insure. Landlord shall through the balance of the Term, maintain Property Insurance covering the Improvements and Building Equipment, but not including Tenant's FF&E or other personal property placed or kept on the Premises

b. Nature of Insurance Program.

All insurance policies this Lease requires Landlord to obtain shall be issued by the Landlord's existing carrier, the League of Minnesota Cities Insurance Trust, or such other insurance carrier as the Landlord may select. Landlord may provide any insurance under a "blanket" or "umbrella" insurance policy, provided that (i) such policy or a certificate of such policy shall specify an amount not less than \$1,500,000 in total insurance; and (ii) such policy otherwise complies with this Lease.

c. Policy Requirements and Endorsements. All insurance policies this Lease requires Landlord to obtain shall contain (by endorsement or otherwise) the following provisions:

(1) Insureds. Property Insurance policies shall name Tenant and Landlord as loss payees as their interest may appear. Notwithstanding anything to the contrary in this paragraph, all Property Insurance Proceeds shall be paid and applied as this Lease provides.

c. **Adjustment of Claims; Use of Property Insurance Proceeds.** Landlord shall have the sole right and authority to adjust any insurance claim relating to the Improvements; provided that Landlord consult with Tenant during the claim adjustment process. Property Insurance Proceeds shall be disbursed to Landlord, to be held in trust to be applied for Restoration provided that Restoration Funds are sufficient to Restore. In the event Tenant has a claim against its own insurance carrier, the provisions of this Section 11(c) shall not apply.

d. **Substantial Condemnation.** If a Substantial Condemnation occurs, then either Landlord or Tenant may terminate this Lease (except as it relates to allocation of the Condemnation Award) as of the Condemnation Effective Date. Landlord shall not settle or compromise any Condemnation Award without consent by Tenant. The Condemnation Award shall be allocated without duplication, in the following order:

(1) **Costs and Expenses.** To reimburse Landlord and Tenant for Landlord's and Tenant's actual costs and expenses, including Legal Costs, incurred in the Substantial Condemnation and determining and collecting the Condemnation Award.

(3) **Tenant's Claim.** Tenant shall receive such portion of the Condemnation Award as shall equal the Market Value of the Leasehold Estate at the Condemnation Effective Date.

(4) **Landlord's Claim.** Landlord shall receive such portion of the Condemnation Award as shall equal the Market Value of the Fee Estate, at the Condemnation Effective Date.

(5) **Residual Claim.** Landlord shall receive the entire remaining Condemnation Award.

e. **Insubstantial Condemnation.** If an Insubstantial Condemnation occurs, then any Condemnation Award shall be applied first for Restoration in the same manner as Property Insurance Proceeds. Tenant shall Restore in the same manner as Restoration upon Casualty. Any Condemnation Award remaining after Restoration shall be applied in the same manner as a Condemnation Award from an Immaterial Loss.

f. **Immaterial Loss.** If an Immaterial Loss from a Condemnation occurs, then Tenant shall receive any Condemnation Award in trust to be applied first to Restoration. Tenant shall Restore in accordance with this Lease. After Restoration, Landlord shall receive any remaining Condemnation Award.

g. **Continuation of Lease.** Except as this Lease expressly provides, this Lease shall not terminate, be forfeited, or be affected in any other manner, and Tenant waives any right to quit or surrender the Premises or any part of the Premises, because of any Loss or any resulting untenability. Unless and until this Lease has been validly terminated, Tenant's obligations under this Lease shall continue unabated.

h. **Disputes.** Any dispute about a Loss (including its characterization), Restoration, timing of Restoration, Loss Proceeds, Restoration Funds, or the use of such proceeds or funds shall be resolved by Arbitration.

violates any agreement (including Tenant's organizational documents), contract, or other restriction to which Tenant is a party or is bound. The warranties in this paragraph shall continue to apply in full force and effect throughout the Term as if made continuously during the Term.

(2) No Litigation. There is no existing or, to Tenant's knowledge, pending or threatened litigation, suit, action, or proceeding before any court or administrative agency affecting Tenant, any constituent entity or individual of Tenant that would, if adversely determined, materially adversely affect Tenant, this Lease, the Leasehold Estate, or Tenant's ability to develop and operate the Premises for a Court Facility.

(3) No Pending Construction or Liens. No Person has the right to claim any mechanic's or supplier's lien arising from any labor or materials furnished to the Premises by or on behalf of Tenant before the Execution Date.

13. **Landlord's Transfers**

a. Landlord's Right to Convey. Landlord may Transfer the Fee Estate from time to time provided that: (i) such transaction and the resulting ownership of Landlord do not otherwise violate this Lease and (ii) Landlord promptly Notifies Tenant of such Transfer.

b. Release of Landlord. Upon any Transfer of the entire Fee Estate in compliance with this Lease, the grantor shall be automatically freed and relieved from all liability (excluding liability previously accrued) for performance of any covenants or obligations to be performed by Landlord after the Transfer.

14. **Tenant's Transfers**

Tenant may not Transfer this Lease or the Leasehold Estate without Landlord's consent. No Transfer by Tenant shall release Tenant from any of its obligations or liabilities under this Lease.

15. **Subleases.** Tenant may not enter into any sublease without Landlord's consent.

16. **Leasehold Mortgages.** Tenant has no right to encumber leasehold.

17. **Equipment Liens.**

a. Tenant's Rights. If at any time or from time to time Tenant desires to enter into or grant any Equipment Lien that otherwise complies with this Lease, and provided that no uncured Event of Default exists, then upon Tenant's request Landlord shall enter into such customary documentation regarding the Financed FF&E as Tenant reasonably requests, providing for matters such as: (1) waiver of any right to take possession of such Financed FF&E upon an Event of Default; (2) waiver of any other right, title, or interest in the Financed FF&E; and (3) agreements to enable the holder of such Equipment Lien to enter the Premises and repossess such Financed FF&E if such holder exercises remedies under its Equipment Lien.

b. Required Provisions for Equipment Liens. If Tenant enters into any Equipment Lien, then Tenant shall: (1) not file (or cause or permit to be filed) such Equipment Lien as a lien against the Premises or

commencement), or a custodian or trustee is appointed to take possession of, or an attachment, execution or other judicial seizure is made with respect to, substantially all of Tenant's assets or Tenant's interest in this Lease (unless such appointment, attachment, execution, or other seizure was involuntary and is contested with diligence and continuity and vacated and discharged within 180 days).

(4) Nonmonetary Default. If any other Nonmonetary Default occurs and Tenant does not cure it within 30 days after Notice from Landlord describing it in reasonable detail, or, in the case of a Nonmonetary Default that cannot with due diligence be cured within 30 days from such Notice, if Tenant shall not (x) within 30 days from Landlord's Notice advise Landlord of Tenant's intention to take all reasonable steps to cure such Nonmonetary Default; (y) duly commence such cure within such period, and then diligently prosecute such cure to completion; and (z) complete such cure within a reasonable time under the circumstances (not necessarily limited to 30 days).

b. Remedies. If an Event of Default occurs and has not been cured, then Landlord for so long as such Event of Default continues shall, at Landlord's option, have any or all of the following remedies, all cumulative (so exercise of one remedy shall not preclude exercise of another remedy), in addition to such other remedies as may be available at law or in equity or under any other terms of this Lease. Landlord's remedies include:

(1) Termination of Tenant's Rights. Landlord may upon not less than thirty (30) days' Notice following the Event of Default (which Notice is additional to Notice initiating the Event of Default, but may be concurrent with or satisfied by Notice pursuant to legal process) terminate Tenant's right to possess the Premises by any lawful means, in which case this Lease and the Term shall terminate, such date of termination shall be the Expiration Date, and Tenant shall immediately surrender possession to Landlord.

(2) Taking Possession. Landlord may upon not less than Thirty (30) days' Notice following the Event of Default (which Notice is additional to Notice initiating the Event of Default, but may be concurrent with or satisfied by Notice pursuant to legal process) re-enter and take possession of the Premises with process of law, whether by summary proceedings or otherwise, and remove Tenant, with or without having terminated this Lease, and without thereby being liable for damages or guilty of trespass. This is intended to constitute an express right of re-entry by Landlord. Except as expressly provided in this Lease or prohibited by Law, Tenant, for and on behalf of itself and all persons claiming by, through or under Tenant, expressly waives any right to service of notice of intention to re-enter provided in any Law and any and all right of redemption provided by any Law, or re-entry or repossession or to restore the operation of this Lease if Tenant is dispossessed by a judgment or by warrant of any court or judge or in case of re-entry or repossession by Landlord or any expiration or termination of this Lease. No re-entry by Landlord, whether had or taken under summary proceedings or otherwise, shall absolve or discharge Tenant from liability under this Lease. The terms "enter," "re-enter," "entry," and "re-entry," as used in this Lease, are not restricted to their technical legal meanings.

(3) Suits Before Expiration Date. Landlord may sue for damages from time to time at Landlord's election.

removing all persons and property therefrom, including in such costs reasonable and customary brokerage commissions and Legal Costs;

(2) Preparation for Reletting. Second, to pay to itself the cost and expense reasonably sustained in securing any new tenants and other occupants, including in such costs all brokerage commissions, Legal Costs, and any other reasonable costs of preparing the Premises for reletting;

(3) Costs of Maintenance and Operation. Third, to the extent that Landlord shall maintain and operate the Premises, to pay to itself the reasonable cost and expense of doing so; and

(4) Residue. Fourth, to pay to itself any balance remaining on account of Tenant's liability to Landlord.

d. Exculpation; Landlord's Sole and Exclusive Remedies. Notwithstanding anything to the contrary in this Lease, Landlord's right to terminate this Lease and re-enter the Premises and take possession of the Premises (and collect damages from Tenant, but only to the extent of Tenant's interest in the Premises) shall constitute Landlord's sole and exclusive remedies for any Default or Event of Default. Landlord expressly waives, releases, and relinquishes any and all right to recover damages or any other sum, or have any other remedy against Tenant, except to the extent of Tenant's interest in the Premises.

e. Tenant's Late Payments; Late Charges. If Tenant fails to make any payment to Landlord required payments under this Lease within ten (10) days after such payment is first due and payable, then in addition to any other remedies of Landlord, and without reducing or adversely affecting any of Landlord's other rights and remedies, Tenant shall pay Landlord within ten (10) days after demand Default Interest on such late payment, beginning on the date such payment was first due and payable and continuing until the date when Tenant actually makes such payment. In addition, and without limiting any other rights or remedies of Landlord, Tenant shall pay Landlord an administrative charge equal to two percent (2%) of any payment that Tenant fails to pay within fifteen (15) days after such payment is first due and payable. Such administrative charge is intended to compensate Landlord for the inconvenience and staff time incurred by Landlord to handle the late or missed payment, shall not be deemed a penalty or compensation for use of funds, and shall not be credited against any other obligations of Tenant under this Lease. Notwithstanding the grace periods provided above, if Landlord gives two (2) Notices of Monetary Default in any 12-month period, then for any further Monetary Default during the balance of such 12-month period the administrative charge described above shall be due immediately upon such Monetary Default and Default Interest shall run from the date of such Monetary Default.

f. Landlord's Right to Cure. If Tenant at any time fails to make any payment or take any action this Lease requires, then Landlord, after five (5) Business Days' Notice to Tenant, or in an emergency with such notice (if any) as is reasonably practicable under the circumstances, and without waiving or releasing Tenant from any obligation or Default and without waiving Landlord's right to take such action as this Lease may permit as a result of such Default, may (but need not) make such payment or take such action. Tenant shall reimburse Landlord for an amount equal to (1) all reasonable sums paid, and reasonable costs and expenses (including Legal Costs) incurred, by Landlord in exercising its cure rights under this paragraph; and (2) Default Interest on "(1)".

after a final order or judgment for possession of the Premises, Landlord may demand, receive, and collect any moneys due or thereafter falling due without in any manner affecting such notice, proceeding, order, suit, or judgment, unless such payments fully cure all Monetary Defaults. Any sums so collected (without thereby curing all Monetary Defaults) shall instead be deemed payments on account of use and occupation of the Premises or, at Landlord's election, to have been made on account of Tenant's liability under this Lease.

k. **Landlord Default.** If Landlord breaches or fails to perform or observe any term, condition, covenant or requirement of this Lease to be performed or observed by Landlord, and such breach or failure shall continue for thirty (30) days after written Notice from Tenant to Landlord of such breach or failure, Landlord shall be in default and Tenant shall have all remedies available to it at law or in equity (including the right to seek injunctive relief under those circumstances where injunctive relief is recognized as a valid equitable remedy), provided that only 24 hours' Notice shall be required in the case of a breach that poses the imminent threat of damage to persons or property. If the nature of any Nonmonetary Default by Landlord is such that the same cannot reasonably be cured within a thirty (30) day period, and if within thirty (30) days after Tenant's Notice, Landlord shall advise Tenant of Landlord's intention to take all reasonable steps to cure such Nonmonetary Default, then Landlord shall not be considered to be in default so long as Landlord shall commence to cure within such 30 days and thereafter diligently pursue such cure to completion and complete such cure within a reasonable time under the circumstances (not necessarily limited to 30 days). In the event that Landlord fails to cure within the time period described above, Tenant may effect such cure, in which event, Landlord shall reimburse Tenant's reasonable expenses, plus interest thereon at the Default Rate, payable promptly upon Landlord's receipt of Tenant's demand therefor. If Landlord fails to reimburse Tenant for any sums owed to Tenant under this Lease within thirty (30) days after Landlord's receipt of Tenant's written demand therefor (and accompanying documentation), Tenant may, in addition to any remedies available to Tenant at law by reason of Landlord's breach, offset the amount of such sum against Tenant's CAM payments required by this Lease.

20. **End of Term**

Upon any Expiration Date: (a) all Improvements and Building Equipment shall become Landlord's property; (b) Tenant shall deliver to Landlord possession of the Premises in good condition, reasonable wear and tear excepted, subject to any Loss that this Lease does not require Tenant to Restore; (c) Tenant shall surrender any right, title, or interest in and to the Premises and deliver such evidence and confirmation thereof as Landlord reasonably requires; (d) Tenant shall deliver the Premises free and clear of all: (i) Subleases, and (ii) liens except (1) Permitted Exceptions and (2) liens that Landlord or any of its agents caused; (e) Tenant shall assign to Landlord, without recourse, and give Landlord copies or originals of, all assignable licenses, permits, contracts, warranties, and guarantees then in effect for the Premises; (f) the parties shall cooperate to achieve an orderly transition of operations from Tenant to Landlord without interruption, including delivery of such books and records (or copies thereof) as Landlord reasonably requires; (g) the parties shall adjust for all expenses and income of the Premises and any prepaid CAM and shall make such payments as shall be appropriate on account of such adjustment in the same manner as for a sale of the Premises (but any sums otherwise payable to Tenant shall first be

- a. **Costs and Expenses; Legal Costs.** In the event of any litigation or dispute (except an Arbitration) between the parties, or claim made by either party against the other, arising from this Lease or the landlord-tenant relationship under this Lease, or Landlord's enforcement of this Lease upon a Default, or to enforce or interpret this Lease or seek declaratory or injunctive relief in connection with this Lease, or to exercise any right or remedy under or arising from this Lease, or to regain or attempt to regain possession of the Premises or terminate this Lease, or in any Bankruptcy Proceeding affecting the other party to this Lease, the prevailing party shall be entitled to reimbursement of its Legal Costs with Default Interest and all other reasonable costs and expenses incurred in enforcing this Lease or curing the other party's default. If either party requests any amendment or modification to this Lease, then such party shall reimburse the other party's Legal Costs incurred in considering, reviewing, and otherwise processing such request.
- b. **No Consequential Damages.** Whenever either party may seek or claim damages against the other party (whether by reason of a breach of this Lease by such party, in enforcement of any indemnity obligation, for misrepresentation or breach of warranty, or otherwise), neither Landlord nor Tenant shall seek, nor shall there be awarded or granted by any court, arbitrator, or other adjudicator, any speculative, consequential, collateral, special, punitive, or indirect damages, whether such breach shall be willful, knowing, intentional, deliberate, or otherwise. The parties intend that any damages awarded to either party shall be limited to (1) actual, direct damages sustained by the aggrieved party and (2) damages which are the direct foreseeable result of the wrongdoing of the other party. Neither party shall be liable for any loss of profits suffered or claimed to have been suffered by the other.
- c. **No Waiver by Silence.** Failure of either party to complain of any act or omission on the part of the other party shall not be deemed a waiver by the noncomplaining party of any of its rights under this Lease. No waiver by either party at any time, express or implied, of any breach of this Lease shall waive such breach or any other breach.
- d. **Performance under Protest.** If a dispute arises about performance of any obligation under this Lease, the party against which such obligation is asserted shall have the right to perform it under protest, which shall not be regarded as voluntary performance. A party that has performed under protest may institute appropriate proceedings to recover any amount paid or the reasonable cost of otherwise complying with any such obligation, with interest at the Prime Rate.
- e. **Survival.** All rights and obligations that by their nature are to be performed after any termination of this Lease shall survive any such termination.
- f. **Unavoidable Delay.** Each party's obligation to perform or observe any nonmonetary obligation under this Lease shall be suspended during such time as such performance or observance is prevented or delayed by Unavoidable Delay.

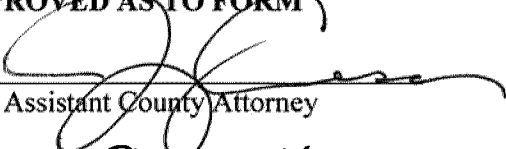
matter, this shall not waive its rights to require such consent for any further or similar matter; and (4) any dispute on the withholding or delay of consent shall be determined by Arbitration.

26. **Security.** Landlord and Tenant shall cooperate in coordinating Landlord's and Tenant's respective security services and infrastructure, including but not limited to endeavoring to maintain compatible security and sprinkler alarm systems and permitting the security and sprinkler alarm system of each to have access to appropriate elements of the security monitoring data of the other.

[Signatures on Next Page.]

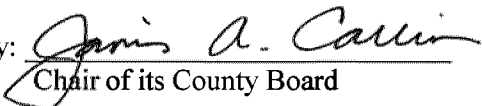
TENANT:

APPROVED AS TO FORM

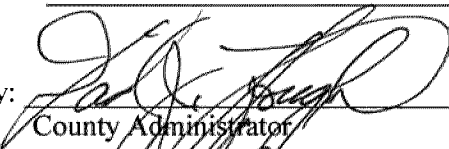
By: 
Assistant County Attorney

Date: 9-26-16

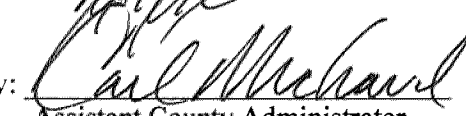
COUNTY OF HENNEPIN

By: 
Chair of its County Board

Date: 9-29-16

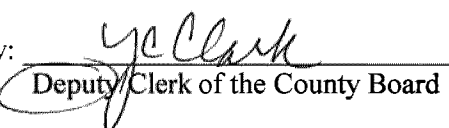
By: 
County Administrator

Date: 9/27/16

By: 
Assistant County Administrator,
Public Works

Date: 9/26/16

ATTEST

By: 
Deputy Clerk of the County Board

Date: 9-30-16

RECOMMENDED FOR APPROVAL

By: 
Department Director,
Community Works

Date: 9/21/16

EXHIBIT A

PROPERTY

DEPICTION OF COURT FACILITY AND CITY OFFICES

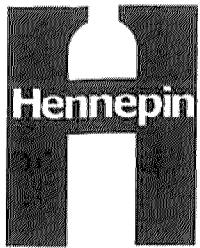
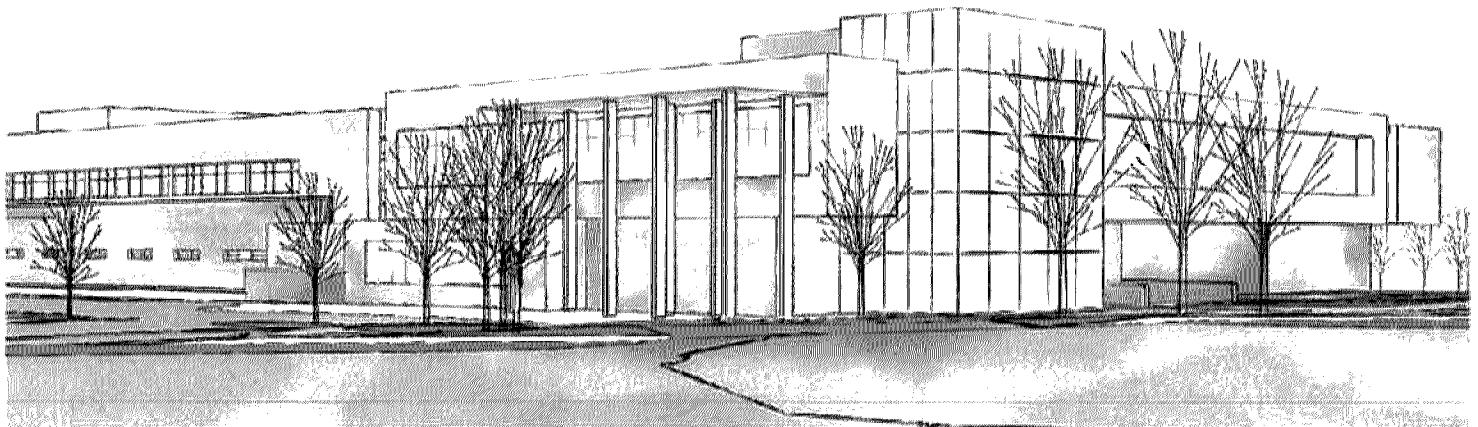


Exhibit A

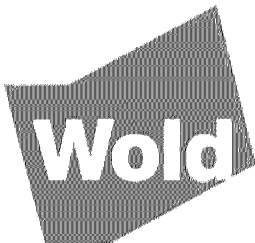


SKETCH RENDERING OF PROPOSED ADDITION

Hennepin County South Suburban Courts at Bloomington

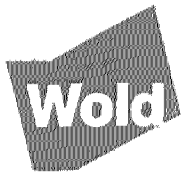
HC Project No. 1003286 - Southdale Courts Relocation

Schematic Design Report - Executive Summary
August 16, 2016



332 Minnesota Street
W2000
Saint Paul, MN 55101

tel 651 227 7773



Wold Architects and Engineers

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B. Project Overview

1. INTRODUCTION

The 4th Judicial District is the state's largest trial court, handling approximately 800,000 cases annually, while serving only Hennepin County – with Minneapolis as its largest city. District Court's criminal division handles cases at the Hennepin County Government Center (Division-1), Hennepin County Public Safety Facility (Division-1), and three suburban facilities located in Brooklyn Center (Brookdale/Division-2), Minnetonka (Ridgedale/Division-3), and Edina (Southdale/Division-4).

Following a facility alternatives study for the 4th Judicial District by Hennepin County in 2012, alternative operations for Southdale/Division-4 were sought. After considering the redistribution of Division-4 caseload into the other three Divisions, the concept of relocating Division-4 in its entirety to the site of Bloomington Civic Plaza was pursued. A feasibility study in 2014 determined that enough vacant space did not exist within the existing Civic Plaza facility, but that the collocation of both the Bloomington Police Department's existing holding facility and the 4th Judicial District court operations would prove beneficial to many court participants. The concept of a building addition to the southwest of the existing Police Department at the Civic Plaza was deemed feasible.

This report is the culmination of the Schematic Design phase of the facility addition. In this phase, many steps were taken:

- Project objectives were set by a Core Planning Group represented by the city, the county, and the courts,
- The space needs were validated by all users of the facility,
- Conceptual floor plans were developed to meet operational objectives,
- Exterior massing and design concepts were developed to meet objectives,
- The capacity of on-site utility, mechanical and electrical infrastructure was calculated,
- Operational agreements were framed, and
- Construction and project costs were estimated.

Representatives of the City of Bloomington participated in the entire Schematic Design phase as a project major stakeholder.

3. PURPOSE & JUSTIFICATION

Facility maintenance improvements to Southdale were put on hold over the past several years as preservation / refurbishment feasibility and facility systems assessment studies were conducted. The studies produced a wide range of building system and equipment deficiencies. These included indications of eventual failure of the building exterior surface (EIFS), site drainage issues, mechanical and electrical systems that have exceeded their expected life, roofing issues, and a more recent discovery of insufficient water service to the property to meet fire sprinkler requirements.

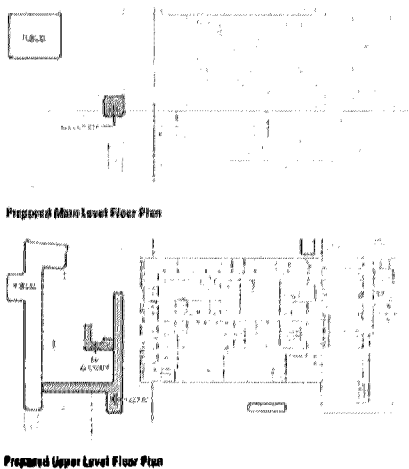
Due to the overwhelming costs of facility preservation and refurbishment costs along with a variety of operational deficiencies, the decision was made to relocate the Courts and Service Center functions and redevelop the existing site anchored by a new library combined with private development that may include commercial, retail and/or housing. In order to continue to provide Court services to the southern portion of the County, relocation of Courts to the Bloomington Civic Plaza is an appealing location as it complies with all of the key planning relocation considerations:

- Convenient public access
- Justice system operational / functional efficiency
- Acceptable impacts to Bloomington site / municipal operations
- Ease of implementation
- Clear identity and separation for judicial and City functions
- Overall efficiency
- Provide secure connection for Bloomington Police detainee movement
- Providing three-zone security
- Acceptable implementation costs

SCHEMATIC DESIGN - Project Overview

5. GUIDING PRINCIPLES

- **Provide suitable facilities for South Suburban Courts Operations**
- **Implement necessary security provisions for Court Operations**
- **Provide clarity & identity for Court's presence at Civic Plaza**
- **Harmonize Court addition's visual character with Civic Plaza architecture**
- **Minimize disruption of Civic Plaza & City operations both during construction and long term**
- **Provide a model for Courts for future decades without losing the traditional feeling of courts.**
- **Deliver the project in a fiscally responsible manner**
- **Provide adequate parking for anticipated needs**



*DESIGN SKETCH OF GUIDING
PRINCIPLES ANALYSIS*

A series of meetings with the Core Team and various Resource Teams were held beginning in December 2015 and concluding in April 2016 to discuss scope, program, function, and layout for the new addition.

Program discussions determined the massing concepts that were presented adequately met the space needs of each department including: number of conference room; spectator seating area size; number of interview rooms, staff work stations and private offices; the classification and required capacity of necessary holding cells; supporting space requirements and adjacencies.

With the help of the Core Group, guiding principles were established to help understand the need for the new Courts building:

- **Provide suitable facilities for South Suburban Courts Operations**
The addition should provide all current and forecasted necessary spaces to adequately provide Court operations for two court rooms on the same level and meet all necessary operational requirements.
- **Implement necessary security provisions for Court Operations**
The addition should provide for the safety and security of the public, of the staff, and of the in-custody court participants by separating them at all possible points, implementing a weapon screening checkpoint and having a dedicated pathway for in-custody defendants into the courtroom.

6. SITE PARKING STUDY

Planning for relocating the Southdale courts operations to Bloomington Civic Plaza included an evaluation of additional parking requirements. In the fall of 2014, Bloomington Public Works undertook a review of existing parking supply and parking demand at Bloomington Civic Plaza to determine if there would be an adequate parking supply to support the additional demand that would be created by a suburban court addition to Civic Plaza.

This study concluded there are adequate on-site parking spaces for the suburban court addition except for days when special events are being held at the Bloomington Art Center. They noted that there are 10-15 daytime, work week uses of the Bloomington Art Center annually that use up all or most of the currently available extra parking spaces. The study concluded by noting a series of action considerations should additional uses be added to the existing uses at Bloomington Civic Plaza, including providing off-site parking and shuttle service to accommodate those daytime, work week, special event uses of Civic Plaza.

A subsequent parking study reviewing more detailed information about Courts needs was completed for the project during the Schematic Design phase by Alliant Engineering. This study reached similar conclusions and identified similar parking management strategies to work successfully within existing parking resources.

Key parking management actions concluded in subsequent discussions with the City included increasing available public parking resources by re-purposing the use of certain available parking areas, by reducing peak demand by coordinating Civic Plaza special events and Court calendar scheduling and by utilizing off-site parking lots for when needed.

C. Architectural Design Narrative

1. DESIGN PROCESS

The concept for the new Suburban Courts Facility at Bloomington began with feedback received by the County Board & County Administration and evolved from the lengthy Pre-Design process and, more recently, the Schematic Design phase discussions. The Courts, Sheriff's Office and other justice partners, Facility Services, and designers developed the schematic design starting in December 2015 and continued through May 2016.

The project was guided by a core group of team members who met every other week to guide the process. Specialized work groups for District Court, Community Corrections, Court Security, Public Defender, Building Systems, & IT studied the concepts and made recommendations on specific critical facility issues.

An initial step was the program review process which examined numerically and eventually graphically the sizing, relationships, and critical adjacencies of the various departments.

As the Schematic Design process evolved two options, Options 1.5 & 4.0, emerged as primary considerations by the Core Group. Each option arrived at a solution by utilizing varying approaches to building massing and existing site impact. Both options were viewed as viable and a key milestone in the process was the joint decision by the County and City to arrive at Option 1.5 as the recommendation, particularly for its ability to harmonize with the architecture of the existing Civic Plaza.

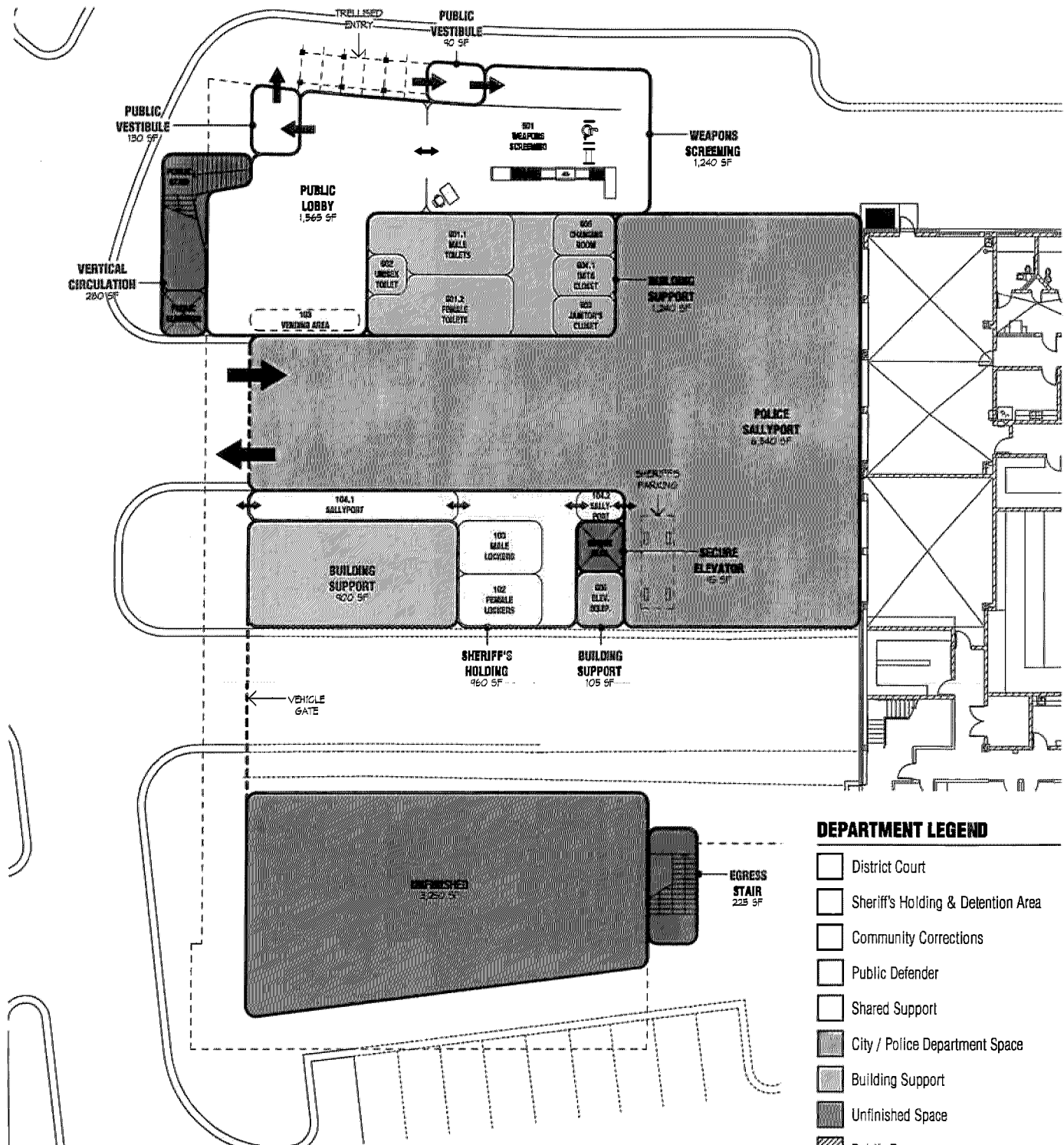
2. DESIGN SOLUTION OVERVIEW

Among the primary goals for the architectural design for the new Suburban Courts Facility are to:

1. Provide suitable facilities for both present and future Court operations.
2. Provide clarity and identity for District Court's presence at Civic Plaza.
3. Harmonize District Court addition's visual character with Civic Plaza architecture.
4. Minimize disruption of Civic Plaza and City operations both during construction and long term.
5. Provide a model for Courts for future decades without losing the traditional feeling of courts.
6. Provide adequate parking for all anticipated needs.

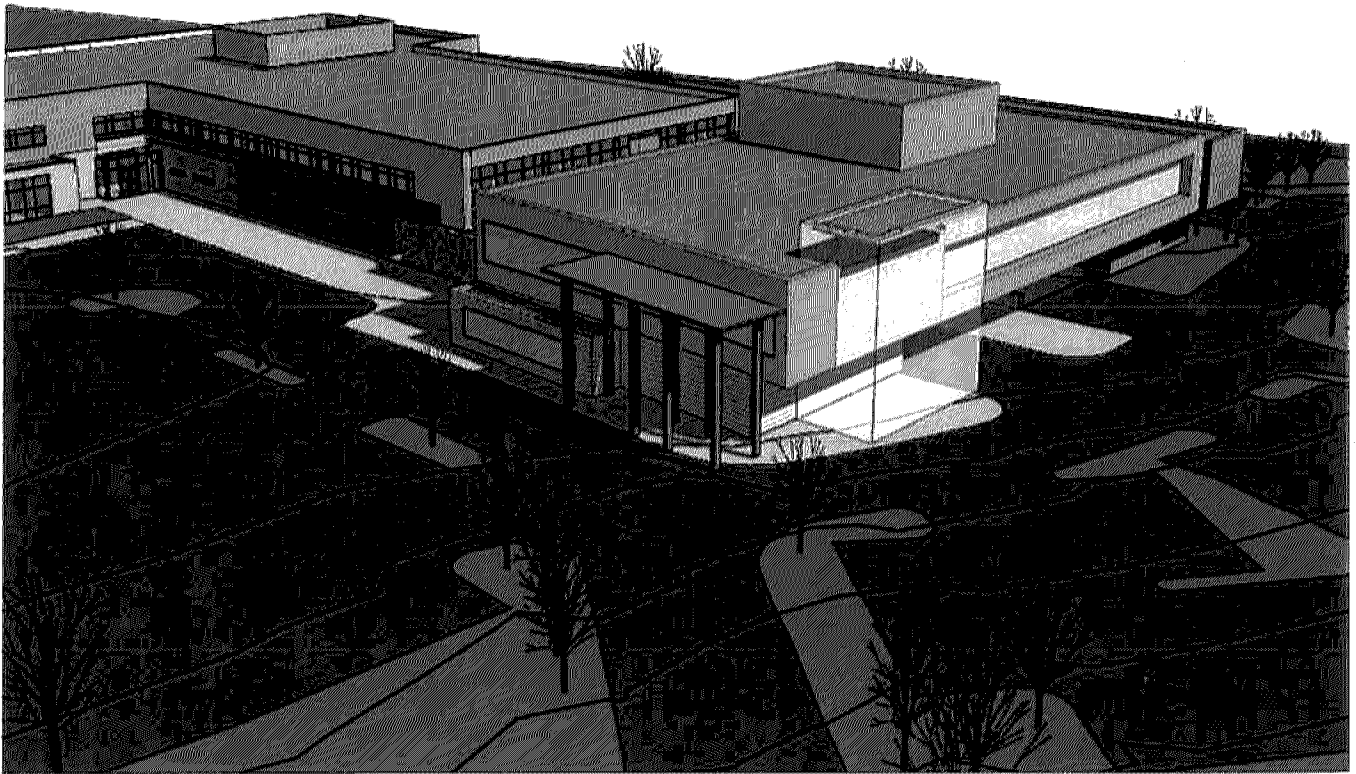
Through a combination of building plan layout, massing, preliminary material explorations and facade design, the architectural design for the South Suburban Courts facility presents an appropriate and well-consideration solution.

SCHEMATIC DESIGN



MAIN LEVEL FLOOR PLAN

SCHEMATIC DESIGN



SITE PERSPECTIVE | View Looking East

E. Project Summary

PROJECT BUDGET

The prospective 2017-2021 Capital Improvement Program includes funding for the Southdale Courts Relocation (Project No. 1003286) in the total amount of \$15,700,000.

Based on the findings from the Schematic Design process, the estimated cost to complete the work for the revised project is \$15,700,000. The construction cost averages \$337/GSF and the project cost averages \$436/GSF.

The County will procure construction through a competitive Best-Value procurement process and its contracted service vendors and commodity contracts.

The estimate cost to complete the work is comprised of the following typical capital project categories:

BUDGET CATEGORY	SCHEMATIC DESIGN
1. Construction	\$ 12,140,000
2. Consulting	\$ 1,187,000
3. Equipment	\$ 843,000
4. Furniture	\$ 649,000
5. Contingency / Other	\$ 881,000
TOTAL PROJECT COST	\$ 15,700,000

PROJECT SCHEDULE

A project of this size and scope will take approximately two years to design, procure, and construct. Due to the complex nature of mixing City ownership, County function, and State Courts occupancy, approvals during the design and procurement phase may extend the project duration.

Some construction phasing will be required to ensure access is maintained for police operations and the immediately adjoining police garages.

Design Development and Construction Documents will be prepared by Wold Architects & Engineers.

Project timeline and milestone dates are outlined below:

Schematic Design Approval	Sep 2016
Design Development	Oct - Dec 2016
Construction Documents	Jan - Apr 2017
Best Value Procurement	Apr - Jul 2017
Construction	Jul 2017 - Aug 2018
Furniture / Equipment Installation	Sep 2018
Occupancy	Oct 2018

EXHIBIT B

PARKING DEVELOPMENT AGREEMENT

EXHIBIT B

PARKING DEVELOPMENT AGREEMENT BETWEEN THE CITY OF BLOOMINGTON AND COUNTY OF HENNEPIN

RECITALS

This Agreement is made this ____ day of _____, 2016, by and among the County of Hennepin ("County") and City of Bloomington ("City"). The County and City are collectively referred to herein as the "Parties".

Whereas, the Parties have entered into a certain Development Agreement and a certain Lease Agreement to develop a land area owned by the City and located at the City's Civic Plaza facility at 1800 West Old Shakopee Road, Bloomington, Hennepin County, Minnesota for a District Court facility serving the City of Bloomington, as well as other suburban communities as an expansion of Civic Plaza ("Court Facility").

Whereas, the Court Facility addition will total approximately 36,000 gross square feet ("GSF"), consisting of two stories and including two courtrooms and is estimated to generate a demand for between 77 and 169 parking spaces at Civic Plaza according to a parking study conducted by Alliant Engineering dated April 15, 2016, and attached hereto as Exhibit #1.

Whereas, the parking demand generated by the Court Facility will require the implementation of strategies aimed at maximizing and managing the use of all available parking spaces at Civic Plaza, and post-implementation, the Court generated parking demand has the potential to occasionally exceed the supply of parking spaces, mostly on days when large City-scheduled meetings and events are held for over 200 participants.

Whereas, in developing the Civic Plaza complex, the City constructed more parking than was initially needed to accommodate potential future growth in parking demand from existing uses on the campus, the development of unfinished space within the building and other physical or service additions to the campus in the future.

Whereas, the City desires to reserve its ability to utilize the existing unused parking capacity in the future if City uses require it.

Whereas, it is the goal of the Parties to have adequate available parking spaces to meet the on-going needs of the City and the County during the term of the Lease Agreement.

EXHIBIT B

the excess parking need, as well as the amount of parking needed for County purposes. The cost of that parking study will be shared by the Parties.

8. If the City, based on the consultant determines that there is a need for additional parking supply then the Parties agree to meet within 20 calendar days of their receipt of the parking study to identify parking management and mitigation measures, including without limitation, scheduling changes, identification of other parking opportunities (such as at St. Luke's church to the south of Old Shakopee Road), traffic demand management techniques by both the users of the Court Facility and Civic Plaza employees, restriping and improved mass transit services.

9. To the extent that the excess parking demand is reasonably attributed by the consultant, based upon both observation and an analysis of the court calendars, to the operation of the Court Facility, the County agrees to pay for its proportionate share of the cost of any parking management and mitigation measures.

10. The Parties agree to promptly implement the parking management and maximization strategies they identify to study their effectiveness at least 90 days after their full implementation.

11. If the management and mitigation measures are found to be inadequate, the City can direct the County to construct additional parking, including structured parking, on the Civic Plaza site.

12. If structured parking or other additional parking is directed, the Parties agree to negotiate in good faith and to execute an additional agreement that identifies, at a minimum, the location, design, size, construction plans and specifications, materials, architect, contractor, schedule of construction and method of financing each Party's proportionate share of the costs of construction, insurance and maintenance of the parking facility over the term of the Lease Agreement. The County's contribution to the cost of constructing the parking facility shall take into consideration the number of years remaining in the Lease Agreement and will not be required to construct new structured parking if less than 10 years remains on the base lease term, or within three (3) years of the end of any Lease extension.

13. The Parties agree that any such parking facility to be constructed under the terms of this Agreement must be of a compatible character and quality of materials and construction as the Civic Plaza Center and Court Facility and acceptable to the City's Director of Public Works.

EXHIBIT B

Signature Page for Parking Development Agreement

CITY OF BLOOMINGTON

DATED:

By: Its Mayor

DATED:

By:
Its City Manager

Reviewed and approved by the City Attorney.

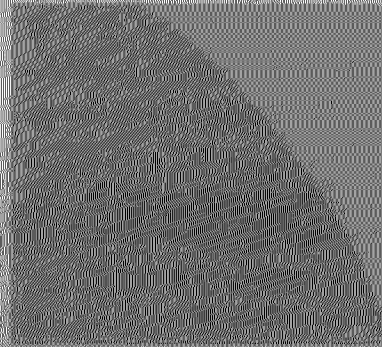
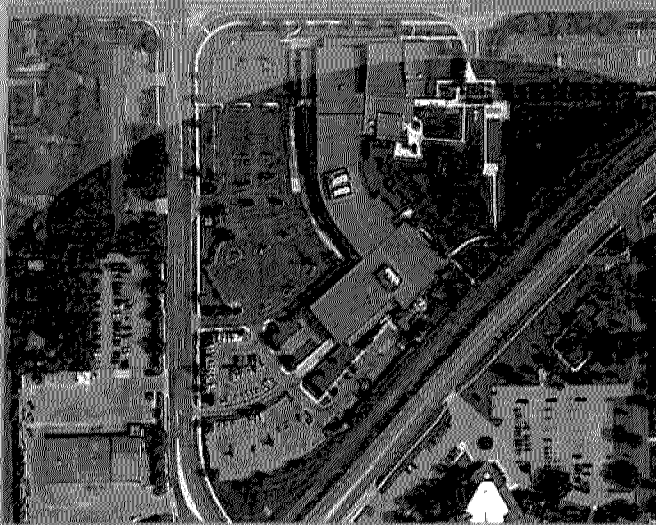
City Attorney

EXHIBIT B

**EXHIBIT 1
TO
PARKING DEVELOPMENT AGREEMENT**

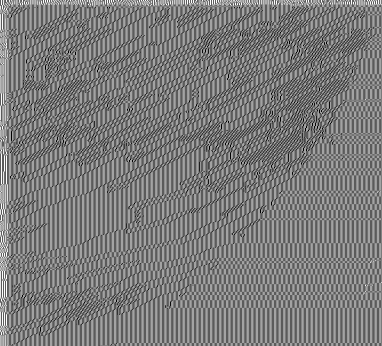
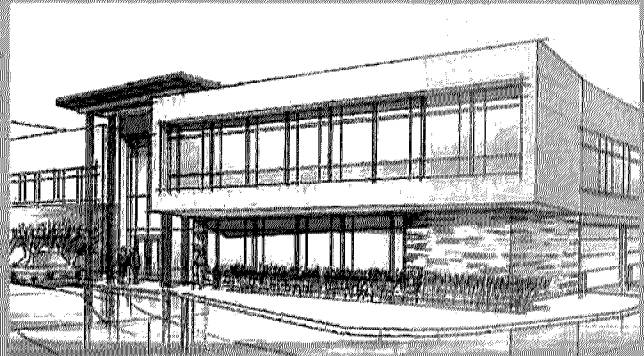
Alliant Engineering Report and Addenda

Exhibit 1



FINAL REPORT | APRIL 15, 2016

SOUTH SUBURBAN DISTRICT COURTS STUDY



Prepared for: Hennepin County



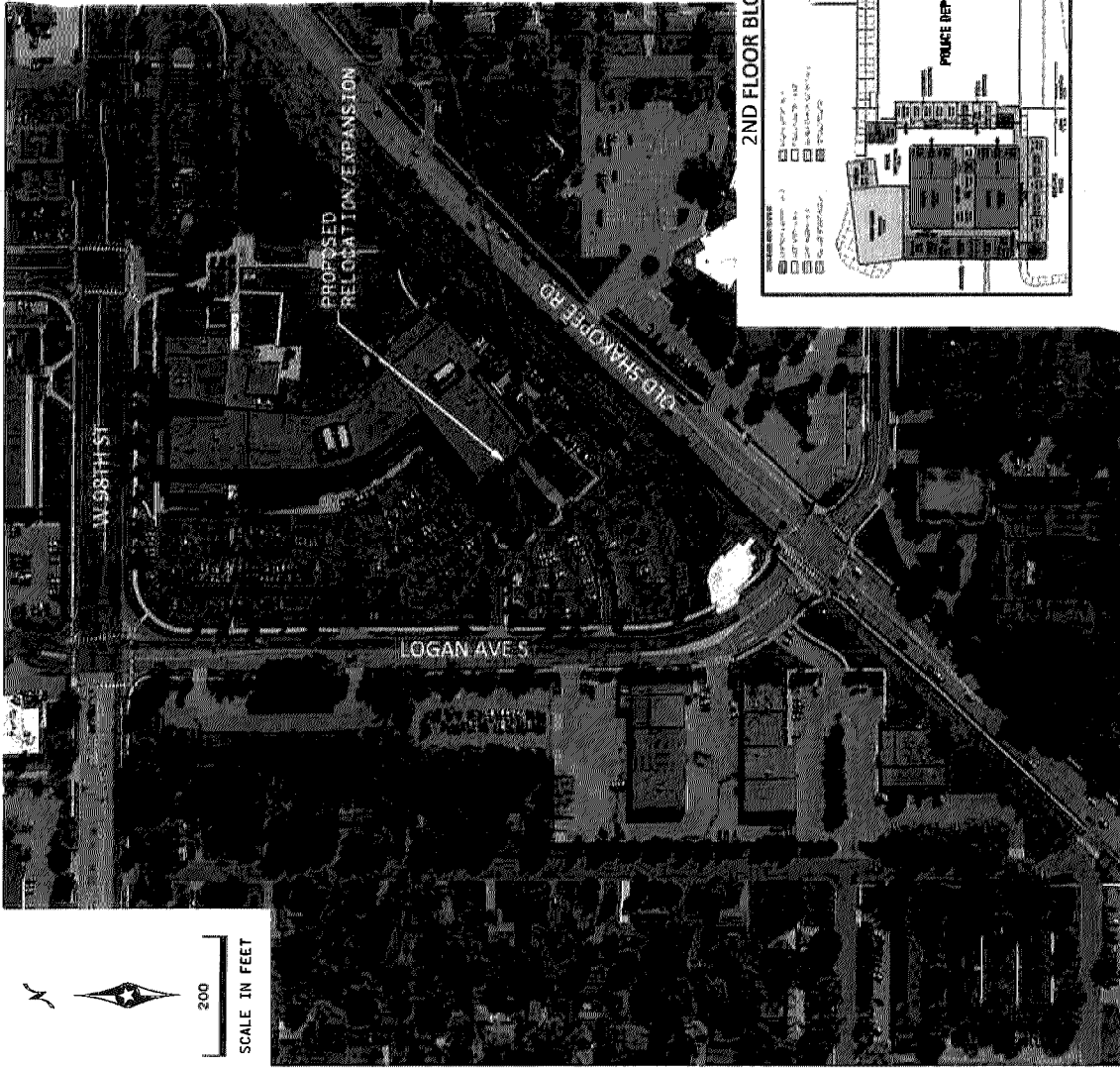
Prepared by: Alliant Engineering, Inc.



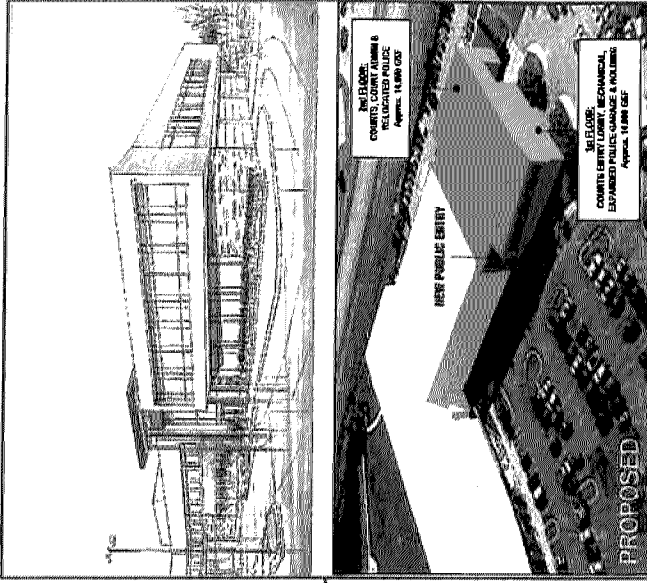
ALLIANT

List of Tables

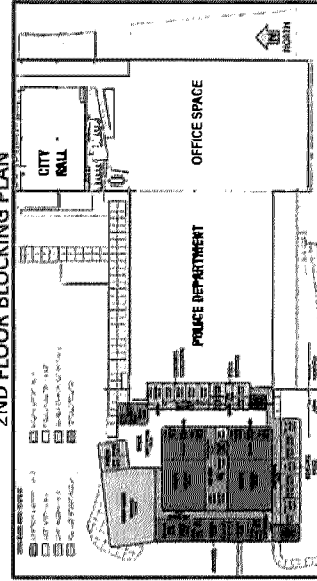
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PROPOSED BUILDING LAYOUT



2ND FLOOR BLOCKING PLAN



Hennepin County South District Court



Figure 1
Project Location and Concept Plan

South Suburban District Courts Parking and Traffic Study

the parking lot traffic were employee cars or individuals that visited the building for daily business. On this date, the maximum number of parked cars was during the 8:30 AM time period with a total of 271 parking spots open for all parking areas. The general public area included East Civic Lot A, West Civic Lot B, and West Civic Lot C with a total parking availability ranging from 154 (AM) parking spots open (39% availability) to 189 (PM) parking spots open (48% availability).

Table 2 documents the total existing parking supply and Table 3 summarizes the number of available parking stalls as collected on February 17, 2016.

Table 2. Existing Parking Stalls

East Civic Lot A	West Civic Lot B	West Civic Lot C	West Civic Lot D	Impound Lot E ⁽¹⁾	DMV/Animal/Public Health Lot F	Police Lot G ⁽¹⁾	Total Stalls ⁽¹⁾
113	240	42	85	64	96	43	683 / 576

⁽¹⁾ Impound Lot E and Police Lot G are shown for information. The total number of stalls are not included in the total supply.

Total supply without these lots is 576

Table 3. Available Parking Stalls

Time	Number of Available Parking Spots					Total Spots Available
	East Lot A	West Lot B	West Lot C	West Lot D	DMV LOT F	
8:30 AM	83	54	17	51	50	255
11:00 AM	83	68	26	44	51	272
1:30 PM	84	81	24	42	27	258
4:00 PM	96	97	16	59	53	321

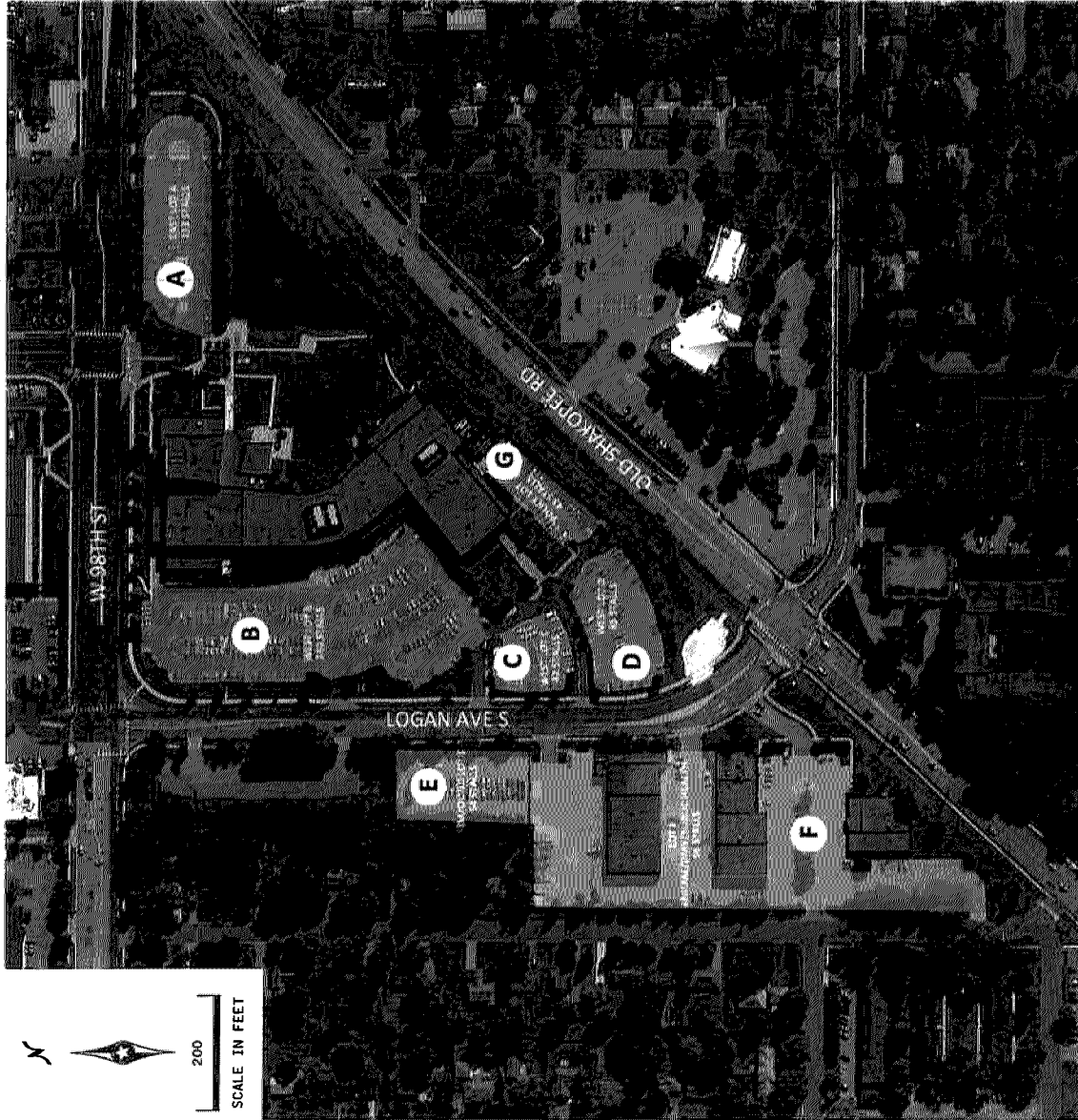
Note: All vehicles parked within West Lot C during the field study were observed to be City fleet vehicles.

2.3 Supplemental Parking Utilization Study

The City of Bloomington performed a parking study of the Bloomington Civic Plaza in October 2014¹ to determine if there would be adequate parking supply to support additional demand that would be created by a suburban court addition to Civic Plaza. Table 4 summarizes a comparison of the 2014 to 2016 parking utilization data. The comparison found the 2014 parking survey was, on average, approximately 21% less than those collected in 2016. It should be noted that even with 2016 survey having a higher parking demand, no meeting, classes, or events were scheduled. The 2014 data reported low to moderate amount of Art Center Facility use occurring, including election judge training from 8:30AM to 12:00 PM, and Angelica choir in the Rehearsal Hall from 3:30 PM to 6:00 PM.

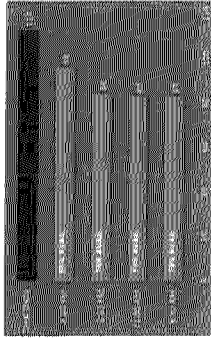
Overall, both of the studies found the AM peak hour to represent the heaviest period of demand. The 2016 parking survey will be used with the Southdale District Courts parking generation to calculate total estimated peak hour parking demand. A parking comparison for the 2014 and 2016 studies is illustrated on Figure 3.

¹ Parking Study for Bloomington Civic Plaza, City of Bloomington, November 7, 2014

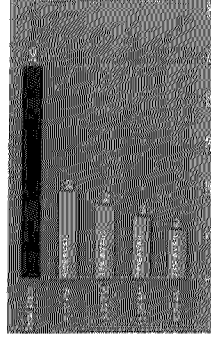


PARKING AVAILABILITY CHARTS

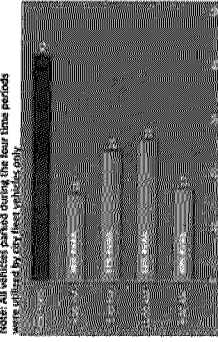
EAST LOT A



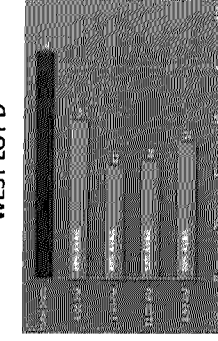
WEST LOT B



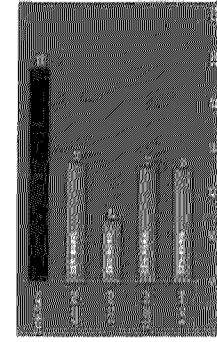
WEST LOT C



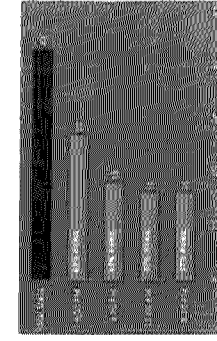
WEST LOT D



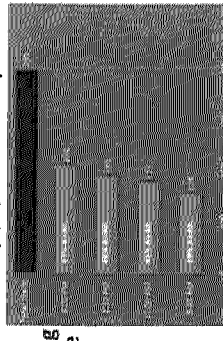
DMV LOT F



POLICE LOT G



GENERAL PARKING AVAILABILITY (A, B, AND C LOTS)



Note: Impound Lot E and Police Lot G are shown for information. The parking supply associated with these lots were not included in the overall parking supply.

2.4 Southdale District Courts Peak-Hour Parking Demand

Based upon discussion with Hennepin County and the City of Bloomington, the court's space requirements at full build-out of the building expansion will be approximately 19,000 gross square feet and contain two District Courtrooms. The parking demand expected with the Project was estimated based on three methodologies – the Institute of Transportation Engineers (ITE)² Parking Generation Manual, 2015 Caseload Data³, and the Hennepin County Courts Pedestrian Traffic Study⁴. A summary of the estimated parking demand by method is illustrated on Figure 4.

2.4.1 Method 1 – ITE Parking Generation Manual

The first method involves the application of the parking generation rate from the ITE Parking Generation Manual. This resource documents numerical trends in parking demand for a variety of land uses based upon the day of the week, time of day, and size of the development, and whether the site is urban or suburban.

Based on the Parking Generation Manual, a parking demand of 3.02 stalls per 1,000 square feet and 0.61 spaces per employee is expected during the peak weekday time period for a judicial court located in a suburban area. Table 5 illustrates the estimated parking demand based on the ITE Parking Generation Manual.

Table 5. ITE Parking Generation

Land Use ¹ (ITE Code)	Units	Size	Parking Spaces for Courts			Parking Spaces for Employees		Total Parking Spaces
			Average Rate	Parking Spaces	Staff ¹	Average Rate	Parking Spaces	
Judicial Complex (735)	1,000 sq. FT. GFA	19,000	3.02	57	48	0.61	29	87

1. Institute of Transportation Engineers (ITE) Parking Generation Manual, 4th Edition.

2.4.2 Method 2 – Caseload Data

The second method involves estimating the parking demand based on case load, public clientele and other court facility data provided by the Facility Services and District Court. It is assumed that the caseload data will be similar with the current facility at Southdale. The caseload data is based on the average number of hearings for each weekday during calendar year 2015 and the data identifies the average day and expected maximum conditions for AM hearings and PM hearings. Based on discussion with Hennepin County, the AM hearings are unique in that all individuals with a scheduled AM hearing are required to be present at 8:00 AM.

The case load data provided by Hennepin County Facility Services can be further broken down to define the actual number of people, or defendants, per case. In many instances a single defendant may be present for multiple cases and there are other situations where a

² Institute of Transportation Engineers, Parking Generation Manual, 4th Edition

³ Data provided by the Hennepin County Facility Services

⁴ Hennepin County Courts Pedestrian Traffic Study, Peter Bruce, February 2012

Table 6. Caseload Data Parking Demand

AM Peak Period

	Southdale Occurred Hearings						Staffing Component			Hearing Officer Appointments		Public Inquiries at Counter / Public Terminal		
	Units	# Ave Daily Defendants / Parking Spaces	Average Rate		Units	Average Rate	Daily Staff Employees	Average Rate 1 parking space per employee	Total Parking Spaces	A.M. Appointments 4 appointment per hour	Total Parking Spaces	# of Individuals to Transact Business at the Courts	Average Rate 1 parking space per hour per individual	Total Parking Spaces
			1 Representative parking space per 10th Defendant	# Ave Daily Defendant Representatives / Parking Spaces										
Monday	98.46	0.82	80.93	0.1	8.1	-4.32	39.0	1	39.0	25.0	4.0	10.0	1.0	130
Tuesday	96.95	0.82	79.69	0.1	8.0	-4.32	39.0	1	39.0	25.0	4.0	10.0	1.0	128
Wednesday	80.72	0.82	66.35	0.1	6.6	-4.32	39.0	1	39.0	25.0	4.0	10.0	1.0	114
Thursday	74.79	0.82	61.48	0.1	6.1	-4.32	39.0	1	39.0	25.0	4.0	10.0	1.0	108
Friday	98.05	0.82	80.60	0.1	8.1	-4.32	39.0	1	39.0	25.0	4.0	10.0	1.0	129
Average Day (Cases)	89.8	0.82	73.81	0.1	7.4	-4.3	39.0	1.0	39.0	25.0	4.0	10.0	1.0	122
Maximum Day (Cases)	126.0	0.82	103.57	0.1	10.4	-6.1	47.0	1.0	47.0	25.0	4.0	10.0	1.0	161
Average Day (Defendant)	73.6	1.0	73.6	0.1	7.4	-4.3	39.0	1.0	39.0	25.0	4.0	10.0	1.0	122
98th Percentile Maximum Day (Defendant)	111.0	1.0	111.0	0.1	11.1	-6.5	47.0	1.0	47.0	25.0	4.0	10.0	1.0	169

PM Peak Period

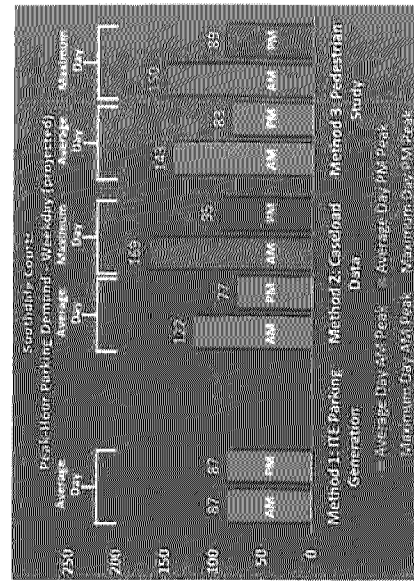
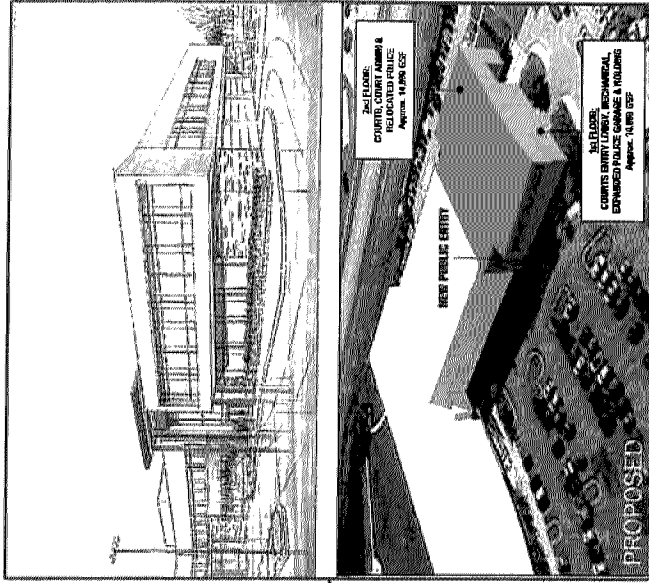
	Southdale Occurred Hearings						Staffing Component			Hearing Officer Appointments		Public Inquiries at Counter / Public Terminal		
	Units	# Ave Daily Defendants / Parking Spaces	Average Rate	Units	Average Rate	Total Parking Spaces	Daily Staff Employees	Average Rate	P.M. Appointments	Average Rate	# of Individuals to Transact Business at The Courts	Average Rate	Total Parking Space.	
	# Ave Daily Defendants / Parking Spaces	1 Representative parking space per 10th Defendant	# Ave Daily Defendants / Parking Spaces	In-Custody Defendants / No Parking	1 parking space per employee	1 parking space per hour per individual	4 appointments per hour	1 parking space per hour per individual	10.0	1.0	2.0	2.0		
Monday	43.03	0.82	35.37	0.1	3.5	0.00	39.0	1	39.0	17.0	4.0	10.0	1.0	83
Tuesday	42.44	0.82	34.88	0.1	3.5	0.00	39.0	1	39.0	17.0	4.0	10.0	1.0	82
Wednesday	26.36	0.82	21.67	0.1	2.2	0.00	39.0	1	39.0	17.0	4.0	10.0	1.0	68
Thursday	46.47	0.82	38.20	0.1	3.8	0.00	39.0	1	39.0	17.0	4.0	10.0	1.0	86
Friday	24.32	0.82	19.99	0.1	2.0	0.00	39.0	1	39.0	17.0	4.0	10.0	1.0	66
Average Day (Cases)	36.5	0.82	30.02	0.1	3.0	0.0	39.0	1.0	39.0	17.0	4.0	10.0	1.0	77
Maximum Day (Cases)	55.6	0.82	45.70	0.1	4.6	0.0	39.0	1.0	39.0	25.0	4.0	10.0	1.0	95
Average Day (Defendant)	29.9	1.0	29.9	0.1	3.0	0.0	39.0	1.0	39.0	17.0	4.0	10.0	1.0	77
98th Percentile Maximum Day (Defendant)	45.1	1.0	45.1	0.1	4.5	0.0	39.0	1.0	39.0	25.0	4.0	10.0	1.0	95



Alliant No. 116-0004
April 15, 2016



PROPOSED BUILDING LAYOUT



HENNEPIN COUNTY SOUTH DISTRICT COURT

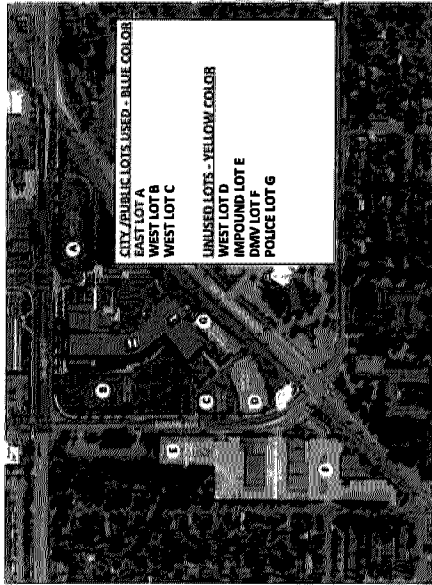


FIGURE 4
PROPOSED COURT EXPANSION AND
PARKING DEMAND

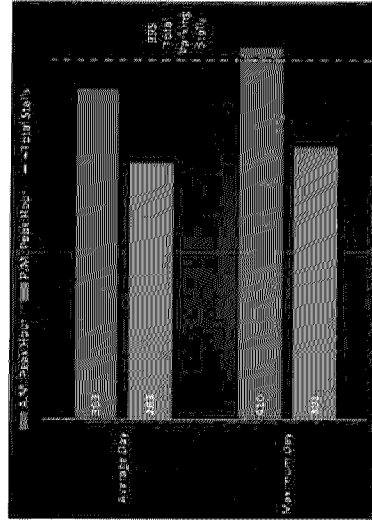
total of 6 scenarios were analyzed to help assess potential demands and frame the context for parking management strategies.

- **Scenario 1:** Existing baseline parking demand from the 2016 parking survey plus the addition of South Suburban District Court parking demand. (Assumes the following parking lots are available for general – public and staff – parking: East Civic Lot A, West Civic Lot B and West Civic Lot C).
- **Scenario 2:** Existing baseline parking demand from the 2016 parking survey plus the addition of South Suburban District Court parking demand. (East Civic Lot A, West Civic Lot B and West Civic Lot C). Includes the parking management strategy of consolidating assigned parking within West Lot D and allowing general public parking.
- **Scenario 3:** The addition of South Suburban District Court parking demand plus 100 person or less event. (East Civic Lot A, West Civic Lot B and West Civic Lot C). Includes the parking management strategy of consolidating assigned parking within West Lot D and allowing general public parking.
- **Scenario 4:** The addition of South Suburban District Court parking demand plus 100 person or less event. (East Civic Lot A, West Civic Lot B and West Civic Lot C). Includes the parking management strategies of consolidating assigned parking within West Lot D and allowing general public parking, and relocating the city fleet vehicles to other locations (e.g., Impound Lot E).
- **Scenario 5:** The addition of South Suburban District Court parking demand plus 100 person or less event. (East Civic Lot A, West Civic Lot B and West Civic Lot C). Includes the parking management strategies of consolidating assigned parking within West Lot D and allowing general public parking, relocating the city fleet vehicles to other locations (e.g., Impound Lot E), and providing general public parking within the DMV Lot F.
- **Scenario 6:** The addition of South Suburban District Court parking demand plus 250 person event. (East Civic Lot A, West Civic Lot B and West Civic Lot C). Include parking management strategies of consolidating assigned parking within West Lot D and allowing general public parking, relocating the city fleet vehicles to other locations (e.g., Impound Lot E), and providing general public parking within the DMV Lot F.

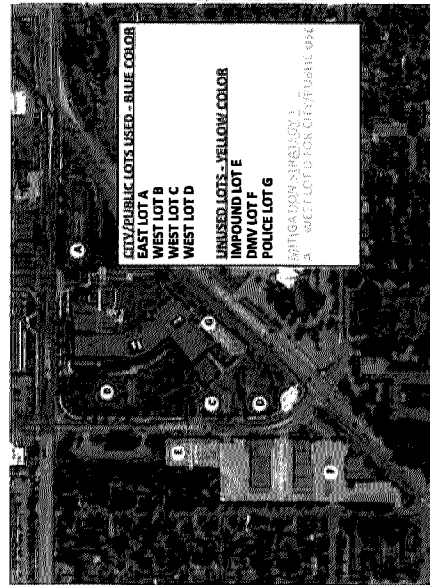
A graphical comparison of the parking demand versus supply analysis for each scenario is provided on Figure 5. An overall summary of the parking demand versus supply analysis is shown in Table 9.



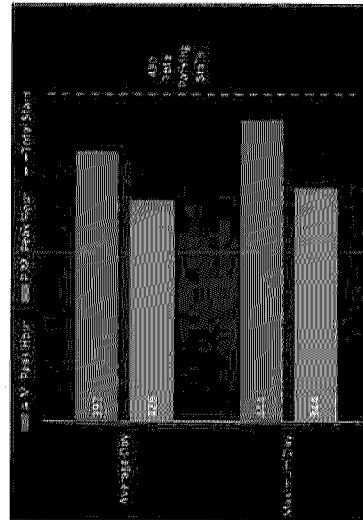
**EXISTING PUBLIC PARKING DEMAND
AND COURT PARKING GENERATION
(OCCUPIED LOTS: EAST LOT A, WEST LOT B, WEST LOT C)**



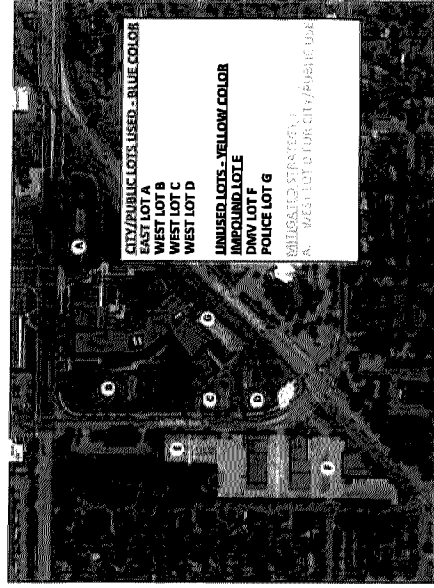
**SCENARIO 1
PARKING
DEMAND
INCLUDES
FLEET VEHICLES**



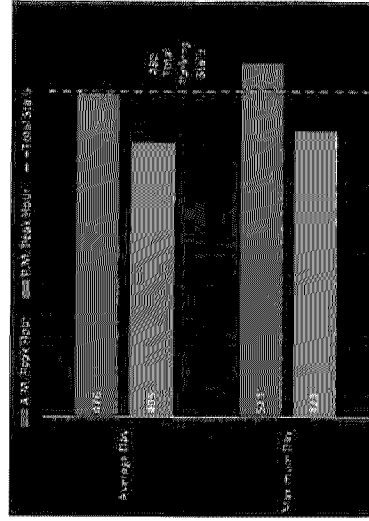
**EXISTING PUBLIC PARKING DEMAND
AND COURT PARKING GENERATION
WITH WEST LOT D FOR CITY/PUBLIC USE
(OCCUPIED LOTS: EAST LOT A, WEST LOT B, C, D)**



**SCENARIO 2
PARKING
DEMAND
INCLUDES
FLEET VEHICLES**



**EXISTING PUBLIC PARKING DEMAND
AND COURT PARKING GENERATION
WITH WEST LOT D FOR CITY/PUBLIC USE
(EVENT < 100 PEOPLE)
(OCCUPIED LOTS: EAST LOT A, WEST LOT B, C, D)**



**SCENARIO 3
PARKING
DEMAND
WITH EVENT
LESS THAN
100 PEOPLE
INCLUDES
FLEET VEHICLES**

3.0 Traffic Impact Analysis

The following sections document the expected impacts to the transportation system resulting from the addition of the South Suburban District Courts. The purpose of the traffic analysis is to evaluate the impact of traffic generated by the proposed project on the operations and safety of the adjacent roadway network and immediate site/parking access. The following two traffic signal controlled intersections were considered for the study:

- Logan Avenue and 98th Street
- Logan Avenue and Old Shakopee Road

3.1 Existing Traffic Volumes

The weekday AM and PM peak hours represent the critical peak hours for traffic analysis. AM and PM peak hour turning movement counts were collected by Alliant Engineering in January of 2016 for both intersections mentioned above. Inbound and outbound volumes were also gathered at the three main site driveways along Logan Avenue. The 2016 existing weekday AM and PM peak hour traffic volumes for the study area are illustrated on Figure 6.

3.2 Site-Generated Traffic

The motor vehicle traffic volume estimated to be generated by the expansion was developed for the weekday AM and PM peak hours and is based on the parking demand. Using the existing parking demand, an assumption is made that each parked vehicle represents one inbound and one outbound vehicle trip. During the AM time period, most parked vehicles will occur concurrently, similar to an office building. In other words very little turn-over is expected. During the PM time period, a 50/50 distribution between inbound and outbound trips was assumed. The estimated site-generated trips for the proposed South Suburban District Courts is summarized in Table 10.

Table 10. Trip Generation Estimates

Land Use	AM Peak Hour Trips			PM Peak Hour Trips		
	Trips In	Trips Out	Total Trips	Trips In	Trips Out	Total Trips
District Courts	159	31	190	97	97	194

1. Based off estimated parking demand

3.3 Forecast Traffic Volumes

The regional distribution of the site-generated traffic was estimated based on review of existing traffic volumes at the two study locations. The site generated trips were then assigned to the street network and added to the existing traffic volumes. The forecast intersection turning movement volumes are shown on Figure 6.

3.4 Traffic Operations Analysis

The quality of traffic flow and mobility was measured using Level of Service (LOS) methodology. LOS calculations were performed for the study area for the 2016 existing and proposed South Suburban District Courts conditions. A discussion of the capacity including LOS and queuing is included in the following sections.

3.4.1 Definition of Level of Service

The term level of service (LOS), as taken from the Highway Capacity Manual (HCM)⁵, refers to the ability of an intersection to process traffic volumes. It is defined as the delay to vehicles caused by the traffic control at the intersection. The results of the analysis are typically presented in the form of a letter grade (A-F) that provides a qualitative indication of the operational efficiency or effectiveness. By definition, LOS A conditions represent high-quality operations (i.e., motorists experience very little delay or interference) and LOS F conditions represent very poor operations (i.e., extreme delay or severe congestion). The intersection LOS is affected by the magnitudes of the traffic volumes at the intersection, their movement desires and the geometric design and traffic control at the intersection. The LOS thresholds are presented in Table 11. The LOS D/E boundary for overall operations is typically used as the indicator of congestion in an urban area. For stop-controlled intersections, a key measure of operational effectiveness is the side-street or site access LOS. Long delays and poor LOS can sometimes result on the side-street, even if the overall intersection is functioning well, making it a valuable design criterion.

Table 11. Level of Service Description

Level of Service	Description	Delay per Vehicle (Seconds)	
		Signalized Intersection	Un-Signalized Intersection
A	Free Flow. Low volumes and no delays.	0 - 10	0 - 10
B	Stable Flow. Speeds restricted by travel conditions, minor delays.	>10 - 20	>10 - 15
C	Stable Flow. Speeds and maneuverability closely controlled due to higher volumes.	>20 - 35	>15 - 25
D	Stable Flow. Speeds considerably affected by change in operating conditions. High density traffic restricts maneuverability, volume near capacity.	>35 - 55	>25 - 35
E	Unstable Flow. Low speeds, considerable delay, volume at or slightly over capacity.	>55 - 80	>35 - 50
F	Forced Flow. Very low speeds, volumes exceed capacity, long delays with stop and go traffic.	> 80	> 50

Source: Highway Capacity Manual, 2010 Edition, Transportation Research Board, Exhibit 18-4 for Signalized Intersections and Exhibit 19-1 for Unsignalized Intersections.

3.4.2 Analysis Results

The intersection and access traffic operations analysis was completed for the 2016 existing and proposed District Courts for both the AM and PM peak hours using the Synchro/SimTraffic software package.

⁵ Highway Capacity Manual, Transportation Research Board, 2010 Edition.

4.0 Conclusions

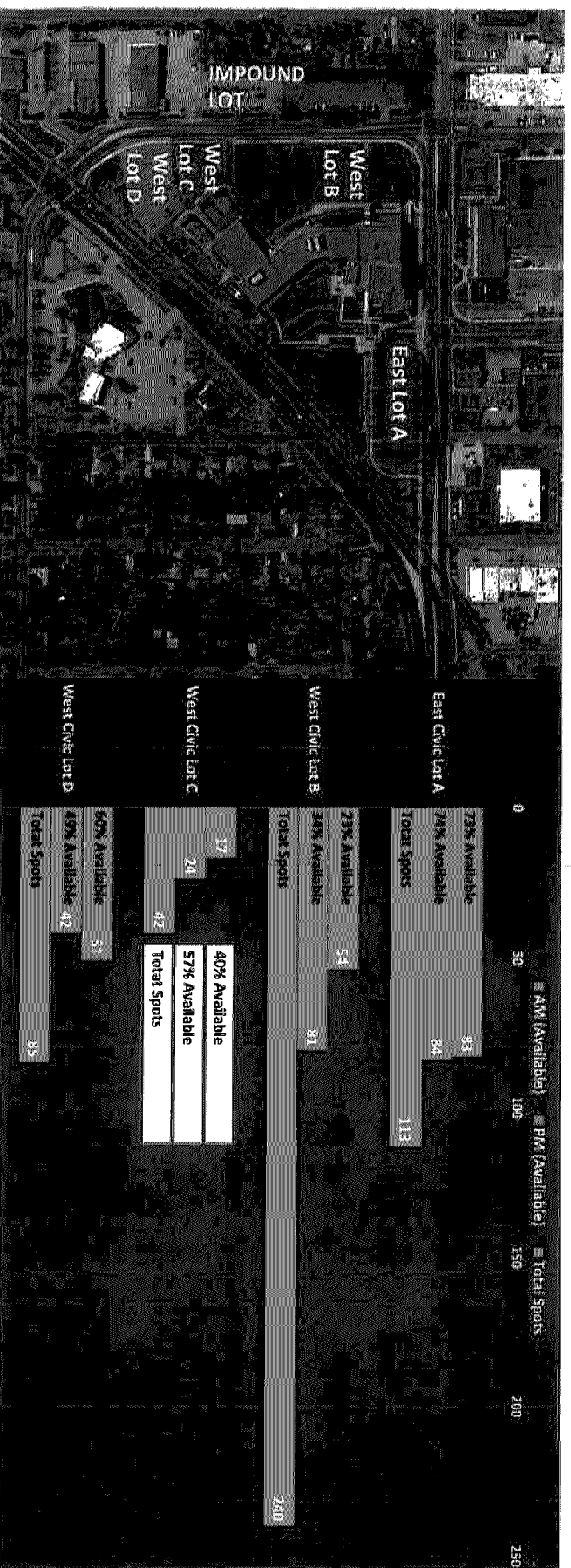
Based on the 2016 parking utilization study, parking demand generation methods evaluated, and the parking and traffic operation analysis, the following conclusions are made:

- It is noted that the East Civic Lot A is likely to continue to be underutilized due to its location. If this is the case, the available parking stalls within the West Civic Lot B and West Civic Lot D, are not expected to provide sufficient parking in any scenario during the AM time period. Strategies to increase the parking utilization in this lot need to be identified.
- The AM court parking demand is the peak condition. On a typical day and under the current Civic Plaza parking lot assignments, the amount of existing available public parking stalls within the Bloomington Civic Plaza is expected to be sufficient, though close to capacity (approximately 30 available parking stalls expected).
- On a typical meeting day of 100 people or less (occurred approximately 17 times in calendar year 2015), insufficient parking within the existing public parking lots (West Civic Lot B, East Civic Lot A and West Civic Lot C) is expected. If West Civic Lot D is utilized for public parking and the City fleet vehicles are relocated (e.g., use a portion of the Impound Lot E), then adequate parking supply is expected on a typical court case load day.
- The parking analysis was completed for average day conditions and average daily court case loads and defendants present. On days where a peak a peak number of defendants are present (upward near 111 defendants during the AM calendar, which is expected to occur less than 10 days per year), the available parking is still expected sufficient providing an event is not concurrently planned and West Civic Lot D is available for general public parking (or the fleet vehicles are relocated and East Civic Lot A, West Civic Lot B and West Civic Lot C are available for public parking). An event of any size overlapping with the morning 8:00 to 9:30 time period is expected to result in a parking supply deficiency. Utilization of the DMV/Animal Control/Public Health Lot F on the west side of Logan Avenue provides sufficient parking capacity for events of 100 people or less. Identification of the parking demand management strategies to best utilize these stalls is needed.
- On those few days a year where a large peak Civic Plaza event occurs along with either an average or peak case load day, insufficient parking is expected. Parking management strategies that utilize external parking facilities should be identified.
- The traffic operation analysis indicates that all intersections evaluated are expected to operate at an acceptable LOS B or better.

In general, the total number of existing stalls within the Bloomington Civic Plaza area appears to be sufficient (excluding major event days) for the majority of case load days. It is recommended the City of Bloomington and Hennepin County develop a parking

Existing Parking Supply

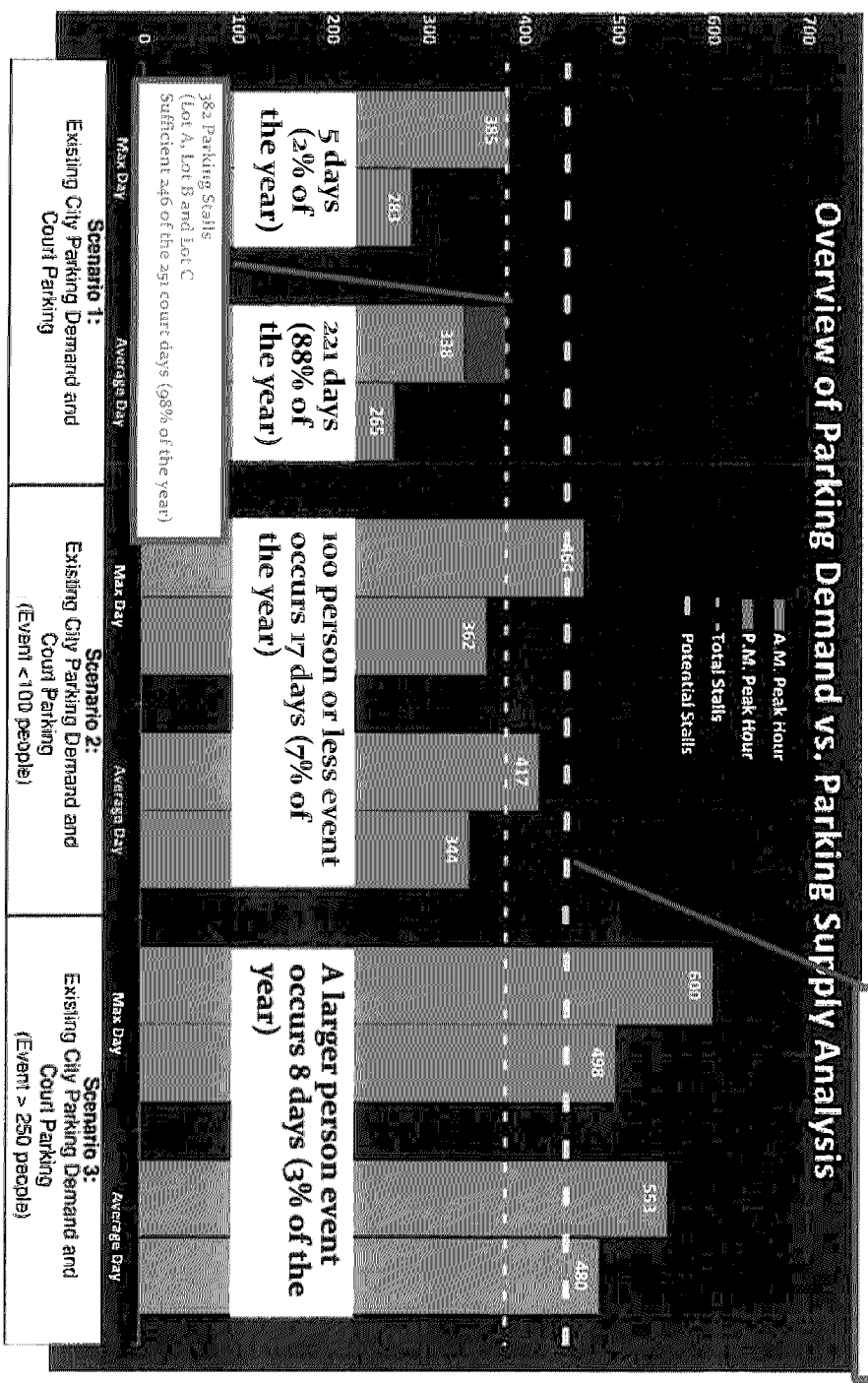
- Total Parking Supply – 395 Stalls
 - East Lot A (113), West Lot B (240), West Lot C (42), West Lot D and Impound Lot – Not Included
- 154 stalls available during the AM peak (Lots A, B, C)
- Typical Day: 41% Parking Availability
- 51 available stalls in West Lot D
- Potential for at least 63 stalls with repurposing of the impound lot
- Data collected in 2016 during typical day with no events



Parking Demand vs. Supply

445 Parking Stalls
(Lot A, Lot B, Lot C and Repurposed Impound Lot)

251 Court Calendar / Business Days Per Year
88% of the 251 Court Calendar Days Lot A, Lot B and Lot C provide sufficient parking supply.
97% of the 251 calendar days the parking is sufficient when also utilizing the repurposed impound lot



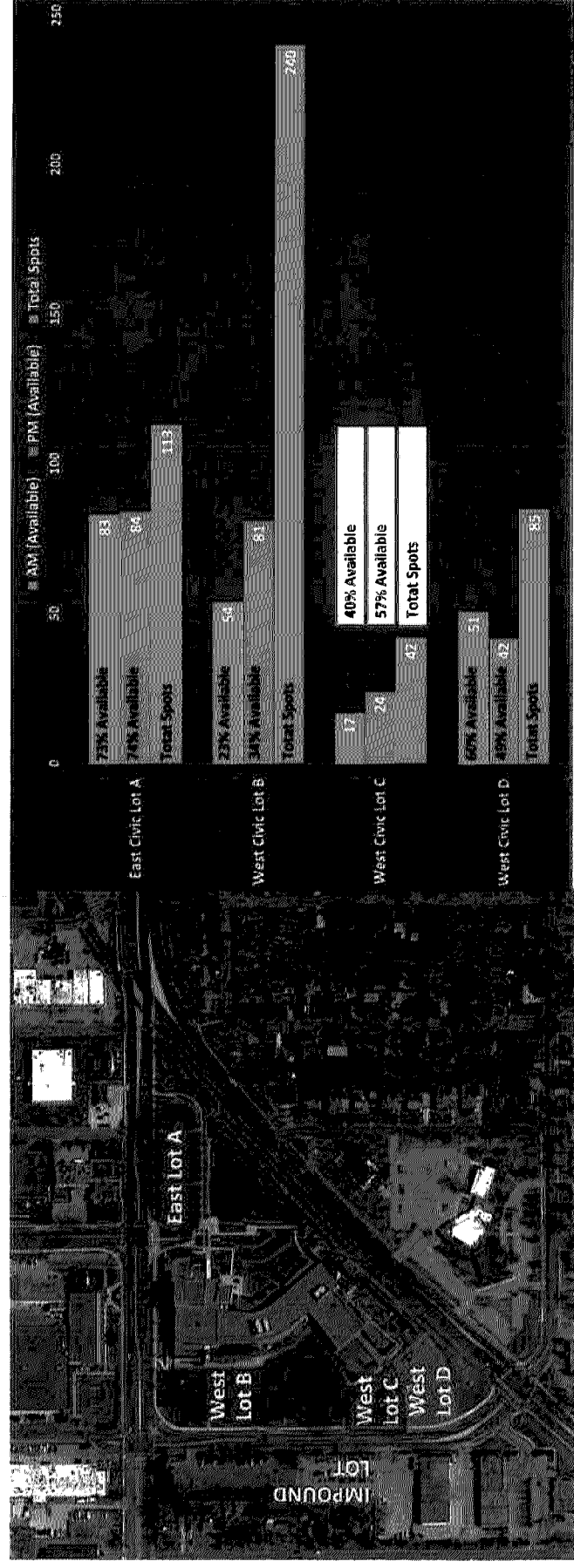
Parking Management Strategies

- **Fully Utilize Lot A** – Staff parking and/or implement wayfinding and other information strategies
- **Repurpose the Impound Lot** – Relocate impound operations and revitalize lot for Courts and Staff parking (approximately 63 stalls)
- **Utilize Lot D** - for relocation of City Fleet vehicles and additional staff assigned parking
- **Reduce Parking Demand Peaks** - Coordinate city plaza event schedule with District Court calendars to reduce peak parking demand
- **Encourage Transit Ridership** – Investigate
- **Utilize Off-Site Parking Lots When Needed** – Make agreements (e.g., St. Luke's Church) and provide appropriate wayfinding and directional signing
- **Electronic e-Court Servicing** – Reduce number of in-person case load



Existing Parking Supply

- Total Parking Supply – 395 Stalls
 - East Lot A (113), West Lot B (240), West Lot C (42), West Lot D and Impound Lot – Not Included
- 154 stalls available during the AM peak (Lots A, B, C)
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Parking Demand vs. Supply

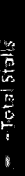
• 251 Court Calendar / Business Days Per Year

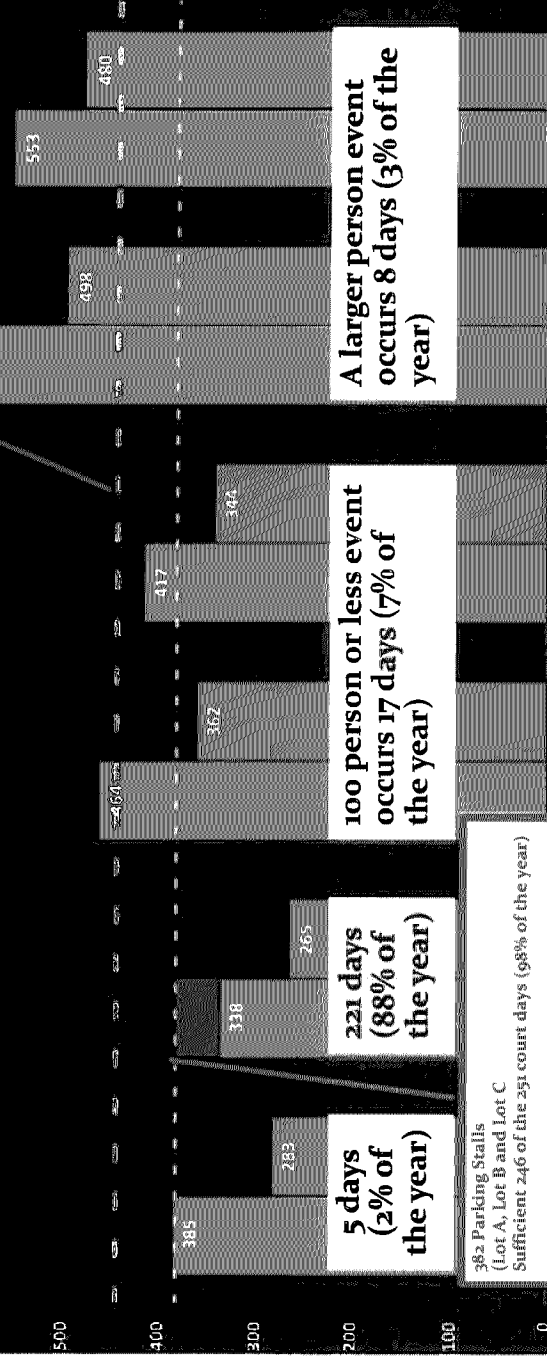
• 88% of the 251 Court Calendar Days Lot A, Lot B and Lot C provide sufficient parking supply.

• 97% of the 251 calendar days the parking is sufficient when also utilizing the repurposed impound lot

445 Parking Stalls
(Lot A, Lot B, Lot C and Repurposed Impound Lot)

Overview of Parking Demand vs. Parking Supply Analysis

 A.M. Peak Hour
 P.M. Peak Hour
 Total Stalls
 Potential Stalls



382 Parking Stalls
(Lot A, Lot B and Lot C)
Sufficient 246 of the 251 court days (98% of the year)

Scenario 1:
Existing City Parking Demand and Court Parking

Scenario 2:
Existing City Parking Demand and Court Parking
(Event < 100 people)

Scenario 3:
Existing City Parking Demand and Court Parking
(Event > 250 people)

Parking Management Strategies

- **Fully Utilize Lot A** – Staff parking and/or Implement wayfinding and other information strategies
- **Repurpose the Impound Lot** – Relocate impound operations and revitalize lot for Courts and Staff parking (approximately 63 stalls)
- **Utilize Lot D** – for relocation of City Fleet vehicles and additional staff assigned parking
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- **Electronic e-Court Servicing** – Reduce number of in-person case load



EXHIBIT C

NOTICES

Notices to the City of Bloomington:

City of Bloomington
ATTN: James D. Verbrugge, City Manager
1800 West Old Shakopee Road
Bloomington, Minnesota 55431

City of Bloomington
ATTN: Larry Lee, Director of Community Development
1800 West Old Shakopee Road
Bloomington, Minnesota 55431

Notices to Hennepin County:

Hennepin County
ATTN: J. Michael Noonan
Land Management Division
Community Works Department
701 Fourth Avenue South, Suite 400
Minneapolis, Minnesota 55415-1843

Hennepin County
ATTN: Michael Sable
Hennepin County Facility Services, Director
300 South 6th Street, A2208 Government Center
Minneapolis, Minnesota 55487 MC 228