Report of Inspection Procedures and Results for
Determining Qualifications of a
Tax Increment Financing District as a Redevelopment District

Shakopee Riverfront Bluff Redevelopment TIF District
Shakopee, Minnesota

April 30, 2019

Prepared For the
City of Shakopee

Prepared by:

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LHB Project No. 180480

TABLE OF CONTENTS

PART 1 – EXECUTIVE SUMMARY 2
Purpose of Evaluation 2
Scope of Work 2
Conclusion 3

PART 2 – MINNESOTA STATUTE 469.174, SUBDIVISION 10 REQUIREMENTS 3
A. Coverage Test 3
B. Condition of Buildings Test 4
C. Distribution of Substandard Buildings 5

PART 3 – PROCEDURES FOLLOWED 6

PART 4 – FINDINGS 6
A. Coverage Test 6
B. Condition of Building Test 7
1. Building Inspection 7
2. Replacement Cost 7
3. Code Deficiencies 8
4. System Condition Deficiencies 8
C. Distribution of Substandard Structures 9

PART 5 - TEAM CREDENTIALS 10

APPENDIX A Property Condition Assessment Summary Sheet

APPENDIX B Building Code, Condition Deficiency and Context Analysis Reports

APPENDIX C Building Replacement Cost Reports
Code Deficiency Cost Reports
Photographs

PART 1 – EXECUTIVE SUMMARY

PURPOSE OF EVALUATION

LHB was hired by the City of Shakopee to inspect and evaluate the properties within a Tax Increment Financing Redevelopment District ("TIF District") proposed to be established by the City. The proposed TIF District is bounded by Levee Drive West, Atwood Street North, 1st Avenue West and Scott Street North (Diagram 1). The purpose of LHB's work is to determine whether the proposed TIF District meets the statutory requirements for coverage, and whether six (6) buildings on nine (9) parcels and one (1) right of way parcel, located within the proposed TIF District, meet the qualifications required for a Redevelopment District.

Diagram 1 – Proposed TIF District

SCOPE OF WORK

The proposed TIF District consists of nine (9) parcels and one (1) right of way parcel with six (6) buildings. Two (2) buildings were inspected on the interior and exterior on July 31, 2017, one (1) building was inspected on the interior and exterior on June 13, 2018 and one (1) building was inspected on the exterior March 22, 2019. Building Code and Condition Deficiency reports for the buildings that were inspected are located in Appendix B.

CONCLUSION

After inspecting and evaluating the properties within the proposed TIF District and applying current statutory criteria for a Redevelopment District under *Minnesota Statutes, Section 469.174, Subdivision 10*, it is our professional opinion that the proposed TIF District qualifies as a Redevelopment District because:

- The proposed TIF District has a coverage calculation of 100 percent which is above the 70 percent requirement.
- 66.7 percent of the buildings are structurally substandard which is above the 50 percent requirement.
- The substandard buildings are reasonably distributed.

The remainder of this report describes our process and findings in detail.

PART 2 – MINNESOTA STATUTE 469.174, SUBDIVISION 10 REQUIREMENTS

The properties were inspected in accordance with the following requirements under *Minnesota Statutes, Section 469.174, Subdivision 10(c)*, which states:

INTERIOR INSPECTION

"The municipality may not make such determination [that the building is structurally substandard] without an interior inspection of the property..."

EXTERIOR INSPECTION AND OTHER MEANS

"An interior inspection of the property is not required, if the municipality finds that

(1) the municipality or authority is unable to gain access to the property after using its best efforts to obtain permission from the party that owns or controls the property; and

(2) the evidence otherwise supports a reasonable conclusion that the building is structurally substandard."

DOCUMENTATION

"Written documentation of the findings and reasons why an interior inspection was not conducted must be made and retained under section 469.175, subdivision 3(1)."

QUALIFICATION REQUIREMENTS

Minnesota Statutes, Section 469.174, Subdivision 10 (a) (1) requires three tests for occupied parcels:

A. COVERAGE TEST

…"parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or paved or gravel parking lots…"

The coverage required by the parcel to be considered occupied is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which states: "For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures unless 15 percent of the area of the parcel contains buildings, streets, utilities, paved or gravel parking lots, or other similar structures."

B. CONDITION OF BUILDINGS TEST

Minnesota Statutes, Section 469.174, Subdivision 10(a) states, "…and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;"

1. Structurally substandard is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(b)*, which states: "For purposes of this subdivision, 'structurally substandard' shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance."

   a. We do not count energy code deficiencies toward the thresholds required by *Minnesota Statutes, Section 469.174, Subdivision 10(b)* defined as "structurally substandard", due to concerns expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

2. Buildings are not eligible to be considered structurally substandard unless they meet certain additional criteria, as set forth in Subdivision 10(c) which states:

   "A building is not structurally substandard if it is in compliance with the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence on the basis of reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence."

   "Items of evidence that support such a conclusion [that the building is not disqualified] include recent fire or police inspections, on-site property tax appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence."

   LHB counts energy code deficiencies toward the 15 percent code threshold required by *Minnesota Statutes, Section 469.174, Subdivision 10(c)*) for the following reasons:

   - The Minnesota energy code is one of ten building code areas highlighted by the Minnesota Department of Labor and Industry website where minimum construction standards are required by law.
   - Chapter 13 of the 2015 *Minnesota Building Code* states, "Buildings shall be designed and constructed in accordance with the *International Energy Conservation Code*." Furthermore, Minnesota Rules, Chapter 1305.0021 Subpart 9 states, "References

to the *International Energy Conservation Code* in this code mean the *Minnesota Energy Code*…"

- Chapter 11 of the 2015 Minnesota Residential Code incorporates Minnesota Rules, Chapters, 1322 and 1323 *Minnesota Energy Code*.
- The Senior Building Code Representative for the Construction Codes and Licensing Division of the Minnesota Department of Labor and Industry confirmed that the Minnesota Energy Code is being enforced throughout the State of Minnesota.
- In a January 2002 report to the Minnesota Legislature, the Management Analysis Division of the Minnesota Department of Administration confirmed that the construction cost of new buildings complying with the Minnesota Energy Code is higher than buildings built prior to the enactment of the code.
- Proper TIF analysis requires a comparison between the replacement value of a new building built under current code standards with the repairs that would be necessary to bring the existing building up to current code standards. In order for an equal comparison to be made, all applicable code chapters should be applied to both scenarios. Since current construction estimating software automatically applies the construction cost of complying with the Minnesota Energy Code, energy code deficiencies should also be identified in the existing structures.

C. DISTRIBUTION OF SUBSTANDARD BUILDINGS

Minnesota Statutes, Section 469.174, Subdivision 10, defines a Redevelopment District and requires one or more of the following conditions, "reasonably distributed throughout the district."

(1) "Parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;
(2) the property consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities, or excessive or vacated railroad rights-of-way;
(3) tank facilities, or property whose immediately previous use was for tank facilities…"

Our interpretation of the distribution requirement is that the substandard buildings must be reasonably distributed throughout the district as compared to the location of all buildings in the district. For example, if all of the buildings in a district are located on one half of the area of the district, with the other half occupied by parking lots (meeting the required 70 percent coverage for the district), we would evaluate the distribution of the substandard buildings compared with only the half of the district where the buildings are located. If all of the buildings in a district are located evenly throughout the entire area of the district, the substandard buildings must be reasonably distributed throughout the entire area of the district. We believe this is consistent with the opinion expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

PART 3 – PROCEDURES FOLLOWED

LHB inspected two (2) buildings on the interior and exterior during the day of July 31, 2017. One (1) building was inspected on the interior and exterior on June 13, 2018. One (1) building was inspected on the exterior on March 22, 2019.

PART 4 – FINDINGS

A. COVERAGE TEST

1. The total square foot area of the parcel in the proposed TIF District was obtained from City records, GIS mapping and site verification.

2. The total square foot area of buildings and site improvements on the parcels in the proposed TIF District was obtained from City records, GIS mapping and site verification.

3. The percentage of coverage for each parcel in the proposed TIF District was computed to determine if the 15 percent minimum requirement was met. The total square footage of parcels meeting the 15 percent requirement was divided into the total square footage of the entire district to determine if the 70 percent requirement was met.

FINDING:
The proposed TIF District met the coverage test under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which resulted in parcels consisting of 100 percent of the area of the proposed TIF District being occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures (Diagram 2). This exceeds the 70 percent area coverage requirement for the proposed TIF District under *Minnesota Statutes, Section 469.174, Subdivision (a) (1)*.

Diagram 2 – Coverage Diagram
Shaded area depicts a parcel more than 15 percent occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures

B. CONDITION OF BUILDING TEST

1. BUILDING INSPECTION

The first step in the evaluation process is the building inspection. After an initial walk-thru, the inspector makes a judgment whether or not a building "appears" to have enough defects or deficiencies of sufficient total significance to justify substantial renovation or clearance. If it does, the inspector documents with notes and photographs code and non-code deficiencies in the building.

2. REPLACEMENT COST

The second step in evaluating a building to determine if it is substandard to a degree requiring substantial renovation or clearance is to determine its replacement cost. This is the cost of constructing a new structure of the same square footage and type on site. Replacement costs were researched using R.S. Means Cost Works square foot models for 2018 and 2019.

A replacement cost was calculated by first establishing building use (office, retail, residential, etc.), building construction type (wood, concrete, masonry, etc.), and building size to obtain

the appropriate median replacement cost, which factors in the costs of construction in Shakopee, Minnesota.

Replacement cost includes labor, materials, and the contractor's overhead and profit. Replacement costs do not include architectural fees, legal fees or other "soft" costs not directly related to construction activities. Replacement cost for each building is tabulated in Appendix A.

3. CODE DEFICIENCIES

The next step in evaluating a building is to determine what code deficiencies exist with respect to such building. Code deficiencies are those conditions for a building which are not in compliance with current building codes applicable to new buildings in the State of Minnesota.

Minnesota Statutes, Section 469.174, Subdivision 10(c), specifically provides that a building cannot be considered structurally substandard if its code deficiencies are not at least 15 percent of the replacement cost of the building. As a result, it was necessary to determine the extent of code deficiencies for each building in the proposed TIF District.

The evaluation was made by reviewing all available information with respect to such buildings contained in City Building Inspection records and making interior and exterior inspections of the buildings. LHB utilizes the current Minnesota State Building Code as the official code for our evaluations. The Minnesota State Building Code is actually a series of provisional codes written specifically for Minnesota only requirements, adoption of several international codes, and amendments to the adopted international codes.

After identifying the code deficiencies in each building, we used R.S. Means Cost Works 2018 and 2019; Unit and Assembly Costs to determine the cost of correcting the identified deficiencies. We were then able to compare the correction costs with the replacement cost of each building to determine if the costs for correcting code deficiencies meet the required 15 percent threshold.

FINDING:

Four (4) out of six (6) buildings (66.7 percent) in the proposed TIF District contained code deficiencies exceeding the 15 percent threshold required by *Minnesota Statutes, Section 469.174, Subdivision 10(c).* Building Code, Condition Deficiency and Context Analysis reports for the buildings in the proposed TIF District can be found in Appendix B of this report.

4. SYSTEM CONDITION DEFICIENCIES

If a building meets the minimum code deficiency threshold under *Minnesota Statutes, Section 469.174, Subdivision 10(c),* then in order for such building to be "structurally substandard" under *Minnesota Statutes, Section 469.174, Subdivision 10(b)*, the building's defects or deficiencies should be of sufficient total significance to justify "substantial renovation or clearance." Based on this definition, LHB re-evaluated each of the buildings that met the code deficiency threshold under *Minnesota Statutes, Section 469.174, Subdivision 10(c),* to

determine if the total deficiencies warranted "substantial renovation or clearance" based on the criteria we outlined above.

System condition deficiencies are a measurement of defects or substantial deterioration in site elements, structure, exterior envelope, mechanical and electrical components, fire protection and emergency systems, interior partitions, ceilings, floors and doors.

The evaluation of system condition deficiencies was made by reviewing all available information contained in City records, and making interior and exterior inspections of the buildings. LHB only identified system condition deficiencies that were visible upon our inspection of the building or contained in City records. We did not consider the amount of "service life" used up for a particular component unless it was an obvious part of that component's deficiencies.

After identifying the system condition deficiencies in each building, we used our professional judgment to determine if the list of defects or deficiencies is of sufficient total significance to justify "substantial renovation or clearance."

FINDING:

In our professional opinion, four (4) out of six (6) buildings (66.7 percent) in the proposed TIF District are structurally substandard to a degree requiring substantial renovation or clearance, because of defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance. This exceeds the 50 percent requirement of Subdivision 10a(1).

C. DISTRIBUTION OF SUBSTANDARD STRUCTURES

Much of this report has focused on the condition of individual buildings as they relate to requirements identified by *Minnesota Statutes, Section 469.174, Subdivision 10*. It is also important to look at the distribution of substandard buildings throughout the geographic area of the proposed TIF District (Diagram 3).

FINDING:

The parcels with substandard buildings are reasonably distributed compared to all parcels that contain buildings.

Diagram 3 – Substandard Buildings
Shaded green area depicts parcels with buildings.
Shaded orange area depicts substandard buildings.

PART 5 - TEAM CREDENTIALS

Michael A. Fischer, AIA, LEED AP - Project Principal/TIF Analyst

Michael has 31 years of experience as project principal, project manager, project designer and project architect on planning, urban design, educational, commercial and governmental projects. He has become an expert on Tax Increment Finance District analysis assisting over 100 cities with strategic planning for TIF Districts. He is an Architectural Principal at LHB and currently leads the Minneapolis office.

Michael completed a two-year Bush Fellowship, studying at MIT and Harvard in 1999, earning Masters degrees in City Planning and Real Estate Development from MIT. He has served on more than 50 committees, boards and community task forces, including a term as a City Council President and as Chair of a Metropolitan Planning Organization. Most recently, he served as Chair of the Edina, Minnesota planning commission and is currently a member of the Edina city council. Michael has also managed and designed several award-winning architectural projects, and was one of four architects in the Country to receive the AIA Young Architects Citation in 1997.

Philip Waugh – Project Manager/TIF Analyst

Philip is a project manager with 13 years of experience in historic preservation, building investigations, material research, and construction methods. He previously worked as a historic preservationist and also served as the preservation specialist at the St. Paul Heritage Preservation Commission. Currently, Phil sits on the Board of Directors for the Preservation Alliance of Minnesota. His current responsibilities include project management of historic preservation projects, performing building condition surveys and analysis, TIF analysis, writing preservation specifications, historic design reviews, writing Historic Preservation Tax Credit applications, preservation planning, and grant writing.

Phil Fisher – Inspector

For 35 years, Phil Fisher worked in the field of Building Operations in Minnesota including White Bear Lake Area Schools. At the University of Minnesota he earned his Bachelor of Science in Industrial Technology. He is a Certified Playground Safety Inspector, Certified Plant Engineer, and is trained in Minnesota Enterprise Real Properties (MERP) Facility Condition Assessment (FCA). His FCA training was recently applied to the Minnesota Department of Natural Resources Facilities Condition Assessment project involving over 2,000 buildings.

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APPENDICES

APPENDIX A	Property Condition Assessment Summary Sheet
APPENDIX B	Building Code and Condition Deficiencies Reports
APPENDIX C	Building Replacement Cost Reports Code Deficiency Cost Reports Photographs

APPENDIX A

Property Condition Assessment Summary Sheet

Shakopee Riverfront Bluff Redevelopment TIF District

Property Condition Assessment Summary Sheet

TIF Map No.	PID #	Property Address	Improved or Vacant	Survey Method Used	Site Area (S.F.)	Coverage Area of Improvements (S.F.)	Coverage Percent of Improvements	Coverage Quantity (S.F.)	No. of Buildings	Building Replacement Cost	15% of Replacement Cost	Building Code Deficiencies	No. of Buildings Exceeding 15% Criteria	No. of buildings determined substandard
A	270010890	NA	Improved	Exterior	25,506	4,173	16.4%	25,506	0					
B	270010870	NA	Improved	Exterior	3,592	2,077	57.8%	3,592	0					
C	270010880	126 ATWOOD ST N	Improved	Interior/Exterior	13,412	5,127	38.2%	13,412	1	$221,530	$33,230	74,356	1	1
D	270010810	339 1ST AVE W	Improved	Interior/Exterior	8,276	3,641	44.0%	8,276	1	$155,456	$23,318	$46,944	1	1
E	270010820	321 1ST AVE W	Improved	Exterior	8,276	8,276	100.0%	8,276	0					
F	270010830	321 1ST AVE W	Improved	Interior/Exterior	6,970	6,970	100.0%	6,970	1	$622,158	$93,324	$104,046	1	1
G	NA	ROW	Improved	Exterior	4,885	4,885	100.0%	4,885	0					
H	270010840	313 1ST AVE W	Improved	Exterior	9,757	4,022	41.2%	9,757	1	$134,877	$20,232	Note 1	1	1
I	270010850	116 ATWOOD ST N	Improved	Exterior	4,269	1,516	35.5%	4,269	1	Note 2				
J	270010860	303 1ST AVE W	Improved	Exterior	4,182	2,442	58.4%	4,182	1	Note 2				
TOTALS					89,125			89,125	6				4	4

Note 1: This building was condemned by the city.
Note 2: This building did not appear to be substandard during our initial inspection, so we did not complete further analysis.

Total Coverage Percent: 100.0%

Percent of buildings exceeding 15 percent code deficiency threshold: 66.7%

Percent of buildings determined substandard: 66.7%

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APPENDIX B

Building Code, Condition Deficiency and Context Analysis Reports

Shakopee Riverfront Bluff Redevelopment TIF District

Building Code, Condition Deficiency and Context Analysis Report

June 18, 2018

Parcel No. & Building Name:	Parcel No. C Residence
Address:	126 Atwood St N, Shakopee, MN 55379
Parcel ID:	270010880
Inspection Date(s) & Time(s):	June 13, 2018 10:00 am
Inspection Type:	Interior and Exterior
Summary of Deficiencies:	It is our professional opinion that this building is Substandard because: - Substantial renovation is required to correct Conditions found. - Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	$221,530
Estimated Cost to Correct Building Code Deficiencies:	$74,356
Percentage of Replacement Cost for Building Code Deficiencies:	33.56%

Defects in Structural Elements

1. None observed.

Combination of Deficiencies

1. Essential Utilities and Facilities
    a. None observed.

2. Light and Ventilation
    a. HVAC system does not comply with mechanical/building code.

3. Fire Protection/Adequate Egress
    a. Smoke detectors do not comply with code.
    b. There are no code required carbon monoxide detectors.
    c. There are no code required Arc Fault Circuit Interrupters installed.
    d. A code required Ground Fault Circuit Interrupter should be installed in the laundry area.
    e. Basement stairway is not code compliant.
    f. Second floor stairway is not code compliant.

4. Layout and Condition of Interior Partitions/Materials
    a. Carpeting should be replaced.
    b. Interior ceiling is damaged and should be repaired.
    c. Interior should be repainted.

d. Second-floor sub flooring is soft in one of the bedrooms.
e. Wall paper is peeling away from under windows from water intrusion and should be repaired.
f. Paneling in living area is separating from wall.
g. Basement floor to ceiling height does not comply with code.

5. Exterior Construction
    a. Exterior wood trim is rotting and should be repaired and repainted.
    b. There is a vertical crack in the stucco, allowing for water intrusion, contrary to code.
    c. Exterior windows are failing, allowing for water intrusion, contrary to code.

Description of Code Deficiencies

1. HVAC system does not comply with mechanical/building code.
2. Smoke detectors do not comply with code.
3. Carbon monoxide detectors should be installed per code.
4. Code required Arc Fault Circuit Interrupters should be installed.
5. A code required Ground Fault Circuit Interrupter should be installed in the laundry area.
6. Basement stairs should be modified to comply with code.
7. Second-floor stairway should be modified to comply with code.
8. Basement floor to ceiling height is not code compliant.
9. Stucco should be repaired to prevent water intrusion per code.
10. Windows should be replaced to prevent water intrusion per code.

Overview of Deficiencies

This building has a stone foundation and an earthen floor in the basement. The HVAC system is not code compliant. The windows have failed, allowing for water intrusion, contrary to code. The interior walls show signs of water intrusion under the windows. The interior is missing life safety elements including compliant smoke detectors, AFCI's and GFCI's. The basement floor to ceiling height does not meet current code. The stairways do not meet code. Interior finishes should be improved. Exterior wood trim should be repaired/repainted.

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Shakopee First Avenue West TIF Letter of Finding

Building Code, Condition Deficiency and Context Analysis Report

August 16, 2017

Building Name:	Residence
Address:	339 1st Ave W, Shakopee, MN 55379
Parcel ID:	270010810
Inspection Date(s) & Time(s):	July 31, 2017 11:30 am
Inspection Type:	Interior and Exterior
Summary of Deficiencies:	It is our professional opinion that this building is Substandard because: - Substantial renovation is required to correct Conditions found. - Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	$155,456
Estimated Cost to Correct Building Code Deficiencies:	$46,944
Percentage of Replacement Cost for Building Code Deficiencies:	30.2%

Defects in Structural Elements

1. There are pronounced vertical cracks on the west side of the building allowing for water intrusion contrary to code. This type of cracking is indicative of differential settlement.

Combination of Deficiencies

1. Essential Utilities and Facilities
    a. Second floor stairway does not comply with code for minimum width.
    b. Second floor stairway does not comply with code for proper size handrail.
    c. Basement stairs are not code compliant for proper rise and run.
    d. Basement stairs do not comply with code for minimum width.
    e. Basement stairs do not have a code required hand rail.

2. Light and Ventilation
    a. None observed

3. Fire Protection/Adequate Egress
    a. Carpeting on second floor is wrinkled causing a trip hazard and should be replaced. Code requires for an unimpeded means of egress.
    b. Building does not have code compliant smoke detectors.
    c. Building does not have code compliant carbon monoxide detectors.

4. Layout and Condition of Interior Partitions/Materials
    a. Interior surfaces are showing signs of water intrusion, contrary to code, and should be repaired.
    b. Interior wall should be repainted.
    c. Carpeting is stained and damaged.
    d. First floor hallway does not comply with code for minimum width.
    e. Minimum floor to ceiling height does not comply with code on second floor.

5. Exterior Construction
    a. Exterior surfaces need to be repainted.
    b. There are gaps on the wood fascia allowing water intrusion contrary to code.
    c. Concrete steps off the side of the house are crumbling.
    d. Exterior brick is damaged/missing allowing for water intrusion, contrary to code.
    e. Exterior brick has been painted over, but is peeling, exposing mortar that needs to be re-pointed to prevent water intrusion per code.
    f. Metal front door is rusting and should be repainted.

Description of Code Deficiencies

1. Vertical cracks on exterior wall should be repaired to prevent water intrusion per code.
2. Second floor stairway does not comply with code for minimum width.
3. Second floor stair rail does not comply with code for proper size.
4. Basement stairway does not comply with code for proper rise and run of treads.
5. Basement stair does not comply with code for minimum width.
6. Basement stairs do not have a handrail, so it would not comply with code.
7. Carpeting on second floor does not comply with code regarding unimpeded means of emergency egress.
8. Building does not have code compliant smoke detectors.
9. Building does not have code compliant carbon monoxide detectors.
10. First floor hallway does not comply with code for minimum width.
11. Floor to ceiling height on second floor does not comply with code.
12. Exterior wood surface trim should be secure to prevent water intrusion per code.
13. Exterior brick should be repaired/replaced to prevent water intrusion per code.
14. Exterior brick mortar should be repointed to prevent water intrusion per code.

Overview of Deficiencies

The exterior of this residence needs significant repair to prevent water intrusion per code. Interior walls show evidence of water damage. All exterior walls need to be repaired and repainted. Exterior wood trim should be repaired to prevent water intrusion. Interior walls and ceiling should be repaired/repainted. Both the second-floor stairway and the basement stairway do not comply with code. The interior hallway does not comply with code for minimum width. The second floor does not comply with code for minimum floor to ceiling height. Carpeting on both floors should be replaced because of trip hazards. The metal front door is rusting and should be repainted. The concrete steps on the side of the house are in need of repair.

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Shakopee First Avenue West TIF Letter of Finding

Building Code, Condition Deficiency and Context Analysis Report

August 16, 2017

Building Name:	Dog Daycare and Grooming Facility
Address:	321 1st Ave W, Shakopee, Minnesota 55379
Parcel ID:	270010820 and 270010830
Inspection Date(s) & Time(s):	July 31, 2017 11:50 am
Inspection Type:	Interior and Exterior
Summary of Deficiencies:	It is our professional opinion that this building is Substandard because: - Substantial renovation is required to correct Conditions found. - Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	$622,158
Estimated Cost to Correct Building Code Deficiencies:	$104,046
Percentage of Replacement Cost for Building Code Deficiencies:	16.72%

Defects in Structural Elements

1. None observed.

Combination of Deficiencies

1. Essential Utilities and Facilities
    a. Glass doors needs a 10-inch kick plate to comply with code.
    b. Exterior door thresholds do not comply with code for maximum height.
    c. Door hardware does not comply with ADA code.

2. Light and Ventilation
    a. The HVAC system does not comply with mechanical building code.

3. Fire Protection/Adequate Egress
    a. There is no code required fire sprinkler system.
    b. There is no code compliant emergency lighting.
    c. There is no code compliant emergency notification system.

4. Layout and Condition of Interior Partitions/Materials
    a. Ceiling tile is water stained and missing.
    b. Interior walls need to be painted.

5. Exterior Construction
    a. Roofing material is not properly transitioned to the brick wall and is allowing for water intrusion, contrary to code.
    b. Steel lintels are rusting and need to be protected per code.
    c. Mortar joints are separating from brick allowing for water intrusion contrary to code.
    d. Window trim is cracked.
    e. The roofing material should be replaced to prevent water intrusion per code.

Description of Code Deficiencies

1. Code requires 10-inch kick plates on glass doors.
2. Exterior door thresholds are not code compliant to maximum height allowance of ½ inch.
3. Interior door hardware is not ADA code compliant.
4. The HVAC system does not comply with mechanical/building code.
5. There is no code required building sprinkler system.
6. There is no code compliant emergency lighting system.
7. There is no code compliant emergency notification system.
8. A code compliant transition from roofing material to brick surface should be installed.
9. Steel lintels must be protected from rusting per code.
10. Mortar joints should be repointed to prevent water intrusion per code.
11. Roofing material should be replaced to prevent water intrusion per code.

Overview of Deficiencies

This building currently is used as a dog daycare and pet grooming facility. The exterior mortar joints are starting to fail and should be repointed to prevent water intrusion. The roofing material is not transitioned properly onto the brick surface and is allowing for water intrusion contrary to code. The steel lintels are rusting and should be protected by code. There is no code required building sprinkler system. The emergency lighting system and emergency notification system is not code compliant. The roof is leaking in several areas and is not code compliant. The HVAC system is not mechanical/building code compliant. The interior wall surfaces should be repainted. The interior ceiling tile is water stained and warping and should be replaced. The interior door hardware is not ADA code compliant.

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Shakopee Riverfront Bluff Redevelopment TIF District

Building Code, Condition Deficiency and Context Analysis Report

Parcel No. & Building Name:	Parcel H Residential Building
Address:	313 1st Ave W, Shakopee, MN 55379
Parcel ID:	270010840
Inspection Date(s) & Time(s):	March 22, 2019 10:00 am
Inspection Type:	Interior and Exterior
Summary of Deficiencies:	It is our professional opinion that this building is Substandard because: - Substantial renovation is required to correct Conditions found. - Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	$134,877
Estimated Cost to Correct Building Code Deficiencies:	Unknown
Percentage of Replacement Cost for Building Code Deficiencies:	Unknown

Defects in Structural Elements

1. Unknown

Combination of Deficiencies

1. Essential Utilities and Facilities
    a. Unknown
2. Light and Ventilation
    a. Unknown
3. Fire Protection/Adequate Egress
    a. Unknown
4. Layout and Condition of Interior Partitions/Materials
    a. Unknown
5. Exterior Construction
    a. Unknown

Description of Code Deficiencies

1. Unknown

Overview of Deficiencies

This two-story residential building was condemned by the city after it was reported that 288,000 gallons of water had been discharged into the building after a water pipe had frozen. The amount of water that accumulated in the basement destroyed the furnace and the water heater. It most probably affected the electrical system if the circuit box was in the basement. There was significant water damage to the first floor. The insurance carrier has indicated that it would be considered a total loss. Water is still standing in the basement and it can be assumed that structural damage to the foundation would be evident once the water is evacuated. Given the amount of water, mold will also be a health concern.

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APPENDIX C

Building Replacement Cost Reports
Code Deficiency Cost Reports
Photographs

Shakopee Riverfront Bluff Redevelopment TIF District

Replacement Cost Report

RSMeans data from GORDIAN **Square Foot Cost Estimate Report** Date: **6/13/2018**

Estimate Name:	**126 Atwood St N** City of Shakopee 126 Atwood Street North , Shakopee , Minnesota , 55379
Building Type:	**Economy 1-1/2 Story with Stucco on Wood Frame**
Location:	**SHAKOPEE, MN**
Story Count:	**1.5**
Story Height (L.F.):	**8**
Floor Area (S.F.):	**2226**
Labor Type:	**RES**
Basement Included:	**No**
Data Release:	**Year 2018 Quarter 2**
Cost Per Square Foot:	**$99.56**
Building Cost:	**$221,530.32**

Costs are derived from a building model with basic components.

Scope differences and market conditions can cause costs to vary significantly.

		% of Total	Cost Per S.F.	Cost
01 Site Work		**1.48%**	**1.34**	**2,974.10**
	Footing excavation, building, 26' x 46', 4' deep		1.34	2,974.10
02 Foundation		**15.97%**	**14.45**	**32,156.23**
	Footing systems, 10" thick by 20" wide footing		1.54	3,432.10
	Block wall systems, 8" wall, grouted, full height		5.43	12,079.33
	Block wall systems, 8" wall, grouted, full height		4.75	10,569.41
	Floor slab systems, 4" thick slab		2.73	6,075.39
03 Framing		**20.54%**	**18.57**	**41,366.38**
	Floor framing systems, 2" x 8", 16" OC		3.09	6,885.42
	Floor framing, wood joists, #2 or better, pine, 2" x 8", 16" OC		1.25	2,791.01
	Floor framing, bridging, wood 1" x 3", joists 16" OC		0.25	557.56
	Box sills, #2 or better pine, 2" x 8"		0.19	427.03
	Exterior wall framing systems, 2" x 4", 16" OC		3.82	8,507.48
	Gable end roof framing systems, 2" x 8" rafters, 16" OC, 4/12 pitch		6.84	15,215.35
	Furring, 1" x 3", 16" OC		0.76	1,702.41
	Partition framing systems, 2" x 4", 16" OC		2.37	5,280.12
04 Exterior Walls		**15.03%**	**13.61**	**30,274.70**
	Stucco, 2 coats		3.86	8,591.81
	Painting, lath, metal lath expanded 2.5 lb/SY, painted		0.85	1,882.29
	Painting, lath, metal lath expanded 2.5 lb/SY, painted		0.11	237.60
	Non-rigid insul, batts, fbgls, kraft faced, 3-1/2" thick, R13, 15" W		0.62	1,387.18
	Non-rigid insul, batts, fbgls, kraft faced, 12" thick, R38, 23" wide		1.00	2,221.21
	Sliding window systems, builder's quality wood window, 3' x 2'		5.45	12,134.44
	Door systems, solid core birch, flush, 3' x 6'-8"		1.32	2,935.73
	Storm door, al, combination, storm & screen, anodized, 3'-0" x 6'-8"		0.40	884.44

05 Roofing		**4.36%**	**3.94**	**8,779.47**
	Gable end roofing, asphalt, roof shingles, class A		3.94	8,779.47
06 Interiors		**28.62%**	**25.90**	**57,642.59**
	Wall system, 1/2" drywall, taped & finished		6.88	15,322.09
	1/2" gypsum wallboard, taped & finished ceilings		2.75	6,115.09
	Lauan, flush door, hollow core, interior		6.83	15,196.35
	Carpet, Olefin, 15 oz		2.08	4,629.58
	Padding, sponge rubber cushion, minimum		0.77	1,715.16
	Underlayment plywood, 1/2" thick		2.14	4,771.25
	Resilient flooring, vinyl sheet goods, backed, .070" thick, minimum		1.39	3,087.38
	Resilient flooring, sleepers, treated, 16" OC, 1" x 3"		0.68	1,524.31
	Stairways 14 risers, oak treads, box stairs		1.83	4,063.13
	Basement stairs, open risers		0.55	1,218.25
07 Specialties		**2.97%**	**2.70**	**5,981.33**
	Kitchen, economy grade		1.28	2,840.15
	Sinks, stainless steel, single bowl 16" x 20"		0.78	1,725.80
	Water heater, electric, 30 gallon		0.64	1,415.38
08 Mechanical		**7.42%**	**6.73**	**14,945.04**
	Three fixture bathroom with wall hung lavatory		2.19	4,867.58
	Furnace, gas heating only, 100 MBH, area to 1200 SF		0.53	1,177.93
	Intermittent pilot, 100 MBH furnace		0.13	282.28
	Supply duct, rectangular, area to 1200 SF, rigid fiberglass		0.85	1,893.73
	Return duct, sheet metal galvanized, to 1500 SF		1.02	2,259.99
	Lateral ducts, flexible round 6" insulated, to 1200 SF		0.92	2,044.84
	Register elbows, to 1500 SF		0.52	1,164.85
	Floor registers, enameled steel w/damper, to 1500 SF		0.33	734.15
	Return air grille, area to 1500 SF 12" x 12"		0.10	218.59
	Thermostat, manual, 1 set back		0.06	127.44
	Plenum, heating only, 100 MBH		0.08	173.66
09 Electrical		**3.61%**	**3.27**	**7,271.36**
	100 amp electric service		0.56	1,238.95
	Duplex receptacles using non-metallic sheathed cable		0.21	465.72
	Wiring device systems, economy to 1200 S.F.		1.97	4,388.37
	Light fixture systems, economy to 1200 S.F.		0.53	1,178.32
SubTotal		**100%**	**$90.51**	**$201,391.20**
Contractor Fees (General Conditions,Overhead,Profit)		**10.00%**	**$9.05**	**$20,139.12**
Architectural Fees		**0.00%**	**$0.00**	**$0.00**
User Fees		**0.00%**	**$0.00**	**$0.00**
Total Building Cost			**$99.56**	**$221,530.32**

Shakopee Riverfront Bluff Redevelopment TIF District

Code Deficiency Cost Report

Parcel C - 126 Atwood Street North, Shakopee, MN 55379 - PID 270010880

Residence

Code Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items				
				$ -
Structural Elements				
Basement Floor to Ceiling Height				
Modify basement to comply with code for proper floor to ceiling height	$ 20.00	SF	2226	$ 44,520.00
Exiting				
Stairways				
Modify basement stairway to comply with code	$ 0.55	SF	2226	$ 1,224.30
Modify second floor stairway to comply with code	$ 1.83	SF	2226	$ 4,073.58
Fire Protection				
Smoke Detectors				
Install code compliant smoke detectors	$ 125.00	EA	1	$ 125.00
Arc Fault Circuit Interrupters				
Install code required AFCI's	$ 175.00	EA	5	$ 875.00
Ground Fault Circuit Interrupters				
Install GFCI in laundry area	$ 175.00	EA	1	$ 175.00
Carbon Monoxide Detector				
Install code required carbon monoxide detectors	$ 125.00	EA	5	$ 625.00
Exterior Construction				
Stucco				
Repair stucco to prevent water intrusion per code	$ 500.00	Lump	1	$ 500.00
Windows				
Replace failed windows to prevent water intrusion per code	$ 5.45	SF	2226	$ 12,131.70
Roof Construction				
				$ -
Mechanical- Electrical				
Mechanical				
Install code compliant HVAC system	$ 4.54	SF	2226	$ 10,106.04
			Total Code Improvements	**$ 74,356**

Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Parcel C Residence, 126 Atwood Street North

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Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Parcel C Residence, 126 Atwood Street North

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Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Parcel C Residence, 126 Atwood Street North

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Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Parcel C Residence, 126 Atwood Street North

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Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Parcel C Residence, 126 Atwood Street North

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Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Parcel C Residence, 126 Atwood Street North

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Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Parcel C Residence, 126 Atwood Street North

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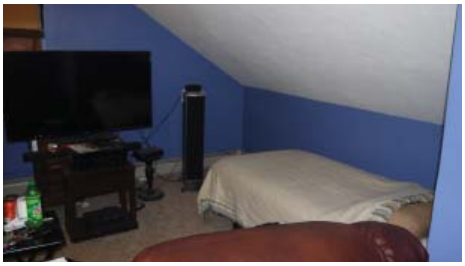
Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Parcel C Residence, 126 Atwood Street North



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Shakopee First Avenue West TIF Letter of Finding

Replacement Cost Report

RSMeans data from GORDIAN **Square Foot Cost Estimate Report** Date: **8/7/2017**

Estimate Name:	**City of Shakopee TIF Residential** City of Shakopee 339 1st Ave W, Shakopee, Minnesota, 55379
Building Type:	**Economy 1-1/2 Story with Stucco on Wood Frame**
Location:	**SHAKOPEE, MN**
Story Count:	**1.5**
Story Height (L.F.):	**8**
Floor Area (S.F.):	**1200**
Labor Type:	**RES**
Basement Included:	**No**
Data Release:	**Year 2017 Quarter 2**
Cost Per Square Foot:	**$129.55**
Building Cost:	**$155,456.37**

Costs are derived from a building model with basic components.

Scope differences and market conditions can cause costs to vary significantly.

		% of Total	Cost Per S.F.	Cost
01 Site Work		**2.14%**	**2.52**	**3027.89**
	Footing excavation, building, 26' x 46', 4' deep		2.52	3027.89
02 Foundation		**16.22%**	**19.10**	**22925.99**
	Footing systems, 10" thick by 20" wide footing		2.15	2574.10
	Block wall systems, 8" wall, grouted, full height		7.60	9125.63
	Block wall systems, 8" wall, grouted, full height		6.65	7984.92
	Floor slab systems, 4" thick slab		2.70	3241.34
03 Framing		**17.97%**	**21.15**	**25391.50**
	Floor framing systems, 2" x 8", 16" OC		3.05	3661.87
	Floor framing, wood joists, #2 or better, pine, 2" x 8", 16" OC		1.23	1476.08
	Floor framing, bridging, wood 1" x 3", joists 16" OC		0.25	296.74
	Box sills, #2 or better pine, 2" x 8"		0.18	220.48
	Exterior wall framing systems, 2" x 4", 16" OC		0.65	782.06
	Exterior wall framing systems, 2" x 4", 16" OC		5.16	6195.46
	Gable end roof framing systems, 2" x 8" rafters, 16" OC, 4/12 pitch		6.76	8114.54
	Furring, 1" x 3", 16" OC		0.76	907.47
	Partition framing systems, 2" x 4", 16" OC		3.11	3736.80
04 Exterior Walls		**15.63%**	**18.40**	**22086.81**
	Stucco, 2 coats		0.62	748.78
	Stucco, 2 coats		4.94	5931.83
	Painting, lath, metal lath expanded 2.5 lb/SY, painted		0.15	176.76
	Painting, lath, metal lath expanded 2.5 lb/SY, painted		1.17	1400.27
	Non-rigid insul, batts, fbgls, kraft faced, 3-1/2" thick, R13, 15" W		0.87	1043.30
	Non-rigid insul, batts, fbgls, kraft faced, 12" thick, R38, 23" wide		1.02	1222.31
	Sliding window systems, builder's quality wood window, 3' x 2'		7.62	9148.36
	Door systems, solid core birch, flush, 3' x 6'-8"		1.54	1852.69

	Storm door, al, combination, storm & screen, anodized, 3'-0" x 6'-8"		0.47	562.51
05 Roofing		**3.38%**	**3.98**	**4779.88**
	Gable end roofing, asphalt, roof shingles, class A		3.98	4779.88
06 Interiors		**29.37%**	**34.59**	**41504.82**
	Wall system, 1/2" drywall, taped & finished		3.55	4258.39
	Wall system, 1/2" drywall, taped & finished		9.18	11011.58
	1/2" gypsum wallboard, taped & finished ceilings		2.74	3286.02
	Lauan, flush door, hollow core, interior		7.85	9422.28
	Carpet, Olefin, 15 oz		2.11	2528.33
	Padding, sponge rubber cushion, minimum		0.76	917.75
	Underlayment plywood, 1/2" thick		2.16	2591.30
	Resilient flooring, vinyl sheet goods, backed, .070" thick, minimum		1.24	1485.26
	Resilient flooring, sleepers, treated, 16" OC, 1" x 3"		0.67	807.82
	Stairways 14 risers, oak treads, box stairs		3.38	4050.41
	Basement stairs, open risers		0.95	1145.68
07 Specialties		**4.23%**	**4.98**	**5978.95**
	Kitchen, economy grade		2.31	2771.93
	Sinks, stainless steel, single bowl 16" x 20"		1.41	1697.03
	Water heater, electric, 30 gallon		1.26	1509.99
08 Mechanical		**7.79%**	**9.17**	**11015.52**
	Three fixture bathroom with wall hung lavatory		4.09	4911.06
	Furnace, gas heating only, 100 MBH, area to 1200 SF		0.93	1115.05
	Intermittent pilot, 100 MBH furnace		0.21	256.72
	Supply duct, rectangular, area to 1200 SF, rigid fiberglass		0.82	988.53
	Return duct, sheet metal galvanized, to 1500 SF		1.01	1213.30
	Lateral ducts, flexible round 6" insulated, to 1200 SF		0.91	1092.20
	Register elbows, to 1500 SF		0.52	621.16
	Floor registers, enameled steel w/damper, to 1500 SF		0.33	393.17
	Return air grille, area to 1500 SF 12" x 12"		0.10	118.02
	Thermostat, manual, 1 set back		0.11	136.00
	Plenum, heating only, 100 MBH		0.14	170.31
09 Electrical		**3.26%**	**3.85**	**4612.61**
	100 amp electric service		1.09	1302.92
	Duplex receptacles using non-metallic sheathed cable		0.21	257.93
	Wiring device systems, economy to 1200 S.F.		2.02	2421.58
	Light fixture systems, economy to 1200 S.F.		0.53	630.18
SubTotal		**100%**	**$117.77**	**$141,323.97**
Contractor Fees (General Conditions,Overhead,Profit)		**10.00%**	**$11.78**	**$14,132.40**
Architectural Fees		**0.00%**	**$0.00**	**$0.00**
User Fees		**0.00%**	**$0.00**	**$0.00**
Total Building Cost			**$129.55**	**$155,456.37**

Shakopee First Avenue West TIF Letter of Finding

Code Deficiency Cost Report

339 1st Ave W, Shakopee, MN 55379 - Parcel 270010810

Code Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items				
Floor to Ceiling Height				
Modify floor to ceiling height to comply with code for minimum height	$ 20.00	SF	1200	$ 24,000.00
Structural Elements				
Exterior Brick Walls				
Repair/replace brick walls to prevent water intrusion per code	$ 4.94	SF	1200	$ 5,928.00
Re-point mortar to prevent water intrusion per code	$ 0.98	SF	1200	$ 1,176.00
Exiting				
Second Floor Stairway				
Modify second floor stairway to comply with code for minimum width	$ 3.38	SF	1200	$ 4,056.00
Modify second floor stair hand rail to comply with code	$ 100.00	Lump	1	$ 100.00
Basement Stairway				
Modify basement stair way to comply with code for minimum width	$ 0.95	SF	1200	$ 1,140.00
Install code required hand rail along basement stairway	$ 100.00	Lump	1	$ 100.00
Carpeting				
Remove/replace wrinkled/damaged carpet to allow for unimpeded emergency egress	$ 2.87	SF	1200	$ 3,444.00
First Floor Hallway				
Modify first floor hallway to comply with code for minimum width	$ 3,500.00	Lump	1	$ 3,500.00
Fire Protection				
Smoke Detectors				
Install code compliant smoke detectors	$ 250.00	EA	6	$ 1,500.00
Carbon Monoxide Detectors				
Install code compliant carbon monoxide detectors	$ 250.00	EA	6	$ 1,500.00
Exterior Construction				
Wood Trim				
Repair damaged wood trim to prevent water intrusion per code	$ 500.00	Lump	1	$ 500.00
Roof Construction				
Mechanical- Electrical				
			Total Code Improvements	**$ 46,944**

Shakopee First Avenue West TIF Letter of Finding

Photos: Residence, 339 1st Avenue West

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Shakopee First Avenue West TIF Letter of Finding

Replacement Cost Report

RSMeans data from GORDIAN

Square Foot Cost Estimate Report Date: **8/7/2017**

Estimate Name:	**City of Shakopee TIF Doggy Day Care** City of Shakopee 321 1st Ave W, Shakopee, Minnesota, 55379
Building Type:	**Commercial with Face Brick & Concrete Block / Wood Truss**
Location:	**SHAKOPEE, MN**
Story Count:	**1**
Story Height (L.F.):	**12**
Floor Area (S.F.):	**4600**
Labor Type:	**OPN**
Basement Included:	**No**
Data Release:	**Year 2017 Quarter 2**
Cost Per Square Foot:	**$134.81**
Building Cost:	**$620,158.10**

Costs are derived from a building model with basic components.

Scope differences and market conditions can cause costs to vary significantly.

		% of Total	Cost Per S.F.	Cost
A Substructure		**12.03%**	**14.74**	**67803.08**
A1010	**Standard Foundations**		**7.97**	**36679.08**
	Foundation wall, CIP, 4' wall height, direct chute, .148 CY/LF, 7.2 PLF, 12" thick		5.20	23906.30
	Strip footing, concrete, reinforced, load 5.1 KLF, soil bearing capacity 3 KSF, 12" deep x 24" wide		2.58	11874.78
	Spread footings, 3000 PSI concrete, load 50K, soil bearing capacity 6 KSF, 3' - 0" square x 12" deep		0.20	898.00
A1030	**Slab on Grade**		**5.65**	**25988.67**
	Slab on grade, 4" thick, non industrial, reinforced		5.65	25988.67
A2010	**Basement Excavation**		**1.12**	**5135.33**
	Excavate and fill, 4000 SF, 4' deep, sand, gravel, or common earth, on site storage		1.12	5135.33
B Shell		**32.44%**	**39.75**	**182897.66**
B1010	**Floor Construction**		**0.25**	**1157.50**
	Wood column, 6" x 6", 20' x 25' bay, 12' unsupported height, 72 BF/MSF, 40 PSF total allowable load		0.25	1157.50
B1020	**Roof Construction**		**7.19**	**33079.57**
	Wood roof truss, flat, 24" OC, 24' to 30' span, 45 PSF LL		7.19	33079.57
B2010	**Exterior Walls**		**23.10**	**106257.28**
	Brick wall, composite double wythe, standard face/CMU back-up, 8" thick, perlite core fill		23.10	106257.28
B2020	**Exterior Windows**		**5.00**	**23007.72**
	Windows, wood, double hung, standard glass, 3'-0" x 5'-6"		1.31	6030.02
	Windows, wood, awning, standard glass, 4'-4" x 2'-8"		1.06	4855.52
	Aluminum flush tube frame, thermo-break frame, 2.25" x 4.5", 5'x6' opening, no intermediate horizontals		1.24	5719.81
	Glazing panel, insulating, 1" thick units, 2 lites, 1/4" float glass, clear		1.39	6402.37
B2030	**Exterior Doors**		**2.29**	**10544.45**

	Door, aluminum & glass, without transom, wide stile, hardware, 3'-0" x 7'-0" opening		1.74	8004.21
	Door, steel 18 gauge, hollow metal, 1 door with frame, no label, 3'-0" x 7'-0" opening		0.55	2540.24
B3010	**Roof Coverings**		**1.92**	**8851.14**
	Roofing, single ply membrane, reinforced, PVC, 60 mils, loose laid, stone balleast		1.92	8851.14
C Interiors		**20.09%**	**24.62**	**113271.72**
C1010	**Partitions**		**7.00**	**32197.58**
	Wood partition, 5/8"fire rated gypsum board face, none base,2 x 4,@ 16" OC framing,same opposite face, 0 insul		5.70	26224.93
	Wood partition, 5/8" water resistant gypsum board face, no base layer, 2x4 @ 16", 5/8"fire rated gypsum board opposite face, no insulation		0.64	2960.43
	Gypsum board, 1 face only, exterior sheathing, fire resistant, 5/8"		0.65	3012.22
C1020	**Interior Doors**		**3.97**	**18271.28**
	Wood door/wood frame, solid core/flush, birch face, 3'-0" x 7'-0", pine frame, 5-3/16"		3.97	18271.28
C3010	**Wall Finishes**		**2.82**	**12959.00**
	Painting, interior on plaster and drywall, walls & ceilings, roller work, primer & 2 coats		2.24	10307.68
	Painting, interior on plaster and drywall, walls & ceilings, roller work, primer & 2 coats		0.58	2651.32
C3020	**Floor Finishes**		**3.50**	**16110.49**
	Integral topping, 1" thick		0.23	1043.25
	Vinyl, composition tile, maximum		2.54	11696.54
	Tile, porcelain type, maximum		0.73	3370.70
C3030	**Ceiling Finishes**		**7.33**	**33733.37**
	Gypsum board ceilings, 5/8" fire rated gypsum board, painted and textured finish,1" x 3" wood, 16" OC furring, wood support		0.48	2215.96
	Acoustic ceilings, 3/4" mineral fiber, 12" x 12" tile, 1" x 3" wood, 12" OC grid, wood support		6.85	31517.41
D Services		**35.44%**	**43.44**	**199807.63**
D2010	**Plumbing Fixtures**		**3.23**	**14874.17**
	Water closet, vitreous china, tank type, wall hung, close coupled 2 piece		0.68	3127.30
	Lavatory w/trim, wall hung, PE on CI, 20" x 18"		0.41	1866.74
	Kitchen sink w/trim, countertop, stainless steel, 19" x 18" single bowl		1.66	7614.68
	Laundry sink w/trim, plastic, on wall or legs, 20" x 24" single compartment		0.16	758.71
	Shower, stall, polypropylene, molded stone receptor, 32" square		0.30	1362.32
	Water cooler, electric, wall hung, dual height, 14.3 GPH		0.03	144.42
D2020	**Domestic Water Distribution**		**1.87**	**8597.92**
	Electric water heater, commercial, 100< F rise, 80 gal, 12 KW 49 GPH		1.87	8597.92
D2040	**Rain Water Drainage**		**1.28**	**5884.45**
	Roof drain, DWV PVC, 4" diam, diam, 10' high		0.53	2438.59
	Roof drain, DWV PVC, 4" diam, for each additional foot add		0.06	260.85
	Roof drain, DWV PVC, 5" diam, 10' high		0.69	3185.01
D3050	**Terminal & Package Units**		**6.11**	**28083.64**
	Split system, air cooled condensing unit, medical centers, 5,000 SF, 11.66 ton		6.11	28083.64
D4010	**Sprinklers**		**3.65**	**16791.66**
	Wet pipe sprinkler systems, steel, light hazard, 1 floor, 10,000 SF		3.65	16791.66
D5010	**Electrical Service/Distribution**		**9.96**	**45800.80**

	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 800 A		1.68	7709.60
	Feeder installation 600 V, including RGS conduit and XHHW wire, 800 A		4.11	18926.40
	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 800 A		4.17	19164.80
D5020	**Lighting and Branch Wiring**		**12.43**	**57192.10**
	Receptacles incl plate, box, conduit, wire, 20 per 1000 SF,2.4 W per SF, with transformer		5.29	24345.41
	Miscellaneous power, 1.2 watts		0.34	1571.36
	Central air conditioning power, 4 watts		0.63	2894.69
	Fluorescent fixtures recess mounted in ceiling, 1.6 watt per SF, 40 FC, 10 fixtures @32watt per 1000 SF		6.17	28380.64
D5030	**Communications and Security**		**4.85**	**22303.13**
	Telephone wiring for offices & laboratories, 8 jacks/MSF		0.00	9.54
	includes outlets, boxes, conduit and wire		2.83	13023.28
	Fire alarm command center, addressable without voice, excl. wire & conduit		0.84	3879.70
	Internet wiring, 4 data/voice outlets per 1000 S.F.		1.17	5390.61
D5090	**Other Electrical Systems**		**0.06**	**279.76**
	Generator sets, w/battery, charger, muffler and transfer switch, gas/gasoline operated, 3 phase, 4 wire, 277/480 V, 100 kW		0.06	279.76
E Equipment & Furnishings		**0%**	**0**	**0**
E1090	**Other Equipment**		**0**	**0**
F Special Construction		**0%**	**0**	**0**
G Building Sitework		**0%**	**0**	**0**

SubTotal	**100%**	**$122.55**	**$563,780.09**
Contractor Fees (General Conditions,Overhead,Profit)	**10.00%**	**$12.26**	**$56,378.01**
Architectural Fees	**0.00%**	**$0.00**	**$0.00**
User Fees	**0.00%**	**$0.00**	**$0.00**
Total Building Cost		**$134.81**	**$620,158.10**

Shakopee First Avenue West TIF Letter of Finding

Code Deficiency Cost Report

321 1st Ave W, Shakopee, Minnesota 55379 - Parcel ID 270010820

Code Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items				
Thresholds				
Modify exterior door thresholds to comply with ADA code for maximum height	$ 250.00	EA	2	$ 500.00
Door Hardware				
Install code compliant door hardware	$ 250.00	EA	12	$ 3,000.00
Structural Elements				
				$ -
Exiting				
Glass Doors				
Install code compliant 10-inch kick plates on glass doors	$ 100.00	EA	4	$ 400.00
Fire Protection				
Building Sprinkler System				
Install code required building sprinkler system	$ 3.65	SF	4600	$ 16,790.00
Smoke Detectors				
Install code compliant smoke detectors	$ 2.00	SF	4600	$ 9,200.00
Emergency Notification System				
Install code compliant emergency notification system	$ 0.83	SF	4600	$ 3,818.00
Exterior Construction				
Steel Lintels				
Protect steel lintels from rusting per code	$ 100.00	EA	10	$ 1,000.00
Mortar Joints				
Re-point mortar joints to prevent water intrusion per code	$ 1.50	SF	4600	$ 6,900.00
Roof Construction				
Roofing Transition				
Install a code compliant roofing transition to brick surface	$ 2,500.00	Lump	1	$ 2,500.00
Roofing Material				
Remove leaking roofing material	$ 0.75	SF	4600	$ 3,450.00
Install code compliant roofing material to prevent water intrusion	$ 1.92	SF	4600	$ 8,832.00
Mechanical- Electrical				
Mechanical				
Install code compliant HVAC system	$ 6.11	SF	4600	$ 28,106.00

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
	Electrical				
	Upgrade electrical service for new HVAC system	$ 3.00	SF	4600	$ 13,800.00
	Install code compliant emergency lighting system	$ 1.25	SF	4600	$ 5,750.00
				Total Code Improvements	**$ 104,046**

Shakopee First Avenue West TIF Letter of Finding

Photos: Dog Daycare and Grooming Facility, 321 1st Avenue West

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Shakopee Riverfront Bluff Redevelopment TIF District

Replacement Cost Report

RSMeans data from GORDIAN

Square Foot Cost Estimate Report Date: **3/29/2019**

Estimate Name:	**313 1st Street West** City of Shakopee 313 1st Avenue West , Shakopee , Minnesota , 55379
Building Type:	**Economy 2 Story with Wood Siding - Wood Frame**
Location:	**SHAKOPEE, MN**
Story Count:	**2**
Story Height (L.F.):	**8**
Floor Area (S.F.):	**800**
Labor Type:	**RES**
Basement Included:	**No**
Data Release:	**Year 2019**
Cost Per Square Foot:	**$168.60**
Building Cost:	**$134,877.39**

Costs are derived from a building model with basic components.

Scope differences and market conditions can cause costs to vary significantly.

		% of Total	Cost Per S.F.	Cost
01 Site Work		**2.55%**	**3.74**	**2,990.39**
	Footing excavation, building, 26' x 46', 4' deep		3.74	2,990.39
02 Foundation		**13.04%**	**19.11**	**15,297.49**
	Footing systems, 10" thick by 20" wide footing		2.24	1,793.15
	Block wall systems, 8" wall, grouted, full height		7.84	6,275.68
	Block wall systems, 8" wall, grouted, full height		6.86	5,491.22
	Floor slab systems, 4" thick slab		2.17	1,737.44
03 Framing		**14.81%**	**21.71**	**17,372.13**
	Floor framing systems, 2" x 8", 16" OC		4.18	3,347.13
	Floor framing, wood joists, #2 or better, pine, 2" x 8", 16" OC		1.03	827.48
	Floor framing, bridging, wood 1" x 3", joists 16" OC		0.20	159.07
	Box sills, #2 or better pine, 2" x 8"		0.16	124.39
	Exterior wall framing systems, 2" x 4", 16" OC		7.38	5,901.68
	Exterior wall framing systems, 2" x 4", 16" OC		0.35	279.58
	Truss roof framing systems, 24" OC, 4/12 pitch, 1' overhang, 26' span		3.60	2,882.56
	Furring, 1" x 3", 16" OC		1.03	824.51
	Partition framing systems, 2" x 4", 16" OC		3.78	3,025.73
04 Exterior Walls		**22.83%**	**33.48**	**26,772.48**
	Wood siding systems, 1/2" x 8" beveled cedar siding, "A" grade		17.22	13,773.81
	Wood siding systems, 1/2" x 8" beveled cedar siding, "A" grade		0.82	652.50
	Non-rigid insul, batts, fbgls, kraft faced, 3-1/2" thick, R13, 15" W		1.19	953.54
	Non-rigid insul, batts, fbgls, kraft faced, 12" thick, R38, 23" wide		0.79	629.70
	Sliding window systems, builder's quality wood window, 3' x 2'		10.34	8,270.27
	Door systems, solid core birch, flush, 3' x 6'-8"		2.40	1,916.64
	Storm door, al, combination, storm & screen, anodized, 3'-0" x 6'-8"		0.72	576.02
05 Roofing		**1.87%**	**2.74**	**2,191.44**

	Gable end roofing, asphalt, roof shingles, class A		2.74	2,191.44
06 Interiors		**28.81%**	**42.23**	**33,790.85**
	Wall system, 1/2" drywall, taped & finished		4.85	3,880.16
	Wall system, 1/2" drywall, taped & finished		11.02	8,818.53
	1/2" gypsum wallboard, taped & finished ceilings		2.75	2,201.33
	Lauan, flush door, hollow core, interior		10.24	8,193.89
	Carpet, Olefin, 15 oz		2.07	1,659.78
	Padding, sponge rubber cushion, minimum		0.77	616.13
	Underlayment plywood, 1/2" thick		2.11	1,690.54
	Resilient flooring, vinyl sheet goods, backed, .070" thick, minimum		1.40	1,116.63
	Resilient flooring, sleepers, treated, 16" OC, 1" x 3"		0.54	430.38
	Stairways 14 risers, oak treads, box stairs		5.00	4,002.43
	Basement stairs, open risers		1.48	1,181.05
07 Specialties		**5.06%**	**7.41**	**5,932.70**
	Kitchen, economy grade		3.56	2,851.72
	Sinks, stainless steel, single bowl 16" x 20"		2.13	1,703.51
	Water heater, electric, 30 gallon		1.72	1,377.47
08 Mechanical		**8.14%**	**11.93**	**9,542.38**
	Three fixture bathroom with wall hung lavatory		5.96	4,766.85
	Furnace, gas heating only, 100 MBH, area to 1200 SF		1.50	1,196.44
	Intermittent pilot, 100 MBH furnace		0.35	282.15
	Supply duct, rectangular, area to 1200 SF, rigid fiberglass		0.85	682.62
	Return duct, sheet metal galvanized, to 1500 SF		1.02	819.50
	Lateral ducts, flexible round 6" insulated, to 1200 SF		0.91	728.99
	Register elbows, to 1500 SF		0.52	417.64
	Floor registers, enameled steel w/damper, to 1500 SF		0.34	269.65
	Return air grille, area to 1500 SF 12" x 12"		0.10	77.71
	Thermostat, manual, 1 set back		0.16	125.58
	Plenum, heating only, 100 MBH		0.22	175.25
09 Electrical		**2.89%**	**4.24**	**3,394.83**
	100 amp electric service		1.53	1,226.27
	Duplex receptacles using non-metallic sheathed cable		0.17	135.88
	Wiring device systems, economy to 1200 S.F.		2.00	1,603.68
	Light fixture systems, economy to 1200 S.F.		0.54	429.00

SubTotal	**100%**	**$146.61**	**$117,284.69**
Contractor Fees (General Conditions,Overhead,Profit)	**15.00%**	**$21.99**	**$17,592.70**
Architectural Fees	**0.00%**	**$0.00**	**$0.00**
User Fees	**0.00%**	**$0.00**	**$0.00**
Total Building Cost		**$168.60**	**$134,877.39**

Shakopee Riverfront Bluff Redevelopment TIF District

Code Deficiency Cost Report

Parcel H - 313 1st Avenue West, Shakopee, Minnesota, 55379 - PID 270010840

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items					
	Unknown				$ -
Structural Elements					
	Unknown				$ -
Exiting					
	Unknown				$ -
Fire Protection					
	Unknown				$ -
Exterior Construction					
	Unknown				$ -
Roof Construction					
	Unknown				$ -
Mechanical- Electrical					
	Unknown				$ -

Total Code Improvements Unknown

Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Residence, 313 1st Avenue West,

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Shakopee Riverfront Bluff Redevelopment TIF District

Photos: Residence, 313 1st Avenue West,

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