

FAÇADE IMPROVEMENT GRANT AGREEMENT

THIS FAÇADE IMPROVEMENT GRANT AGREEMENT (“**Agreement**”), dated this ___ day of June, 2025 (the “**Effective Date**”), is entered into by and between Capati Bermeo Inc (Mr Fuego Grill), the tenant (the “**Grantee**”), and the Columbia Heights Economic Development Authority (the “**EDA**”).

RECITALS

WHEREAS, Grantee is a tenant at certain Property located at 4001 University Ave NE in the City of Columbia Heights (the “**City**”), Anoka County, Minnesota, and legally described in Exhibit A hereto (the “**Property**”);

WHEREAS, the EDA, in cooperation with the City and its police department, has instituted a Façade Improvement Grant Program (the “**Program**”) for the purpose of revitalizing existing storefronts, increasing business vitality and economic performance, and decreasing criminal activity;

WHEREAS, as part of the Program, the EDA has proposed to make grants of money in the maximum amount of Five Thousand Dollars (\$5,000.00) per parcel of real property in the City, or the maximum amount of Ten Thousand Dollars (\$10,000.00) per parcel of real property located in the Central Business Zoning District in the City (the “**CBD**”), to property owners, tenants, or nonprofit organizations, in order to revitalize, rehabilitate, and restore exterior storefronts, increase business vitality and economic performance, and in certain instances, to provide monitored surveillance;

WHEREAS, the Property concerned by this Agreement is not located within the CBD; and

WHEREAS, Grantee desires to participate in the Program, on the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the premises and of the agreements hereinafter contained, the parties agree as follows:

1. Property Improvements: Grantee agrees to complete the improvements at the Property that are identified on Exhibit B attached hereto (the “**Improvements**”), subject to the following terms and conditions:
 - a. If requested by the EDA, Grantee shall provide plans and specifications to the EDA, detailing the Improvements to be constructed (the “**Plans**”). If Grantee wishes to revise the Plans, Grantee must submit the revised Plans to the EDA at the address provided herein. The EDA shall give written notice of its approval or disapproval of the revisions to the Plans, and if the EDA does not give such written approval or disapproval within ten (10) business days after

receipt of Grantee's revised Plans, the EDA shall be deemed to have approved the revisions to the Plans.

- b. The Improvements shall be constructed consistently with the Plans, as the same may be revised pursuant to Section 1(a) herein. The cost to complete construction of the Improvements shall be defined as the "**Improvement Costs.**" The Improvements shall be completed in a first-class manner, consistent with the Plans, if any, and in compliance with all applicable laws, rules, and regulations. Grantee shall obtain all required permits and approvals from the City and any other governing authority with jurisdiction over the Property related to the construction of the Improvements. The out-of-pocket costs for such permitting and approvals shall be the responsibility of Grantee, provided the same shall be included in the definition of "Improvement Costs," and subject to the provisions of Section 2 of this Agreement.
 - c. Grantee agrees to commence the Improvements within sixty (60) days following the Effective Date, and to complete the Improvements within six (6) months following the issuance of all necessary building permits, but in no event later than eight (8) months following the Effective Date.
2. Payment of Grant Funds: Grantee shall be responsible for making initial payment to all contractors involved in the construction of the Improvements. Upon final completion of the Improvements, Grantee shall make a written request to the EDA for reimbursement of one-half (1/2) of the actual Improvement Costs incurred by Grantee, but in no event shall the reimbursement exceed Five Thousand Dollars (\$5,000.00). The written request shall include:
- a. Proof of final inspection of the Improvements by the City building inspector;
 - b. Before and after photographs of the Property, reflecting the Improvements made (as well as follow-up transmission of electronic files of such photographs), and reflecting that the Improvements were completed consistently with any approved Plans;
 - c. A copy of the final invoice(s) received from the contractor(s) who completed the Improvements; and
 - d. Proof of payment of invoice(s) that comprised the Improvement Costs.

Following Grantee's written request for reimbursement, Grantee shall cooperate with the EDA in delivering to the EDA such follow-up information as is reasonably requested by the EDA in order to review the Improvements and Improvement Costs reimbursement request. Within twenty-one (21) days following receipt of Grantee's written request for reimbursement of Improvement Costs, the EDA shall: (i) make payment of the reimbursement, (ii) send Grantee written explanation of such other items of information as are needed by the EDA to evaluate the reimbursement request, or (iii) send Grantee written explanation of the EDA's reasons for denial of repayment of any of Grantee's requested reimbursement.

3. Liability for Improvements: Neither the City nor the EDA shall in any event be liable to the Grantee, nor to any of its agents, employees, guests or invitees at the Property for, and the Grantee shall indemnify, save, defend, and hold harmless the City and the EDA from, any claims or causes of action, including attorney's fees incurred by the City or the EDA, arising from defect or claimed defect of any of the Improvements, or arising from any action of the City or the EDA under this Agreement. This section shall survive the termination or expiration of this Agreement.

4. Written Notice: Wherever any notice is required or permitted hereunder, such notice shall be in writing. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered when actually received by the designated addressee or regardless of whether actually received or not, when deposited in the United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the parties hereto at their respective addresses, as set forth below, or at such other address as they may subsequently specify by written notice.

<u>If to the EDA:</u> Columbia Heights EDA Community Development Department 3989 Central Avenue NE Columbia Heights, MN 55421	<u>If to Grantee:</u> Capati Bermeo Inc (Mr Fuego Grill) Attn: Luis Cuenca 4001 University Ave NE Columbia Heights, MN 55421
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5. Captions; Choice of Law; Etc. The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement. This Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the subject matter contained herein. There are no verbal agreements that change this Agreement. This Agreement binds and benefits the parties hereto and their successors and assigns. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.

[Signatures to Appear on Following Page]

IN WITNESS WHEREOF, Grantee and the EDA have signed this Agreement as of the day and year first above written.

GRANTEE:

CAPATI BERMEO INC (MR FUEGO GRILL), THE TENANT

By: _____

Name: _____

Its: _____

Date: _____

EDA:

COLUMBIA HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY

By: _____

Name: _____

Its: _____

Date: _____

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

LOTS 4 , 5 & 6 AUDITORS SUBDIVISION NO 38 TOG/W S 45 FT OF PRT OF LOT
8 BLOCK 1 REAR OF BLOCK D COLUMBIA HEIGHTS ANNEX, LYG E OF UNIVERSITY
AVE & W OF LINE 128 FT W OF E LINE OF SD LOT 8

EXHIBIT B

PROPERTY IMPROVEMENTS SUBJECT TO 50% REIMBURSEMENT

This attachment contains a summary of the project identified in the application for the Façade Improvement Grant Program. The Summary reflects the Grantee's proposed project as approved by the EDA on June 2nd, 2025, and may reflect minor changes to the total cost and minor changes in the proposed project that occurred subsequent to application submittal. The application is incorporated into this Grant Agreement by reference and is made a part of this Grant Agreement as follows. If the application or any provision in this application conflicts with or is inconsistent with other provisions of this Agreement or the project summary contained in this Exhibit B, the terms and descriptions contained in this Grant Agreement and the project summary shall prevail.

Project summary: furnish and install two new storefront façade signs totaling an amount equal to \$9,203.50.