
To: Dan Buchholtz, City Administrator From: Phil Gravel, City Engineer
City of Spring Lake Park

File: R:\client\municipal\spring_lake_park_ci_mn Date: March 21, 2023

Reference: Financial Surety/Escrow for the Hy-Vee project

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Per the July 27, 2018 Site Development Agreement with Hy-Vee, Inc., the developer was required to provide certain Financial Guarantees including a Letter of Credit (LOC).

The City has reduced the Letter of Credit from time to time, most recently on May 5, 2022. The Letter of credit was reduced to an amount of \$10,000 at that time. The remaining \$10,000 was to be maintained until a 2-year traffic evaluation was completed.

Representatives of Hy-Vee have requested release of the remaining Letter of Credit amount. They have provided a 2-year traffic evaluation that concluded that the current traffic is within the original traffic projections and did not identify any current traffic issues.

City staff contacted the Anoka County Highway Department to see if they had any concerns with releasing the remaining Letter of Credit for Hy-Vee. The County stated that they have no objections after checking with RCWD to make sure that stormwater provisions were included in the site permit to accommodate a possible future right turn lane on Central Avenue.

The current project letter of credit amount is \$10,000. We would be supportive of **releasing the remaining \$10,000 surety**. This reduction would acknowledge that the conditions of the Development Agreement for the project have been met.

Please feel free to contact me if you have any questions or require any additional information.



Phil Gravel
Spring Lake Park City Engineer

cc: John Thames, City Attorney