

## COLOPLAST PROJECT & EMPLOYMENT PLAN

### Construction Period Obligations:

- 1. Apprenticeship Construction Training Program** - Coloplast “agrees to provide or cause its general contractor (i.e., Kraus Anderson) to provide evidence satisfactory to the City that its contractor and each subcontractor with a contract in excess of \$ 50,000 performing construction work participates in a registered apprenticeship program as certified by the State Department of Labor.”
- 2. Resident and Neighborhood Employment** - Coloplast “agrees to convene a meeting between its contractor (i.e., Kraus Anderson) and the CPED Director to determine how best to work in partnership to fill the pipeline of construction workers, subject to availability, from North Minneapolis Residents, as defined in the TIF Note” (i.e., persons who reside in the Near North or Camden communities, as defined in the Minneapolis Plan adopted by the City Council in March 2000).
- 3. Workforce Goals** - Coloplast, Kraus Anderson Construction Company and its subcontractors agree to workforce utilization goals that meet established City goals in each category:

#### City Goals

Skill Minority        11%  
Unskilled Minority   11%

Female                 6%

- 4. Prevailing Wages** – Coloplast and its contractors must comply with the wage and hour standards in the Davis-Bacon Act and the Contract Work Hours and Safety Standards Act.
- 5. Subcontracting Goals** - “The Developer (i.e., Coloplast) and its contractors and suppliers must comply with the Small & Underutilized Business Program (SUBP).... The Developer and its contractors and suppliers shall, consistent with the provisions of the SUBP Ordinance, devote the percentages described below of their subcontracting and material purchases to certified women-owned, minority –owned and small businesses. ... [t]he City’s Manager of the SUBP has established the following participation goals for women-owned, minority-owned and small businesses: 9% minority-owned businesses and 8% woman –owned businesses.”

“The Developer shall use good faith efforts to cause its contractor to comply with the SUBP goals for the Minimum Improvements.”

- 6. Clean and Green** - “The City agrees to provide a ‘Clean and Green Crew’ from the City’s Step-Up Program, with no less than six Northside youth employed, to clean the

Developer's site during the summer months of construction of the Minimum Improvements."

**Obligations Unrelated to Construction:**

**1. Coloplast Education Initiatives – Coloplast shall:**

- a. Provide speakers at Minneapolis North High School two times per year to present the medical device manufacturing industry to students.
- b. Conduct onsite tours for Minneapolis North High School students at Coloplast facilities two times per year.
- c. Provide a minimum of four mentors per year for selected students in 'Small Learning Communities' to meet with the students at least two times per school year.
- d. Implement the 'Coloplast Scholars' program described below:
  - i. Beginning summer of 2008 and each summer thereafter for a minimum of five years, Coloplast will establish a college internship program that offers two college students who are residents of North Minneapolis the opportunity to participate in paid summer internships the will expose them to the medical device industry.
  - ii. Coloplast shall meet with the City of Minneapolis to develop an implementation plan for providing scholarships through the Power of You at the Minneapolis Community and Technical College and the Founders Opportunity Scholarship Program at the University of Minnesota.
  - iii. The University of Minnesota, the Minneapolis Community and Technical College and the City of Minneapolis agree to augment Coloplast's efforts by assisting in obtaining scholarships.
- e. Develop a marketing campaign within Minneapolis North High School to promote bioscience careers.
- f. Coloplast's aspiration is to establish jobs and career tracks for no less than 66 North Minneapo Residents and over 150 Minneapolis residents.

**2. Business Subsidy Act -** The City and Coloplast have entered into a Business Subsidy Agreement. Among other things, it establishes a job creation goal of 140 new "living wage" jobs by August 28, 2008 (two years after the benefit date) with respect to the \$2,935,000 in pay-go TIF assistance and the \$500,000 in MIF assistance.

**3. TIF Recapture –** Coloplast also agreed to the following language in the TIF Note:

“Notwithstanding any contrary provision of this Note, if the total number of employees of Coloplast Corp. or its affiliates, the number of employees who are Minneapolis residents and the number of employees who are North Minneapolis Residents on the 7<sup>th</sup> anniversary of the Benefit Date (the “Measurement Date”) [i.e., August 28, 2013] is not equal to or greater than the following:

<b>Twin Cities</b>		<b>Minneapolis Campus</b>
Total Employees	458	338
Minneapolis Residents	128	100
North Minneapolis Residents	40	30

and the shortfalls are not cured within 180 days after the Measurement Date, then the principal amount of this Note shall be reduced by \$25,000 for each job in each category above that does not exist on the Measurement Date, up to a maximum recapture amount of \$600,000.”