



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

Thursday, July 27, 2023
4:00 PM

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, July 27, 2023 immediately following the closed meeting.

CALL TO ORDER

CALL OF ROLL

SETTING OF THE REGULAR AGENDA - *This is an opportunity to approve the regular agenda as presented, or to add/delete an agenda item by a majority vote of the Commissioners present .*

APPROVE MINUTES

1. Consider approval of minutes from the June 9th, 2023 Special Meeting.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$106,430.68.

PUBLIC HEARING

3. Conduct a public hearing to consider approval of a Purchase and Development Agreement with and conveyance of property to Housing and Redevelopment Authority of Itasca County

BUSINESS

4. Consider approval of a resolution and letter in support of an application by the Itasca County HRA to the Minnesota Housing Finance Administration for the development of eight additional affordable, owner-occupied, single-family homes in Forest Lake Addition.
5. Consider acceptance of a Letter of Intent to purchase Lot 3, Block 3 of Great River Acres submitted by Barbara Rydberg
6. Consider approval of engagements letters for professional appraisal and review appraisal services with Nagell Appraisal & Consulting and Day Group LLC.
7. Consider a proposal for wetland mitigation plan services

UPDATES

ADJOURN

MEMBERS & TERMS

Tom Sutherland - 12/31/2023 Council Representative

Tasha Connelly - 12/31/2023 Council Representative

Mike Korte - 3/1/24

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING-SPECIAL MEETING MINUTES

**Friday, June 09, 2023
9:00 AM**

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Friday, June 9, 2023 at 9:00 A.M.

CALL TO ORDER

CALL OF ROLL

SETTING OF THE REGULAR AGENDA - *This is an opportunity to approve the regular agenda as presented, or to add/delete an agenda item by a majority vote of the Commissioners present .*

APPROVE MINUTES

1. Consider approval of the minutes from the May 31, 2023 Special Meeting.

Motion by Commissioner Connelly, second by Commissioner Sutherland to approve the minutes of the May 31st, 2023 special meeting. The following voted in favor thereof: Hodnik, Bruns, Connelly, Blake, Sutherland. Opposed: None, passed unanimously.

BUSINESS

2. Consider approval of two proposals for professional services submitted by Braun Intertec

Motion by Commissioner Hodnik, second by Commissioner Sutherland to approve proposals for a Phase 1 Environmental Site Assessment for a lump sum of \$2,700 a geotechnical evaluation for a lump sum fee not to exceed \$45,959 plus a cost for required tree removal not to exceed \$10,000. The following voted in favor thereof: Sutherland, Blake, Connelly, Bruns, Hodnik. Opposed: None, passed unanimously.

3. Consider approval of two proposals for professional services submitted by SEH.

Motion by Commissioner Bruns, second by Commissioner Connelly to approve proposals for the preparation of an ALTA survey in the amount of \$6,800 and a traffic impact analysis in the amount of \$8,500. The following voted in favor thereof: Hodnik, Bruns, Connelly, Blake, Sutherland. Opposed: None, passed unanimously.

UPDATES

ADJOURN

There being no further business the meeting adjourned at 9:09 a.m.

Respectfully submitted:

Aurimy Groom

Aurimy Groom, Administrative Assistant

MEMBERS & TERMS

Tom Sutherland - 12/31/2023 Council Representative

Tasha Connelly - 12/31/2023 Council Representative

Mike Korte - 3/1/24

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27

DATE: 07/21/2023
 TIME: 14:03:43
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 07/27/2023

VENDOR #	NAME	AMOUNT DUE

EDA - CAPITAL PROJECTS		
MISCELLANEOUS PROJECT		
1105530	KENNEDY & GRAVEN, CHARTERED	977.50
1900225	SEH	4,784.34
TOTAL MISCELLANEOUS PROJECT		5,761.84
AIRPORT SOUTH INDUSTRIAL PARKS		
0212129	BLANDIN FOUNDATION	17,500.00
1415583	THE NORTHSPAN GROUP INC	1,500.00
TOTAL AIRPORT SOUTH INDUSTRIAL PARKS		19,000.00
DWTOWN PLAN PJT-BLANDIN GRNT		
1105530	KENNEDY & GRAVEN, CHARTERED	1,617.00
TOTAL DWTOWN PLAN PJT-BLANDIN GRNT		1,617.00
GREAT RIVER ACRES DEV		
0508450	EHLERS AND ASSOCIATES INC	272.50
TOTAL GREAT RIVER ACRES DEV		272.50
FOREST LK SCH REDEVELOPMENT		
1900225	SEH	2,625.00
TOTAL FOREST LK SCH REDEVELOPMENT		2,625.00
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:		\$29,276.34
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
1100545	KAXE/NORTHERN COMMUNITY RADIO	75,000.00
1309170	MN DEED	2,000.00
1621130	P.U.C.	154.34
TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:		\$77,154.34
TOTAL ALL DEPARTMENTS		\$106,430.68



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: July 27, 2023

STATEMENT OF ISSUE: Conduct a public hearing to consider approval of a Purchase and Development Agreement with and conveyance of property to Housing and Redevelopment Authority of Itasca County

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

On July 14, 2022, GREDA considered support of a proposal submitted to the Minnesota Housing Finance Administration (MHFA) by the Housing and Redevelopment Authority of Itasca County (HRA) to purchase to be platted single family home sites from GREDA for a project to develop and sell eight affordable single-family homes, as a community land trust (CLT) on the site of the former Forest Lake Elementary School.

The funding request submitted by the HRA for the project was approved by MHFA in December of 2022. GREDA has completed the subdivision of this property as Forest Lake Addition, comprised of 22 single-family parcels. The sanitary sewer and water service to these new parcels as well as the construction of an alley is nearing completion under a contract let by the City.

The HRA would like to commence construction on these eight single family homes this fall. These single-family homes will be available for purchase by working families earning 80% of the area median income or less and the future affordability of the homes would be ensured by the development being structured as a CLT.

The purchase price of the eight lots described in the Purchase and Development Agreement is \$5,800.00 per lot, as agreed previously in the GREDA resolution from July 14, 2022, for a total of \$46,400.00, with a closing no later than August 31, 2023.

The economic benefit of this project is to provide much-needed housing to accommodate our current and expanding workforce and to create additional tax base in the City.

RECOMMENDATION:

Conduct a Public Hearing to consider entering into a purchase and development agreement between GREDA and Housing and Redevelopment Authority of Itasca County.

Public Hearing protocol:

- State the purpose of the public hearing.
- Verify that legal notice of the public hearing has been made.
- Staff will present the background.
- Request public input on the proposed agreement either in favor, or in opposition, and ask that any person from the public wishing to make a statement state their name and address for the record.
- After public input is received, entertain a motion to close the public hearing portion.
- Close the public hearing, give final consideration to the agreement, and entertain any motion to amend the terms, or motions to approve or disapprove of the agreement in its original or amended form.

REQUIRED ACTION: If GREDA finds it advisable to enter into the attached agreement, they should pass a motion adopting the attached resolution approving the purchase and development contract with and conveyance of property to Housing and Redevelopment Authority of Itasca County.

PURCHASE AND DEVELOPMENT AGREEMENT

Between

Grand Rapids Economic Development Authority

And

Housing and Redevelopment Authority (HRA) of Itasca County, Minnesota

This document drafted by:
Kennedy & Graven, Chartered
Fifth Street Towers
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

PURCHASE AND DEVELOPMENT AGREEMENT

1. **Parties.** This Purchase and Development Agreement (“this Agreement”) is made on the ____ of _____, 2023 between the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota, having its office located at 420 North Pokegama Avenue, Grand Rapids, Minnesota 55744 (“Seller”), and the Housing and Redevelopment Authority (HRA) of Itasca County, Minnesota, a public body corporate and politic under the laws of Minnesota, having its principal office at 1115 NW 4th Street, Grand Rapids, Minnesota 55744 (“Buyer”).

2. **Offer/Acceptance.** Buyer offers to purchase, and Seller agrees to sell the real property legally described as:

1, 2, 5 and 6, Block 1, FOREST LAKE ADDITION, including that portion of vacated “T” alley which accrued thereto by reasons of vacation thereof, Itasca County, Minnesota.

AND

1, 2, 5 and 6, Block 2, FOREST LAKE ADDITION, including that portion of vacated “T” alley which accrued thereto by reasons of vacation thereof, Itasca County, Minnesota.

(each parcel a “Lot” and collectively, the “Property”).

3. **Development and Improvement.** Buyer is purchasing the Property for the purpose of developing a single-family residential home on each Lot as part of its affordable housing land trust program.

4. **Price and Terms. Purchase Price.** The purchase price of each Lot shall be \$5,800 (FIVE-THOUSAND EIGHT HUNDRED and 00/100 dollars), for a total purchase price of \$46,400 (FORTY-SIX THOUSAND FOUR HUNDRED and 00/100 dollars) for the Property (the “Purchase Price”). The Purchase Price shall be payable to Seller by Buyer by wire transfer or certified check on the Closing Date.

5. **Personal Property Included in Sale.** There are no items of personal property or fixtures owned by Seller currently located on the Property for purposes of this sale.

6. **Closing/ Payment of Closing Costs and Related Items.** The closing hereunder (the “Closing”) shall take place no later than August 31, 2023, or such other date as agreed upon by the parties (the “Closing Date”). Buyer will pay: (a) the closing fees charged by the title insurance or other closing agent utilized to close the transaction contemplated by this Agreement (the “Title Company”); (b) fees for title evidence obtained by Buyer; (c) the premium for any policy of title insurance Buyer elects to purchase and the cost of any endorsements; and (d) the recording fees for the Purchase and Development Agreement and the Deed. Seller will pay: (a) any transfer taxes required to enable Buyer to record the Deed; and (b) fees and charges related to the filing of any instrument required to make title marketable. Each party shall pay its own attorneys’ fees.

7. Real Estate Taxes and Special Assessments.

- A. Seller shall pay, at or before Closing all real estate taxes due and payable in all years prior to the year of Closing, if any. Real estate taxes due and payable in the year of Closing, if any, shall be pro-rated to Seller and Buyer based on the Closing Date.
- B. On or prior to the Closing Date, Seller shall pay all special assessments levied or pending against the Property as of the Closing Date. The provisions of this Paragraph shall survive Closing.

8. Seller Closing Documents. Upon performance by Buyer, Seller shall deliver the following to Buyer at the Closing:

- A. A quit claim deed conveying title to the Property to Buyer, in substantially the form attached hereto as Exhibit A (the “Deed”), subject to the conditions subsequent required by Sections 14, 15, and 16 of this Agreement;
- B. An affidavit satisfactory to Buyer that at Closing there are no outstanding, unsatisfied judgments, tax liens, or bankruptcies against Seller, no labor, services, materials, or machinery furnished to the Property for which mechanics’ liens could be filed, and no unrecorded interests in the Property which have not been fully disclosed to Buyer;
- C. A signed resolution of Seller authorizing and approving the transaction contemplated by this Agreement; and
- D. Any other items required by this Agreement or reasonably required by the Title Company.

9. Buyer Closing Documents. Buyer will deliver to Seller at Closing:

- A. The Purchase Price;
- B. A signed resolution of Buyer authorizing and approving the transaction contemplated by this Agreement; and
- C. Any other items required by this Agreement or reasonably required by the Title Company.

10. “AS IS, WHERE IS.” Except as set forth in this Agreement, Seller makes no warranties as to the condition of the Property. Buyer acknowledges that it has inspected or has had the opportunity to inspect the Property and agrees to accept the Property “AS IS” with no right of set off or reduction in the Purchase Price. Such sale shall be without representation or warranties, express or implied, either oral or written, made by Seller or any official, employee or agent of Seller or the City of Grand Rapids, Minnesota (the “City”) with

respect to the physical condition of the Property, including but not limited to, the existence or absence of petroleum, hazardous substances, pollutants or contaminants in, on, or under, or affecting the Property or with respect to the compliance of the Property or its operation with any laws, ordinances, or regulations of any government or other body, except as stated in this Agreement. Buyer acknowledges and agrees that Seller has not made and does not make any representations, warranties, or covenants of any kind or character whatsoever, whether expressed or implied, with respect to warranty of income potential, operating expenses, uses, habitability, tenant ability, or suitability for any purpose, merchantability, or fitness of the Property for a particular purpose, all of which warranties Seller hereby expressly disclaims, except as stated in this Agreement. Buyer is relying entirely upon information and knowledge obtained from Buyer's own investigation, experience and knowledge obtained from Buyer's own investigation, experience, or personal inspection of the Property. Buyer expressly assumes, at Closing, all environmental and other liabilities with respect to the Property and, except to the extent caused by Seller or the City, releases and indemnifies Seller and the City from same, whether such liability is imposed by statute or derived from common law including, but not limited to, liabilities arising under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), the Hazardous and Solid Waste Amendments Act, the Resource Conservation and Recovery Act ("RCRA"), the federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substances Act, the Superfund Amendments and Reauthorization Act, the Toxic Substances Control Act and the Hazardous Materials Transportation Act, all as amended, and all other comparable federal, state or local environmental conservation or protection laws, rules or regulations. The foregoing assumption and release and this provision shall survive Closing and shall not be deemed merged into any instrument of conveyance delivered at Closing.

- 11. Marketability of Title.** As soon as reasonably practicable after the execution of this Agreement by both parties, Buyer shall obtain the title evidence determined necessary or desirable by Buyer (the "Title Commitment"). Buyer, at its sole option, may have a survey of the Property prepared, certified and delivered to Buyer, Seller, the Title Company and such other parties as Buyer requests showing the location of all easements and conforming to the current standard detail requirements established by the American Land Title Association and the National Society for Professional Surveyors (the "Survey"). The cost of the Survey, if any, will be paid for by Buyer. Buyer shall have ten (10) days from the date it receives the Title Commitment and any Survey to raise any written objections to title (the "Objections"). Objections not made within such time will be deemed waived. Seller may effect a cure satisfactory to Buyer or may give written notice to Buyer that Seller elects not to cure. Buyer may then elect to close notwithstanding the uncured Objections, or may declare this Agreement null and void and the parties will thereby be released from any further obligation hereunder, and neither party shall be liable for damages hereunder and Buyer and Seller agree to sign a cancellation of this Agreement.
- 12. Seller Warranties and Representations.** Seller warrants and represents to Buyer that:
- A. To Seller's best knowledge, there are no wells, either in use, not in use, or sealed located on the Property;

- B. Seller has no knowledge of any individual sewage treatment system on or serving the Property;
- C. Seller is not aware of any methamphetamine production that has occurred on the Property;
- D. To the actual knowledge of Rob Mattei without investigation or inquiry, Seller knows of no hazardous substances or petroleum products having been placed, stored, or released from or on the Property by any person in violation of any law, nor of any underground or aboveground storage tanks located on the Property;
- E. Seller knows of no flood plains, shorelands or wetlands affecting the Property;
- F. The Property is not subject to the rights of tenants or other parties in possession;
- G. Seller is not aware of any human remains, burials, or cemeteries on the Property;
- H. To the actual knowledge of Rob Mattei without investigation or inquiry, Seller has not received any notice and is not aware of a violation of any building codes, fire codes, health codes, zoning codes, environmental laws, or other laws and regulations affecting the Property or the use thereof;
- I. To the actual knowledge of Rob Mattei without investigation or inquiry, Seller has not received any notice of a condemnation, environmental, zoning or other regulation or proceeding;
- J. Seller is a public body corporate and politic under the laws of Minnesota duly organized, validly existing and in good standing under the laws of the State of Minnesota and has all requisite power and authority to carry out its business as conducted, to execute and deliver this Agreement and the documents entered into pursuant hereto, and to carry out its obligations under this Agreement and such documents;
- K. This Agreement has been duly authorized, executed and delivered on behalf of Seller and constitutes the valid and binding agreement of Seller, enforceable in accordance with its terms;
- L. The execution, delivery and performance of this Agreement by Seller will not result in a breach or violation of Seller or constitute a default by Seller under any agreement, instrument or order to which Seller is a party or by which Seller is bound; and
- M. Seller is not aware of any action, proceeding or investigation pending or threatened which might materially adversely affect the Property or the ability of Seller to perform its obligations under this Agreement.

13. Buyer Warranties and Representations. Buyer warrants and represents to Seller that:

- A. Buyer is a public body corporate and politic under the laws of Minnesota duly organized, validly existing and in good standing under the laws of the State of Minnesota and has all requisite power and authority to carry out its business as conducted, to execute and deliver this Agreement and the documents entered into pursuant hereto, and to carry out its obligations under this Agreement and such documents;
- B. This Agreement has been duly authorized, executed and delivered on behalf of Buyer and constitutes the valid and binding agreement of Buyer, enforceable in accordance with its terms;
- C. The execution, delivery and performance of this Agreement by Buyer will not result in a breach or violation of Buyer or constitute a default by Buyer under any agreement, instrument or order to which Buyer is a party or by which Buyer is bound; and
- D. Buyer is not aware of any action, proceeding or investigation pending or threatened which might materially adversely affect the ability of Buyer to perform its obligations under this Agreement.

14. Construction. Buyer agrees that it will construct a new single-family dwelling on each Lot as part of Buyer's affordable housing land trust program. **This covenant shall survive the delivery of the Deed.**

- A. The single-family dwelling to be constructed on each Lot as described in this Section and Section 3 is referred to as the "Minimum Improvements."
- B. The Minimum Improvements shall consist of a new single-family dwelling on each Lot, and each such single-family dwelling shall be constructed and occupied in accordance with Buyer's affordable housing trust fund program.
- C. Buyer must commence construction of the Minimum Improvements on each Lot within one year of the Closing Date and substantially complete the construction of the Minimum Improvements by December 31, 2025. Substantial completion shall be evidenced by the delivery of a certificate of occupancy from the City. Buyer will obtain, at Buyer's expense, in a timely manner, all required permits, licenses, and approvals, and will meet, in a timely manner, all requirements of all applicable local, State, and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully completed.
- D. Promptly after substantial completion of the Minimum Improvements in accordance with those provisions of the Agreement relating solely to the obligations of Buyer to construct such Minimum Improvements (including the date for

completion thereof), upon written request from Buyer, Seller will deliver to Buyer a Certificate of Completion, in substantially the form attached hereto as Exhibit B. Such certification by Seller shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement and in the Deed with respect to the obligations of Buyer and its successors and assigns, to construct the Improvements and the dates for completion thereof.

The certificate provided for in this Section shall be in such form as will enable it to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Property. If Seller shall refuse or fail to provide any certification in accordance with the provisions of this Section, Seller shall, within thirty (30) days after written request by Buyer, provide Buyer with a written statement, indicating in adequate detail in what respects Buyer has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of Seller for Buyer to take or perform in order to obtain such certification.

E. Buyer represents and agrees that until issuance of the Certificate of Completion for the Minimum Improvements:

(1) Except for any agreement for sale of the dwelling unit on each of the Lots to an owner-occupant, Buyer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity (collectively, a "Transfer"), without the prior written approval of Seller's Board of Commissioners. The term "Transfer" does not include encumbrances made or granted by way of security for, and only for, the purpose of obtaining construction, interim or permanent financing necessary to enable Buyer to construct the Improvements or component thereof.

(2) If Buyer seeks to effect a Transfer prior to issuance of the Certificate of Completion, Seller shall be entitled to require as conditions to such Transfer that:

(i) Any proposed transferee shall have the qualifications and financial responsibility, solely in the reasonable judgment of Seller, necessary and adequate to fulfill the obligations undertaken in this Agreement by Buyer as to the portion of the Property to be transferred; and

(ii) Any proposed transferee, by instrument in writing satisfactory to Seller and in form recordable in the public land records of Itasca County, Minnesota, shall, for itself and its successors and assigns, and expressly for the benefit of Seller, have expressly assumed all of the obligations of Buyer under this Agreement as to the portion of the Property to be transferred and agreed to be subject to all the conditions and

restrictions to which Buyer is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by Seller) deprive Seller of any rights or remedies or controls with respect to the Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit Seller of or with respect to any rights or remedies on controls provided in or resulting from this Agreement with respect to the Property that Seller would have had, had there been no such transfer or change. In the absence of specific written agreement by Seller to the contrary, no such transfer or approval by Seller thereof shall be deemed to relieve Buyer, or any other party bound in any way by this Agreement or otherwise with respect to the Property, from any of its obligations with respect thereto; and

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Property governed by this subsection E. shall be in a form reasonably satisfactory to Seller.

(3) If the conditions described above in paragraph (2) of this Section are satisfied then the Transfer will be approved and Buyer shall be released from its obligations under this Agreement with respect to the portion of the Property that is transferred, assigned, or otherwise conveyed. The provisions of this paragraph (3) apply to all subsequent transferors; and

(4) Upon issuance of the Certificate of Completion, Buyer may transfer or assign the Minimum Improvements and/or Buyer's rights and obligations under this Agreement with respect to such property without the prior written consent of Seller.

- F. Buyer, and its successors and assigns, agrees that it will use the Minimum Improvements only as part of its affordable housing land trust program whereby it will construct a single-family dwelling on each Lot that will be sold to an owner-occupant. **The covenants in this paragraph run with the land, survive both delivery of the Deed and issuance of the Certificate of Completion for the Minimum Improvements, and shall remain in effect for 5 (five) years after the date of the Deed.**

- 15. Revesting Title in Seller upon Happening of Event Subsequent to Conveyance to Buyer.** In the event that subsequent to conveyance of the Property or any part thereof to Buyer and

prior to receipt by Buyer of the Certificate of Completion for of the Minimum Improvements, Buyer, subject to Unavoidable Delays (as hereafter defined), fails to carry out its obligations with respect to the construction of the Minimum Improvements (including the nature and the date for the commencement and completion thereof), or abandons or substantially suspends construction work, and any such failure, abandonment, or suspension shall not be cured, ended, or remedied within thirty (30) days after written demand from Seller to Buyer to do so, then Seller shall have the right to re-enter and take possession of the Property and to terminate (and re-vest in Seller) the estate conveyed by the Deed to Buyer, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to Buyer shall be made upon, and that the Deed shall contain a condition subsequent to the effect that in the event of any default on the part of Buyer and failure on the part of Buyer to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, Seller at its option may declare a termination in favor of Seller of the title, and of all the rights and interests in and to the Property conveyed to Buyer, and that such title and all rights and interests of Buyer, and any assigns or successors in interest to and in Lot or the Property, shall revert to Seller, but only if the events stated in this Section have not been cured within the time periods provided above.

For the purposes of this Agreement, the term “Unavoidable Delays” means delays beyond the reasonable control of Buyer as a result thereof which are the direct result of strikes, other labor troubles, prolonged adverse weather or acts of God, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than Seller in exercising its rights under this Agreement) which directly results in delays. Unavoidable Delays shall not include delays in Buyer’s obtaining of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under this Section of this Agreement.

16. Resale of Reacquired Property; Disposition of Proceeds. Upon the re-vesting in Seller of title to and/or possession of the Property or any part thereof as provided in Section 15 of this Agreement, Seller shall apply the Purchase Price paid by Buyer under Section 4 of this Agreement as follows:

- (a) First, to reimburse Seller for all costs and expenses incurred by Seller, including but not limited to proportionate salaries of personnel, in connection with the recapture, management, and resale of the Property (but less any income derived by Seller from the Property in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property; any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property thereof at the time of re-vesting of title thereto in Seller or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of Buyer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Minimum Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing Seller by Buyer and its successor or transferee; and

- (b) Second, to reimburse Buyer for the balance of the Purchase Price remaining after the reimbursements specified in Paragraph (a) above. Such reimbursement shall be paid to Buyer upon delivery of an executed, recordable quit claim deed to the Property by Buyer to Seller.

- 17. Time is of the essence for all provisions of this Agreement.**
- 18. Notices.** All notices required herein shall be in writing and delivered personally or mailed to the address shown at Section 1 of this Agreement and, if mailed, are effective as of the date of mailing. Each party may update their address for purposes of notice in accordance with the provisions of this Section.
- 19. Minnesota Law.** This Agreement shall be governed by the laws of the State of Minnesota.
- 20. No Broker Involved.** Seller and Buyer represent and warrant to each other that there is no broker involved in this transaction with whom it has negotiated or to whom it has agreed to pay a broker commission. Buyer agrees to indemnify Seller for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Buyer, and Seller agrees to indemnify Buyer for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Seller.
- 21. Specific Performance.** This Agreement may be specifically enforced by the parties, provided that an action is brought within one year of the date of alleged breach of this Agreement.
- 22. No Remedy Exclusive.** No remedy herein conferred upon or reserved to Seller or Buyer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
- 23. Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Buyer acknowledges that it may only assign its rights under this Agreement pursuant to Section 14 of this Agreement, and that no assignment of this Agreement will relieve the assigning party of primary liability for the performance of its obligations hereunder.
- 24. Complete Agreement.** This is the final Agreement between the parties and contains their entire agreement and supersedes all previous understandings and agreements, oral or written, relative to the subject matter of this Agreement. This Agreement may be amended only in a writing dated subsequent to the date of this Agreement and duly executed by all parties.

- 25. Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions herein will remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the agreements contemplated herein are not affected in any manner materially adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to affect the original intent of the parties.
- 26. Partnership or Joint Venture.** Nothing in this Agreement shall be construed or interpreted as creating a partnership or joint venture between the parties relative to the Lots or the Property.
- 27. No Merger of Representations, Warranties.** All representations and warranties contained in this Agreement shall not be merged into any instruments or conveyance delivered at Closing, and the parties shall be bound accordingly.
- 28. Recording.** This Agreement shall be filed of record with the property office of the Itasca County Registrar of Titles and/or Office of County Recorder, as pertains to the Property.
- 29. Conflict of Interests.** Seller and Buyer, to the best of their respective knowledge, represent and agree that no member, official, or employee of either Seller or Buyer shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested. No member, official, or employee of Seller or Buyer shall be personally liable to the other party, or any successor in interest, in the event of any default or breach by Seller or Buyer, or for any amount which may become due to Seller or Buyer or successor or on any obligations under the terms of this Agreement.
- 30. Provisions Not Merged With Deeds.** None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring any interest in the Property and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

In witness of the foregoing, the parties have executed this Agreement on the year and date written above.

[Signatures to follow.]

SELLER

Grand Rapids Economic Development Authority

By: _____
Its: President

By: _____
Its: Executive Director

STATE OF MINNESOTA

} ss.

COUNTY OF ITASCA

The foregoing was acknowledged before me this _____ day of _____ 2023, by _____ and _____, the President and Executive Director of the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota, on behalf of the public body corporate and politic.

NOTARY STAMP

SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

Exhibit A to Purchase and Development Agreement

Form of Quit Claim Deed

QUIT CLAIM DEED

Deed Tax Due: \$ _____

ECRV: _____

Date: _____, 202__

FOR VALUABLE CONSIDERATION, Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of the State of Minnesota, Grantor, hereby conveys and quitclaims to the Housing and Redevelopment Authority (HRA) of Itasca County, Minnesota, a public body corporate and politic under the laws of the State of Minnesota, Grantee, real property in Itasca County, Minnesota, described as follows:

1, 2, 5 and 6, Block 1, FOREST LAKE ADDITION, including that portion of vacated “T” alley which accrued thereto by reasons of vacation thereof, Itasca County, Minnesota.

AND

1, 2, 5 and 6, Block 2, FOREST LAKE ADDITION, including that portion of vacated “T” alley which accrued thereto by reasons of vacation thereof, Itasca County, Minnesota.

Check here if part or all of the land is Registered (Torrens)

together with all hereditaments and appurtenances, and subject to easements of record.

Section 1. This deed is subject to that certain Purchase and Development Agreement between Grantor and Grantee, dated _____, 2023, recorded _____, 2023, in the office of the Itasca County Registrar of Titles [or County Recorder] as Document No. _____ (the “Agreement”), including without limitation the Grantor’s right of reverter in the event of certain defaults by Grantee under the Agreement as more fully described in Section 15 thereof.

Section 2. Grantor’s rights under paragraph 14F of the Agreement remain until _____, 20__, unless earlier released by Grantor.

**Exhibit B to Purchase and
Development Agreement**

Form of Certificate of Completion

CERTIFICATE OF COMPLETION

WHEREAS, the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota (the “Grantor”), conveyed land in Itasca County, Minnesota to the Housing and Redevelopment Authority (HRA) of Itasca County, Minnesota, a public body corporate and politic under the laws of Minnesota (the “Grantee”), by a Deed recorded in the Office of the County Recorder [and or in the Office of the Registrar of Titles] in and for the County of Itasca and State of Minnesota, as Document Number _____;

and

WHEREAS, said Deed is subject to a Purchase and Development Agreement recorded in the Office of the County Recorder [and or in the Office of the Registrar of Titles] in and for the County of Itasca and State of Minnesota, as Document Number _____; which contained certain covenants and restrictions set forth in Sections 3, 14A, 14B, 14C, 14D and 14E thereof; and

WHEREAS, said Grantee has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification.

NOW, THEREFORE, this is to certify that all building construction and other physical improvements specified to be done and made by the Grantee have been completed and the above covenants and conditions in said Deed and the agreements and covenants in Sections 3, 14A, 14B, 14C, 14D, and 14E of the Agreement have been performed by the Grantee therein, and the County Recorder [and/or the Registrar of Titles] in and for the County of Itasca and State of Minnesota are hereby authorized to accept for recording and to record, the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of Sections 3, 14A, 14B, 14C, 14D, and 14E of the Agreement and the covenants and restrictions set forth in Section 1 of said Deed; provided that the covenants set forth in Sections 14F of the Agreement, and in Section 2 of the Deed, remain in full force and effect through the period stated thereon.

Dated: _____, 20____.

**GRAND RAPIDS ECONOMIC DEVELOPMENT
AUTHORITY**

By _____
Its: President

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

RESOLUTION APPROVING CONVEYANCE OF CERTAIN LOTS OWNED BY
THE EDA AND CORRESPONDING PURCHASE AND DEVELOPMENT
AGREEMENT

BE IT RESOLVED by the Board of Commissioners (“Board”) of the Grand Rapids Economic Development Authority (“Authority”) as follows:

Section 1. Recitals.

1.01. The Authority is the fee owner of certain located at 715 -7th Avenue NW, Grand Rapids, Minnesota which will be legally described after replatting as set forth in Exhibit A and depicted on the plat attached hereto (the “Authority Property”).

1.02. The Authority intends to convey the Authority Property to the Housing and Redevelopment Authority (HRA) of Itasca County, Minnesota, a public body corporate and politic under the laws of Minnesota (the “HRA”), to construct homes for sale to owner-occupants and to that end has prepared a Purchase and Development Agreement between the Authority and the HRA for the sale of the Authority Property (the “Purchase Agreement”).

1.03. The Board held a duly noticed public hearing regarding the proposed sale of the Authority Property.

1.04. The Board has determined that sale of the Authority Property as described in this resolution is in the best interest of the City and its residents, and further finds and determines that conveyance of the Authority Property has no relationship to the City’s comprehensive plan, in that no amendment or modification of the comprehensive plan is required for the conveyance. The Authority further finds and determines that conveyance of the Authority Property for residential purposes is consistent with the objectives of the City’s comprehensive plan pertaining to development of a portion of the Plat for single-family homes.

Section 2. Sale of Authority Property Approved; Further Proceedings.

2.01. The Board approves the Purchase Agreement in substantially the form presented to the Board, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications, or consents referenced in or attached to the Agreement including without limitation the quit claim deeds and any documents required by the title company relating to the conveyance of Authority Property (the “Conveyance Documents”). The Board hereby approves the conveyance of the Authority Property to the HRA in accordance with the terms of the Purchase Agreement.

2.02 The Board hereby authorizes the President and Executive Director, in their discretion and at such time, if any, as they may deem appropriate, to execute the Purchase Agreement and the Conveyance Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the

Authority’s obligations thereunder when all conditions precedent thereto have been satisfied. The Purchase Agreement shall be in substantially the form on file with the Authority and the approval hereby given to the Purchase Agreement includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the Authority and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the Authority. The execution of any instrument by the appropriate officers of the Authority herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This resolution shall not constitute an offer and the Purchase Agreement shall not be effective until the date of execution thereof as provided herein.

2.03. Authority staff and officials are authorized to take all actions necessary to perform the Authority’s obligations under the Purchase Agreement as a whole, including without limitation execution of the Conveyance Documents.

Approved by the Board of Commissioners of the Grand Rapids Economic Development Authority this 27th day of July, 2023.

President

ATTEST:

Secretary

EXHIBIT A

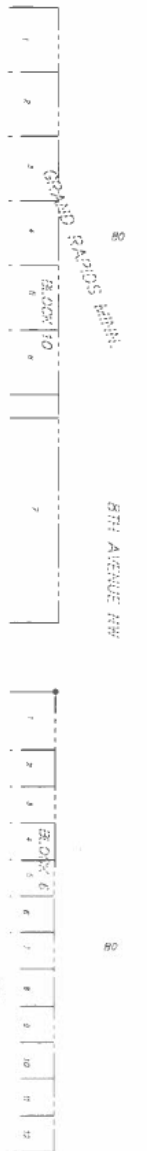
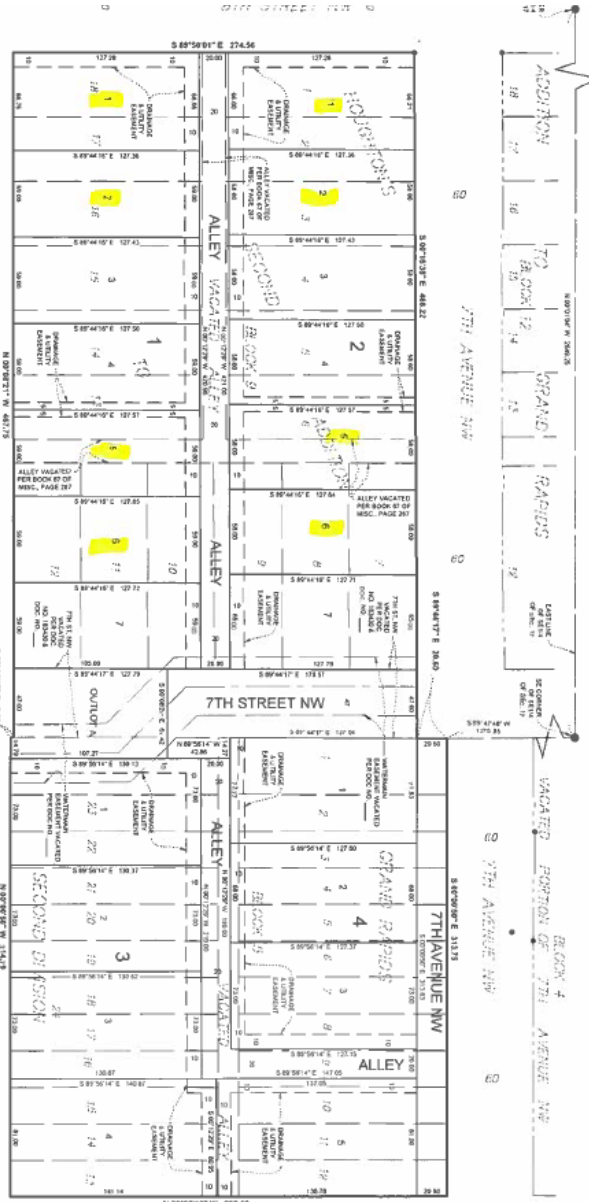
Legal Description of Authority Property

1, 2, 5 and 6, Block 1, FOREST LAKE ADDITION, including that portion of vacated "T" alley which accrued thereto by reasons of vacation thereof, Itasca County, Minnesota.

AND

1, 2, 5 and 6, Block 2, FOREST LAKE ADDITION, including that portion of vacated "T" alley which accrued thereto by reasons of vacation thereof, Itasca County, Minnesota.

FOREST LAKE ADDITION



and Right Economic Development Authority, a Minnesota 501(c)(3) non-profit company, as the City of Grand Rapids, County of Itasca, State of Minnesota, to all LOTION TO GRAND RAPIDS, including vacant "T" alley located within said Block 5 and between the limits of Seventh Avenue West and Eighth Avenue West, according to the records

according to the recorded plat thereof, Itasca County, Minnesota

LEGAL LAND ACQUISITION and other surveys, obtainable to the public for public use, the public ways

ment Authority, a Minnesota 501(c)(3) non-profit company, has caused these presents to be

The instrument was acknowledged before me on this _____ day of _____, A.D. by Sharon Blain, As president of Grand Rapids Economic Development Authority.

My Commission Expires _____

Notary Public _____ County, Minnesota

I, David J. Shabrom, do hereby certify that this plat was prepared by me or under my direct supervision, that I am a duly Licensed Land Surveyor in the State of Minnesota, that the plat is a correct representation of the boundary survey, that all requirements of law and statute are correctly depicted on this Minnesota Statute, Section 500.01, 50.01 of the state of this certificate are shown and labeled on this plat, and all public ways are shown and labeled on this plat.

Dated this _____ day of _____, 20____.

CITY OF GRAND RAPIDS
We do hereby certify that on this _____ day of _____
Signed: City of Grand Rapids

DAVID J. SHABROM, Mayor

ITASCA COUNTY AUDITOR
I do hereby certify that there are no outstanding taxes on this _____ day of _____, 20____.

Jeffrey T. White
Auditor / Treasurer
Itasca County, Minnesota

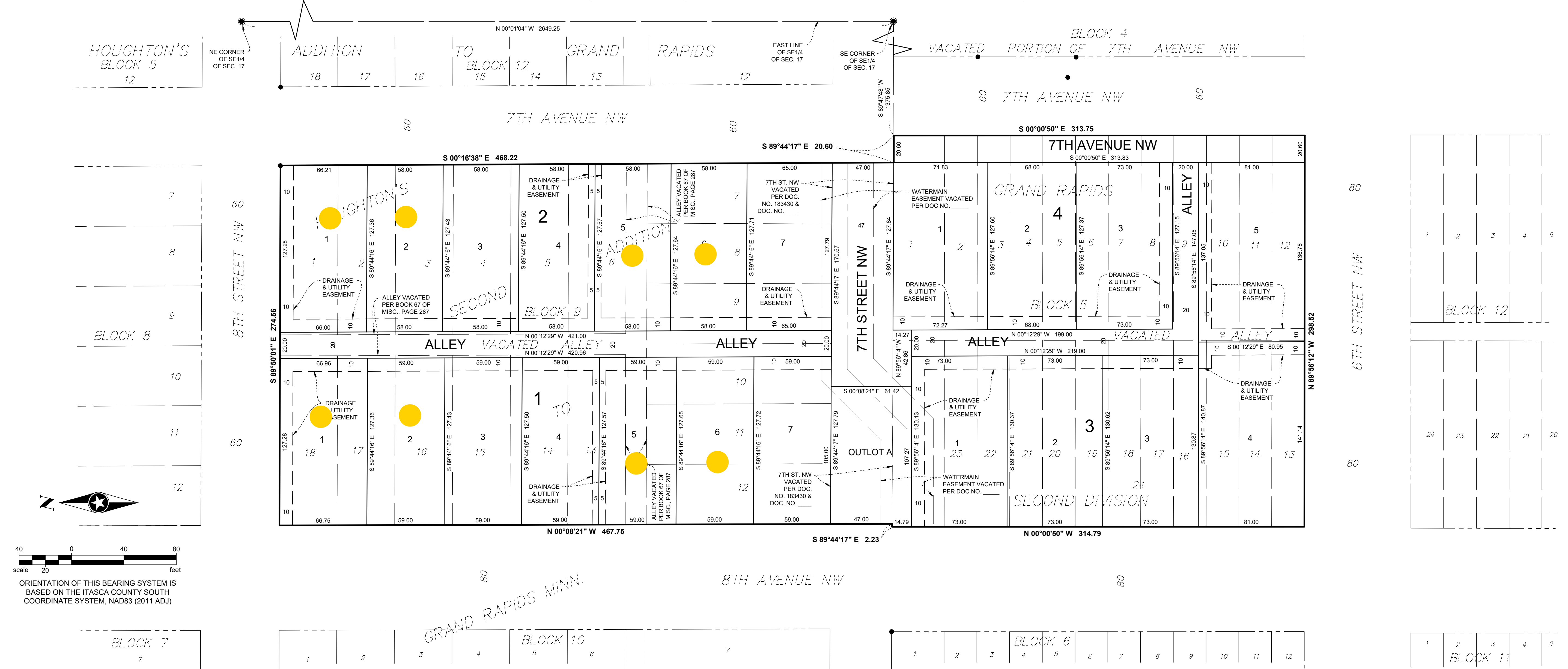
ITASCA COUNTY RECORDER AND REGISTRAR OF TITL
I do hereby certify that the within instrument was filed on this _____ day of _____, 20____ at _____ M in the Recorder's Office of Itasca County, Minnesota.

Nicole Zantke
Recorder / Registrar
Itasca County, Minnesota

THE INSTRUMENT WAS SUBMITTED FOR RECORD ON THIS _____ DAY OF _____, 20____, A.D. BY David J. Shabrom, Minnesota Licensed Surveyor.

Notary Public _____ County, Minnesota
By Commission Expires _____

FOREST LAKE ADDITION



KNOW ALL PERSONS BY THESE PRESENTS: That Grand Rapids Economic Development Authority, a Minnesota 501(c)(3) non-profit company, being the owner of the following described property located in the City of Grand Rapids, County of Itasca, State of Minnesota, to wit:

Lots 1 through 18, Block 9, HOUGHTON'S SECOND ADDITION TO GRAND RAPIDS, including vacated "T" alley situated within said Block 9 and including all of adjoining vacated Seventh Street North between the limits of Seventh Avenue West and Eighth Avenue West, according to the recorded plat there of, Itasca County, Minnesota.

AND
All of Block 5 in GRAND RAPIDS SECOND DIVISION, according to the recorded plat thereof, Itasca County, Minnesota.

Has caused the same to be surveyed and platted as FOREST LAKE ADDITION and does hereby dedicate to the public for public use the public ways and the drainage and utility easements as created by this plat.

In witness whereof said Grand Rapids Economic Development Authority, a Minnesota XXXXX XXXXX Company, has caused these presents to be signed by its proper officers on this _____ day of _____, 20____.

Signed: Grand Rapids Economic Development Authority

Sholom Blake, President

STATE OF MINNESOTA
COUNTY OF _____

This Instrument was acknowledged before me on this _____ day of _____, 20____, A.D. by Sholom Blake, As president of Grand Rapids Economic Development Authority.

_____, Notary Public
_____, County, Minnesota
My Commission Expires _____

I, Daniel J. Bemboom, do hereby certify that this plat was prepared by me or under my direct supervision; that I am a duly Licensed Land Surveyor in the State of Minnesota, that this plat is a correct representation of the boundary survey; that all mathematical data and labels are correctly designated on this plat; that all monuments depicted on this plat have been, or will be correctly set within one year; that all water boundaries and wet lands, as defined in Minnesota Statutes, Section 505.021, as of the date of this certificate are shown and labeled on this plat; and all public ways are shown and labeled on this plat.

Dated this _____ day of _____, 20____.

Daniel J. Bemboom, Professional Land Surveyor
Minnesota License No. 46562

STATE OF MINNESOTA
COUNTY OF _____

This Instrument was acknowledged before me on this _____ day of _____, 20____, A.D. by Daniel J Bemboom, Minnesota License Number 46562.

_____, Notary Public
_____, County, Minnesota
My Commission Expires _____

CITY OF GRAND RAPIDS

We do hereby certify that on this _____ day of _____, 20____ the City of Grand Rapids approved this plat.

Signed: City of Grand Rapids

Dale Christy, Mayor

Kimberly Gibeau, City Clerk

ITASCA COUNTY AUDITOR

I do hereby certify that there are no delinquent taxes on the above described property as of this _____ day of _____, 20____.

Jeffrey T. Walker
Auditor / Treasurer
Itasca County, Minnesota

ITASCA COUNTY RECORDER AND REGISTRAR OF TITLES

I do hereby certify that the within instrument was filed in this office for record this _____ day of _____, 20____, at _____ o'clock _____ M as Document Number _____.

Nicolle Zuehke
Recorder / Registrar
Itasca County, Minnesota

Save: 4/16/2023 12:28 PM dbemboom Plot: 4/16/2023 12:33 PM X:\JG\GRANR\1710259-survey\02-CAD\15-dwg\GR171025-FP.dwg

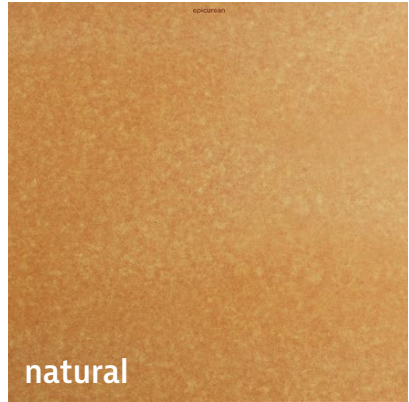


Forest Lake School Redevelopment Site

A New Grand Rapids Community

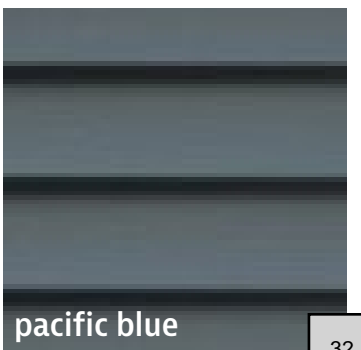
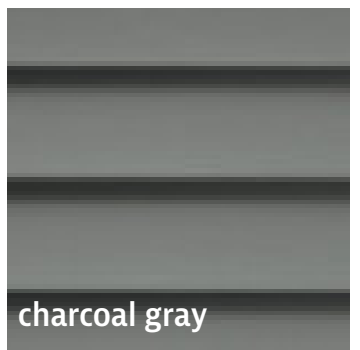
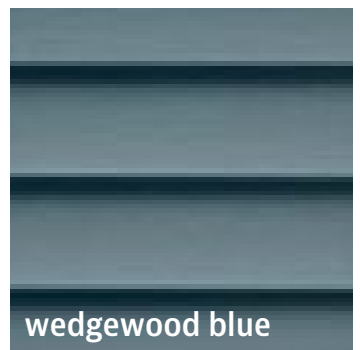
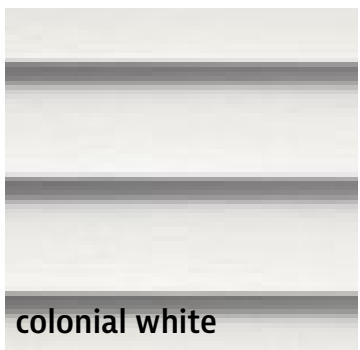
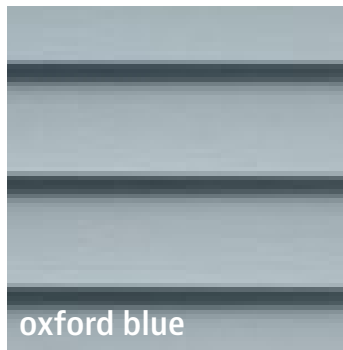
“Good forms confer good health upon the things they gather together. Farms, families and communities are forms of art just as are poems, paintings and symphonies. None of these things would exist if we did not make them. We can make them either well or poorly: this choice is another thing we make.”

- Wendell Berry



Snowy Minnesota Landscape

PALETTE





HOUSE E 7TH AVE - LOT 6

HOUSE F 7TH AVE - LOT 5

HOUSE G 7TH AVE - LOT 2

HOUSE H 7TH AVE - LOT 1



HOUSE D 8TH AVE - LOT 1

HOUSE C 8TH AVE - LOT 2

HOUSE B 8TH AVE - LOT 5

HOUSE A 8TH AVE - LOT 6

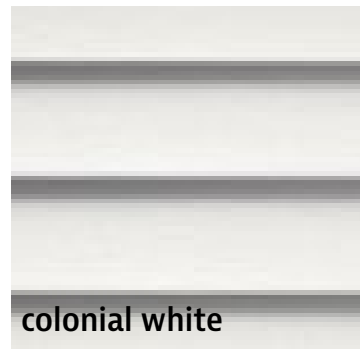
PALETTE



PALETTE - 8TH AVE LOOKING SE



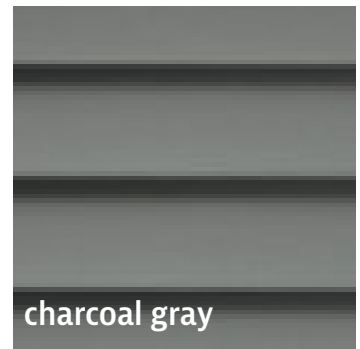
PALETTE - 7TH AVE LOOKING SW



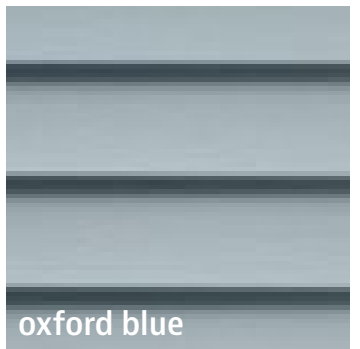
colonial white
HOUSE E 7TH AVE - LOT 6



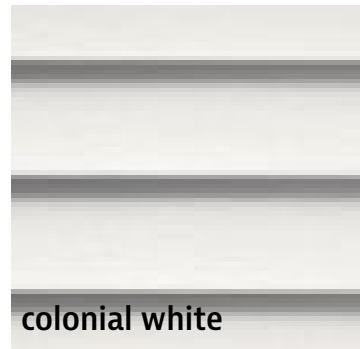
wedgewood blue
HOUSE F 7TH AVE - LOT 5



charcoal gray
HOUSE G 7TH AVE - LOT 2



oxford blue
HOUSE H 7TH AVE - LOT 1



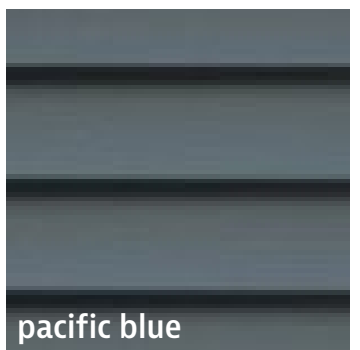
colonial white
HOUSE D 8TH AVE - LOT 1



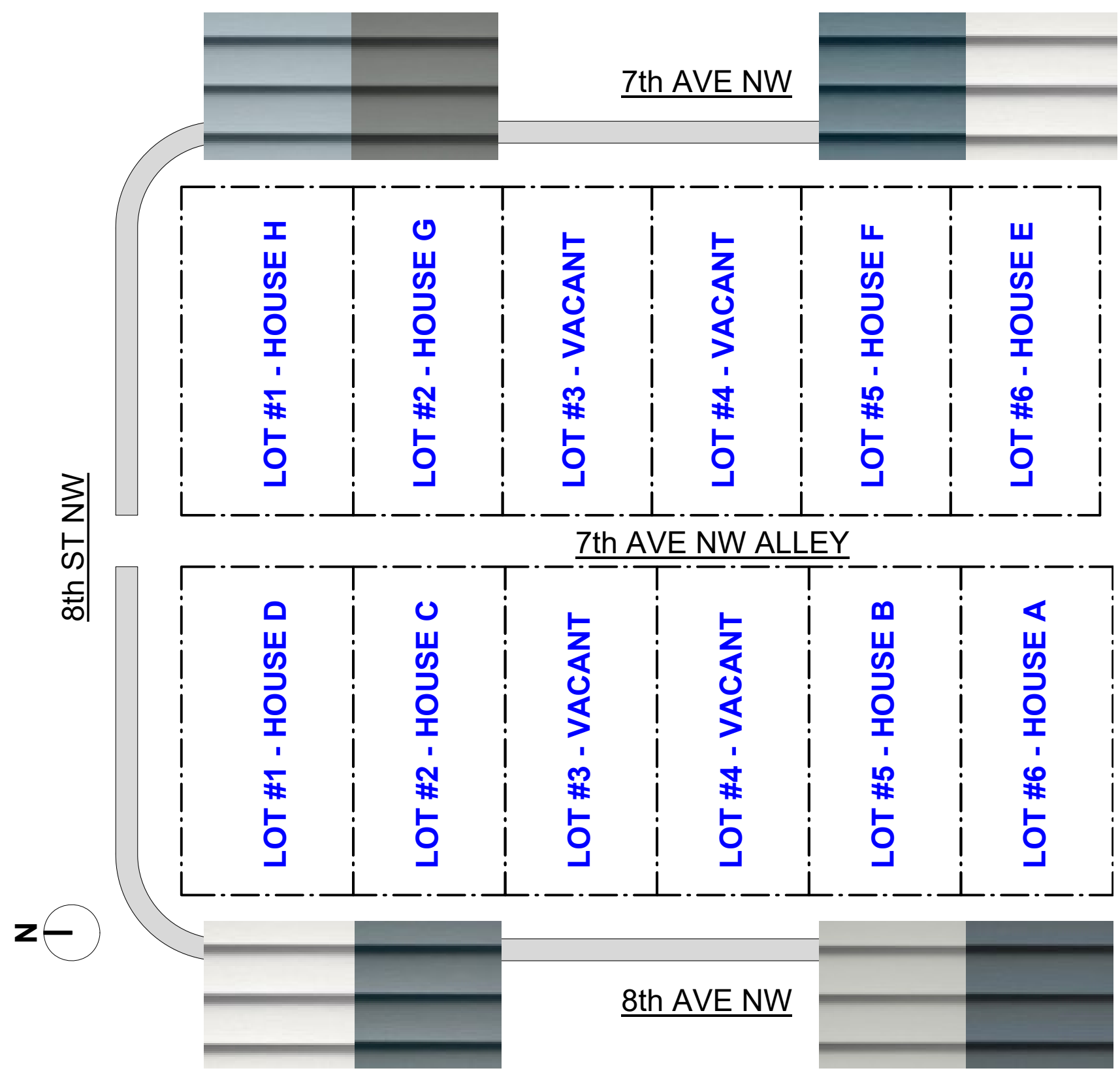
flagstone
HOUSE C 8TH AVE - LOT 2



sterling gray
HOUSE B 8TH AVE - LOT 5



pacific blue
HOUSE A 8TH AVE - LOT 6







REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: July 27, 2023

STATEMENT OF ISSUE: Consider approval of a resolution and letter in support of an application by the Itasca County HRA to the Minnesota Housing Finance Administration for the development of eight additional affordable, owner-occupied, single-family homes in Forest Lake Addition.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

The Itasca County HRA, in partnership with KOOTASCA Community Action and One Roof Community housing are requesting the support of GREDA for another application to Minnesota Housing Finance Administration (MHFA) for the development of an additional eight affordable, owner-occupied, single-family homes on the former site of the Forest Lake Elementary School.

GREDA has completed the subdivision of the property as Forest Lake Addition which is comprised of a total of twenty-two single family home lots. The City has contracted for the addition of sanitary sewer and water. This infrastructure, which was funded with allotted ARPA funds and an IRRR grant, is under construction.

Under a CLT model, a family or individual purchases a house that sits on land owned by the CLT, thus the purchase price is more affordable because the homeowner is only buying the home and not the land. The homeowner leases the land from the CLT in a long-term, usually renewable, lease. Through the purchase of the home, the buyer agrees that when they eventually sell the home, the price is restricted to keep it affordable in perpetuity, however, they may be able to realize appreciation from improvements they make while they live in the house.

This proposed project has come to us with a short timeline for the GREDA's consideration. Applications for gap funding through the MHFA Community Homeownership Impact Fund are due on July 31. The HRA is preparing to submit for this project and has requested and received support from the City to consider the use of TIF if necessary. As is always the case with MHFA funding, an endorsement and financial support from the community are necessary to be competitive.

As stated within the draft resolution, GREDA's commitment to the project would be to consider the sale of 8 additional single family home sites, at a price of \$6,300/lot.

As you may recall, prior to GREDA receiving title to the former Forest Lake School property it was owned by the City, which resulted from a land swap with ISD #318. The assigned value of the Forest Lake School in that exchange was \$133,555. The price of \$6,300.00 per site is roughly based on that value divided by the 22 platted lots, which is more precisely \$6,070.68. It is our intent that MHFA will view the price of \$6,300 per lot as a discounted price and a contribution to the project by GREDA.

For the City to consider the approval of TIF, ICHRA will apply to the City, if they are successful with their MHFA application, and the normal TIF process will follow.

We anticipate that MHFA awards will be made in December, but in some cases that has carried over until January or February.

RECOMMENDATION:

REQUIRED ACTION:

Adopt a motion approving a resolution and letter supporting an 8-unit owner occupied community land trust single-family housing development.

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
GRAND RAPIDS, MN**

RESOLUTION NO. 23-

**RESOLUTION SUPPORTING A SECOND 8-UNIT OWNER OCCUPIED
COMMUNITY LAND TRUST SINGLE FAMILY HOUSING DEVELOPMENT IN THE
CITY**

BE IT RESOLVED By the Grand Rapids Economic Development Authority (“GREDA”) of the City of Grand Rapids, Minnesota (the “City”) as follows:

Section 1. Recitals.

1.01. In partnership with One Roof Community Housing and KOOTASCA Community Action, Itasca County Housing and Redevelopment Authority (ICHRA) (the “Developer”) has proposed the development of eight affordable, owner occupied, single-family homes on sites owned by the Grand Rapids Economic Development Authority (GREDA), at the former Forest Lake Elementary.

1.02. The proposed development is in addition to the initially proposed development of eight affordable, owner occupied, community land trust single-family homes, awarded funds by the Minnesota Housing Finance Agency (the “MHFA”) in December of 2022.

1.03. The proposed development would provide housing opportunities for working families earning 80% of the area median income or less and the future affordability of the homes would be ensured by the development being structured as a Community Land Trust.

1.04. The Developer has presented a proposal for the Development to the GREDA, which includes a request that GREDA consider financial assistance in the form of discounted land prices.

1.05. The Developer further intends to submit an application to the Minnesota Housing Finance Agency (the “MHFA”) for an award from the Community Homeownership Impact Fund (Impact Funds) for the Development, the success of which is predicated on support of the Development by the City of Grand Rapids through the commitment of tax increment financing for the project and by GREDA providing eight additional single-family home sites at a discounted price of \$6,300.00 per site.

1.06. GREDA has reviewed the proposal for the Development, and hereby finds and determines that the Development fulfills a need for high-quality affordable housing in the City of Grand Rapids, which is currently in short supply, as described in the Housing Study of November 2019 prepared by Community Research Partners and the update to that report completed in 2022, both of which are on file with the City Clerk.

Section 2. Endorsement of Development; Authorization of Tax Increment Financing.

2.01. GREDA hereby endorses the Development in substantially the form proposed by the Developer and supports the Developer’s application to MHFA for Impact Funds for the Development and authorizes the GRED President to execute a letter to MHFA in support of the Development.

2.02. GREDA hereby authorizes staff to proceed with the process to consider the sale of eight sites to the Developer at the discounted price of \$6,300.00 per site. If the Developer has not secured an allocation of Impact Funds for the Development by February 28, 2024, this authorization shall expire and be of no further effect.

Adopted this 27th day of July 2023, by the Grand Rapids Economic Development Authority, Grand Rapids, Minnesota.

President

ATTEST:

Executive Director



CITY OF
GRAND RAPIDS
 IT'S IN MINNESOTA'S NATURE

ECONOMIC DEVELOPMENT AUTHORITY

420 NORTH POKEGAMA AVENUE, GRAND RAPIDS, MINNESOTA 55744-2662

July 27, 2023

Minnesota Housing Finance Agency
 400 Sibley St.
 Suite 300
 St. Paul, MN 55101-1998

RE: Itasca County HRA Community Land Trust Project

Dear Sir or Madam,

The Grand Rapids Economic Development Authority (GREDA), at its meeting held on July 27, 2023, considered the housing development proposal of the Itasca County HRA. The HRA proposes the construction of eight additional units of affordable owner-occupied single-family homes as a community land trust project within the city of Grand Rapids.

The proposed site for this project is same as the previously awarded eight community land trust units, that being the cleared site of the former Forest Lake Elementary School, owned by the GREDA. GREDA has recently completed the development of a new subdivision creating 22 single-family home sites on this site.

This endorsement is based upon the findings that the project will meet locally identified housing needs and that the proposed housing is in short supply in the local housing market. This need is evidenced by the November 2019 City of Grand Rapids Housing Study, prepared by Community Partners Research as well as the update to that Study, completed in 2022.

As part of its endorsement of this much needed project, GREDA proposes to provide considerable write down of sale price to the HRA for the 8 single-family home sites for this project.

GREDA's endorsement is evidenced by their approval of Resolution 23-_____, a copy of which is included with this letter.

With the expansion of a local manufacturer, ASV/Yanmar, expected to add an additional 360 employees in our community over the next five years, our need for additional, affordable housing has never been so acute. Thank you for your consideration of this important project.

Sincerely,

Sholom Blake
 President



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: July 27, 2023

STATEMENT OF ISSUE: Consider acceptance of a Letter of Intent to purchase Lot 3, Block 3 of Great River Acres submitted by Barbara Rydberg

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

GREDA has received a Letter of Intent from Ms. Barbara Rydberg for the purchase of Lot 3, Block 3, of the plat of Great River Acres. Ms. Rydberg's letter indicates agreement with the established sale price of \$23,500.00.

With acceptance of the LOI by GREDA, staff will adapt our model purchase and development agreement for these parcels and bring it back to a future meeting for consideration.

RECOMMENDATION:

REQUIRED ACTION: Pass a motion to accept a Letter of Intent to purchase Lot 3, Block 3 of Great River Acres submitted by Barbara Rydberg

Barbara Anne Rydberg
878 August Circle
North Liberty, IA 52317
319-541-5798 (mobile)
brydberg@southslope.net

July 18, 2023

Grand Rapids Economic Development Association
Attn: Rob Mattei
420 North Pokegama Ave
Grand Rapids, MN 55744

Dear Mr. Mattei,

The purpose of this letter is to inform you of my interest and intent to purchase Lot 3 of Block 3 of the Great River Acres Development in Grand Rapids, MN. I understand the purchase price for this lot is \$23,500 and am prepared to pay this amount in full without need for financing.

I am eager to move back to the Grand Rapids area and look forward to hearing from you soon.

Sincerely,



Barbara A. Rydberg



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: July 27, 2023

STATEMENT OF ISSUE: Consider approval of engagements letters for professional appraisal and review appraisal services with Nagell Appraisal & Consulting and Day Group LLC.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

GREDA has expressed interest in the possible acquisition of two parcels in the industrial zoned area situated between 7th Ave. E. and the Grand Rapids/Itasca County Airport. These parcels, shown in the attached map, were acquired by the Airport decades ago when the Airport Layout Plan called for a crosswind runway to be located at the south end of the main runway. With the crosswind runway eventually constructed further to the north, these parcels aren't significant to the future development of the Airport.

Matt Wegwerth, City Engineer, and the Airport's contracted engineer have consulted with the FAA and were encouraged to seek clearances from the FAA that would release the encumbrances placed on parcels acquired for the Airport so that they could be sold to GREDA, if GREDA so desires.

The process for these FAA releases involves a memorandum with exhibits, a field survey and legal description and an environment review with a categorical exclusion. These items, excluding the survey, which is already being done through an ALTA survey previously contracted by GREDA, are being taken on by the Airport. Two other requirements of the process are appraisals which meet the required FAA standards, and review appraisals.

Staff received proposals from two professional appraisal firms that have experience with this type of appraisal.

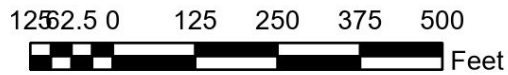
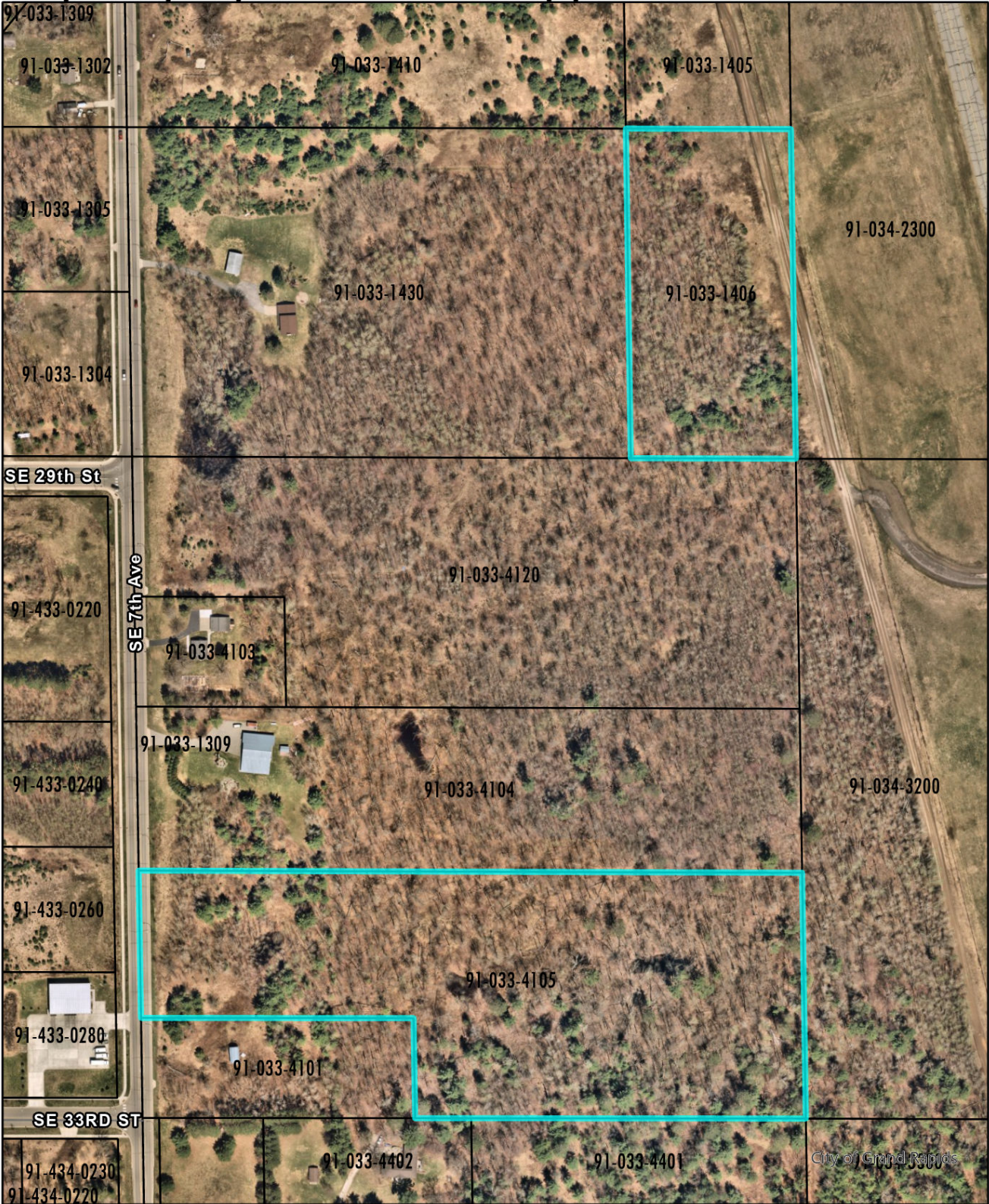
The proposals are itemized by property:

Parcel #	Task	Firm	Cost
91-033-1406 (north parcel)	Appraisal	Nagell	\$3,000
	Review Appraisal	Day Group	\$2,800
			\$5,800
91-033-4105 (south parcel)	Appraisal	Nagell	\$4,000
	Review Appraisal	Day Group	\$2,100
			\$6,100
			\$11,900

RECOMMENDATION:

REQUIRED ACTION: Approve separate motions to approve the engagement letters from Nagell Appraisals & Consulting and Day Group LLC.

Airport properties to be appraised



NAGELL APPRAISAL & CONSULTING

12805 Highway 55
Plymouth, MN 55441
Established in 1968

Phone: 952-544-8966
Fax 952-544-8969

Client: City of Grand Rapids
Attn: Rob Mattei, Dir. Of Community Dev.
420 N Pokegama Avenue
Grand Rapids, MN, 55744-2662

July 19, 2023

Dear Rob,

RE: Engagement letter for appraisal services for land just east of the "T" of 29XX & 7th Ave SE, Grand Rapids, MN (PID 91-033-1406)

Per your request, below is an appraisal engagement letter with the following research and analysis.

Report Use: The report use is for selling purposes, from the City Owned Land for the airport to the City HRA.

Intended Users: City of Grand Rapids and the FAA

Value Type: Current market value with one overall value for the appraisal of real estate per highest and best use per Uniform Standards of Professional Appraisal Practice and Uniform Standards for Federal Land Acquisitions (USFLA) and FAA order 5100.37B standards.

Property Description: Landlocked 5 acres owned by the city.

Scope of Report: (1) View the property and neighborhood. (2) Report the physical and/or economic factors that could affect the property. (3) Appropriate research, collection, verification, analysis and viewing of pertinent market data will be conducted. (4) Report findings and conclusions. Appraiser will work with he reviewer regarding requested changes.

Report Format: An appraisal report standard narrative format. One report, *PDF copy provided*.

Fee/Timing: **\$3,000, draft for reviewer in about 4 weeks.** City is responsible for payment upon receipt of appraisal.

Expert Witness: If needed, any additional meetings, testifying and preparation, report revisions/updates/upgrades are extra and billed at \$175 per hour. [Ethan C. Waytas, MAI or Erin Waytas, MAI](#) to sign report and testify if needed.

Information needed by the appraiser: Appraised value assumes any FAA easement or likewise will be removed for the City HRA.

Our Company: Our has 10 employees and has been in business since 1968 and has sufficient knowledge, experience, education, contacts and resources to competently complete this assignment. Our services will be delivered in a manner that is independent, impartial, and objective. We do not warrant the outcome of this matter, and neither the amount nor payment of our fees is contingent on any result.

If you agree to the above terms, please sign below and return by email or mail. If you have any additional questions, please do not hesitate to contact me.

Sincerely,



William R. Waytas
Certified General MN 4000813

Signature_____

Date_____



[Zoom to](#)

CITY OF GRAND RAPIDS

Name: CITY OF GRAND RAPIDS

Parcel Number: 91-033-1406

Description: Tax Parcel

Class Code: 776-0-0

Land Estimate: \$161,000

Building Estimate: \$0

EMV: \$161,000

MP Number: 91-033-1406

Tax District Name: GRAND RAPIDS CITY

Sec Twp Rng: 33 55-25

Legal Desc.: E 330FT OF S 1/2 OF SE NE

Plat Name:

Undivided Interest:

Acres: 5.00

Square Feet: 217579.7

Lake Name:

Mailing Address: 420 N POKEGAMA AVE
GRAND RAPIDS MN 55744

Physical Address:

[Link to Plat](#)

[Link to Land & Building Info](#)

[Link to Tax Info](#)

NAGELL APPRAISAL & CONSULTING

12805 Highway 55
Plymouth, MN 55441
Established in 1968

Phone: 952-544-8966
Fax 952-544-8969

Client: City of Grand Rapids
Attn: Rob Mattei, Dir. Of Community Dev.
420 N Pokegama Avenue
Grand Rapids, MN, 55744-2662

July 19, 2023

Dear Rob,

RE: Engagement letter for appraisal services for land at 3XXX 7th Ave SE, Grand Rapids, MN (PID 91-033-4105)

Per your request, below is an appraisal engagement letter with the following research and analysis.

Report Use: The report use is for selling purposes, from the City Owned Land for the airport to the City HRA.

Intended Users: City of Grand Rapids and the FAA

Value Type: Current market value with one overall value for the appraisal of real estate per highest and best use per Uniform Standards of Professional Appraisal Practice and Uniform Standards for Federal Land Acquisitions (USFLA) and FAA order 5100.37B standards.

Property Description: Land 12.5 acres owned by the city.

Scope of Report: (1) View the property and neighborhood. (2) Report the physical and/or economic factors that could affect the property. (3) Appropriate research, collection, verification, analysis and viewing of pertinent market data will be conducted. (4) Report findings and conclusions. Appraiser will work with he reviewer regarding requested changes.

Report Format: An appraisal report standard narrative format. One report, *PDF copy provided*.

Fee/Timing: \$4,000, draft for reviewer in about 4 weeks. City is responsible for payment upon receipt of appraisal.

Expert Witness: If needed, any additional meetings, testifying and preparation, report revisions/updates/upgrades are extra and billed at \$175 per hour. Ethan C. Waytas, MAI or Erin Waytas, MAI to sign report and testify if needed.

Information needed by the appraiser: Appraised value assumes any FAA easement or likewise will be removed for the City HRA.

Our Company: Our has 10 employees and has been in business since 1968 and has sufficient knowledge, experience, education, contacts and resources to competently complete this assignment. Our services will be delivered in a manner that is independent, impartial, and objective. We do not warrant the outcome of this matter, and neither the amount nor payment of our fees is contingent on any result.

If you agree to the above terms, please sign below and return by email or mail. If you have any additional questions, please do not hesitate to contact me.

Sincerely,



William R. Waytas
Certified General MN 4000813

Signature_____

Date_____



[Zoom to](#)

CITY OF GRAND RAPIDS

Name: CITY OF GRAND RAPIDS
Parcel Number: 91-033-4105
Description: Tax Parcel
Class Code: 776-0-0
Land Estimate: \$85,800
Building Estimate: \$0
EMV: \$85,800
MP Number: 91-033-4105
Tax District Name: GRAND RAPIDS CITY
Sec Twp Rng: 33 55-25
Legal Desc.: NE-SE LYG S OF N 828' LESS W 545' OF S 200
Plat Name:
Undivided Interest:
Acres: 12.50
Square Feet: 545111.7
Lake Name:
Mailing Address: 420 N POKEGAMA AVE
GRAND RAPIDS MN 55744
Physical Address:

- [Link to Plat](#)
- [Link to Land & Building Info](#)
- [Link to Tax Info](#)

July 20, 2023

Rob Mattei, Director of Community Development
Grand Rapids Economic Development Authority
420 N. Pokegama Avenue
Grand Rapids, MN 55744

RE: Proposal for appraisal review services for Grand Rapids/Itasca County Airport-owned land (2 assignments),
Grand Rapids, Minnesota

Dear Mr. Mattei:

It was a pleasure to discuss your appraisal review needs with you yesterday. I am pleased to submit this proposal for appraisal review services. Following are the details:

Clients, Intended Users and Intended Use:

The clients for both appraisal review assignments would be Grand Rapids/Itasca County Airport and the Grand Rapids Economic Development Authority (GREDA). The Federal Aviation Administration (FAA) is an intended user, along with the clients. There are no other intended users for this appraisal review. Differing intended users and appraisal problems/assignments involve different assignment conditions, scope of work, and reporting requirements. Hence, the appraisal review as developed and reported is only for the intended users and stated use. No other party may use or rely upon any part of the appraisal report. Neither the appraisers nor Day Group LLC assume responsibility for any reliance by unintended users or uses of the appraisal.

The intended use of the appraisals would be for the purpose of the airport selling the land to GREDA.

Appraiser:

Jonathan Day, MAI would work on this project and he has had much experience with appraisal reviews involving airport land throughout the State of Minnesota. See my website at www.daygroupmn.com for background on myself and our firm. I have the knowledge and experience to complete the assignment competently. I have not completed any services pertaining to the subject properties within the prior three years, as an appraiser, appraisal reviewer, or in any other capacity.

Purpose - Type of Value:

The type of value appraised would be market value. A recognized definition of market value would be used.

Relevant Property Characteristics:

The subjects each are vacant and consist of a single tax parcel, having PIDs of 91-033-1406 and 91-033-4105.

Scope of Work and Assignment Conditions:

The appraisal reviews would be made in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) and within Compliance Guidance Letter 2018-03, Appraisal Standards for the Sale and Disposal of Federally Obligated Airport Property.

The analysis would encompass the completeness, adequacy, relevance, appropriateness, and reasonableness of the work under review, developed in the context of the requirements applicable to that work. The purpose would not be to simply complete an administrative review, but to complete a field review whereby the validity and reasonableness of the final valuation conclusions are the principal focal point. The ultimate intent of the review is to produce an adequately-documented appraisal and sound and valid recommendations for the value conclusions/allocations. Drive-by inspections of the subject and comparables would be completed, if required. The reviewer would secure necessary corrective material from the appraiser prior to the recommendation of the value conclusions, and accept or reject the submitted appraisal report. The review will rely upon the comparables selected by the original appraiser, and the reviewer will not complete any new detailed adjustment analysis. The reviewer will approve an appraised value, which is a higher level of work and responsibility above an appraisal review where no value is provided.

Report:

An Appraisal Review report would be provided. A succinct report would be furnished, which is not restating elements already included in the original appraisals. In addition to electronic pdf reports, one hardcopy of each would be provided upon request.

Appraisal Fee:

Based upon the above defined scope of work and report, my not-to-exceed fee would be **\$2,800 for the 1st appraisal review** and **\$2,100 for the 2nd appraisal review**, or **a total of \$4,900**, payable after delivery and review of the review report. This fee is based upon an increased scope of work including exterior inspection of the subject properties, exterior inspection of all comparables used, and with the reviewer approving the appraised values. If it is determined later that the scope of work can be reduced while meeting FAA requirements, the fee also will be reduced.

My fee includes responding to any questions or concerns you may have. In the event that the appraiser is required by subpoena or other legal process to provide testimony or produce documents relating to the appraisal review services, it is agreed that compensation will be based upon my \$325/hour rate and/or reimbursement for reasonable actual expenses incurred.

Delivery:

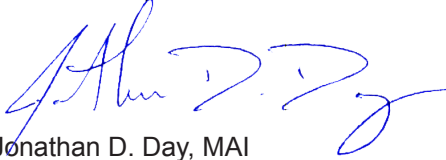
I would request an initial draft appraisal report by the original appraiser. After comments are provided by the reviewer on the draft report, the final appraisal would be reviewed in detail. To allow for my initial review work, inspections, review of the final report, and time to write my review report, I would need 2 weeks after delivery of the final appraisal report to complete my work.

If the terms of this proposal letter are acceptable, please sign and return a copy of this letter authorizing me to proceed with the assignment. Feel free to contact me if you have any questions or wish to alter the scope of work, intended users, intended use, delivery date, or any other terms. Thank you for the opportunity to provide you a proposal on this project.

I look forward to hearing from you.

Sincerely,

DAY GROUP LLC



Jonathan D. Day, MAI
President

Attachment

ACCEPTANCE/AUTHORIZATION TO PROCEED:

Client Signature

Print Name and Title

Date

ASSUMPTIONS AND LIMITING CONDITIONS TO BE USED

- 1) The appraiser assumes no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor does the appraiser render any opinion as to the title, which is assumed to be good and marketable.
- 2) The furnished legal description is assumed to be correct.
- 3) The property is appraised free and clear of all indebtedness, liens or encumbrances unless otherwise stated.
- 4) Responsible ownership and competent property management are assumed.
- 5) Any plat, site plan or sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The appraiser has made no survey of the property. It is assumed that the utilization of the subject land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted within the report.
- 6) The appraiser is not required to give further consultation, testimony, or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made.
- 7) Any allocation of the total value estimated in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
- 8) The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions, or for engineering which might be required to discover such factors. Stable soils are assumed unless otherwise stated.
- 9) Unless otherwise noted in this report, the subject is assumed to have no significant or value-impacting delineated wetlands. Since identifying these factors is beyond my area of expertise, I assume no responsibility for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- 10) Depending upon the scope of work, the appraiser may have reviewed FEMA maps for determining the subject's Special Flood Hazard Area. Precise locations are difficult to make, and I can not guarantee such determinations. The client is urged to retain an expert in this field, if desired.
- 11) Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as petroleum products, asbestos, urea-formaldehyde foam insulation, radon gas, mold, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- 12) It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been identified, described and considered in the appraisal.
- 13) It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state or national government or private entity or organization have been or can be obtained or renewed for any use on which the opinion of value contained in this report is based.
- 14) It is assumed that there is full compliance with all applicable local, state and federal environmental regulations unless a noncompliance has been stated, described, and considered in the appraisal report.
- 15) Information, estimates, and opinions furnished to the appraiser by others, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for accuracy of such items furnished to the appraiser can be assumed by the appraiser.
- 16) This appraisal does not affix or set the price of the property but offers only a supportable opinion as to the present worth of anticipated benefits subject to investment risk, measured mainly by the market data available at the valuation date. Therefore, I assume no liability for changes in market conditions or for the inability of the owner to locate a purchaser at the appraised value within the estimated exposure/marketing time period.
- 17) Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute. No part of the contents of this report, or copy thereof (especially any conclusions as to value, the identity of the appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the appraisers is connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraisers.
- 18) The Americans with Disabilities Act ("ADA") became effective January 26, 1992. I have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.
- 19) Information in the appraisal report relating to the comparable market data is more fully documented in the confidential files in the office of the appraiser.
- 20) Possession of this report or a copy thereof does not carry with it the right of publication.
- 21) Differing intended users and appraisal problems/assignments involve different assignment conditions and scope of work. Hence, this appraisal as developed and reported is only for the intended user(s) and stated use. Neither the appraiser nor Day Group LLC assumes responsibility for any reliance by unintended users or uses of the appraisal. Any unauthorized use or third party relying upon any portion of this report, does so at its own risk and liability.



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: July 27, 2023

STATEMENT OF ISSUE: Consider a proposal for wetland mitigation plan services

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

At staff's request, SEH has submitted a proposal to GREDA for preparation of a wetland permit application which is necessary should the area east of 7th Ave. E at 29th St. S. be developed and impact a previously delineated 0.5-acre wetland in that area. The proposed work also involves delineation of an additional parcel that was not included in that previous delineation.

The proposed total not to exceed amount for this work is \$9,000.

Staff requests approval of this proposal, which would be executed pending a development advancing.

RECOMMENDATION:

REQUIRED ACTION: Adopt a motion approving a proposal from SEH wetland mitigation plan preparation.



Building a Better World
for All of Us®

July 11, 2023

RE: Proposed Warehouse Wetland Services
Proposal
SEH No. GREDA 172840 14.00

Rob Mattei
Community Development Director
City of Grand Rapids
420 N Pokegama Ave
Grand Rapids, MN 55744

Dear Mr. Mattei

The following letter proposal encompasses the effort needed for wetland services for a potential Proposed Warehouse located on the east side of Airport Road and SE 29th Street.

Project Background

A potential developer is currently proposing a warehouse facility to be located on the east side of Airport Road and SE 29th Street. The proposed site consists of Parcels 91-033-1410, 91-033-1430, 91-033-1406 and 91-033-4120 located in Itasca County, Minnesota. Previously SEH delineated the wetlands on Parcels 91-033-1410, 91-033-1430, and 91-033-4120, however Parcel 91-033-1406 was not previously delineated. On the previously delineated parcels, there were two wetlands found and a Notice of Decision was completed by the Itasca SWCD. Currently, the proposed site is currently expected to affect the previously delineated wetlands.

Scope of Work

Task 1: Wetland Delineation (Parcel 91-033-1406)

- SEH will complete a Level 2 (field) wetland delineation of the parcel. A delineation report would be submitted to the Itasca SWCD (WCA) and USACE (Section 404) for review. Deliverables include wetland delineation boundaries, a delineation report, and one agency field review (if required).

Task 2: Wetland Permit Application Scope

- Draft wetland permit application with required associated documentation and submit to the Itasca Soil and Water Conservation District (SWCD) and U.S. Army Corps of Engineers (USACE). The project is anticipated to be eligible for a Regional General or Nationwide Permit from the USCAE and require a replacement plan from the SWCD. No Minnesota Department of Natural Resources (MNDNR) permits are anticipated to be required but would not be included under the current scope and fee.

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 1200 SE 4th Avenue, Suite 200, Grand Rapids, MN 55744-4304

218.322.4500 | 888.908.8166 fax | sehinc.com

SEH is 100% employee-owned | Affirmative Action–Equal Opportunity Employer

Assumptions

- No permit fees (regulatory agency review, wetland replacement credits, state fees for replacement) included in this scope. If the project reviewers require a review fee, it will be paid by the Client.
- If the project results in a requirement to purchase wetland credits, the cost and fees associated with that will be the responsibility of the Client.
- Assumptions: Wetland impacts will total 0.5 acres or less

Proposed Fees

Task 1: Wetland Delineation (Parcel 91-033-1406)

The Lump fee is \$2,500 including expenses and equipment.

Task 2: Wetland Permit Application

The Lump fee is \$6,500 including expenses and equipment.

Sincerely,

SHORT ELLIOTT HENDRICKSON INC.



Sara Christenson, PE (Lic Mn)
Client Service Manager

SLC

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