



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

Thursday, May 14, 2026
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, May 14, 2026 at 4:00 PM.

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 April 15, 2026 special meeting.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$61,780.49.

BUSINESS

3. Consider entering into an Agreement with The Pines LLC for the temporary use of GREDA property for a downtown event.
4. Consider entering into a professional engineering services agreement with Bolton & Menk in connection with the GREDA TH2 West Redevelopment Project (former Itasca Farm Service Co-op) demolition project.
5. Consider adopting a resolution approving a loan agreement with the Minnesota Dept. of Employment and Economic Development (DEED) and providing for the issuance of a revenue bond

UPDATES

ADJOURN

MEMBERS & TERMS

Molly MacGregor - 12/31/2026 Council Representative

Tom Sutherland - 12/31/2026 Council Representative

Wayne Bruns - 3/1/31

Sholom Blake - 3/1/31

Al Hodnik - 3/1/27

Bill Martinetto - 3/1/29
Jean MacDonell - 3/1/30



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING SPECIAL MEETING MINUTES

Wednesday, April 15, 2026
4:00 PM

CALL TO ORDER

President Blake called the meeting to order at 4:00 p.m.

CALL OF ROLL

PRESENT

Commissioner Al Hodnik
President Sholom Blake
Commissioner Wayne Bruns
Commissioner Bill Martinetto
Commissioner Tom Sutherland
Commissioner Molly MacGregor

ABSENT

Commissioner Jean MacDonell

STAFF

Will Richter
Aurimy Groom

APPROVE MINUTES

1. Consider approval of minutes from the March 26, 2026 regular meeting.

Motion by Commissioner Bruns, second by Commissioner MacGregor to approve the minutes from the March 26, 2026 regular meeting. The following voted in favor thereof: Martinetto, Hodnik, Blake, Bruns, Sutherland, MacGregor. Opposed: None, motion passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$29,567.82.

Motion by Commissioner Sutherland, second by Commissioner Martinetto to approve claims in the amount of \$29,567.82. The following voted in favor thereof: MacGregor, Sutherland, Bruns, Blake, Hodnik, Martinetto. Opposed: None, motion passed unanimously.

ADJOURN

There being no further business the meeting adjourned at 4:02 p.m.

MEMBERS & TERMS

Molly MacGregor - 12/31/2026 Council Representative

Tom Sutherland - 12/31/2026 Council Representative

Wayne Bruns - 3/1/31

Sholom Blake - 3/1/31

Al Hodnik - 3/1/27

Bill Martinetto - 3/1/29

Jean MacDonell - 3/1/30

GRAND RAPIDS EDA BILL LIST - MAY 14, 2026
DEPARTMENT SUMMARY REPORT

EDA

BOLTON & MENK, INC		\$	30,514.00
BRAUN INTERTEC CORPORATION		\$	1,697.50
BURGGRAF'S ACE HARDWARE		\$	35.94
J KING CONSULTING		\$	640.00
KUTAK ROCK LLP		\$	845.50
NORTHERN STAR COOPERATIVE		\$	501.20
PIERSON HENRY EXECUTIVE SEACH		\$	21,042.93
PRIMACY STRATEGY GROUP LLC		\$	5,000.00
SEH - GRAND RAPIDS		\$	385.50

TOTAL UNPAID TO BE APPROVED IN THE SUM OF: \$ 60,662.57

CHECKS ISSUED-PRIOR APPROVAL

VISA	GODADDY/JAN26-E	\$	487.77
VISA	AMERICINN/MAR26-E	\$	133.94
PUBLIC UTILITIES COMMISSION	EDA/ADMIN BLDG/MAR26-E	\$	201.51
PUBLIC UTILITIES COMMISSION	EDA/ADMIN BLDG/SWU/MAR26-E	\$	98.14
PUBLIC UTILITIES COMMISSION	EDA/FARM SVC/SWU/MAR26-E	\$	84.04
PUBLIC UTILITIES COMMISSION	EDA/KENT PROP/MAR26 -E	\$	112.52

TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF: \$ 1,117.92

TOTAL ALL DEPARTMENTS: \$ 61,780.49



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: May 14, 2026

STATEMENT OF ISSUE: Consider entering into an Agreement with The Pines LLC for the temporary use of GREDA property for a downtown event.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

The Pines Restaurant is planning a block party in the downtown for Saturday, June 27. The event will mark their first year in business. Third St. N. between Pokegama Avenue and 1st Ave. W. will be blocked off for the event. The event will feature live entertainment and a local vendor market.

The Pines have requested the use of the vacant lot owned by GREDA for that event. The attached agreement grants The Pines a temporary license to use the property for no fee on that day and which protects GREDA from any damages or liabilities.

This type of activation in the downtown is very consistent with the recommendations of the Downtown Plan.

RECOMMENDATION:

REQUIRED ACTION: Make a motion to approve entering into an Agreement with The Pines LLC for the temporary use of GREDA property for a downtown event.

AGREEMENT

This agreement, dated this 14 day of May, 2026, is entered into by and between the Grand Rapids Economic Development Authority (“GREDA”) and The Pines Restaurant L.L.C., a Minnesota limited liability company (“The Pines”).

GREDA is the owner of the real property identified as PIN 91-410-1850 and PIN 91-410-1840, located adjacent to The Pines Restaurant in Grand Rapids, Minnesota. GREDA agrees to allow The Pines to use these parcels on June 27, 2026, for the purpose of hosting a community block-party event.

The Pines acknowledges and agrees that its use of the GREDA properties is voluntary and that no compensation, rent, or other payment is required or will be exchanged between the parties for this temporary use.

The Pines accepts the GREDA properties in their present condition and agrees to exercise reasonable care during the event. If any damage, loss, or claim arises out of or relates to The Pines’ use of the properties, The Pines shall be solely responsible for all costs of repair, replacement, or reimbursement to GREDA.

The Pines agrees to indemnify, defend, and hold harmless GREDA, its officers, employees, and agents from and against any and all claims, damages, liabilities, losses, or expenses (including reasonable attorney’s fees) arising out of or related to The Pines’ use of the GREDA properties on June 27, 2026.

This Agreement is a temporary license for a single-day event. It does not create a lease, tenancy, easement, or any other property interest in favor of The Pines.

This Agreement applies solely to June 27, 2026, and automatically terminates at the conclusion of the event.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

GREDA

THE PINES RESTAURANT, L.L.C

By: _____
Director of Community Development

By: _____
Owner



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: May 14, 2026

STATEMENT OF ISSUE: Consider entering into a professional engineering services agreement with Bolton & Menk in connection with the GREDA TH2 West Redevelopment Project (former Itasca Farm Service Co-op) demolition project.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

A request for proposal (RFP) was issued to two local engineering firms. In summary, the scope of work in the RFP for the project involved:

- Preparation of plans and bidding documents
- Administering the competitive bidding process
- Construction administration
 - On-site representation/inspection, construction staking
 - Materials and compaction testing by a third-party testing company (Included)
 - Preparing monthly certificates of payment
 - Collecting certified payroll reports and IC-134s
 - As-built plans

I have reviewed the one proposal submitted and am recommending that GREDA enter into the attached agreement with Bolton & Menk. The hourly, not-to-exceed fee for their services is \$106,575. This proposal does include the expense of hiring Braun Intertec as the third-party testing company, which amounts to \$14,325 of the total cost.

This engineering cost is in line with our budget for the project.

REQUIRED ACTION: Make a motion to enter into a professional engineering services agreement with Bolton & Menk in connection with the GREDA TH2 West Redevelopment Project (former Itasca Farm Service Co-op) demolition project.



STANDARD AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT (“Agreement”) is made this 14th day of May, 2026, between the Grand Rapids Economic Development Authority (“GREDA”), whose business address is 420 North Pokegama Avenue, Grand Rapids, MN 55744 and Bolton & Menk (“Consultant”) whose business address is 504 NW 1st Ave., Suite 205, Grand Rapids MN 55744.

PRELIMINARY STATEMENT

GREDA has adopted a policy regarding the selection and hiring of consultants to provide a variety of professional services for GREDA projects. That policy requires that persons, firms, or corporations providing such services enter into written agreements with GREDA. The purpose of this agreement is to set forth the terms and conditions for the professional services Consultant will provide in connection with Itasca County Farm Service Co-op Demolition and Grading (aka GREDA Hwy. W. Redevelopment Project) , herein referred to as the “Work”.

GREDA and Consultant agree as follows:

1. **Work.** The Consultant agrees to provide the professional services described in Exhibit “A” attached hereto (the “Work”).
2. **Time for Performance of Services.** The Consultant shall perform the services described in Exhibit A according to the schedule also included within Exhibit A, hereto.
3. **Compensation for Services.** GREDA agrees to pay the Consultant an hourly not to exceed amount of \$106,575 for the Work. Any changes in the scope of the Work which may result in additional compensation due to the Consultant shall require prior written approval by an authorized representative of GREDA or by GREDA. GREDA will not pay additional compensation for services that do not have prior written authorization.
4. GREDA agrees to provide the Consultant with the information required to complete the Work.

5. **Method of Payment.** The Consultant shall submit itemized bills for professional services performed under this Agreement on a monthly basis. Bills submitted shall be paid in the same manner as other claims made to GREDA.
6. **Project Manager and Staffing.** The Consultant has designated the individuals identified in Exhibit A as the Project Manager to serve on the Project. The Project Manager shall be assisted by other staff members as necessary to facilitate the completion of the Project in accordance with the terms established herein. Consultant may not remove or replace the Project Manager without the approval of GREDA.
7. **Standard of Care.** Consultant shall exercise the same degree of care, skill and diligence in the performance of the Work as is ordinarily exercised by members of the profession under similar circumstances in Minnesota. Consultant shall be liable to the fullest extent permitted under applicable law, without limitation, for any injuries, loss, or damages proximately caused by Consultant's breach of this standard of care. Consultant shall put forth reasonable efforts to complete its duties in a timely manner. Consultant shall not be responsible for delays caused by factors beyond its control or that could not be reasonably foreseen at the time of execution of this Agreement. Consultant shall be responsible for costs or damages arising from unreasonable delays in the completion of the Work.
8. **Audit Disclosure.** The Consultant shall allow GREDA or its duly authorized agents reasonable access to such of the Consultant's books and records as are pertinent to the work performed under this Agreement. Any reports, information, data, etc. given to, or prepared or assembled by, the Consultant under this Agreement which GREDA requests to be kept confidential shall not be made available to any individual or organization without the GREDA's prior written approval. All finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Consultant shall become the property of GREDA upon termination of this Agreement, but Consultant may retain copies of such documents as records of the services provided.
9. **Term.** The term of the Agreement shall be from May 14, 2026 the date of signature by the parties notwithstanding, through September 30, 2026. This Agreement may be extended upon the written mutual consent of the parties for such additional period as they deem appropriate, and upon the terms and conditions as herein stated.
10. **Termination.** This Agreement may be terminated by the Consultant effective upon sixty (60) days' written notice delivered to GREDA at the address written above. GREDA may terminate this Agreement for any reason effective immediately, upon with notice to the consultant. Upon termination under this provision, the Consultant shall be paid for services rendered and reimbursable expenses until the effective date of termination.

If, however GREDA terminates this Agreement because the Consultant has failed to perform in accordance with this Agreement, no further payment shall be made to

the Consultant, and GREDA may retain another consultant to undertake or complete the Work.

11. **Independent Consultant.** At all times and for all purposes herein, the Consultant is an independent contractor and not an employee of GREDA. No statement herein shall be construed so as to find the Consultant an employee of GREDA.
12. **Non-Discrimination.** During the performance of this Agreement, the Consultant shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, or age. The Consultant shall post in places available to employees and applicants for employment, notices setting forth the provision of this non-discrimination clause and stating that all qualified applicants will receive consideration for employment. The Consultant shall incorporate the foregoing requirements of this paragraph in all of its subcontracts for program work and will require all of its subcontractors for such work to incorporate such requirements in all subcontracts for program work.
13. **Assignment.** Neither party shall assign this Agreement, nor any interest arising herein, without the prior written consent of the other party.
14. **Services Not Provided For.** No claim for services furnished by the Consultant not specifically provided for in Exhibit A shall be honored by GREDA.
15. **Severability.** The provisions of this Agreement are severable. If any portion hereof is, for any reason, held by a court of competent jurisdiction to be contrary to law, such decision shall not affect the remaining provisions of this Agreement.
16. **Entire Agreement.** The entire agreement of the parties is contained herein. This Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the parties relating to the subject matter hereof. Any alterations, amendments, deletions, or waivers of the provisions of this Agreement shall be valid only when expressed in writing and duly signed by the parties, unless otherwise provided herein.
17. **Compliance with Laws and Regulations.** In providing services hereunder, the Consultant shall abide by all statutes, ordinances, rules and regulations pertaining to the provisions of services to be provided. The Consultant and GREDA, together with their respective agents and employees, agree to abide by the provisions of the Minnesota Data Practices Act, Minnesota Statutes Section 13, as amended, and Minnesota Rules promulgated pursuant to Chapter 13. Any violation of statutes, ordinances, rules and regulations pertaining to the services to be provided shall constitute a material breach of this Agreement and entitle GREDA to immediately terminate this Agreement.

18. **Waiver.** Any waiver by either party of a breach of any provision of this Agreement shall not affect, in any respect, the validity of the remainder of this Agreement.

19. **Indemnification.** Consultant agrees to defend, indemnify and hold harmless GREDA and its officials, employees and agents from any liability, claims, damages, costs, losses judgments, or expenses, including reasonable attorney’s fees, resulting directly or indirectly from a negligent act or omission (including without limitation professional errors or omissions) of the Consultant, its agents, employees, or subcontractors in the performance of the services provided by this Agreement and against all losses by reason of the failure of said Consultant fully to perform, in any respect, all obligations under this Agreement.

20. Insurance.

- A. **General Liability.** Prior to starting the Work, Consultant shall procure, maintain and pay for such insurance as will protect against claims for bodily injury or death, or for damage to property, including loss of use, which may arise out of operations by Consultant or by any subcontractor or by anyone employed by any of them or by anyone for whose acts any of them may be liable. Such insurance shall include, but not be limited to, minimum coverages and limits of liability specified in this Paragraph or required by law. The policy(ies) shall name GREDA as an additional insured for the services provided under this Agreement and shall provide that the Consultant’s coverage shall be primary and noncontributory in the event of a loss.
- B. Consultant shall procure and maintain the following minimum insurance coverages and limits of liability on this Project:

Workers Compensation	Statutory Limits
Employer’s Liability	\$500,000 each accident \$500,000 disease policy limit \$500,000 disease each employee
Comprehensive General Liability	\$1,500,000 property damage and bodily injury per occurrence \$2,000,000 general aggregate \$2,000,000 Products – Complete Operations Aggregate \$100,000 fire legal liability each occurrence \$5,000 medical expense

Comprehensive Automobile Liability each	\$1,000,000 combined single limit
all	accident (shall include coverage for
vehicles.	owned, hired and non-owned
Umbrella or Excess Liability	\$1,000,000

- C. The Comprehensive General/Commercial General Liability policy(ies) shall be equivalent in coverage to ISO form CG 0001, and shall include the following:
- a. Premises and Operations coverage with no explosions, collapse, or underground damage exclusion (XCU).
 - b. Products and Completed Operations coverage. Consultant agrees to maintain this coverage for a minimum of two (2) years following completion of its work. Said coverage shall apply to bodily injury and property damage arising out of the products-completed operations hazard.
 - c. Personal injury with Employment Exclusion (if any) deleted.
 - d. Broad Form CG 0001 0196 Contractual Liability coverage, or its equivalent.
 - e. Broad Form Property Damage coverage, including completed operations, or its equivalent.
 - f. Additional Insured Endorsement(s), naming the "Grand Rapids Economic Development Authority" as an Additional Insured, on ISO form CG 20 10 07 04 or such other endorsement form as is approved by GREDA.
 - g. If the Work to be performed is on an attached community, there shall be no exclusion for attached or condominium projects.
 - h. "Stop gap" coverage for work in those states where Workers' Compensation Insurance is provided through a state fund if Employer's liability coverage is not available.
 - i. Severability of Insureds provision.

- D. Professional Liability Insurance. The Consultant agrees to provide to GREDA a certificate evidencing that they have in effect, with an insurance company in good standing and authorized to do business in Minnesota, a professional liability insurance policy. Said policy shall insure payment of damage for legal liability arising out of the performance of professional services for GREDA. Said policy shall provide an aggregate limit of \$2,000,000. Said policy shall not name GREDA as an insured.
- E. Consultant shall maintain in effect all insurance coverages required under this Agreement at Consultant's sole expense and with insurance companies licensed to do business in the state in Minnesota and having a current A.M. Best rating of no less than A-, unless specifically accepted by GREDA in writing. In addition to the requirements stated above, the following applies to the insurance policies required under this Paragraph:
- a. All policies, except the Professional Liability Insurance policy, shall be written on an "occurrence" form ("claims made" and "modified occurrence" forms are not acceptable);
 - b. All policies, except the Professional Liability Insurance policy, shall be applied on a "per project" basis;
 - c. All policies, except the Professional Liability Insurance and Worker's Compensation Policies, shall contain a waiver of subrogation naming "the Grand Rapids Economic Development Authority";
 - d. All policies, except the Professional Liability Insurance and Worker's Compensation Policies, shall name "the Grand Rapids Economic Development Authority" as an additional insured;
 - e. All policies, except the Professional Liability Insurance and Worker's Compensation Policies, shall insure the defense and indemnity obligations assumed by Consultant under this Agreement; and
 - f. All policies shall contain a provision that coverages afforded thereunder shall not be canceled or non-renewed, nor shall coverage limits be reduced by endorsement, without thirty (30) days prior written notice to GREDA.

A copy of the Consultant's Certificate of Insurance which evidences the compliance with this Paragraph 20, must be filed with GREDA prior to the start of Consultant's Work. Upon request, a copy of the Consultant's insurance declaration page, Rider and/or Endorsement, as applicable shall be provided. Such documents evidencing Insurance shall be in a form

acceptable to GREDA and shall provide satisfactory evidence that Consultant has complied with all insurance requirements. Renewal certificates shall be provided to GREDA prior to the expiration date of any of the required policies. GREDA will not be obligated, however, to review such Certificate of Insurance, declaration page, Rider, Endorsement or certificates or other evidence of insurance, or to advise Consultant of any deficiencies in such documents and receipt thereof shall not relieve Consultant from, nor be deemed a waiver of, GREDA's right to enforce the terms of Consultant's obligations hereunder. GREDA reserves the right to examine any policy provided for under this paragraph.

- F. **Effect of Consultant's Failure to Provide Insurance.** If Consultant fails to provide the specified insurance, then Consultant will defend, indemnify and hold harmless GREDA, GREDA's officials, agents and employees from any loss, claim, liability and expense (including reasonable attorney's fees and expenses of litigation) to the extent necessary to afford the same protection as would have been provided by the specified insurance. Except to the extent prohibited by law, this indemnity applies regardless of any strict liability or negligence attributable to GREDA (including sole negligence) and regardless of the extent to which the underlying occurrence (i.e., the event giving rise to a claim which would have been covered by the specified insurance) is attributable to the negligent or otherwise wrongful act or omission (including breach of contract) of Consultant, its subcontractors, agents, employees, or delegates. Consultant agrees that this indemnity shall be construed and applied in favor of indemnification. Consultant also agrees that if applicable law limits or precludes any aspect of this indemnity, then the indemnity will be considered limited only to the extent necessary to comply with that applicable law. The stated indemnity continues until all applicable statutes of limitation have run.

If a claim arises within the scope of the stated indemnity, GREDA may require Consultant to:

- a. Furnish and pay for a surety bond, satisfactory to GREDA, guaranteeing performance of the indemnity obligation; or
- b. Furnish a written acceptance of tender of defense and indemnity from Consultant's insurance company.

Consultant will take the action required by GREDA within fifteen (15) days of receiving notice from the GREDA.

- 21. Records Access.** The Consultant shall provide GREDA access to any books, documents, papers, and records which are directly pertinent to the specific contract, for the purpose of making audit, examination, excerpts, and transcriptions, for three years after final payments and all other pending matters related to this contract are closed.

- 22. Ownership of Documents.** All plans, diagrams, analyses, reports and information generated in connection with the performance of the Agreement (“Information”) shall become the property of GREDA. GREDA may use the Information for its purposes and the Contractor also may use the Information for its purposes. Reuse of the Information for the purposes of the project contemplated by this Agreement (“Project”) does not relieve any liability on the part of the Contractor, but any reuse of the Information by GREDA or the Contractor beyond the scope of the Project is without liability to the other, and the party reusing the Information agrees to defend and indemnify the other from any claims or liability resulting therefrom.
- 23. Subcontractor.** The Consultant shall not enter into subcontracts for services provided under this Agreement except as noted in Exhibit A, without the express written consent of GREDA. The Consultant shall pay any subcontractor involved in the performance of this Agreement within the ten (10) days of the Consultant’s receipt of payment by GREDA for undisputed services provided by the subcontractor. If the Consultant fails within that time to pay the subcontractor any undisputed amount for which the Consultant has received payment by GREDA, the Consultant shall pay interest to the subcontractor on the unpaid amount at the rate of 1.5 percent per month or any part of a month. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the Consultant shall pay the actual interest penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from the Consultant shall be awarded its costs and disbursements, including attorney’s fees, incurred in bringing the action. In addition, no subcontractor can file a lien against GREDA.
- 24. Dispute Resolution/Mediation.** Each dispute, claim or controversy arising from or related to this Agreement or the relationships which result from this Agreement shall be subject to mediation as a condition precedent to initiating legal or equitable actions by either party. Unless the parties agree otherwise, the mediation shall be in accordance with the mediation standards currently in effect. A request for mediation shall be filed in writing with the other party. No legal or equitable action may be instituted for a period of ninety (90) days from the filing of the request for mediation unless a longer period of time is provided by agreement of the parties. Cost of mediation shall be shared equally between the parties. Mediation shall be held in the City of Grand Rapids unless another location is mutually agreed upon by the parties. The parties shall memorialize any agreement resulting from the mediation in a Mediated Settlement Agreement, which Agreement shall be enforceable as a settlement in any court having jurisdiction thereof.
- 25. Conflicts.** No salaried officer or employee of GREDA and no member of the Grand Rapids Economic Development Authority Board of Commissioners shall have a financial interest, direct or indirect, in this Agreement. The violation of this provision renders the Agreement void. Any federal regulations and applicable state statutes shall not be violated.

- 26. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be considered an original.
- 27. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes all prior communications, understandings and agreements relating to the subject matter hereof, whether oral or written.
- 28. **Governing Law.** This Agreement shall be controlled by laws of the State of Minnesota. Executed as of the day and year first written above.

Grand Rapids Economic Development Authority

GREDA President

GREDA Executive Director

Bolton & Menk

By: _____

Its: _____



May 1, 2026



ITASCA COUNTY FARM SERVICE CO-OP DEMOLITION AND GRADING

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

Contact:

Kory Johnson, PE

218-259-6323

kory.johnson@bolton-menk.com



**BOLTON
& MENK**

Real People. Real Solutions.



Real People. Real Solutions.

504 NW 1st Avenue, Suite 205
Grand Rapids, MN 55744

May 1, 2026

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

RE: Proposal for Itasca County
Farm Service Co-op Demolition
and Grading

Bolton & Menk is an equal
opportunity employer.

Dear Rob,

The Grand Rapids Economic Development Authority (GREDA) has initiated the Itasca County Farm Service Co-op Demolition and Grading project. This project will include the demolition of the former Itasca County Farm Service building, coordination of hazardous building material remediation, proper handling and disposal of contaminated soil, and site grading. Like you, Bolton & Menk, Inc. takes great pride in designing and managing projects that are safe, sustainable, and functional. We understand what needs to be accomplished for the successful transformation of the land.

A Local, Invested Team Building a Long-Term Partnership – This project sits in the heart of Grand Rapids and our team is part of the community it serves. Being local means we respond quickly, we are on site when you need us, and we design with firsthand understanding of your infrastructure and expectations. It also means we care deeply about the success of this project and future ones. We approach our work with GREDA not as a one-time engagement, but as a continuation of a trusted partnership grounded in communication, reliability, and shared goals for the community. Drawing on our experience with the current Crystal Lake Estates Second Addition project, we bring practical insights and lessons learned that enhance our approach, ensuring your needs are met efficiently and effectively. Our commitment is to deliver an experience that strengthens that relationship and sets the stage for future collaboration.

We have partnered with Braun Intertec to provide geotechnical services. In addition to the great working relationship we have with their team, it is our understanding that they will provide environmental services for GREDA on this project. This will create a seamless team ready to successfully deliver this project.

Safe, Predictable Demolition that Clears the Way for Development – Demolition is the foundation of this project's success, and must be done cleanly, safely, and without surprises. We build our sequencing around the pre-demolition hazardous building materials survey, beginning with controlled abatement of confirmed asbestos-containing materials, followed by removal of regulated wastes and structural demolition under tightly managed dust, noise, and haul route controls. Each step is verified before advancing to the next. This approach protects nearby properties, ensures compliance, and creates a clean, build-ready site that keeps the broader schedule intact.

Ready to Get Started Immediately and Maintain Momentum – The project moves on an advanced timeline toward the September 15, 2026 completion date and our team is prepared to begin upon being awarded the project. We will align scope, finalize sequencing and coordinate with GREDA to advance the design and bid the project without delay. This readiness allows GREDA to maintain momentum, protect the schedule, and move confidently into construction.

In continued service to the City of Grand Rapids and GREDA, we are excited for the opportunity to complete the Itasca County Farm Service Co-op Demolition and Grading project. Please contact me at 218-259-6323 or kory.johnson@bolton-menk.com if you have any questions regarding our proposal.

Respectfully submitted,
Bolton & Menk, Inc.

Kory Johnson, PE
Project Manager



FIRM OVERVIEW

We believe all people should live in safe, sustainable, and beautiful communities and we take pride in our ability to make that happen. It's why we get out of bed every morning.

Our commitment to communities began in 1949, serving the needs of municipal clients in small towns. As we continue to grow in both numbers and experience, our dedication to building trust and ensuring a true partnership with our clients remains the same. Our goal is to help communities make progress by listening to what people want, finding the best solutions for their needs, and treating them right. Simply put, we're people helping people. Today, Bolton & Menk, Inc. has more than 1,000 multiregional employees including a professional staff of more than 400 engineers, planners, landscape architects, and surveyors.

Our dedication to our clients shines through in the work we provide. We are committed to cultivating and delivering exceptional community infrastructure solutions. From advocating for our communities to designing their dreams to finding funding; we take pride in our work because we live here too. We believe in the power of face-to-face meetings, friendly conversations, and collaborative decision-making to keep your projects on schedule, within budget, and focused on real, workable solutions.

We promise every client two things: we'll work hard for you and we'll do a good job. We take a personal interest in the work being done around us and do our part to build a better quality of life for all. At the end of the day, we're **Real People** offering **Real Solutions**.

Services Provided:

- Civil/Municipal Planning & Engineering
- Water & Wastewater Engineering
- Transportation Planning & Engineering
- Structural Services
- Architectural & Building Services
- Aviation Services
- Water Resources Engineering
- Environmental Planning & Permitting
- Urban Design & Landscape Architecture
- Community & Area Planning
- Construction Administration & Inspection
- Land Surveying
- Geographic Information Systems
- Project Funding
- Engagement Services
- Visual Communications

PROJECT TEAM

Successful project delivery depends on a team that is responsive, experienced, and fully aligned with the community it serves. Our project team brings the technical expertise required for demolition, site grading, public bidding, and construction administration, backed by a strong local presence and a commitment to a long-term partnership with GREDA and the City of Grand Rapids. Each member of our team is selected for their direct experience with projects similar in scale and complexity to the Itasca County Farm Service Co-op Demolition and Grading project, ensuring GREDA receives knowledgeable guidance, clear communication, and dependable on-site support from start to finish. The following professionals will lead and support this project from design through final completion.



KORY JOHNSON, PE
Project Manager

Kory will lead the project from kickoff through closeout, coordinating design, bidding, quality, and schedule with GREDA and the city.

Kory is a municipal project manager at Bolton & Menk with experience in civil engineering and infrastructure delivery. Since 2011, he has led transportation, construction, and municipal projects from design through construction, applying a hands-on, collaborative approach to deliver technically sound solutions aligned with community needs and long-term public value.



ANDY BROTZLER, PE
Principal-in-Charge/Quality Manager

Andy will provide project oversight, quality control, and strategic guidance throughout the project.

Andy is a senior municipal project manager with experience as both a consultant city engineer and a public works director. He brings a collaborative approach and deep expertise in public engagement, working effectively with the public, agencies, and elected officials.



SAMI BONN-MILLER
Design Engineer/Site Representative

Sami will complete detailed grading and site improvement design, coordinating with field staff to ensure plans translate smoothly to construction.

Sami is a municipal design engineer supporting public infrastructure projects from preliminary design through construction. She assists with design, plans, specifications, cost estimates, and construction administration, coordinating with contractors, residents, and city staff to deliver practical, high-quality solutions that strengthen communities and improve everyday quality of life.





JIM ARCHER, PE **Structural Engineer**

Jim will provide structural review and guidance to support safe, cost-effective demolition and site preparation.

Jim is the structural division leader and a principal at Bolton & Menk. He began his engineering career in 2001 and is responsible for planning and designing bridges and other structural infrastructure, as well as business development and client service. He is committed to delivering projects that meet current and future needs in a practical, functional, and maintainable way. His background in asset management provides insight into how structural design impacts project budgets and long-term maintenance.



GIDEON BODE, PE **Project Engineer**

Gideon will provide structural guidance for demolition planning and execution, evaluating structural behavior during removal to support safe and efficient site preparation.

Gideon is a structural project engineer who began his career in 2018. He designs and prepares construction plans, specifications, and assessment reports for municipal buildings, environmental structures, and new or renovated facilities. He focuses on practical, high-quality solutions that support client goals and long-term community needs across diverse project types.



TANNER VARO, CST III **Survey Manager**

Tanner will establish project control and complete staking to ensure accurate layout and final as-built documentation.

Tanner is a survey field technician at Bolton & Menk who began his professional career in 2019. He assists with topographic and boundary surveys, construction staking, and drafting. Tanner's drive stems from his love of being outdoors and working with people he can learn from.

AN EXPERIENCED TEAM

Our team brings hands-on experience delivering demolition coordination, utilities, and site improvements as well as working in complex stakeholder environments across municipal, transportation, and energy projects.

- Harbor Light Subdivision, City of Duluth, MN
- Blackwater Banks Development, Cohasset, MN (ICS Consulting)
- NAI Legacy Development, City of Two Harbors, MN
- West End Utilities, City of Two Harbors, MN
- 2025 CWI – 23rd Street, Hibbing Public Utilities Commission
- TH 61 Road Improvements, City of Grand Portage, MN
- East Superior Street Reconstruction, City of Duluth, MN
- TH 52/117th Street Interchange Improvements, City of Rosemount, MN
- Victory Memorial Parkway, City of Minneapolis, MN
- St. Anthony Bridge/I 35W Project, City of Minneapolis, MN
- Line 3 Pipeline Replacement Design, City of Enbridge, MN
- Downtown Riverfront Improvements - Cast-in-Place
- Form Retaining Wall, City of Fergus Falls, MN
- Wall Street Improvements - Big Block Retaining Wall, City of Northfield, MN
- August Schell Brewing Company, Building Improvements, City of New Ulm, MN
- FEMA Safe Room Building, City of Springfield, MN
- Pioneer Ridge Campground, Prefab Building Restroom foundation, Wapello County Conservation, IA

RELATED EXPERIENCE

Bolton & Menk specializes in providing infrastructure services for municipalities. Over our 75-year history, the firm has continued to grow and expand its expertise based on the unique needs and challenges of our clients. In addition to basic services such as infrastructure maintenance, reconstruction, and expansion, we offer specialized expertise in traffic and transportation engineering, landscape architecture, water resources, environmental services, surveying and mapping, water and wastewater treatment, and city planning, as well as airport planning and engineering. This range of municipal services enables our firm to easily accommodate the diverse needs of our clients. Client satisfaction remains a top priority for us as evidenced by quality deliverables, cost-effective rates, and timely project delivery.

We have highlighted a project below as an example of recent and related team experience. Additional project information is available upon request.

Bolton & Menk has recently completed the Highway 2 Land Use and Development Study for the Grand Rapids Economic Development Authority. This project identified land uses along Highway 2 for future development/redevelopment to meet the city's Grow Grand Rapids Comprehensive Plan. This project location was identified as a site that could serve as a catalyst for future development in the NW 10th Avenue Area. As a project team that has strong familiarity with the project site, we are well positioned to deliver the next phase of this site, the demolition of the co-op building, and grading for future development.

10TH AVENUE NODE

CATALYTIC REDEVELOPMENT SITES

Within the heart of the 10th Avenue Node are significant opportunities for catalytic redevelopment to anchor the node and set a precedent for new development projects.

The 2.25-acre former auto dealership is a full-block site between NW 10th and 9th Avenues. Redevelopment should leverage the proximity to the park and lake for new town homes or modest apartments, while capitalizing on Highway 2 visibility to attract a hotel or commercial development.

The 1.5-acre former Itasca County Farm Service site has the potential to spur a multi-phase commercial development along the southern edge of Highway 2. A new commercial use could leverage extending 10th Avenue to the north, while adding intersection improvements at the Highway 2 and 10th Avenue intersection.



Alternate 1: Hotel



Alternate 2: Commercial Frontage

Former Car Dealership Block

- 1-story commercial oriented to 10th Avenue, with 5' - 10' setbacks
- 2-story apartments or town homes, with 10' - 20' setbacks
- Centrally-located parking

A hotel and/or commercial uses front the Highway with 10' - 15' setbacks and a facade oriented to the NE corner of the 10th Avenue / Highway 2 intersection



EDA-Owned Former Feed Service Center

- Future commercial development with access from an extended 10th Avenue
- 10' - 15' setbacks from Highway 2

- 1 - 2 story commercial use fronting the highway
- Rear parking with access from an extended 10th Avenue
- Screening to buffer views of the rail line

KEY OUTCOMES

Catalytic development projects that anchor the Node and set a good precedent for future projects



Highway 2 Land Use and Development Study
Draft Report as of August 1, 2025

RECOMMENDATIONS

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PROJECT APPROACH

TOPOGRAPHIC SURVEY

Bolton & Menk will complete a topographic survey to support demolition planning, site grading design, and evaluation of future redevelopment opportunities. The survey will establish accurate horizontal and vertical control and document the existing site conditions necessary for preparation of demolition exhibits, grading plans, and erosion and sediment control measures. Topographic survey services will include:

- ☑ Field collection of existing ground elevations using conventional survey methods at a density sufficient to support grading, drainage, and earthwork design
- ☑ Location of visible surface features including pavements, curbs, sidewalks, structures, retaining walls, drainage features, and other site improvements
- ☑ Identification and location of observable utility appurtenances such as manholes, valves, hydrants, meters, and catch basins; subsurface utility investigation beyond visible features is not included
- ☑ Location of significant trees, landscaped areas, and other physical features that may influence demolition limits or future site use

DEMOLITION PLAN SCOPE OF WORK

Bolton & Menk will develop a demolition plan outlining performance metrics for complete removal of the Itasca County Farm Service Co-op buildings. Our efforts will detail existing site conditions and constraints and general removal requirements.

- This scope does not include structural modeling or engineering design of a staged removal processes. The focus is on prescriptive, step-by-step procedures that ensure safety, environmental stewardship, and efficient execution of demolition without reliance on structural analysis or design.
- Demolition plans will be based on the pre-demolition hazardous building materials survey.
- Demolition plans will include specifications that require the contractor to prepare and submit a detailed plan describing the methods, equipment, and safety procedures to be employed during

demolition operations. The plan will address the following components in a prescriptive manner:

- Identification and protection of existing utilities, including water, gas, electricity, and telecommunications, prior to and during demolition
- Implementation of dust control measures, noise mitigation, and site access restrictions to minimize disruption to surrounding properties and ensure public safety
- Safe removal and disposal of hazardous materials (such as asbestos, lead paint, or chemicals) in accordance with federal, state, and local regulations
- Preparation of a site-specific safety plan, including fall protection, personal protective equipment (PPE), and emergency response protocols
- Documentation of waste management procedures including recycling and disposal of demolition debris in compliance with environmental standards
- Protection of adjacent structures and property from damage during demolition activities

Performance specifications will require that the demolition contractor demonstrate compliance with OSHA standards, EPA guidelines, and all applicable local ordinances. The plan will clearly illustrate sequencing of demolition activities.



SITE GRADING AND EARTHWORK

Bolton & Menk will prepare site grading and earthwork plans to establish finished site conditions that are safe, stable, and compatible with future redevelopment. Grading design will be coordinated with demolition limits, existing utilities, and anticipated future site use.

Site grading services will include the following elements:

- ☑ Development of proposed grading plans showing finished contours, spot elevations, and slope limits to promote positive drainage and minimize erosion
- ☑ Design of temporary and permanent erosion and sediment control measures in accordance with the Minnesota Pollution Control Agency NPDES Construction Stormwater General Permit
- ☑ Coordination of grading with existing and abandoned utilities, including provisions for utility protection, removal, or abandonment as part of demolition activities
- ☑ Balancing of cut and fill quantities, where feasible, to reduce material import or export and control project costs
- ☑ Preparation of earthwork and grading specifications suitable for public bidding

SUBCONSULTANT SCOPE OF WORK AND COORDINATION

Bolton and Menk will subcontract with Braun Intertec to provide the following services:

- Observation and evaluation of the suitability of prospective fill materials; including performing laboratory classification tests
- Measure the in-place dry density, moisture content, and relative compaction of fill (placed as backfill)

Bolton and Menk has included time for project coordination with GREDA's consultant (anticipated to be Braun Intertec) for contractor compliance with the Construction Contingency Plan for demolition (including contaminated soils) and Corrective Action Plan.

QUALITY ASSURANCE

Throughout bidding and construction, we will provide:

- Clear plans and specifications that support a fair, competitive public bid
- Bidder Q&A and timely addenda
- Bid tabulation and recommendation of award to the lowest responsible bidder
- Construction staking, observation, ASTM-compliant materials testing, and documentation of daily progress
- Pay application review, change management, certified payroll collection, and final record drawings

This ensures that GREDA receives a predictable, well-documented project completed on schedule and within budget.



SCHEDULE

- MAY 14, 2026**
 - GREDA considers proposals and selects consultant
 - Contract execution and preparation for immediate start
- MAY 18, 2026**
 - Project kickoff with GREDA
 - Review hazardous building materials survey and finalize demolition sequencing
 - Establish survey control and complete site topographic survey
- JUNE 8-19, 2026**
 - Final design of demolition and grading
 - Preparation of complete plans, specifications, and front-end bid documents for public bidding

PUBLIC BIDDING PHASE

- ADVERTISEMENT**
 - Advertise the project for sealed competitive bids – June 24 and July 1
 - Respond to bidder questions and issue addenda
 - Pre-bid meeting (on-site) – July 7
- BID AWARD**
 - Bid opening – July 14
 - Bid tabulation and recommendation of award to the lowest responsible bidder – July 16
 - GREDA award project – July 23
 - Contractor contract execution and notice to proceed – July 27

CONSTRUCTION PHASE

- JULY 27 - SEPTEMBER 15, 2026**
 - Contractor obtains City of Grand Rapids building permit for building demolition
 - Complete required abatement notifications
 - Perform asbestos and regulated materials abatement
 - Complete structural demolition and clear debris
 - Remove contaminated soils
 - Install storm sewer
 - Conduct materials and compaction testing at required intervals
 - Final grading, stabilization, and restoration
 - Curb and gutter installation and bituminous patching
 - Punchlist completion

PROJECT COMPLETION

- Construction complete by September 15, 2026
- Record drawings, testing summaries, and final documentation delivered to GREDA



Project work within BNSF Railway right-of-way is subject to railroad permits, approvals, and flagger availability. Railroad review timelines and access constraints are outside the control of the engineer and may impact construction sequencing and the overall project schedule.

FEE

Bolton & Menk has calculated the time and effort required to complete services and propose an hourly not-to-exceed estimated fee of \$106,575. The cost by specific task has been provided below.

Client: Grand Rapids Economic Development Authority Project: Itasca County Farm Service Co-op Demolition and Grading Project		Bolton & Menk, Inc.									
Task No.	Work Task Description	Project Manager	Principal-In-Charge/Quality Manager	Design Engineer	Structural Engineer	Survey Manager	Survey Support	Design Engineer/Site Representative	Admin Assistant	Total Hours	Total Cost
1.0	Topographic Survey	0	0	0	0	20	6	0	0	26	\$5,016
2.0	Plans and Specifications	24	4	167	16	0	0	0	10	221	\$35,695
3.0	Bid Administration	10	2	0	4	0	0	0	10	26	\$4,826
4.0	Construction Administration	40	2	0	40	18	2	120	0	222	\$40,854
5.0	As-Builts	4	0	15	2	10	2	0	0	33	\$5,859
Total Hours		78	8	182	62	48	10	120	20	528	
Average Hourly Rate		\$205.00	\$266.00	\$145.00	\$271.00	\$195.00	\$186.00	\$145.00	\$116.00		
Subtotal		\$15,990	\$2,128	\$26,390	\$16,802	\$9,360	\$1,860	\$17,400	\$2,320		
Geotechnical Subconsultant										Subtotal	\$14,325
Total Fee											\$106,575

GENERAL ASSUMPTIONS

This proposal is based upon the following assumptions:

- A. This proposal shall remain in effect for a period of 45 days after submittal.
- B. Bolton & Menk will perform the services outlined in the proposal for the stated fee. Changes required by the owner or other controlling entities (regulatory agencies, contractors, courts, etc.) from the scope of services, or title issues that may arise, will be considered additional services and will be invoiced on an hourly basis in addition to the stated fee.
- C. The owner will be responsible for obtaining, signing, and providing appropriate fees for all required permit(s). Bolton & Menk can provide additional permit materials as additional services.
- D. One minor revision to the plans based on owner comments is included; other revisions will be provided as additional services.
- E. If requested, Bolton & Menk, will provide evidence of errors and omissions insurance coverage in the form of an insurance certificate.



SUBCONSULTANT PROPOSAL

BRAUN
INTERTEC

April 27, 2026

Proposal 10011346_001

Kory Johnson, PE
Bolton & Menk, Inc.
504 Northwest 1st Avenue, Suite 205
Grand Rapids, MN 55709

Re: Proposal for Site Grading and Testing Services
Itasca County Farm Service Co-op
900 Northwest 4th Street
Grand Rapids, Minnesota

Dear Mr. Johnson:

Braun Intertec Corporation (Braun Intertec) submits this proposal to provide quality control observation and testing services during site grading, utility installation and paving for Itasca County Farm Service Co-op at the referenced site.

Our Understanding of Project

We understand this project will include the demolition of the former Itasca County Farm Service building, and site preparation and grading to make the site pad ready for future development.

We are currently working with the Grand Rapids Economic Development Authority (GREDA) to provide environmental services for the project. We feel our working relationship with GREDA and our experience with the project to date gives us familiarity with the project team and design development, and we can aid the construction team by applying this experience and transferring our knowledge developed during the design phase which will provide professional continuity to the construction.

Available Project Information

This proposal is based on our review of the documents described below. We will submit a revised scope of services and cost if the project changes.

- Request for Proposal prepared by the Grand Rapids Economic Development Authority, not dated.
- Discussions with Mr. Kory Johnson with Bolton & Menk, Inc., regarding the project scope.

We were not provided with any plans, specifications or other quality control documents for this project.

218.263.8869

3404 15th Avenue E, Suite 9, Hibbing, MN 55746

braunintertec.com



Scope of Services

We will provide technicians or engineers – working under the direction of a Professional Engineer – to perform our observation and testing services. Observation and testing services will be performed on an on-call, as-needed basis as requested and scheduled by you or the project contractors. We have reviewed the available project information and propose to:

- Observe and evaluate the suitability of prospective fill materials – this task includes performing laboratory classification tests specified in the project documents.
- Measure the in-place dry density, moisture content, and relative compaction of fill placed as backfill following demolition for compliance with the project documents – this task includes performing laboratory Proctor tests to provide maximum dry densities from which the relative compaction of fill can be determined, as well as the use of a nuclear density gauge to measure in-place dry densities and moisture contents.
- Provide project management for the quality control observation and testing services described above – this task includes scheduling field personnel, reviewing test reports, and communicating with you, the project contractor(s), other project team members and the building official, as needed.

Scheduling Assumptions

Based on our understanding of the project and the available project information, we assume the work for this phase of the project will proceed according to the following schedules:

- We assume general excavations, and the placement and compaction of excavation backfill, and required additional fill in building and pavement areas, will be substantially complete in 4 weeks.

If the pace of construction is different than described above, this proposal should be revised.

Cost

We will furnish the services described herein for an estimated fee of **\$14,325**. A tabulation showing hourly and/or unit rates associated with our proposed scope of services is attached.

Our work will extend over several invoicing periods. As such, for work that is performed during the course of each invoicing period, we will submit partial progress invoices.



Additional Services and Overtime

It is difficult to estimate all of the services, and the quantity of each service, that will be required for any project. Our services are also directly controlled by the schedule and performance of others. For these reasons, our actual hourly or unit quantities and associated fees may vary from those reported herein.

If the number of hours or units ultimately required exceed those assumed for purposes of this proposal, they will be invoiced at the hourly or unit rates shown in the attached tabulation. If services are ultimately required that have not been identified or described herein, they will be invoiced in accordance with our current Schedule of Charges. Prior to exceeding our estimated fees, we will update you regarding the progress of our work. Fees associated with additional services will be summarized in a Change Order and submitted to you for review and authorization.

This cost estimate was developed with the understanding that the scope of services defined herein will be required and requested during our normal work hours of 6:00 a.m. to 4:00 p.m., Monday through Friday. Services that we are asked to provide to meet the project requirements or the contractor's construction schedule **outside** our normal business hours will be invoiced using an overtime rate factor. The factor for services provided outside our normal work hours or on Saturday will be 1.25 times the listed hourly rate for the service provided. The factor for services provided on Sunday or legal holidays will be 1.5 times the listed hourly rate for the service provided. We have not included premiums for overtime in our cost estimate; however, we recommend that allowances and contingencies be made for overtime charges based on conversations with the contractor. You will be billed only for services provided on a time and materials basis.

Bolton & Menk, Inc.
Itasca County Farm Service Co-op
Proposal 10011346.001
April 27, 2026



General Remarks

We based the proposed fee on the scope of services described and the assumption that you will authorize our services within 30 days and that others will not delay us beyond our proposed schedule.

We will provide our services under the terms of the Subconsultant Master Agreement for Professional Services (Task Order) Between Bolton & Menk, Inc., and Braun Intertec Corporation, dated January 8, 2025. To accept this proposal and authorize us to proceed, please sign and return it to us in its entirety.

We appreciate the opportunity to present this proposal to you. We will be happy to meet with you to discuss our proposed scope of services further and clarify the various scope components.

To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact Mickale Endres at 507.514.0514 or MEndres@braunintertec.com.

Sincerely,

Braun Intertec Corporation

Mickale L. Endres, PE
Senior Engineer, Senior Manager

Jared D. Lubben
Associate Director

Attachment:
Fee Estimate

The proposal is accepted, and Braun Intertec is authorized to proceed.

Authorizer's Firm

Authorizer's Signature

Authorizer's Name (please print or type)

Authorizer's Title

Date



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: May 14, 2026

STATEMENT OF ISSUE: Consider adopting a resolution approving a loan agreement with the Minnesota Dept. of Employment and Economic Development (DEED) and providing for the issuance of a revenue bond

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

As we've discussed, GREDA has the power granted to economic development authorities under the EDA Act to borrow money from the state government and under that same act possesses the power to issue revenue bonds.

DEED has approved GREDA's application for a \$420,000 maximum principal loan under DEED's Demolition Loan program. Following their program requirements, DEED requires that GREDA issue a revenue bond to DEED which is secured by a general obligation pledge of the City of Grand Rapids. To meet this requirement, the City has proposed to issue a general obligation bond payable from tax abatement revenues.

On May 26, the City will conduct a public hearing on the property tax abatements and to provide preliminary approval to issuance of a general obligation tax abatement bond in the principal amount of \$420,000.

For its part, as affirmed by this resolution, GREDA proposes to issue its Taxable Revenue Bond in the same principal amount, which will be purchased by DEED and paid primarily from the pledge of abatements from the City's bond.

The attached resolution for GREDA's consideration approves the loan agreement with DEED and authorizes the President and the Executive Director to execute it and directs officers and employees to implement it.

The resolution also finds that the GREDA Board considers it necessary and financially sound to issue the GREDA revenue bond, which subject to the approval by the City Council, will be payable from abatement revenues backed by a general obligation pledge.

RECOMMENDATION:

REQUIRED ACTION: Make a motion to adopt a resolution approving a loan agreement with the Minnesota Dept. of Employment and Economic Development (DEED) and providing for the issuance of a revenue bond

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

**APPROVING LOAN AGREEMENT WITH THE DEPARTMENT
OF EMPLOYMENT AND ECONOMIC DEVELOPMENT OF THE
STATE OF MINNESOTA; AND PROVIDING FOR THE ISSUANCE
OF A REVENUE BOND**

WHEREAS, the Grand Rapids Economic Development Authority (the “Authority”) has the powers set forth in Minnesota Statutes, Section 469.090 through 469.1082, as amended (the “EDA Act”), and Minnesota Statutes, Sections 469.001 through 469.047, as amended (the “HRA Act”), including but not limited to the power to borrow money from the state government in accordance with Section 469.011 of the HRA Act and to issue revenue bonds pursuant to Section 469.103 of the EDA Act; and

WHEREAS, the Authority has applied for a loan from the Department of Employment and Economic Development, a department of the State of Minnesota (“DEED”), to finance costs of the demolition of an existing structure on property located at 900 NW Fourth Street (MN Hwy 2), Grand Rapids, Minnesota, and owned by the Authority (the “Project”); and

WHEREAS, pursuant to Minnesota Statutes, Sections 116J.5761 through 116J.5765, as amended (the “DEED Act”), DEED is authorized to provide loans for demolition costs; and

WHEREAS, DEED has committed to make a loan to the Authority in the maximum principal amount of \$420,000 (the “Loan”) from DEED’s Demolition Loan Program, to be disbursed and repaid in accordance with the terms of a Loan Agreement for Loan No. RDLP-26-0001-o-FY26 Hwy. 2 West Redevelopment Project, effective as of March 13, 2026 or the date of execution (the “Loan Agreement”), to be executed by the Authority and DEED, in substantially the form now on file with the Board of Commissioners of the Authority (the “Board”); and

WHEREAS, order to provide security for the repayment of the Loan, DEED has required that the Authority issue a revenue bond to DEED secured by the general obligation pledge of the City of Grand Rapids, Minnesota (the “City”); and

WHEREAS, to meet the requirements of DEED, the City has proposed to issue a general obligation bond payable from tax abatement revenues; and

WHEREAS, on May 26, 2026, the City Council of the City will conduct a public hearing on a property tax abatement in the principal amount of \$420,000 (the “Abatement”) in accordance with Minnesota Statutes, Chapter 475, as amended, and Sections 469.1812 through 469.1815, as amended (collectively, the “Abatement Act”), and will consider approving the Abatement; and

WHEREAS, on May 26, 2026, the City Council will also consider providing preliminary approval to the issuance of and delivery of the City’s Taxable General Obligation Tax Abatement Bond, Series 2026A (the “City Bond”), in the proposed aggregate principal amount of \$420,000, to help finance the Project and provide security for the Loan; and

WHEREAS, the Authority proposes to issue its Taxable Revenue Bond, Series 2026A (the “Authority Bond”), in the proposed aggregate principal amount of \$420,000, pursuant to Section 469.103 of the EDA Act, which will be purchased by DEED, and paid primarily from the pledge of Abatements from the City Bond; and

WHEREAS, pursuant to Section 469.103, subdivision 3 of the EDA Act, the Authority may sell the Bonds in the manner and for the price that the Authority determines to be in the best interests of the Authority; and

WHEREAS, the Authority finds that entering into the Loan Agreement, obtaining the Loan, and issuing the Authority Bond will serve the best interest of the City because it will further certain public purposes, including the redevelopment or renewal of blighted areas, preserving and increasing the tax base, providing access to services for residents of the political subdivision, and providing employment opportunities, including construction jobs; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Grand Rapids Economic Development Authority as follows:

1. The Authority hereby approves the Loan Agreement substantially in accordance with the terms set forth in the form presented to the Board, together with any related documents necessary in connection therewith, and any documents required by DEED including without limitation all documents, exhibits, certifications or consents referenced in or attached to the Loan Agreement (collectively, the “Development Documents”) and hereby authorizes the President and the Executive Director to negotiate the final terms thereof and, in their discretion and at such time as they may deem appropriate, to execute the Development 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.

2. The approval hereby given to the Development Documents 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 Development Documents shall not be effective until the date of execution thereof as provided herein. In the event of absence or disability of the officers, any of the documents authorized by this Resolution to be executed may be executed without further act or authorization of the Board by any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of the Authority’s attorney, may act in their behalf.

3. Upon execution and delivery of the Development Documents, the officers and employees of the Authority are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the Authority to implement the Development Documents.

4. The Board finds it necessary and expedient to the sound financial management of the City to issue the Authority Bond pursuant to Section 469.103 of the EDA Act, which, subject to approval by the City Council, will be payable from the pledged Abatement revenues from the City and secured by the City’s general obligation pledge, as security for the Loan to finance the Project. The Board hereby requests that the City Council approve the use of tax abatements for the Project on May 26, 2026.

5. The Board will meet on June 11, 2026, or on another date deemed appropriate by staff of the Authority, to consider providing final approval for the issuance of the Authority Bond and to set forth the covenants and terms of the Authority Bond.

Approved by the Board of Commissioners of the Grand Rapids Economic Development Authority
this 14^h day of May, 2026.

President

ATTEST:

Secretary

Schedule of Events

City of Grand Rapids Itasca County, Minnesota

Hwy. 2 West Redevelopment / Demolition Project: \$420,000 Loan to GREDA

Draft as of April 10, 2026

March 13, 2026	GREDA receives letter from DEED notifying approval of \$420,000 Demolition Loan for the Highway 2 West Redevelopment
April 7, 2026	DEED provides GREDA draft Contract for loan
April 27, 2026	City Council meets at 5:00 PM and calls for a public hearing for tax abatement (at least \$52,500 annually) for the issuance of G.O. Tax Abatement Bonds to secure the EDA Revenue Bond for the Demolition Loan. [Packet information due April 22, 2026]
May 2026	GREDA and City bond documents and resolutions drafted.
May / June 2026	Inspection of building to qualify it is substandard and preserve the ability to create a future redevelopment TIF district.
May 7, 2026	Public hearing notice for tax abatement due to the Grand Rapids Herald Review.
May 13, 2026	Public hearing notice for tax abatement published in the Grand Rapids Herald Review.
May 14, 2026	GREDA meets at 4:00 PM and considers approval of Contract and submits to DEED for final execution and calls for the sale of EDA Bonds.
May 26, 2026	City Council meets at 5:00 PM and holds a public hearing related to tax abatement for securing the GREDA Demolition Loan and considers a resolution approving the tax abatement. [packet information due May 6] City Council calls for the sale of G.O. Tax Abatement Bonds to secure the EDA Revenue Bond.
Early June 2026	Contract with DEED and GREDA is executed

- June 8, 2026 City Council meets at 5:00 PM and considers a resolution awarding the sale of G.O. Tax Abatement Bonds, Series 2026A securing the EDA Revenue Bond for the Demolition Loan. [packet information due June 2]
- June 11, 2026 GREDA meets at 4 PM and considers a resolution awarding the sale of EDA Revenue Bonds for the Demolition Loan. [packet information due June 5]
- July 2, 2026 Estimated Bonds close / Funds available to GREDA
- By late July 2026 GREDA begins demolition.