



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

Thursday, September 23, 2021
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, September 23, 2021 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. Approve the minutes from the September 9, 2021 regular meeting.

APPROVE CLAIMS

2. Approve the claims in the amount of \$144,031.98.

BUSINESS

3. Itasca Economic Development Corporation Annual Report
4. Consider adopting a resolution approving a Preliminary Development Agreement between the Grand Rapids Economic Development Authority and 4A Management, LLC.
5. Consider approval of a Residential Lease with Jason and Ludys Marie Johnson for GREDA property at 3002 Airport Rd.
6. Consider approval of a Commercial Building Improvement Loan with Bob and Lory Warren dba Rapids Printing for improvements to their commercial building at 415 S. Pokegama Ave.

UPDATES

ADJOURN

MEMBERS & TERMS

Rick Blake - 12/31/2022 (with Council term)

Tasha Connelly - 12/31/2022 (with Council term)

Cory Jackson - 3/1/23

Mike Korte - 3/1/22

John O'Leary - 3/1/25
Sholom Blake - 3/1/25



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: September 23, 2021

STATEMENT OF ISSUE: Approve the minutes from the September 9, 2021 regular meeting.

PREPARED BY: Aurimy Groom

BACKGROUND:

RECOMMENDATION:

Approve the minutes from the September 9, 2021 regular meeting.

REQUIRED ACTION:

Make a motion approving the minutes from the September 9, 2021 regular meeting.



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

Thursday, September 09, 2021
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, September 09, 2021 immediately following the closed session.

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. Approve the minutes from the August 12, 2021 regular meeting.

Motion by Commissioner O'Leary, second by Commissioner Connelly to approve the minutes of the August 12, 2021 regular meeting. The following voted in favor thereof: Hodnik, Jackson, Connelly, R. Blake, O'Leary, S. Blake. Opposed: None, passed unanimously.

APPROVE CLAIMS

2. Approve claims in the amount of \$35,231.10.

Motion by Commissioner Jackson, second by Commissioner Hodnik to approve the claims in the amount of \$35,231.10. The following voted in favor thereof: R. Blake, Connelly, Jackson, O'Leary, Hodnik, S. Blake. Opposed: None, passed unanimously.

UPDATES

SCDP- Community Development Director Mattei provided a slide show with the before and after photos of the commercial projects completed with this grant. All funds have been spent for this grant cycle.

Voyager Capital Site- The IRRR approved a \$250,000 infrastructure grant for the City of Grand Rapids and a \$250,000 infrastructure grant for the City of Cohasset to be used for this project.

Forest Lake School- The City has closed on this property and are looking to put together an RFP from a private developer.

Block 23 former Hurlbut Property- Due to tax forfeit this property has come back to the City. Mr. Mattei would like to ask the City Council to convey the property to the GREDA.

Spec Building- The consultant is updating the civil numbers.

Best Western- Ground was broken on this project.

ADJOURN

There being no further business the meeting adjourned at 4:53 p.m.

MEMBERS & TERMS

Rick Blake - 12/31/2022 (with Council term)

Tasha Connelly - 12/31/2022 (with Council term)

Cory Jackson - 3/1/23

Mike Korte - 3/1/22

John O'Leary - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27

Draft



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: September 23, 2021

STATEMENT OF ISSUE: Approve the claims in the amount of \$144,031.98.

PREPARED BY: Aurimy Groom

BACKGROUND:

RECOMMENDATION:

Approve the claims in the amount of \$144,031.98.

REQUIRED ACTION:

Make a motion approving the claims in the amount of \$144,031.98

DATE: 09/17/2021
 TIME: 11:09:56
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 09/23/2021

VENDOR #	NAME	AMOUNT DUE

ECONOMIC DEVELOPMENT AUTHORITY		
0718000	GRAND RAPIDS ARTS	150.00
	TOTAL	150.00
EDA - CAPITAL PROJECTS		
MISCELLANEOUS PROJECT		
0718010	CITY OF GRAND RAPIDS	675.66
1900225	SEH	2,209.80
	TOTAL MISCELLANEOUS PROJECT	2,885.46
BLANDIN FNDN PRI LOAN		
0212129	BLANDIN FOUNDATION	139,641.43
	TOTAL BLANDIN FNDN PRI LOAN	139,641.43
	TOTAL UNPAID TO BE APPROVED IN THE SUM OF:	\$142,676.89
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
0920055	ITASCA COUNTY RECORDER	23.00
1309170	MN DEED	1,000.00
1621130	P.U.C.	332.09
	TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:	\$1,355.09
	TOTAL ALL DEPARTMENTS	\$144,031.98



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: September 23, 2021

STATEMENT OF ISSUE: Itasca Economic Development Corporation Annual Report

PREPARED BY: Rob Mattei

BACKGROUND:

GREDA has made an annual partner donation of \$10,000 to Itasca Economic Development Corporation. Tamara Lowney, IEDC President, will provide an update on their activities.

RECOMMENDATION:

REQUIRED ACTION:

None



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: September 23, 2021

STATEMENT OF ISSUE: Consider adopting a resolution approving a Preliminary Development Agreement between the Grand Rapids Economic Development Authority and 4A Management, LLC.

PREPARED BY: Rob Mattei

BACKGROUND:

GREDA has received a letter of intent (LOI) from 4H Management expressing a desire to purchase the GREDA Block 18 site (former location of the VFW and Rose buildings) at the asking price of \$149,500, to construct a three or four story mixed use structure with a preliminary construction estimate ranging between \$6.0 - \$7.5M.

The LOI describes a plan to incorporate a restaurant on the street level that will also incorporate a cocktail bar in a partial basement level. Also on the street level, the preliminary design incorporates space for an additional TBD retail tenant(s). Above the street level, the concept calls for the development of two to three additional floors that would be operated as either apartments or hospitality rooms or a combination of both as well as seasonal rooftop dining and event space.

The proposed Preliminary Development Agreement (PDA) outlines the intentions and commitments of both parties directed toward the execution of a mutually satisfactory Purchase and Development Contract, prior to the end of the PDA's 180 calendar day term. The PDA establishes 4A Management as the sole developer of the site during the PDA term, and, as well defines and lays out the responsibilities for reimbursement of GREDA's and the City's administrative costs.

RECOMMENDATION:

Adopt a motion approving a resolution approving a Preliminary Development Agreement between the Grand Rapids Economic Development Authority and 4A Management, LLC.

REQUIRED ACTION: Adopt a motion approving a resolution approving a Preliminary Development Agreement between the Grand Rapids Economic Development Authority and 4A Management, LLC.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

**APPROVING PRELIMINARY DEVELOPMENT AGREEMENT
BETWEEN THE GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
AND 4A MANAGEMENT, LLC**

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

1. Background.

1.01. The Authority owns certain property (the “Property”) in the City of Grand Rapids, Minnesota (the “City”).

1.02. The Authority and 4A Management, LLC, a Minnesota limited liability company (the “Developer”) have determined to enter into a preliminary development agreement (the “PDA”), providing for negotiation of a definitive development contract that will address (among other things) the sale of the Property by the Authority to the Developer and the construction by the Developer of mixed-use development on the site on the Property.

1.03. The Board of Commissioners has reviewed the PDA, and has determined that it is in the best interests of the Authority to approve and execute the PDA.

2. Approval of PDA.

2.01. The Authority approves the PDA, and authorizes and directs the President and Executive Director to execute same in substantially the form on file, subject to modifications that do not alter the substance of the transaction and are approved by the President and Executive Director, provided that execution of the PDA by such officials will be conclusive evidence of their approval.

2.02. Authority officials and consultants are authorized to take any other actions necessary to carry out the Authority’s obligations under the PDA, and to bring a proposed definitive development contract before the Authority.

Approved this 23rd day of September, 2021, by the Board of Commissioners of the Grand Rapids Economic Development Authority.

President

ATTEST:

Secretary

PRELIMINARY DEVELOPMENT AGREEMENT

THIS AGREEMENT, made and entered into this ___ day of September, 2021, the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of the State of Minnesota (“Authority”) and 4A Management, LLC, a Minnesota limited liability company (“Developer”):

RECITALS

WHEREAS, the Authority owns certain property within the City of Grand Rapids, Minnesota (the “City”), described in Exhibit A attached hereto (the “Property”); and

WHEREAS, the Developer has submitted a preliminary proposal attached as Exhibit B (the “Proposal”) for the acquisition and development of the Property for the construction of a mixed use development consisting of ground level and basement restaurant and retail space, upper level residential units, and rooftop space (the “Development”); and

WHEREAS, the Authority has determined that it is in its best interest that the Developer be designated sole developer of the Property during the term of this Agreement; and

WHEREAS, the Authority and the Developer are willing and desirous to undertake the Development if (i) a satisfactory agreement can be reached regarding the Authority’s commitment for any public assistance that may be necessary for the Development; (ii) satisfactory mortgage and equity financing, or adequate cash resources for the Development can be secured by the Developer; (iii) the economic feasibility and soundness of the Development can be demonstrated; and (iv) satisfactory resolution of zoning, land use, site design, and engineering issues, and other necessary preconditions have been determined to the satisfaction of the parties; and

WHEREAS, the Authority is willing to evaluate the Development and work toward all necessary agreements with the Developer if the Developer agrees to make the nonrefundable deposit described herein, which is intended, in part, to reimburse the Authority for their costs if the Development is abandoned by Developer or necessary agreements are not reached under the terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and obligations set forth herein, the parties agree as follows:

Section 1. Intention of Parties. It is the intention of the parties that this Agreement: (a) documents the present understanding and commitments of the parties; and (b) will lead to negotiation and execution of a mutually satisfactory Purchase and Development Contract (the “Contract”) prior to the termination date of this Agreement. The Contract (together with any other agreements entered into between the parties hereto contemporaneously therewith) when executed, will supersede all obligations of the parties hereunder.

Section 2. Outline of Negotiations. Negotiations between the parties shall proceed in

an attempt to formulate a definitive Contract based on the following:

- (a) the Developer's current Proposal together with any changes or modifications required by the Authority;
- (b) such documentation regarding economic feasibility of the Development as the Authority may wish to undertake during the term of this Agreement; and
- (c) other terms and conditions of this Agreement.

The parties agree and understand that negotiations regarding the Contract will proceed as soon as reasonably practicable after the date of this Agreement, as sufficient details for the Development become available.

Section 3. Developer's Obligations. During the term of this Agreement, the Developer shall:

- (a) Submit to the Authority a design proposal to be approved by the Authority showing the location, size, and nature of the proposed Development, including floor layouts, renderings, elevations, and other graphic or written explanations of the Development. The design proposal shall be accompanied by a proposed schedule for the commencement and completion of all phases of the Development.
- (b) Submit a cost estimate for the design and construction of the Development.
- (c) Submit a time schedule for all phases of the Development.
- (d) Submit to the Authority the Developer's financing plan showing that the proposed Development is financially feasible, and, to the extent Developer seeks public financial assistance in any form (including reduced land cost, waiver of fees, tax increment financing or abatement financing), evidence that such assistance is reasonably necessary to make the Development financially feasible.
- (e) Furnish satisfactory financial data to the Authority evidencing the Developer's ability to undertake the Development.
- (f) Submit zoning, land use, platting and subdivision applications for the Development, as appropriate.
- (g) Submit any soil borings obtained by the Developer to the Authority.
- (h) Undertake and obtain such other preliminary economic feasibility studies, income and expense projections, and such other economic information as the Developer may desire to further confirm the economic feasibility and soundness of the Development.
- (i) Provide any other information that the Authority may request.

Section 4. Authority's Obligations. During the term of this Agreement, the Authority

agrees to:

- (a) Proceed to seek all necessary information with regard to the anticipated public costs associated with the Development.
- (b) Review zoning, planning and subdivision implications of the Development, as appropriate.
- (c) Analyze the Redeveloper's pro forma and estimate the amount and type of public financial assistance, if any, needed to make the Development feasible and authorized under the laws of the State of Minnesota.

Section 5. Contingencies. It is expressly understood that execution and implementation of the Contract shall be subject to:

- (a) A determination by the City and the Authority, in their sole discretion, that any public financial assistance for the Development is feasible based on the projected sources available, and that financial assistance is warranted based on the Developer's pro forma and any other information provided to the City and Authority.
- (b) A determination by the Developer that the Development is feasible and in the best interests of the Developer.
- (c) A determination City Council of the City and the Board of Commissioners of the Authority that the Development is in the best interests of the City and the Authority.

Section 6. Reimbursement of Costs. The Developer shall be solely responsible for all costs incurred by the Developer. In addition, the Developer shall reimburse the City and the Authority for Administrative Costs, as hereafter defined. For the purposes of this Agreement, the term "Administrative Costs" means out of pocket costs incurred by the City and the Authority attributable to or incurred in connection with the negotiation and preparation of this Agreement, the Contract, and other documents and agreements in connection with the Development, including without limitation all costs in connection with replatting of the Property and the cost of financial advisors, attorneys, engineering and planning and environmental consultants. Notwithstanding the foregoing, the Authority shall pay for ½ of its costs incurred in connection with the negotiation and preparation of this Agreement.

In order to secure payment of the Administrative Costs, the Developer shall deliver to the Authority cash or a certified check in the amount of \$5,000, such delivery to occur upon delivery by the Developer of Developer's Business Assistance Application. If at any one or more times during the term of this Agreement, the Authority determines that Administrative Costs will exceed \$5,000 and that additional security is required, the Authority shall notify the Developer of the amount of such additional security. Within ten (10) calendar days of receipt of this notice, the Developer shall deliver to the Authority the required additional security. The City and the Authority will utilize the funds delivered by the Developer to pay or reimburse themselves for Administrative Costs. Upon termination of this Agreement, the Authority will return to the Developer the funds paid by the Developer to the Authority pursuant to this Section 6, less an amount equal to the Administrative

Costs incurred by the City and the Authority through the date of notice of termination. For the purposes of this paragraph, Administrative Costs are considered to be incurred if they have been paid, relate to services performed, or are payable under a contract entered into, on or before the date of the notice of termination.

This Section 6 shall survive termination of this Agreement and shall be binding on the Developer regardless of the enforceability of any other provision of this Agreement.

Section 7. Designation As Sole Developer of Property. The Authority hereby agrees that for the term of this Agreement it will not:

- (i) provide or enter into any agreement for the provision of financial assistance to any third party in connection with any proposed development within the Property; and
- (ii) negotiate or contract with any other party concerning the sale or development of the Property.

During such period the Developer shall have the exclusive right to work with the Authority in negotiating a definitive Contract for the Property. The Developer may not assign its rights or obligations under this Agreement to any person or entity without prior written approval by the Authority.

Section 8. Term of Agreement. This Agreement is effective for one hundred and eighty (180) days from the date hereof. After such date, neither party shall have any obligation hereunder except as expressly set forth to the contrary herein.

This Agreement may also be terminated upon ten (10) days written notice by the Authority to the Developer if:

- (a) an essential precondition to the execution of a definitive Contract cannot be met; or
- (b) if, in the sole discretion of the Authority, an impasse has been reached in the negotiation or implementation of any material term or condition of this Agreement or the Contract;
- (c) or the Developer has failed to provide additional funds to pay for Administrative Costs in accordance with Section 6 hereof.

Section 9. Remedies. In the event that the Developer, its heirs, successors or assigns, fail to comply with any of the provisions of this Agreement, the Authority may proceed to enforce this Agreement by appropriate legal or equitable proceedings, or other similar proceedings, and the Developer, its heirs, successors or assigns, agree to pay all costs of such enforcement, including reasonable attorneys' fees.

Section 10. Severability. If any portion of this Agreement is held invalid by a court of competent jurisdiction, such decision shall not affect the validity of any remaining portion of the Agreement.

Section 11. Amendment and Waiver. In the event any covenant contained in this Agreement should be breached by one party and subsequently waived by another party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach. This Agreement may not be amended nor any of its terms modified except by a writing authorized and executed by all parties hereto.

Section 12. Notice. Notice or demand or other communication between or among the parties shall be sufficiently given if sent by mail, postage prepaid, return receipt requested or delivered personally:

(a) As to the Developer: 4A Management, LLC

(b) As to the Authority: Grand Rapids Economic Development Authority
420 N. Pokegama Avenue
Grand Rapids, MN 55744
Attn: Executive Director

Section 14. Counterparts. This Agreement may be executed simultaneously in any number of counterparts, all of which shall constitute one and the same instrument.

Section 15. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

Section 16. Indemnification. The Developer hereby agrees to protect, defend and hold the Authority, the City and their officers, elected and appointed officials, employees, administrators, commissioners, agents, and representatives harmless from and indemnified against any and all loss, cost, fines, charges, damage and expenses, including, without limitation, reasonable attorneys fees, consultant and expert witness fees, and travel associated therewith, due to claims or demands of any kind whatsoever caused by Developer or arising out of actions of Developer with regard to (i) the development, marketing, sale or leasing of all or any part of the Property, including, without limitation, any claims for any lien imposed by law for services, labor or materials furnished to or for the benefit of the Property, or (ii) any claim by the state of Minnesota or the Minnesota Pollution Control Agency or any other person pertaining to the violation of any permits, orders, decrees or demands made by said persons or with regard to the presence of any pollutant, contaminant or hazardous waste on the Property deposited or released by Developer; and (iii) or by reason of the execution of this Agreement or the performance of this Agreement. The Developer, and the Developer's successors or assigns, agree to protect, defend and save the Authority, the City and their members, officers, agents, and employees, harmless from all such claims, demands, damages, and causes of action and the costs, disbursements, and expenses of defending the same, including but not

limited to, attorneys fees, consulting engineering services, and other technical, administrative or professional assistance incurred by the Authority and the City as a result of the actions of Developer. This indemnity shall be continuing and shall survive the performance, termination or cancellation of this Agreement. Nothing in this Agreement shall be construed as a limitation of or waiver by the Authority or the City of any immunities, defenses, or other limitations on liability to which the Authority is entitled by law, including but not limited to the maximum monetary limits on liability established by Minnesota Statutes, Chapter 466.

IN WITNESS WHEREOF, the Authority has caused this Agreement to be duly executed in its name and behalf and its seal to be duly affixed hereto, and the Developer has caused this Agreement to be duly executed as of the day and year first above written.

4A MANAGEMENT, LLC

By _____
Its: _____

GRAND RAPIDS ECONOMIC
DEVELOPMENT AUTHORITY

By _____
Its President

By _____
Its Executive Director

EXHIBIT A

Description of Property

The property located in the City of Grand Rapids, Itasca County, Minnesota legally described as:

The East Forty-five feet (E. 45') of the West One Hundred Three and Three tenths feet (W. 103.3') of Lots Thirteen (13), Fourteen (14) and Fifteen (15), LESS the South one and eight tenths feet (S. 1.8') thereof, all in Block Eighteen (18), Town of Grand Rapids AND That part of Lot Fifteen (15) and Sixteen (16) of Block Eighteen (18), Town of Grand Rapids, described as follows: Commencing at a point on the East boundary line of the East 45 feet of the West 103.3 feet of said Lot 15, which point is 1.8 feet North of the South boundary of said Lot 15 and is the point of beginning; thence South along an extension of the East line of the Marr Building a distance of 7 feet; thence West and parallel to the boundary (South) line of the Marr Building a distance of 25 feet 11 inches, more or less, to the Eastern wall of the First National Bank Building as the same presently exists; thence North along said Eastern wall a distance of 7 feet to a point directly opposite the point of beginning; thence East a distance of 25 feet 11 inches, more or less, to the point of beginning and to there terminate, Itasca County, Minnesota.

PID: 91-410-1840

Abstract

and

Approximately the East thirty-nine feet of Lots Thirteen (13), Fourteen (14) and Fifteen (15) and the East thirty-nine (39') of the north ten (10') feet of Lot Sixteen (16), all in Block Eighteen (18), Town of Grand Rapids, according to the plat thereof on file and of record in the office of the Register of Deeds in and for Itasca County, Minnesota.

PID: 91-410-1850

Abstract

EXHIBIT B

Development Proposal

LETTER OF INTENT

September 1, 2021

Dear Grand Rapids Economic Development Authority:

Please accept this letter as a request to enter into discussions and an eventual partnership and purchase agreement regarding the lot on the south side of Third Street, downtown Grand Rapids, Minnesota (the old VFW lot).

We have studied the site and the opportunities for its development. We propose a purchase at the current listed price. We plan to develop, build a four or five-story structure on the site (basement, ground level, and three levels above).

The purpose of the building would be to provide market rate, residential type units and space for ground level retail. The focal point of the building would be "The Pines Restaurant", an upscale casual dining establishment. The Pines Restaurant would be located on the east side of the ground level (against the alley). Please see the first enclosure.

The west half of the ground level would provide a second retail space. We have been exploring options for partnering with complementary regional retailers that could help to fill a community need and demand.

The basement level would provide space for a small speakeasy (supported by The Pines Restaurant). In addition, the basement level would provide office space for the main level businesses and mechanical and storage for the building as a whole.

Levels two, three, and four would provide space for rental units. These units will be considered for short term "VRBO type" rental and for long-term market rate apartments. A small boutique hotel has also been suggested.

In addition, plans include a top level outdoor facility that could be used by building residents and/or provide space for rooftop dining, cocktails, and/or event space (seasonal).

For preliminary architectural drawings, please see the second enclosure.

Square foot breakdown...

- * Each level provides approximately 5000 sq. ft.
- * The Pines Restaurant would occupy approximately 2050 sq. ft.
- * The second retail space would provide approximately 1050 sq. ft.
- * The apartments would range from 865 to 1300 sq. ft.
- * The speakeasy would require approximately 500 sq. ft.
- * Each level would also require a significant square footage for "common area".

Most recent construction estimates come in at approximately \$6 million for a three-story (above ground) structure. Estimates at approximately \$7.5 million for a four-story structure.


Cash flow analysis for the building (and for The Pines Restaurant) are currently being constructed by our accountant (Mr. Shalom Blake). Simultaneously, investors are being informed, interviewed, and recruited.

We intend to move forward with great purpose and efficiency. We intend to work cooperatively with the City of Grand Rapids, the neighboring landlords, the neighboring business owners, and the Grand Rapids Economic Development Authority.

Please carefully consider this request for partnership and the sale of your VFW lot.

We look forward to responsible, efficient, cost-effective, cooperative development.

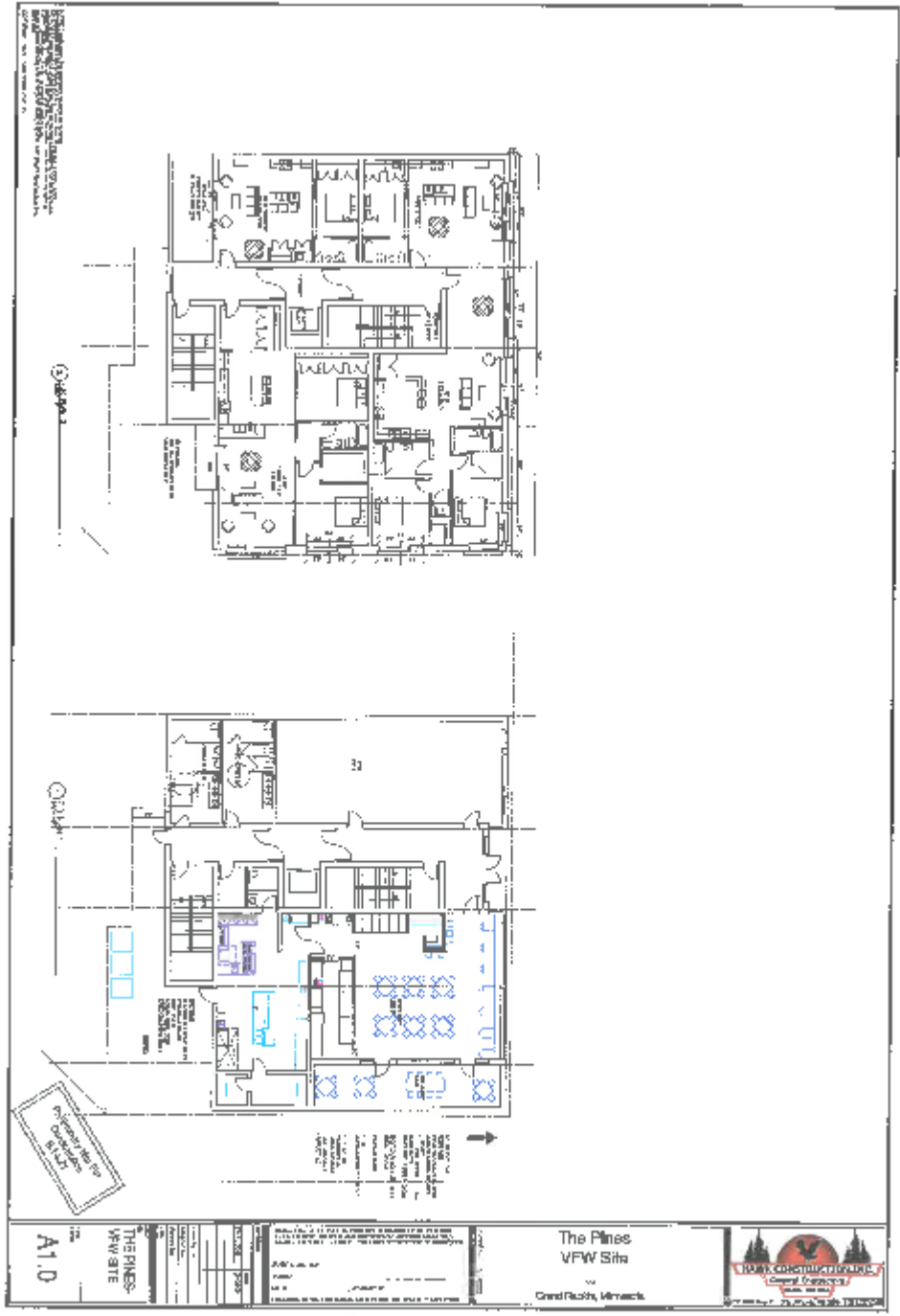
Sincerely,



Daniel J. Margo
4A Management
Grand Rapids, Minnesota 55744



Kyle O'Brien
The Pines Restaurant
Grand Rapids, Minnesota 55744





The Executive Summary

Description of the Business

The Pines Restaurant is a local and sustainability based new American restaurant. We will specialize in providing high quality food, customer service, drinks and cocktails to the market of the greater Grand Rapids area, and will utilize any number of local, sustainable products. The Pines Restaurant's from scratch cooking and upscale casual environment is something that does not exist anywhere else in the region and will be the forerunner of elevating the dining scene in northern Minnesota. The basement speakeasy will provide a craft cocktail program that is also not available in the region. By utilizing local purveyors and producers, we will draw a direct line between community, food, hospitality, and guest satisfaction. This ensures that we will highlight the products and places that best represent what northern Minnesota has to offer and build a customer base that values these ideas. Through community and true passion for food and beverage, The Pines will stand out as an exemplary dining experience. Whether lunch or dinner, or brunch in the future, The Pines will stand out easily compared to other restaurants in the area.

Description of the Market

The target market of The Pines Restaurant is a wide breath of people who truly care where their food and drinks are from, and how it is prepared. With a burgeoning number of households in the >\$100,000 annual income, there is a vast market of people who live in the area in dire need of someplace to enjoy a fine experience on any given night. We will also shine as the prime location for birthdays, anniversaries, date nights and other celebratory occasions. The local population has expressed great desire for a new, better, healthier, and more diverse restaurant to enjoy. This, along with the number of tourists and travelers coming through the Grand Rapids area searching for a place to receive high quality food prepared from scratch, with the modernity of a city restaurant, will ensure guests of all back-grounds, and from any location, will look forward to dining with us.

Description of the Operations

The Pines Restaurant will be located at the old VW site in a building in the heart of downtown Grand Rapids. The Pines Restaurant will be open 6 days a week for both lunch and dinner service. Our basement speakeasy will be open from 5 to close, 6 nights a week and provide a perfect area to enjoy a cocktail before or after dinner, or meet friends, family or colleagues. We have a capacity of 56 people in our main dining area and a capacity of less than 20 in the speakeasy. There will be a small but highly trained core staff, trained to adhere to the standards as set forth by the Executive Chef, Kyle O'Brien, and the General Manager, Amanda McCabe. We plan on turning out a selection of sandwiches, soups and salads for lunch. All made from scratch and ready to be enjoyed in the building, or as a focus, as a quick grab and go lunch option for the working people of

Grand Rapids. Dinner will be the core draw of the restaurant, and the majority of revenue. The idea of spending 1 ½ - 2 hours at dinner, enjoying a variety of options for personal enjoyment or sharing, combined with a choice beer, wine, and cocktail list will allow diners to relax and enjoy themselves in our minimal, clean, and open dining room. See menu for examples of cuisine. An open service kitchen will also provide entertainment for guests, as well as put our cooking, our passion for products, and our modern restaurant ethos on full display for the benefit of the dining public and the community at large.

Profitability

The Pines Restaurant at this stage of financial planning, does indeed show a comfortable profit to pay our bills, our employees, our investors and all partners necessary in starting this venture. We have worked with Rob Sjostrand at the Itasca Economic Development Corporation to comb over our financial details and run metrics on market and demographics, to ensure that our proposed model will indeed result in success. As we have spoken with other small business owners in the area, we have become assured of the success of The Pines Restaurant based both on word of mouth and over all community excitement, as well as our financial projections to the best of our ability. The time is right for the growing and modernizing city of Grand Rapids to have a restaurant to embody the forward thinking community of diners ready to spend their money at an establishment that cares about the same things they do, and can execute those ideals well.

Statement of Request

We are opening the door to the process of financing our business through a variety of loans, grant programs, investors and any other body that wishes to be involved in our enterprise. We wish to align ourselves with others who believe in the core ethics of The Pines (locality, sustainability, seasonality and creativity) and believe deeply in the success of our model. We are asking for a full conversation on the ways in which you can help us achieve our goals and provide the Grand Rapids area with a new, modern, ethical dining and drinking establishment.



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: September 23, 2021

STATEMENT OF ISSUE: Consider approval of a Residential Lease with Jason and Ludys Marie Johnson for GREDA property at 3002 Airport Rd.

PREPARED BY: Rob Mattei

BACKGROUND:

As a reminder and for the benefit of new GREDA Commissioners, I will cover some additional background for context.

In 2015, GREDA purchased a 20-acre parcel with a four-bedroom home located at 3002 Airport Road. (Attached is a presentation on this topic, provided at that time) The property abuts the Airport Rd on the west, the Grand Rapids/Itasca County Airport (GPZ) taxiway on the east and 12.5 acres of GPZ owned property on the north. The strategy behind the purchase was first to accommodate the prospective development of an airplane manufacturer GREDA was in negotiations with at the time and secondly, if the airplane-manufacturing project did not eventually move forward, the property would serve as a location for a future industrial park expansion or another aviation related business.

The acquisition funding included a combination of a 0% interest Blandin Foundation Program Related Investment and GREDA Capital Projects funds. Since the acquisition, GREDA has rented the home as much as possible to reduce carrying costs, including the annual loan payment to the Blandin Foundation. For the past two years, GREDA has leased the home to ICS Consulting, a construction management firm that has worked on both the new elementary schools and fire hall construction projects. The current lease with ICS expires on October 1.

Jason Johnson, a project superintendent for ICS Consulting and the current occupant along with his wife, desires to personally lease the property for another year. The terms of the proposed lease are identical to the current lease with the exception of the monthly rent, which we have increased by \$100.00.

RECOMMENDATION:

Approve the Residential Lease with Jason and Ludys Marie Johnson for GREDA property at 3002 Airport Rd.

REQUIRED ACTION: Pass a motion approving the Residential Lease with Jason and Ludys Marie Johnson for GREDA property at 3002 Airport Rd.

RESIDENTIAL LEASE

I. IDENTIFICATION OF PARTIES, PREMISES AND LEASE TERM

A. Parties and Premises

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY (“Landlord”) hereby leases the Property at 3002 Airport Road, Grand Rapids, as legally described on Exhibit A attached hereto, Itasca County, Minnesota (the “Premises”), under the terms and conditions stated herein, to Jason Johnson and Ludys Marie Johnson, a married couple. (“Tenant”).

B. Term

This Lease will begin on October 1, 2021 and end on the earlier of October 1, 2022 or when terminated pursuant to the provisions of Section VIII.B. hereof, unless extended pursuant to Section VIII.A. hereof.

II. PAYMENTS DUE UNDER THE LEASE

A. Rent

\$1,600 per month. Tenant is responsible for utilities, property taxes, insurance and maintenance (i.e. plowing, mowing, etc.)

B. Security Deposit

One month’s rent plus additional amounts called for through the Pet Addendum, if applicable.

C. Condition of Dwelling

By signing the Lease, Tenant acknowledges that the Premises are safe, clean and in good condition, and that all appliances and equipment in the Premises are in good working order. Landlord shall be responsible, at its sole expense, to keep all appliances (washer, dryer, refrigerator, stove, garbage disposal, dishwasher, etc., if any) and equipment (including without limitation the furnace, air conditioner, water heater and water softener, if any) in a state of good repair at all times during the term of this Lease. The Premises are provided unfurnished.

D. Utilities

Tenant is responsible for payment of all utilities and services that are furnished to the Premises as a result of Tenant’s occupancy of the Premises, including but not limited to the following: heat, gas, electricity, hot water, sewer, water, trash removal, recycling, telecommunications, and telephone. The accounts will remain with the Landlord and the Landlord will invoice the Tenant for reimbursement of those expenses on a monthly basis.

E. Good Working Order

Tenant is responsible to maintain in good safe working order and condition electrical, plumbing, sanitary, heating, ventilating and other facilities and appliances on the Premises. Tenant shall notify Landlord promptly if repairs are needed.

F. Maintenance and Service Charges

Tenant shall notify Landlord promptly of required repairs to structural elements of the Premises, and of unsafe conditions in the areas surrounding the Premises. Landlord shall be responsible for repair and maintenance of structural elements, such as the roof, walls, windows, and doors. Tenant agrees to pay reasonable charges for the repair of damage to the structural elements of the Premises and the areas surrounding the Premises caused by the Tenant, household members, guests or pets. Tenant also agrees to pay reasonable charges for repair of damages caused by the failure of the Tenant to report the need for repairs.

Notice of charges billed to Tenant for repairs or services under this section shall specify the items or damages involved, correctional action taken, and the charges shall be due and payable in full two (2) weeks after written notice is issued. Failure to pay for maintenance and service charges in a timely manner is a violation of this Lease and will be grounds for termination of the Lease pursuant to Section VIII.

G. Late Fees and Returned Check Fee

If Landlord does not receive payment by the fifth day of the month Tenant shall incur a \$20 late fee for each occurrence as additional rent. Tenant shall also pay \$20 for any check returned due to insufficient funds.

III. OCCUPANCY OF THE DWELLING UNIT

A. Proper Uses

Tenant shall not assign this Lease, nor sublet or transfer possession of the Premises, nor give accommodation to boarders or lodgers other than employees of Tenant. Tenant shall not use or permit the use of the dwelling unit for any purpose other than as a private dwelling unit solely for the Tenant's employees. All residents of the Premises must be approved and listed on the Lease or in a subsequent notice to Landlord. This provision does not exclude reasonable accommodation of Tenant's guests or visitors who may stay in the unit up to ten (10) days per guest per month, unless otherwise authorized by Landlord in writing.

B. Conduct on Premises

Tenant shall conduct itself and cause guests and other persons who are on the Premises with Tenant's consent to conduct themselves in a manner which will not disturb a neighbor's peaceful enjoyment of their accommodations and will be conducive to maintaining the Premises in a decent, safe, and sanitary manner and shall refrain from illegal or other activity which impairs

the physical or social environment of the Premises. Tenant shall not use or store on or near the Premises any flammable, toxic, hazardous or explosive substances.

Tenant shall refrain from, and cause employees and guests to refrain from destroying, defacing, damaging, or removing any part of the Premises.

C. Observations of Laws and Occupancy Rules

Tenant shall observe all requirements and obligations imposed by local, state or federal laws, applicable building and housing codes and by this Lease relating to the use of the Premises.

D. Pets

Tenant shall not be allowed to keep domesticated pets on the Premises except as may be permitted in accordance with any Pet Addendum that may be attached to this Agreement.

E. Smoking

Tenant shall not allow smoking on the premises.

IV. OBLIGATIONS AND RESPONSIBILITIES OF LANDLORD

A. Maintenance and Repairs; Abatement

Landlord shall be responsible for maintaining the structural elements of the buildings on the Premises, such as the roof, walls, windows, and doors in a safe condition in conformity with the requirements of building codes. Landlord shall make all necessary repairs, alterations, and improvements to the structural elements, such as the roof, walls, windows, and doors with reasonable promptness at its own cost and expense, unless the damages were caused by intentional conduct of Tenant or Tenant's guests.

B. Insurance.

Landlord shall maintain hazard insurance on the Property at all times.

C. No Responsibility for Tenant's Property

Landlord is not responsible for any damages and/or losses to Tenant's furniture or other personal belongings. Landlord's insurance will not cover the Tenant's personal property. Tenant understands and agrees that it shall be Tenant's responsibility to insure personal property on the Premises.

D. Taxes and Special Assessments.

It shall be Tenant's responsibility to reimburse Landlord for all real estate taxes attributable to the Premises as a result of this Lease. The parties are aware that private use of publicly owned

property, such as the Premises, in one calendar year may result in taxes payable in a following calendar year.

V. OBLIGATIONS AND RESPONSIBILITIES OF TENANT

A. Care of the Premises

Tenant shall keep the Premises in such condition as to prevent health, safety or sanitation problems from arising on the Premises and/or cause damage to the Premises.

B. Trash

Tenant shall dispose of all ashes, garbage, rubbish and other waste from the Premises in a safe and sanitary manner.

C. No Disorderly Conduct or Harassment

Tenant shall not permit any objectionable, threatening or disorderly conduct, offensive language, noise, or create a nuisance that will disturb or interfere with the Tenant's neighbors or Landlord personnel. Tenant shall also act in a cooperative manner with neighbors and Landlord personnel.

D. Alterations

Tenant may not make alterations or changes to the interior (i.e. painting or wallpapering) or exterior of the Premises or to equipment on the Premises, or install additional equipment or appliances on the Premises.

E. No Lock Changes

No additional or new locks shall be installed on any doors without prior written approval from Landlord.

F. Unlawful Activity

Tenant, employees, guests or other person's under Tenant's control shall not:

a. engage in any criminal activity that threatens the health, safety, or right of peaceful enjoyment of other residents, neighbors or Landlord personnel; or

b. engage in any drug-related criminal activity on or off the Premises (The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute or use a controlled substance or drug paraphernalia.)

The occurrence of any activity identified herein shall constitute good cause for the termination of the tenancy and immediate eviction of the Tenant from the Premises.

G. Tenant Cooperation

Tenant shall respond and comply with all reasonable requests of Landlord relating to the implementation of this Lease, including but not limited to responding to requests for information, allowing entry into the Premises by Landlord, returning required leasing documents to Landlord and cooperating with Landlord's maintenance employees. Tenant shall not interfere with the operation of the rental property by Landlord or engage in any activity or allow any condition that would cause a cancellation, restriction or increase in premium in Landlord's insurance.

VI. ENTRY OF PREMISES DURING TENANCY

Tenant agrees that any authorized agent, employee, or representative of Landlord may, upon advance notice to Tenant, be permitted to enter the Premises during reasonable business hours for the purpose of conducting routine inspections and maintenance, or for making improvements and repairs. Landlord will provide Tenant with at least two days' written notice of its intention of entering the Premises; provided, however, that Landlord shall have the right to enter the Premises at any time without advance written notification to Tenant, if Landlord reasonably believes that an emergency exists that requires such entrance or if Tenant has requested a service call or otherwise consented to Landlord's entry without prior notice. In the event that Tenant and all employee-occupants of Tenant are absent from the Premises at the time of entry, Landlord's agent, employee, or representative shall leave in the dwelling unit a written statement specifying the date, time, and purpose of entry.

VII. NOTICES

Notice by Landlord: Any notice from Landlord shall be in writing and either personally delivered to the Tenant residing in the Premises, or sent to the Tenant by Certified Mail, return receipt requested, properly addressed, and postage prepaid and addressed to: Jason and Ludys Marie Johnson, 601 E. Boundary Avenue, Ely, MN 55731.

Notice by Tenant: Any notice to Landlord, as owner of the Premises and managing agent of the Premises authorized to accept service of process, must be in writing and either personally delivered to Landlord at its office, or sent to Landlord by first-class mail, postage prepaid and addressed to: Grand Rapids Economic Development Authority, 420 N. Pokegama Avenue, Grand Rapids MN 55744-2658, Attn: Executive Director.

VIII. DURATION OF THE LEASE

A. Term of Lease.

This Lease shall be effective for one calendar year from its effective date. At the option of both parties, this Lease shall be extendable for additional one-year periods. Tenant must request any

extension of this Lease in writing, no later than 60 days prior to termination of this Lease, by notice delivered to Landlord as provided in Section VII. hereof. At the option of both parties, this lease may be terminated with 60 days' notice.

B. Landlord Termination.

Landlord may terminate the Lease for any of the following:

- Violation of Section I.A. of this Lease.
- Violation of Section II.F. of this Lease.
- Violation of Section V.F. of this Lease.
- Upon abandonment of the Premises by Tenant. The Premises are deemed to have been abandoned if during a continuous six-month period, Tenant has not resided at the Premises.

Landlord shall provide 30 days' advance written notice to Tenant of any termination under this Section and shall specify the cause for termination in the notice.

If Landlord terminates the Lease but Tenant does not move out voluntarily, Landlord may bring an eviction action. Under Minnesota law, seizure from any Premises of any illegal object or substance, including drugs, constitutes unlawful possession of the Premises by the Tenant, and is grounds for an automatic eviction.

C. Condition of Premises

Tenant agrees to leave the Premises in a clean and good condition, reasonable wear and tear excepted, to furnish a forwarding address, and to return all keys to Landlord when Tenant vacates. If Tenant abandons or vacates the Premises with personal property remaining in the Premises, Landlord shall store and dispose of the property in compliance with Minnesota law at the Tenant's expense.

IX. MODIFICATIONS

This Lease evidences the entire agreement between Landlord and Tenant. No change herein shall be made except in writing, signed, and dated by the parties.

X. SEVERABILITY CLAUSE

If any provisions of this Lease or portion of such provision or the application thereof to any person or circumstance is held to be invalid or unenforceable, the remainder of the lease or the remainder of such provision and the application thereof to other persons or circumstances shall not be affected thereby.

XI. NON-WAIVER OF LEASE VIOLATIONS

Landlord’s failure to terminate the Lease upon the occurrence of any Lease violation shall not be considered a waiver of Landlord’s right to terminate the Lease on the basis of any other violation of the Lease.

IN WITNESS WHEREOF, the parties have executed this Residential Lease this _____ day of _____, 2019, at _____, Minnesota.

GRAND RAPIDS ECONOMIC DEVELOPMENT
AUTHORITY, as Landlord

By _____
Its President

By _____
Its Executive Director

JASON JOHNSON AND LUDYS MARIE
JOHNSON , as Tenants

By _____
Jason Johnson

By _____
Ludys Marie Johnson

EXHIBIT A**Premises**

Parcel 1 – 91-033-4402; 3002 Airport Rd, Grand Rapids, MN (Torrens)

The North two hundred eight feet (N. 208') of the East four hundred sixteen feet (E. 416') of the West six hundred fifty-seven feet (W. 657') of the Southeast Quarter of the Southeast Quarter (SE ¼ of SE1/4) of Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty –five (25) West of the Fourth Principal Meridian, situated in the County of Itasca, State of Minnesota, according to the United States Government Survey thereof; and

Parcel 2 – 91-033-4401; 3002 Airport Rd, Grand Rapids, MN (Torrens)

The North Half of the Southeast Quarter of the Southeast Quarter (N. ½ of SE ¼ of SE 1/4), Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty –five (25) West of the Fourth Principal Meridian, LESS the following:

The North two hundred eight feet (N. 208') of the East four hundred sixteen feet (E. 416') of the West six hundred fifty-seven feet (W. 657') of the Southeast Quarter of the Southeast Quarter (SE ¼ of SE1/4) of Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty –five (25) West of the Fourth Principal Meridian

All in Itasca County, Minnesota.



Grand Rapids EDA

Consideration of Kent Purchase Agreement

July 16, 2015



❖ Background History

- ◆ Through the purchase and prompt sale of a 25 acre tract along Co. Rd. 63 (portion of the former Ainsworth OSB Plant), GREDA realized a demand for large industrial sites; a demand, going forward, that would not adequately be served by GREDA's present inventory of smaller industrial sites.
- ◆ To better position the City of Grand Rapids for the future attraction of larger industrial developments, GREDA, in both the 2014 and 2015 *Work Plan*, set a goal to "explore potential for the purchase of a large tract for industrial development" and to "consider a proactive approach to land investment options".
- ◆ GREDA focused the search for a large tract(s) along the south Airport Rd. (7th Ave. E.) corridor:
 - ◇ The area is identified within the Comprehensive Plan as an intended, planned, area for industrial growth.
 - ◇ Adequate infrastructure is in place or accessible
 - ◇ The presence of lightly developed large tracts
 - ◇ The area's proximity to the Airport South Industrial Park and the Grand Rapids Itasca County Airport.

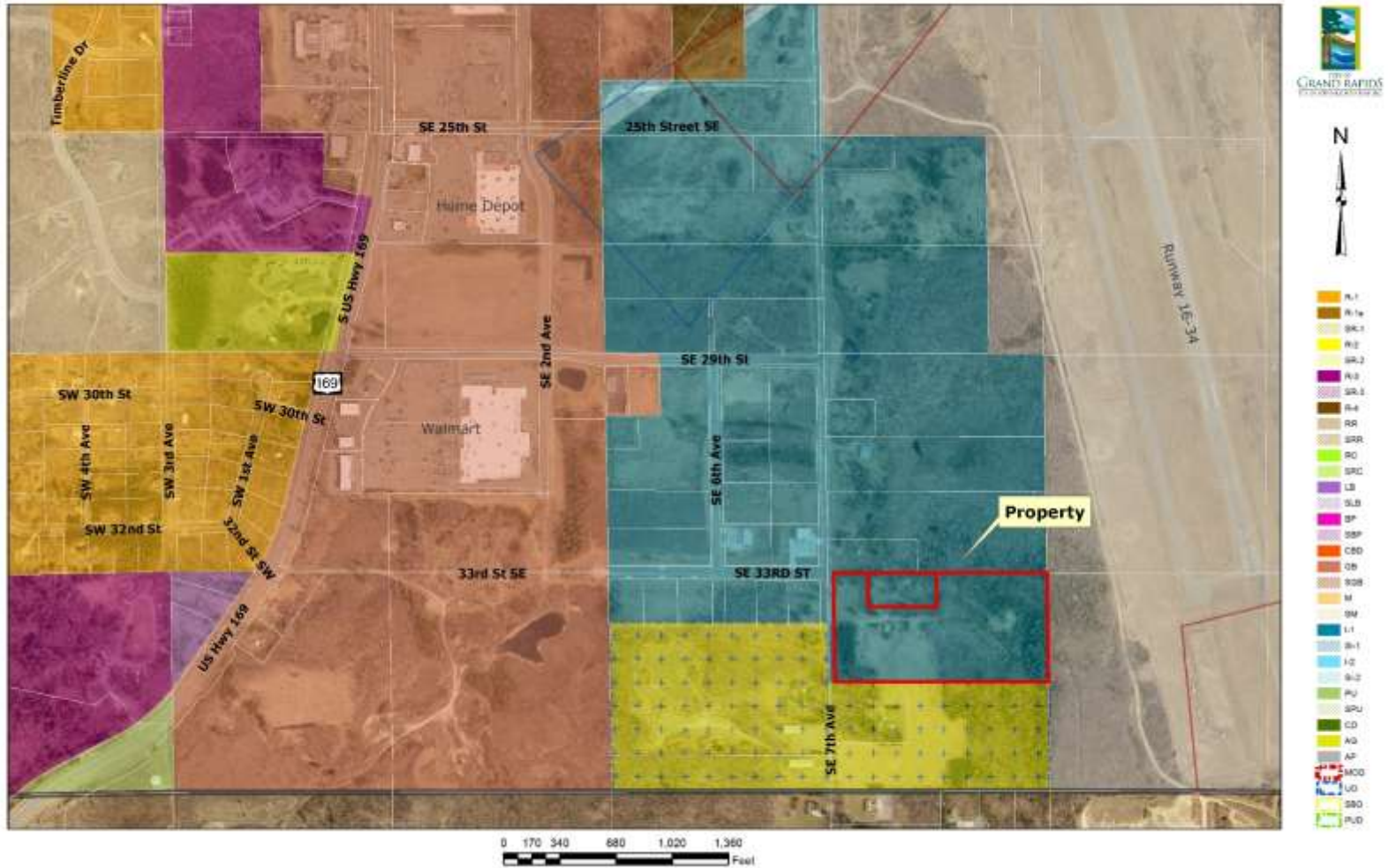


- ◆ Several property owners, in this area of the Airport Rd., were contacted by an acquisition facilitator under contract with GREDA. Only one owner, John, Lorette and Andrew Kent, (Kents) responded with interest.

❖ **Description of Property**

- ◆ Address: 3002 Airport Road
- ◆ Two contiguous parcels (91-033-4402 & 91-033-4401) comprising a total area of 19.6 acres, with approximate N/S dimension of 660' x E/W dimension of 1,320'
- ◆ Property includes a 2,020 sq. ft. 3 bedroom, single family home with 2 bathrooms. The property also includes 2 detached accessory buildings.

Property Location/Zoning



Property Features





Property Features





❖ Attributes

- ◆ The property is well suited for industrial development:
 - ◇ The area is already zoned Industrial (I-1)
 - ◇ Adjacent to the Airport South Industrial Park and the Grand Rapids Itasca County Airport
 - ◇ Access to sanitary sewer and water utilities, as well as 3 phase power.
 - ◇ Access to all season heavy haul roads.
 - ◇ Favorable soil conditions
 - ◇ Flexibility of being developed to support aviation or general industries
 - ◇ Flexibility of being developed as a single 20 acre site or being subdivided into 2 or 3 large sites. (map on next slide)

Alternative Future Subdivision Concept





❖ Purchase Agreement Terms

- ◆ Purchase Price: \$575,000
 - ◇ Negotiated, based upon GREDA's and seller's independent appraisals as well the brokers opinion of value presented by GREDA's contracted acquisition facilitator.
- ◆ Earnest Money: \$5,000 non-refundable, applied to the purchase price
- ◆ Buyer's pre-closing inspection (Environmental and Soil Investigations)
- ◆ Closing Date: on or before September 1, 2015
- ◆ All timber on the property included in the sale
- ◆ No relocation expenses to be paid



❖ Acquisition Funding

- ◆ Blandin Foundation Program Related Investment (PRI): \$350,000
 - ◇ Secured by a non-recourse promissory note
 - ◇ 20 year term: early full or partial pre-payment without penalty
 - ◇ 0% interest
 - ◇ \$17,500 annual payment to be funded by GREDA Levy or other sources
 - Other sources such as: single family home rental income, proceeds from sale or lease
 - ◆ GREDA Capital Projects Fund: \$225,000
- \$575,000**



QUESTIONS ?



Executive Home for Lease

Item 5.

Owner: Grand Rapids Economic Development Authority
Contact: Rob Mattei 218-244-2924



Address: 3002 7th Ave. SE (Airport Road)

In town executive home on 20 secluded acres

Featuring:

4 bedrooms, 3 bathrooms, 2 fireplaces, 2 decks, hardwood floors, modern kitchen, downstairs den/kitchenette, attached two stall garage, new high efficiency boiler.

Desired Terms:

\$1,500/month triple net lease
1 year w/60 day notice



Kitchen



Upstairs
Living Room

Downstairs
Living Room



Upstairs
Dining
Room



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: September 23, 2021

STATEMENT OF ISSUE: Consider approval of a Commercial Building Improvement Loan with Bob and Lory Warren dba Rapids Printing for improvements to their commercial building at 415 S. Pokegama Ave.

PREPARED BY: Rob Mattei

BACKGROUND:

Bob and Lory Warren, owners of Rapids Printing have recently purchased a building at 415 Pokegama Avenue S. in order to relocate their business from space that they currently lease. They have applied for a Commercial Building Improvement Loan of \$40,000 for improvements to their new facility.

The planned improvements to the new Rapids Printing building, totaling and estimated \$75,000, include renovation of bathrooms, office space, electrical and plumbing on the main level, painting and minor renovation on the lower level and parking, exterior lighting, signage and windows. All of the proposed renovations are eligible CBIL expenses

As you will recall, the CBIL can provide up to \$40,000 per project or 75% of the total project cost, whichever is less. The CBIL program provides these funds at a 2% interest rate, amortized over a 20-year periods with a balloon payment at the end of year five.

GREDA is funding CBIL program loans, currently, through a Blandin Foundation Program Related Investment non-recourse note and, thus the principal and interest collected from these loans are paid to the Blandin Foundation.

Commissioners Sholom Blake and Cory Jackson will be reviewing this application with staff prior to the meeting and will have a recommendation for GREDA.

RECOMMENDATION:

Consider approval of a Commercial Building Improvement Loan with Bob and Lory Warren dba Rapids Printing for improvements to their commercial building at 415 S. Pokegama Ave.

REQUIRED ACTION: Pass a motion to either approve or deny the Commercial Building Improvement Loan (CBIL) application submitted by Bob and Lory Warren dba Rapids Printing for improvements to their commercial building at 415 S. Pokegama Ave



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

Commercial Building Improvement Loan Application

Grand Rapids Economic Development Authority
c/o Community Development Department
420 North Pokegama Ave.
Grand Rapids, MN 55744
Tel. (218) 326-7601 Fax (218) 326-7621
www.grandrapidsmn.org

Community Development
Office Use Only

Date Received _____ Item 6.
GREDA Review Date _____
GREDA Approval _____

Applicant Information:

The undersigned do hereby respectfully request the Grand Rapids Economic Development Authority's consideration of a Commercial Building Improvement Loan: *(If the applicant is not the property owner, the property owner must, also, sign the application.)*

Robert (Bob) + Lary Warren
Name of Applicant (print)

Same

Name of Owner (print)

30634 W Oak Bend Dr.
Address

Address

Grand Rapids MN 55744
City State Zip

City State Zip

218-326-7667 work
Telephone/ E-Mail

Telephone/E-Mail

Rapids Printing
Doing business as:

What is your interest in the building/property? *(check one)*

- Own the Business Lease the building
 Purchasing the building on contract for deed Other: _____

Project Information:

Tax Parcel # 91-480-2220 + 91-480-2210 Existing Zoning: General Business

Existing Use: General Bus. Proposed Use: General Bus

Property Address / Location: 415 S Pokegama Ave

Legal Description: Bk 22 less N 65' + E 1/2 of Vac. N/S alley
(attach additional sheet if necessary)

Description of your proposed commercial building improvement project: + N 65 ft of Bk 22 S @ 5 ft of Vac. alley Lvg

Clean, paint, sheetrock, New carpet, add sidewalk, update parking area
(attach additional sheet if necessary) + windows,

Are you coordinating your project with any neighboring businesses? Yes No

If yes, please provide their name(s) and the nature of their project(s): N/A

When would you like to begin your project? 8-23-21

How much time will be needed to complete the project? 3 mo.

If your project is located in the CBD (Central Business District), please explain how it furthers the objectives stated within the *Downtown Redevelopment Master Plan*. *(if applicable)*

(attach additional sheet if necessary)

The GREDA Commercial Building Improvement Loan Program may finance up to 75% or \$40,000 of eligible project costs, whichever is less.

Item 6.

Please provide a breakdown of this estimated cost by construction category (*attach copies of quotes*):

Construction Item/Category	Estimated Cost (Quote)
Carpet	6,000
Windows	8,000
General renovations	8,000
Parking lot	15,000
Signage	3,000
Total Estimated Cost:	40,000 75,000

See attached

(attach additional sheet if necessary)

Please provide a list of proposed/secured financing sources:

Source	Secured (yes/no)	Amount
GREDA Commercial Bldg. Improvement Loan (requested amount)		
Bank <i>other remodelings</i>	yes	35,000
Cash		
Other (specify) _____		
Other (specify) _____		
Total \$		

Required Submittals with Application:

- Application Fee - \$150.00
 - Building/Site Photos
 - Concept Plan
 - Copies of Tax Returns (past 3 years)
 - Cash Flow Projections (3 years)*
 - Estim. Income Statements (3 years)*
 - Business Plan
 - Letters of Commitment
 - Credit Report
 - Evidence of ownership in the form of title insurance, title opinion, or copy of deed
 - Marketing Information
- * MN Small Business Development Center at Itasca Economic Development Corp. can assist with this, free of charge.

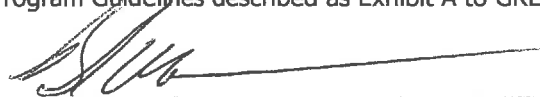
If Loan is Approved, Additional Submittals Required Prior to Disbursement of Funds:

- Verification that building is insured at a level equal to its value, with the GREDA listed as an additional insured.
- Ownership and encumbrance report
- Copies of receipts for project expenses.
- Verification from the City Building Official that the project is complete.
- Security: Personal guarantee in the form of a Promissory Note (*form provided by City*) and a mortgage.

INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

More information may be requested by the Grand Rapid Economic Development Authority, if deemed necessary, to properly evaluate your request.

I certify that, to the best of my knowledge, information, and belief, all of the information presented by me in this application is accurate and complete and includes all required information and submittals, and that I consent to entry upon the subject property by public officers, employees, and agents of the City of Grand Rapids wishing to view the site for purposes of processing, evaluating, and deciding upon this application. Further, I have read and fully understand the CBIL Program Guidelines described as Exhibit A to GREDA Resolution 08-03.



 Signature(s) of Applicant(s)

9-10-21

 Date

DESCRIPTION	ESTIMATE
MISC	
misc labor	\$ 8,000.00
OUTSIDE	
permit from city	\$ 800.00
repair concrete crack	\$ 1,000.00
outside permanent signage	\$ 3,000.00
parking lot and sidewalk	\$ 15,000.00
windows	\$ 8,000.00
siding / trim / paint exterior	\$ 4,000.00
lighting fixtures	\$ 2,000.00
locks / security	\$ 1,000.00
dumpster / demo	\$ 700.00
INSIDE UPSTAIRS	
bathroom remodel	\$ 2,500.00
trim work	\$ 1,000.00
electrical	\$ 10,000.00
interior wood / sheetrock	\$ 3,000.00
plumbing	\$ 500.00
paint / stain interior	\$ 2,000.00
flooring	\$ 4,000.00
telephone / intercom	\$ 1,000.00
DOWNSTAIRS	
renovate	\$ 2,000.00
paint	\$ 1,000.00
TOTAL	\$ 70,500.00

Item 6.

