



PLANNING COMMISSION MEETING AGENDA

Thursday, October 01, 2026

4:00 PM

CALL TO ORDER: Pursuant to due notice and call thereof a Regular Meeting of the Grand Rapids Planning Commission will be held on Thursday, October 1, 2026 at 4:00 PM in City Hall Council Chambers, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL:

APPROVAL OF MINUTES:

1. Consider approval of minutes from the September 3, 2026 regular meeting.

PUBLIC HEARINGS:

2. Conduct a Public Hearing to consider a variance petition submitted by DDC Properties LLC (Bloomers Garden Center).

GENERAL BUSINESS:

3. Consider adopting resolutions finding that two real estate acquisitions by the Grand Rapids Economic Development Authority are consistent with the Comprehensive Plan of the City of Grand Rapids.

PUBLIC INPUT:

Individuals may address the Planning Commission about any non-public hearing item or any item not included on the Regular Meeting Agenda. Speakers are requested to come to the podium, state their name and address for the record and limit their remarks to three (3) minutes.

MISCELLANEOUS:

REPORTS/ANNOUNCEMENTS/UPDATES:

ADJOURNMENT:

NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 5, 2026 AT 4:00 PM.

Hearing Assistance Available: This facility is equipped with a ready assistance system.

ATTEST: Aurimy Groom, Administrative Assistant



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

PLANNING COMMISSION MEETING MINUTES

Thursday, September 03, 2026

4:00 PM

Chair Bignall called the meeting to order at 4:00 p.m.

CALL OF ROLL:

PRESENT

Commissioner Betsy Johnson
Commissioner Paul Bignall
Commissioner David Kreitzer
Commissioner Amanda Lamppa
Commissioner Isaac Meyer
Commissioner Matt Maves

ABSENT

Commissioner David Marquardt

STAFF

Will Richter
Aurimy Groom
Rob Mattei

APPROVAL OF MINUTES:

1. Consider approval of minutes from the August 6, 2026 regular meeting.

Motion by Commissioner Lamppa, second by Commissioner Meyer to approve minutes from the August 6, 2026 regular meeting. The following voted in favor thereof: Maves, Meyer, Lamppa, Kreitzer, Bignall, Johnson. Opposed: None, motion passed unanimously.

GENERAL BUSINESS:

2. Consider a recommendation to the City Council on text amendments co-listing existing parts of the Municipal Code from Chapter 14 in Chapter 30 (Zoning Ordinance) and updating the section on driveway surfacing to ensure compliance with MPCA MS4 stormwater permit standards.

Mr. Richter provided a power point with the proposed text amendments. The first two amendments addressed the listing of retail cannabis in Table 30-512 and co-list the definition of cannabis retail businesses in 30-421. The third amendment provides updates to driveway surfacing standards in R-1 and R-2 zoning districts. A discussion ensued regarding the cost and

type of materials that could be used for driveway surfacing and adding some more language for clarification.

The Commissioners read the considerations for the record.

Item 1 List Retail Cannabis in Table 30-512.

1. Will the change affect the character of neighborhoods? Why/Why not?
No, it will not affect the character of the neighborhoods.
2. Would the change foster economic growth in the community? Why/Why not?
Yes, it will be adding another form of business.
3. Would the proposed change be in keeping with the spirit and intent of the ordinance?
Why/Why not? Yes, it is adding it to the table of permitted uses in the CBD and GB Zoning Districts.
4. Would the change be in the best interest of the general public? Why/Why not?
Yes, it will allow easy access to zoning information in the permitted uses table.
5. Would the change be consistent with the Comprehensive Plan? Why/Why not?
Yes, it is allowing for additional business growth in CBD and GB Zoning Districts.

Item 2 Co-list Definition of Cannabis Retail Businesses in 30-421.

1. Will the change affect the character of neighborhoods? Why/Why not?
No, it will not have an affect on the neighborhoods.
2. Would the change foster economic growth in the community? Why/Why not?
Yes, it would allow for future business.
3. Would the proposed change be in keeping with the spirit and intent of the ordinance?
Why/Why not? Yes, it will list the definition in the appropriate section.
4. Would the change be in the best interest of the general public? Why/Why not?
Yes, it will provide clarity for the public.
5. Would the change be consistent with the Comprehensive Plan? Why/Why not?
Yes, it is consistent with the Comprehensive Plan.

The Commissioners discussed item 3 and decided they would like more information on the item before forwarding a recommendation to the City Council.

Motion by Commissioner Meyer, second by Commissioner Lamppa to table item 3 Updating R-1 and R-2 Driveway Surfacing Standards. The following voted in favor thereof: Kreitzer, Maves, Lamppa, Bignall, Meyer, Johnson. Opposed: None, motion passed unanimously.

Motion by Commissioner Lamppa, second by Commissioner Meyer that, based on the findings of fact presented here today, and in the public's best interest, the Planning Commission does hereby forward a favorable recommendation to the City Council regarding draft amendments to

Sections 30-512 Table 1 (Permitted Uses) and 30-421 (Definitions). The following voted in favor thereof: Johnson, Meyer, Bignall, Lamppa, Maves, Kreitzer. Opposed: None, motion passed unanimously.

PUBLIC INPUT:

Individuals may address the Planning Commission about any non-public hearing item or any item not included on the Regular Meeting Agenda. Speakers are requested to come to the podium, state their name and address for the record and limit their remarks to three (3) minutes.

There was no input from the public.

REPORTS/ANNOUNCEMENTS/UPDATES:

Community Development Specialist Richter asked for volunteers to review setbacks from the findings of the Hwy 2 corridor study. Commissioner Meyer volunteered to work with staff on this project.

ADJOURNMENT:

There being no further business the meeting adjourned at 4:27 p.m.

PLANNING COMMISSION

Considerations

VARIANCE

1. Is this an "Area" variance rather than a "Use" variance?
2. Does the proposal put property to use in a *reasonable manner*?
Why/Why not-
3. Is the owner's plight due to circumstances which are unique to the property and which are not self-created by the owner?
Why/Why not-
4. Is the variance in *harmony with* the purposes and intent of the *ordinance*?
Why/Why not-
5. Will the variance, if granted, alter the *essential character* of the locality?
Why/Why not-
6. Is the variance *consistent with* the *comprehensive plan*?
Why/Why not-

**Petition for Variance**

Community Development Department
 420 North Pokegama Ave.
 Grand Rapids, MN 55744
 Tel. (218) 326-7601 Fax (218) 326-7621
 Web Site: www.grandrapidsmn.org

The undersigned do hereby respectfully request the following be granted by support of the following facts herein shown:

Bloomers Garden Center
 Name of Applicant*¹

1037 Golf Course Rd
 Address

Grand Rapids MN 55744
 City State Zip

218 326 0668 bloomersmn@yahoo.com
 Business Telephone/e-mail address

John Clark
 Name of Owner (If other than applicant)

Address

City State Zip

Business Telephone/e-mail address

*¹ If applicant is not the owner, please describe the applicant's interest in the subject property.

Parcel Information:

Tax Parcel # 91-029-1202

Property Size: 5.8 acres

Existing Zoning: Commercial Preferred Agr Zoning

Existing Use: Green house Garden Center

Property Address/Location: 1037 Golf Course Rd

Legal Description: _____
 (attach additional sheet if necessary)

I (we) certify that, to the best of my (our) knowledge, information, and belief, all of the information presented 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.

[Signature]
 Signature(s) of Applicant(s)

8-19-26
 Date

Signature of Owner (If other than the Applicant)

Date

Office Use Only

Date Received 8/21/26 Certified Complete _____ Fee Paid _____

Planning Commission Recommendation: Approved _____ Denied _____ Meeting Date _____

Summary of Special Conditions of Approval: _____

Required Submittals:

- ☒ Application Fee - \$252.50 *2
- ☒ Site Map- Drawn to scale, showing the property dimensions, existing and proposed, building(s)/addition(s) and their size(s) including: square footage, curb cuts, driveways, access roads, parking spaces, sidewalks and wells & septic systems.

**2The application fees charged are used for postage to mail the required notices to adjacent properties, publication of the public hearing notice in the Grand Rapids Herald Review, and for a small portion of staff time for case review and preparation of documents. It is the policy of the City of Grand Rapids to require applicants for land use approvals to reimburse the City for costs incurred by the City in reviewing and acting upon applications, so that these costs are not borne by the taxpayers of the City.*

Proposed Variance:

- A. Please describe in detail the proposed or requested variance:

2 EA NEW GREENHOUSES

64' IN LENGTH X 30' WIDE

AN EXTENSION OF EXISTING LAYOUT

- B. Provide an itemization of the required regulations pertaining to this variance (i.e., setback lines, lot coverage ratios, parking requirements).

50' OFF PROPERTY LINE 30-3/2 TABLE 'B'

EXISTING GREENHOUSES ARE ~26' OFF LOT LINE

Justification of Requested Variance: Provide adequate evidence indicating compliance with the following provisions of the ordinance concerning variances (Section 30-453(e) "Findings for Variances"). Detailed answers are needed because the Planning Commission shall grant a variation only when they have determined, and recorded in writing, that all of the following provisions have been met.

- A. That the requested variance does not allow a use that is otherwise excluded from the particular zoning district in which it is requested.

Applicant justification (refer to Table of Uses in City Code Section 30-512):

WE ARE NOT CHANGING THE EXISTING USE. WE NEED THE VARIANCE SO WE DON'T HAVE TO CUT DOWN TREES OR ALTER THE CURRENT LAYOUT OF THE BUSINESS

B. Does the proposal put property to use in a reasonable manner?

Applicant justification - Describe how your situation applies to the above statement:

THE NEW GREENHOUSES ARE AN EXTENSION
OF EXISTING GREENHOUSES BASE ON OUR
FUTURE PLAN. THE AREA WAS GRANTED/DEVELOPED
APPROXIMATELY 15 YEARS AGO - FOR FUTURE HOUSES

C. The plight of the landowner is due to circumstances unique to the property in question, and not created by the landowner subsequent to the adoption of this ordinance.

Applicant justification - Describe how your situation applies to the above statement:

THE SETBACK REGULATIONS LEAVE US NO OPTIONS.
NEW HOUSES ARE JUST AN EXTENSION

D. That the variance, if granted, shall be in harmony with purposes and intent of the ordinance, and will not be detrimental to the public welfare or the property or improvements in the neighborhood, and will not alter the essential character of the locality.

Applicant justification - Describe how your situation applies to the above statement:

THE NEW GREENHOUSES WILL BE VIRTUALLY INVISIBLE
TO ALL LANDOWNERS AND WILL NOT ADD ANY
NOISE.

THERE IS A SOIL POND TO THE NORTH THAT HAS BEEN
KEPT HEAVILY PLANTED WITH TREES JUST FOR THIS
PURPOSE.

E. That the variance, if granted, shall be consistent with the comprehensive plan.

Applicant justification - Describe how your situation applies to the above statement:

THIS PROJECT PROMOTES COMMERCIAL DEVELOPMENT
THAT SERVES THE GRAND RAPIDS AND SURROUNDING
COMMUNITIES

City Process:

1. Applicant submits a completed application to the Grand Rapids Community Development Department by the 15th of the month.
2. Review by staff for completeness of application.
3. Notification of adjoining property owners.
4. Publish Notice of Public Hearing.
5. Prepare Staff Report and background information.
6. Public Hearing and action at Planning Commission Meeting (First Thursday of each month).

Findings for Approval:

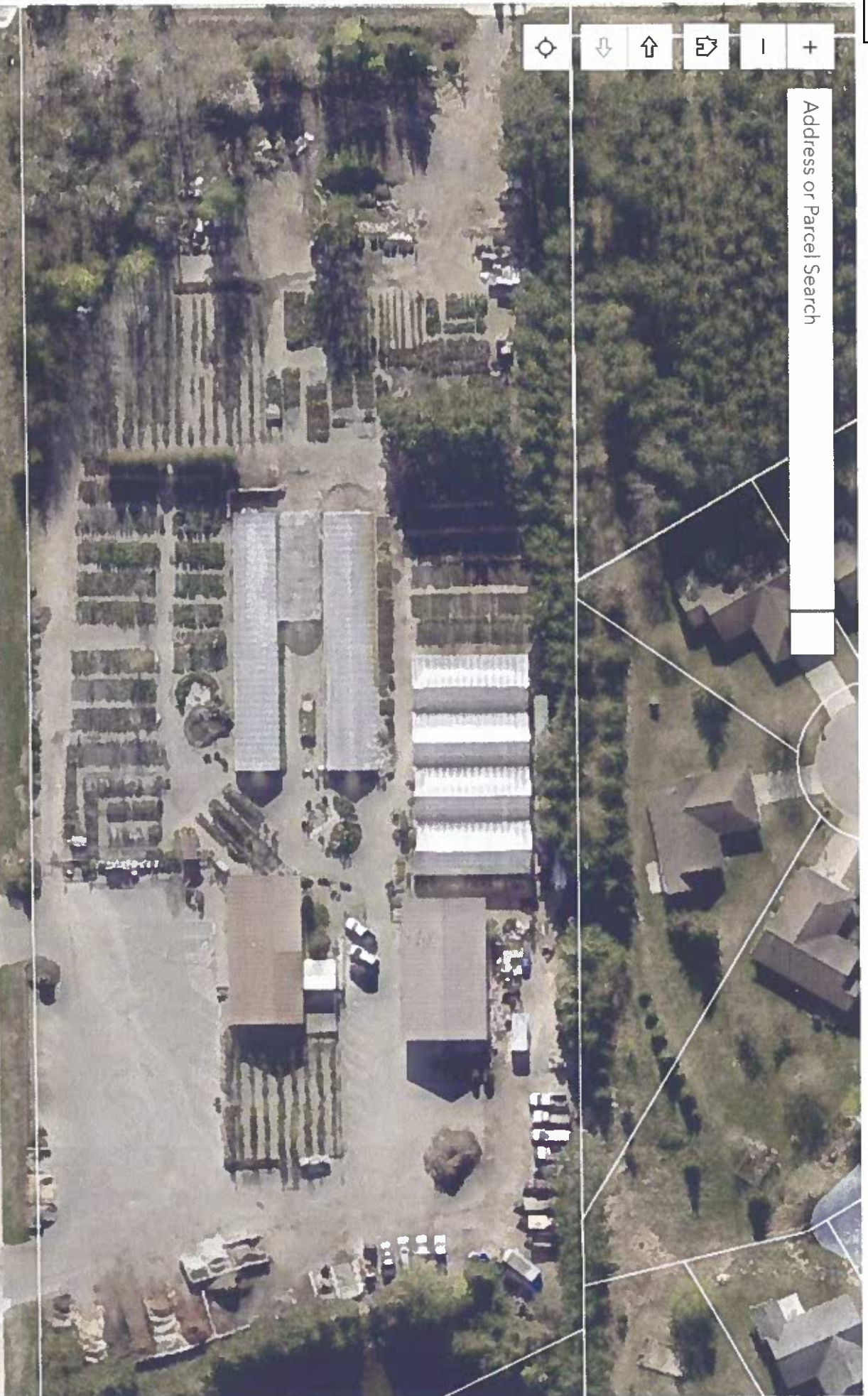
The Planning Commission, in support of its action, will make findings of fact based on their responses to the following list of considerations:

- Is this an "Area" variance rather than a "Use" variance?
- Does the proposal put property to use in a reasonable manner?
- Are there unique circumstances to the property not created by the landowner?
- Is the variance in harmony with the purposes and intent of the ordinance?
- Will the variance, if granted, alter the essential character of the locality?
- Is the variance consistent with the comprehensive plan?

INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

More information may be requested by the City of Grand Rapids Planning Commission, if deemed necessary to properly evaluate your request. The lack of information requested may be in itself sufficient cause to deny an application.

Address or Parcel Search



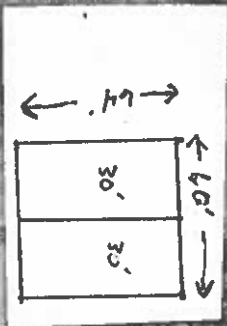
100 ft

23

23

Itasca County GIS Viewer

Address or Parcel Search



100 ft

23

23

Itasca County
Golf Course Rd
Powered by Esri

Questions or Comments



Planning Commission Staff Report

Variance	Community Development Department	Date: 10/1/26
Statement of Issue:	Conduct a Public Hearing to consider a variance petition submitted by Bloomers Garden Center.	
Background:	DDC Properties LLC (Bloomers Garden Center) has applied for a variance, which if granted, would allow for the construction of two greenhouses 20' into the required 50' rear yard setback for accessory structures in Agricultural (AG) zoning. The subject property is 1037 Golf Course Rd. The subject property is legally described as: <i>THAT PT OF NW NE LESS THE N 990' THEREOF & LESS THE PLAT OF BAKER ADDITION to Grand Rapids, Itasca County, Minnesota.</i> Section 30-312 Table 2B requires a 50' setback from all property lines for accessory structures in Agricultural (AG) zoning. Additionally, accessory structures in AG zoning must be setback 75' if located in a front or side yard. The greenhouses are proposed for construction in a rear yard. The requested variance, if approved, would allow a one-time waiver of the requirements of Section 30-312 Table 2B District Development Regulations Accessory Structures to construct two greenhouses 20' into the required 50' setback.	
Considerations:	When reviewing a request for a variance, the Planning Commission must make findings based on the attached list of considerations.	
Recommendation:	Staff recommends that the Planning Commissioners visit the site and look at the situation. Prior to making a motion to approve or deny the request, the Planning Commission should make specific findings to support its recommendation and reference those specific findings in their motion to either approve or deny the variance(s).	
Required Action:	Approve a motion to either: approve, approve with additional conditions, or deny the petitioned variance. <u>Example Motion:</u>	

	Motion by _____, second by _____ that, based on the findings of fact presented here today, and in the public's best interest, the Planning Commission does hereby (grant)(deny) the following variance to DDC Properties LLC for the property legally described above/within Staff Report. • to allow a one-time waiver of the requirements of Section 30-312 Table 2B District Development Regulations Accessory Structure to allow for construction of two greenhouses 20' into the required 50' setback. <i>(If the Planning Commission wishes to place conditions upon their approval, the following should be added to the motion:)</i> •
Attachments:	• Site Map • Copy of the variance petition and associated documentation • List of the Planning Commissions Variance Considerations



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Variance Request:

DDC Properties LLC (Bloomers Garden Center)

Located at: 1037 Golf Course Rd.

October 1, 2026



Variance Request

- **Petitioner: DDC Properties LLC (Bloomers Garden Center).**
- **Filing Date: August 21, 2026**
- **Requested Variances: allow a one-time waiver of the requirements of District Development Regulations
Accessory Structures – Minimum Yard Setbacks**
- **Relevant portions of Zoning Ordinance: Section 30-312 Table 2B**



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Variance Request

Table 2B District Development Regulations Accessory Structures

MINIMUM YARD SETBACKS

ZONE	FRONT	INTERIOR SIDE	STREET SIDE ¹	REAR	MAXIMUM HEIGHT
RR	30 ²	15	30 ²	30	25
R-1	30	6	15	10	18 ³
R-1a	30	6	15	10	18 ³
R-2	30	6	15	10	18 ³
R-3	30	6	15	10	18
R-4	30	6	30	10	18
LB	30	10	15	15	18
GB	30	10	15	10	18
CBD	N/A				30
MU	30	10	15	15	18
M	30	10	15	15	18
RC	50	25	25	25	35
BP	50	15	25	15	30
I-1	50	25	25	25	40
I-2	50 ⁴	25	25 ⁴	25	60
CD	50	50	50	50	40
PU	30	10	15	30	18
AG	50 ²	50	50 ²	50	60
AP	50	50	50	50	N/A



CITY OF
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Variance Request

Petition for Variance
Community Development Department
400 North Independence Ave.
Grand Rapids, MN 55745
Tel: (218) 326-7601 Fax: (218) 326-7601
Web Site: www.grandrapids.org

The undersigned do hereby respectfully request the following be granted in support of the following facts herein stated:

Name of Applicant: Bloomers Garden Center Name of Owner (if other than applicant): John Clark
Address: 1037 Gulf Course Rd
City: Grand Rapids, MN State: 55744
City: _____ State: _____ Zip: _____
Business Telephone/e-mail address: 218 326 0668 bloomersgarden@yahoo.com Business Telephone/e-mail address: _____

* If applicant is not the owner, please describe the applicant's interest in the subject property.

Parcel Information:
Tax Parcel #: 91-029-1202 Property Size: 5.8 ACRES
Existing Development: GREENHOUSE / Planned Air Farming
Existing Use: GREENHOUSE Garden Center
Property Address/Location: 1037 Gulf Course Rd
Legal/Description: _____
(which additional sheet if necessary)

I/we certify that, to the best of my/our knowledge, information, and belief, all of the information presented in this application is accurate and complete and includes all required information and materials, and that I consent to allow upon the subject property by police officers, employees, and agents of the City of Grand Rapids seeking to view the site for purposes of processing, evaluating, and deciding upon this application.

Signature(s) of Applicant(s): [Signature] Date: 8-17-26
Signature of Owner (if other than the Applicant): _____ Date: _____

Office Use Only
Date Received: 8/21/26 - Certified Complete _____ Fee Paid _____
Planning Commission Recommendation: _____ Approved: _____ Denied: _____ Hearing Date: _____
Summary of Special Conditions of Approval: _____

City of Grand Rapids Variance Application Page 1 of 2



CITY OF
GRAND RAPIDS
ITS IN MINNESOTA'S NATURE

Variance Request

Required Submittals:

☒ Application Fee - \$211.00 ¹

☒ Site Plan: Drawn to scale, showing the property dimensions, existing and proposed, building(s)/condition(s) and their siting including: square footage, curb cuts, driveways, access roads, parking spaces, sidewalks and wells & septic systems.

¹The application fees charged are used for postage to mail the required notices to affected properties, publication of the public hearing notice in the Grand Rapids Herald Review, and for a small portion of staff time for case review and preparation of documents. It is the policy of the City of Grand Rapids to require applicants for best use approvals to reimburse the City for costs incurred by the City in reviewing and acting upon applications, so that these costs are not borne by the taxpayers of the City.

Proposed Variance:

A. Please describe in detail the proposed or requested variance:

2 BR. NEW GREENHOUSE
64' ON LOT 10 X 30' LOT 10
AN EXTENSION OF EXISTING LAYOUT

B. Provide an itemization of the required regulations pertaining to this variance (i.e., setbacks, lot coverage ratios, parking requirements).

SET OFF PROPERTY LINE 20-30' TANG. 'B'
EXISTING GREENHOUSE ARE 40-20' OFF LOT LINE

Justification of Requested Variance: Provide adequate evidence indicating compliance with the following provisions of the ordinance concerning variances (Section 39-4330) "Findings for Variances". Detailed answers are needed because the Planning Commission shall grant a variance only when they have determined, and recorded in writing, that all of the following provisions have been met:

A. That the requested variance does not allow a use that is otherwise excluded from the particular zoning district in which it is requested.

Applicant Justification [refer to Table of Uses in City Code Section 39-512]:

WE ARE NOT CHANGING THE EXISTING USE - we
NEED THE VARIANCE SO WE DON'T HAVE TO
CUT DOWN TREES OR ALTER THE CURRENT
LAYOUT OF THE BUSINESS

City of Grand Rapids Variance Application Form 2 of 4



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Variance Request

B. Does the proposed use properly fit the property in a reasonable manner?

Applicant justification - Describe how your situation applies to the above statement:
THE NEW GREENHOUSE ARE AN EXTENSION
OF EXISTING GREENHOUSE BUILT ON ONE
FOOTED PLOTS. THE AREA WAS GRADUALLY
APPROXIMATELY 15 YEARS AGO - FOR F-1000 PLANT.

C. The plight of the landowner is due to circumstances unique to the property in question, and not created by the landowner subsequent to the adoption of this ordinance.

Applicant justification - Describe how your situation applies to the above statement:
THE EXISTING REQUIREMENTS LEAVE US NO CHOICE.
NEW HOUSE ARE JUST AN EXTENSION

D. That the variance, if granted, shall be in harmony with purposes and intent of the ordinance, and will not be detrimental to the public welfare in the property or improvements in the neighborhood, and will not alter the essential character of the locality.

Applicant justification - Describe how your situation applies to the above statement:
THE NEW GREENHOUSES WILL BE VISIBLELY INVOLVED
IN AN ENVIRONMENT AND WILL NOT ADD ANY
HARM.
THERE IS A SOIL PILE IN THE MIDDLE THAT HAS BEEN
LEFT NEARLY BLINDING WITH TREES JUST AS THIS
PURPOSE

E. That the ordinance, if granted, shall be consistent with the comprehensive plan.

Applicant justification - Describe how your situation applies to the above statement:
THE PLANNED PROGRAMS GRANTING DEVELOPMENT
THAT SHELTERS THE GRADUALLY AND SURRENDERING
GRADUALLY



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Variance Request

City Process: 1. Applicant submits a completed application to the Grand Rapids Community Development Department by the 15th of the month. 2. Review by staff for completeness of application. 3. Notification of adjoining property owners. 4. Publish notice of Public Hearing. 5. Prepare Staff Report and background information. 6. Public Hearing and action at Planning Commission Meeting (first Thursday of each month).
Findings for Approval: The Planning Commission, in support of its action, will make findings of fact based on their responses to the following list of considerations: • Is this an "Area" variance rather than a "Use" variance? • Does the proposal fit properly to use in a reasonable manner? • Are there unique circumstances to the property not created by the landowner? • Is the variance in harmony with the purposes and intent of the ordinance? • Will the variance, if granted, alter the essential character of the locality? • Is the variance consistent with the comprehensive plan?
INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED More information may be requested by the City of Grand Rapids Planning Commission, if deemed necessary to properly evaluate your request. The lack of information requested may be in itself sufficient cause to deny an application.



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Item 2.

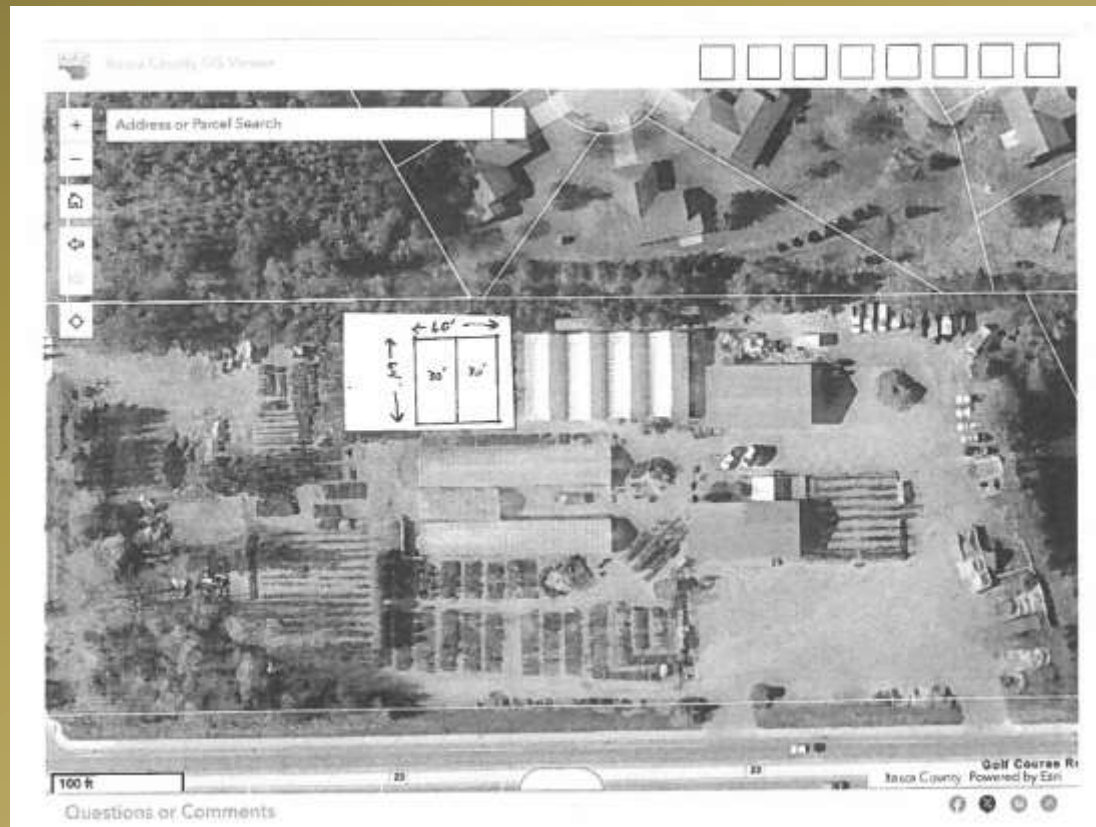
Variance Request





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Variance Request



Variance Request

Item 2.



Planning Commission Variance Considerations:

PLANNING COMMISSION

Considerations

VARIANCE

1. Is this an "Area" variance rather than a "Use" variance?
2. Does the proposal put property to use in a *reasonable manner*?
Why/Why not-
3. Is the owner's plight due to circumstances which are unique to the property and which are not self-created by the owner?
Why/Why not-
4. Is the variance in *harmony with* the purposes and intent of the ordinance?
Why/Why not-
5. Will the variance, if granted, alter the *essential character* of the locality?
Why/Why not-
6. Is the variance *consistent with* the *comprehensive plan*?
Why/Why not-



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Item 2.

Questions?



CITY OF
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REQUEST FOR PLANNING COMMISSION ACTION

AGENDA DATE: October 1, 2026

AGENDA ITEM: Consider adopting resolutions finding that two real estate acquisitions by the Grand Rapids Economic Development Authority are consistent with the Comprehensive Plan of the City of Grand Rapids.

PREPARED BY: Will Richter, Zoning Administrator

BACKGROUND:

The Grand Rapids Economic Development Authority (GREDA) has an agreement to purchase the former Ben's Bait site and a 39' x 143' strip of land adjacent to the north boundary. The purpose of these acquisitions is to facilitate redevelopment of the site and provide adequate space to develop parking for the future use. Thus far, GREDA has taken several actions to preserve the option of Tax Increment Financing (TIF) as a redevelopment tool at this site, including:

Adopting a resolution authorizing an internal loan for advance of certain cost eligible to be reimbursed from TIF.

Initiating the process declaring that the structure at 533 NW 4th St is structurally substandard.

Reserving the option of using TIF as a redevelopment tool at this site – in conformity with TIF Act (State law) - requires the Planning Commission to make a finding that real property acquisitions are consistent with the Comprehensive Plan.

A link to the City of Grand Rapids Comprehensive Plan is here:

<https://cityofgrandrapidsmn.com/development/page/grow-grand-rapids-2040-comprehensive-plan>

The Zoning Administrator and Planning Commission Chair have identified Chapter 4 (Land Use), Goal 1 – subpoint (f) as the most relevant section to review when considering a finding:

f. Stage new development, redevelopment, and expansion of the City's urban service area.

Redevelopment opportunities continue to be a focus area for development within the community, supporting specific active planning for redevelopment opportunities to ensure growth that supports the surrounding area. The Future Land Use Map identifies desired land use and growth areas for the future of the community. Redevelopment and infill development should have preference over development on greenfield sites within the City and especially areas that will require expansion of City services. Expansion of commercial areas should only occur when market opportunities within existing commercial nodes are limited. Meaningful staging will also require working with surrounding communities (adjacent townships and cities) to ensure a cohesive land use pattern for the region. Development opportunities include:

Greenfield development is development of agricultural fields or natural areas within new growth areas. The availability of large tracts of undeveloped land and lower investment costs make greenfield development attractive to developers.

Infill refers to new construction on vacant properties or underutilized areas, such as parking lots, which are located within the existing urban fabric.

Redevelopment likewise refers to new construction within the existing urban fabric, but generally also implies the demolition of obsolete structures and/or the remediation of contaminated sites. Redevelopment is not always cost-effective, but it has the potential to be transformative.

Adaptive reuse refers to repurposing obsolete or under-performing structures for viable use, which supports the City's sustainability goals. It can also be an effective strategy for historic preservation.

Infill, redevelopment, and adaptive reuse provide a contrast to greenfield development by helping to preserve productive farms, forests, and rural character on the urban fringe. They also reduce the public cost of providing infrastructure and services to development, strengthen access and connectivity, and improve the aesthetics of existing neighborhoods. These types of projects continue to be an area of focus for Grand Rapids.

REQUESTED PLANNING COMMISSION ACTION:

Make a motion to adopt resolutions finding that two real estate acquisitions by the Grand Rapids Economic Development Authority are consistent with the Comprehensive Plan of the City of Grand Rapids.

462.356 PROCEDURE TO EFFECT PLAN: GENERALLY.

Subdivision 1. **Recommendations for plan execution.** Upon the recommendation by the planning agency of the comprehensive municipal plan or sections thereof, the planning agency shall study and propose to the governing body reasonable and practicable means for putting the plan or section of the plan into effect. Subject to the limitations of the following sections, such means include, but are not limited to, zoning regulations, regulations for the subdivision of land, an official map, a program for coordination of the normal public improvements and services of the municipality, urban renewal and a capital improvements program.

Subd. 2. **Compliance with plan.** After a comprehensive municipal plan or section thereof has been recommended by the planning agency and a copy filed with the governing body, no publicly owned interest in real property within the municipality shall be acquired or disposed of, nor shall any capital improvement be authorized by the municipality or special district or agency thereof or any other political subdivision having jurisdiction within the municipality until after the planning agency has reviewed the proposed acquisition, disposal, or capital improvement and reported in writing to the governing body or other special district or agency or political subdivision concerned, its findings as to compliance of the proposed acquisition, disposal or improvement with the comprehensive municipal plan. Failure of the planning agency to report on the proposal within 45 days after such a reference, or such other period as may be designated by the governing body shall be deemed to have satisfied the requirements of this subdivision. The governing body may, by resolution adopted by two-thirds vote dispense with the requirements of this subdivision when in its judgment it finds that the proposed acquisition or disposal of real property or capital improvement has no relationship to the comprehensive municipal plan.

History: 1965 c 670 s 6



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: July 23, 2026

STATEMENT OF ISSUE: Consider adopting a resolution approving the acquisition of certain property owned by Glenna and John Kellin and approving the purchase agreement.

PREPARED BY: Rob Mattel, Executive Director

BACKGROUND:

The property located at 533 NW 4th St. (aka former Ben's Bait) has been for sale for several years. The building, which was built in 1940, is 3,340 sq. ft., and the parcel is 75'x143' (10,725 sq. ft.) Itasca County's assessed value of the building is \$50,500, and the land is valued at \$119,000, for a total EMV of \$169,500.

The property is a brownfield site. The sites contaminants were analyzed and documented by a Phase I and Phase II environmental study. The owner has indicated that they received an assurance letter from the MPCA, to protect a future owner from any liability.

In addition to the challenge of environmental conditions, the structure and parking area has fallen into a blighted state of disrepair. During our public engagement efforts in the *Highway 2 Land Use and Development Study*, this building was a source of great concern.

To advance the goal of encouraging new investment in the Hwy. 2 corridor and given the challenges this site presents, it is advisable for GREDA to purchase this site and lead the effort of removing the structure so that the site can be sold to a future new commercial development.

The general terms of the proposed purchase agreement are:

- Purchase Price: \$150,000
- Earnest Money: \$5,000
- Closing: Withing 60 days
- Contingency: Buyer's ability to purchase adjacent strip of land to the north.
- Seller seals well.

RECOMMENDATION:

REQUIRED ACTION: Make a motion to adopt a resolution approving the acquisition of certain property owned by Glenna and John Kellin and approving the purchase agreement.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

RESOLUTION APPROVING THE ACQUISITION OF CERTAIN PROPERTY OWNED BY GLENNA AND JOHN KELLIN AND APPROVING THE PURCHASE AGREEMENT

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

Section 1. Recitals.

1.01. The Authority has established its Development District No. 1 (the "Development District") within the City of Grand Rapids, Minnesota (the "City").

1.02. The Authority desires to acquire certain property owned by Glenna and John Kellin (collectively, the "Seller"), located in the City, and legally described as set forth in Exhibit A attached hereto (the "Property").

1.03. In connection with purchasing the Property from Seller, the Authority wishes to enter into that certain Purchase Agreement between the Authority and the Seller for the purchase and sale of the Property (the "Purchase Agreement") in substantially the form presented to the Board.

1.04. The Board held a duly noticed public hearing regarding the proposed acquisition of the Property.

1.05. The Board has determined that the acquisition of the Property is in the best interest of the City and its residents.

Section 2. Purchase of Property Approved; Further Proceedings.

2.01. The Board approves the Purchase Agreement in substantially the form presented to the Board, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications, or consents referenced in or attached to the Purchase Agreement including without limitation the deed and any documents required by the title company relating to the acquisition of the Property (the "Conveyance Documents"). The Board hereby approves the acquisition of the Property from the Seller in accordance with the terms of the Purchase Agreement.

2.02. The Board hereby authorizes the President and Executive Director, in their discretion and at such time, if any, as they may deem appropriate, to execute the Conveyance Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the Authority's obligations thereunder when all conditions precedent thereto have been satisfied provided that the closing statement and closing certificates may be signed solely by the Executive Director. The Conveyance Documents shall be in substantially the form on file with the Authority and the approval hereby given to the Conveyance 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 Conveyance Documents shall not be effective until the date of execution thereof as provided herein.

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

Approved by the Board of Commissioners of the Grand Rapids Economic Development Authority this _____ day of _____, 2026.

President

ATTEST:

Secretary

EXHIBIT A

Legal Description of Property

Address: 533 NW 4th Street, Grand Rapids, Minnesota

PID: 091-420-1940

Legal Description: Lots 13-15, Block 19, Grand Rapids 2nd Division, Section 20, Township 55, Range 25

PURCHASE AGREEMENT

This Purchase Agreement ("Agreement") is made this _____ day of _____, 2026, by and between Glenna M. Kellin and John Kellin, a married couple (collectively, "Seller"), and the Grand Rapids Economic Development Authority, a public body politic and corporate under the laws of the State of Minnesota ("Buyer").

1. **PROPERTY.** Seller is the owner of property located at 533 NW 4th Street, in the City of Grand Rapids, Minnesota, consisting of approximately 0.2 acres (10,725 square feet +/-) as determined by an ALTA survey (the "Survey"), which is legally described on the attached Exhibit A ("Property").

2. **OFFER/ACCEPTANCE.** In consideration of and subject to the terms and provisions of this Agreement, Buyer offers and agrees to purchase and Seller agrees to sell and hereby grants to Buyer the exclusive right to purchase the Property and all improvements thereon, together with all appurtenances. All fixtures, improvements, and personal property located on the Property on the date of this Agreement are included in the purchase of the Property.

3. PURCHASE PRICE FOR PROPERTY AND TERMS.

a. **PURCHASE PRICE:** The total purchase price for the Property is: One Hundred Fifty Thousand and no/100 Dollars (\$150,000.00), based upon \$13.99 per square foot of land ("Purchase Price"). The Purchase Price is predicated upon the assumption that the Property consists of 10,725 square feet, +/- . "Square Feet" shall mean the gross square footage of the Property less existing dedicated roads and easements and areas classified as waterways. The Purchase Price may be adjusted based upon final determination of the Square Feet as shown on the Survey.

b. TERMS:

i. **Earnest Money.** The sum of Five Thousand and no/100 Dollars (\$5,000.00) earnest money (the "Earnest Money") shall be deposited into an escrow account by Buyer with The Title Team (the "Title Company") within five (5) business days after mutual execution of this Agreement. The Earnest Money shall become nonrefundable upon expiration of the Due Diligence Period, as extended pursuant to Section 7, unless there is a breach of this Agreement by the Seller or Seller is unable to deliver marketable title to the Property. In the event that Seller breaches the terms of this Purchase Agreement or Buyer shall terminate this Agreement prior to expiration of the Due Diligence Period (as hereinafter defined), the Title Company shall refund the Earnest Money to the Buyer within three (3) business days.

ii. **Balance Due to Seller.** Buyer agrees to pay by check or wire transfer on the Closing Date (as hereinafter defined) the remaining balance due on the Purchase Price according to the terms of this Agreement.

4. **DEED/MARKETABLE TITLE:** Seller agrees to execute and deliver a General Warranty Deed conveying marketable fee simple title to the Property to Buyer, free and clear of

any mortgages, liens or encumbrances, subject only to the following exceptions:

- i. Building and zoning laws, ordinances, state and federal regulations;
- ii. Reservation of minerals or mineral rights to the State of Minnesota, if any;
- iii. The lien of real estate taxes and special assessments not yet due and payable;
- iv. Public utility and drainage easements of record which will not interfere with Buyer's intended use of the Property; and
- v. Other matters created by or acceptable to or waived by Buyer pursuant to Section 8 below.

5. **DOCUMENTS TO BE DELIVERED AT CLOSING BY SELLER.** In addition to the General Warranty Deed required at Section 3 above, Seller shall deliver to Buyer at closing:

- a. An affidavit from Seller sufficient to remove any exception in Buyer's policy of title insurance for mechanics' and materialmens' liens arising due to the act or omission of Seller and rights of parties in possession;
- b. A Bill of Sale, Assignment and Assumption, in the form attached hereto as Exhibit B;
- c. A "bring-down" certificate, certifying that all of the warranties made by Seller in this Agreement remain true as of the Closing Date;
- d. Affidavit of Seller confirming that Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code;
- e. A well disclosure certificate and a statement that Seller does not know of any wells on the Property other than the well disclosed in the well disclosure certificate;
- f. Any notices, certificates, and affidavits regarding any private sewage systems, underground storage tanks, and environmental conditions as may be required by state or federal statutes, rules or regulations; and
- g. Any other documents reasonably required by Buyer's title insurance company or attorney to evidence that title to the Property is marketable and that Seller has complied with the terms of this Agreement.

6. **CONTINGENCIES.** Buyer's obligation to purchase the Property is contingent upon the following (collectively, "Buyer's Contingencies"):

- a. Approval of this Purchase Agreement by Buyer's governing body;

- b. Buyer shall have confirmed satisfactory condition of title;
- c. Buyer shall have received a satisfactory ALTA/ACSM survey of the Property and improvements, if any (at Buyer's sole cost and expense);
- d. Buyer shall have received satisfactory environmental reports including, but not limited to, a Phase I report and all necessary closure and no association letters from respective government agencies, if applicable (at Buyer's sole cost and expense) and is satisfied with the condition of the Property;
- e. Buyer shall have confirmed that the geotechnical characteristics of the Property are satisfactory, based on soil borings to be taken and analyzed by Buyer's geotechnical consultant (at Buyer's sole cost and expense);
- f. Buyer's ability to contemporaneously purchase the parcel adjacent to the Property in the City located as described in Exhibit C attached hereto along with satisfactory cross access and other appropriate easements benefiting both parcels, on or before the Closing Date; and
- g. Buyer's determination of marketable title pursuant to Section 8 of this Agreement.

7. DUE DILIGENCE.

a. **Due Diligence Period.** Buyer shall have one hundred twenty (120) days from the date of this Agreement to satisfy or waive the foregoing contingencies (the "Due Diligence Period"). These contingencies are solely for the benefit of Buyer and may be waived by Buyer. If Buyer determines, in its sole discretion, that any of Buyer's Contingencies have not been satisfied, Buyer shall have the right to terminate this Agreement and receive a full refund of any earnest money paid. Buyer reserves the right to waive any and all Buyer's Contingencies. If all contingencies are duly satisfied or waived, Buyer or its attorney shall give written notice to Seller thereof prior to the expiration of the Due Diligence Period, and Buyer and Seller shall proceed to close the transaction as contemplated herein.

b. **Due Diligence Period Extension.** Buyer shall have the right to extend the Due Diligence Period with written notice to Seller for up to an additional sixty (60) days if necessary to obtain all necessary governmental approvals. If the extension of the Due Diligence Period is exercised, the Earnest Money will become non-refundable.

c. **Seller's Due Diligence Deliverables.** The Seller shall provide the Buyer with the following, to the extent available and in Seller's possession or control: (1) any existing surveys; (2) any existing property condition assessments, (3) any existing Phase I and Phase II environmental assessments; (4) information regarding any underground or above ground storage tanks on the Property; and (5) any title commitments previously obtained by the Seller for the Property (collectively defined as the "Deliverables"). The Seller shall deliver the requested Deliverables to the Buyer within five business days of mutual execution of this Agreement. Buyer hereby acknowledges that, except as expressly set forth in this Agreement, Seller has not made nor

makes any warranty or representation regarding the truth, accuracy or completeness of the Deliverables or the source(s) thereof. Seller expressly disclaims any and all liability for representations or warranties, express or implied, statements of fact and other matters contained in such Deliverables, except for statements of fraud or misrepresentations expressly made by Seller in such Deliverables. Buyer shall rely solely upon its own investigation with respect to the Property, including, without limitation, the Property's physical, environmental or economic condition, compliance or lack of compliance with any ordinance, order, permit or regulation or any other attribute or matter relating thereto. Seller has not undertaken any independent investigation as to the truth, accuracy or completeness of the Deliverables and is providing the Deliverables solely as an accommodation to Buyer.

d. **Buyer's Inspections.** The Buyer shall be responsible for the costs of any environmental assessments and inspections and Buyer may enter the Property to conduct such assessments and inspections. Buyer shall (i) keep the Property free of any liens or third-party claims resulting from such assessments and inspections and/or from any other investigations, inspections, studies or testing of Property conducted by or on behalf of Buyer under the terms of this Agreement; (ii) defend, indemnify and hold Seller harmless from and against any and all liability, damages, claims, causes of action, costs or other expenses, including without limitation reasonable attorney's fees, paid, incurred or asserted against Seller in connection with any such liens or third-party claims and/or for injuries to or death of persons or damage to property arising from or caused by Buyer's entry onto the Property or the conduct of Buyer, its agents, employees and contractors in connection with the exercise by Buyer of the rights hereunder; provided, however, Buyer shall not be liable to Seller for any loss or damages caused by Seller, or Seller's agents', contractors' or employees' negligence; and (iii) if the Closing does not occur for any reason, fully restore the Property to its condition immediately before such exercise.

e. **Termination Right.** If Buyer or its attorney gives written notice to Seller prior to the expiration of the Due Diligence Period that one or more of the contingencies is not satisfied, or is not satisfied within the Due Diligence Period, and is not waived by Buyer, this Agreement shall thereupon be void at the written option of Buyer, and the title company shall return the Earnest Money to Buyer, and Buyer and Seller shall execute and deliver to each other documentation effecting the termination of this Agreement. Buyer shall also deliver to Seller copies of all documentation gathered during the Due Diligence Period, including without limitation all survey, environmental or soil tests. As a contingent Purchase Agreement, the termination of this Agreement pursuant to this Section 7 is not required pursuant to Minnesota Statutes Section 559.21, et. seq.

8. **TITLE EXAMINATION/CURING TITLE DEFECTS.** Buyer shall, at its expense and within a reasonable time after Seller's acceptance of this Agreement, obtain a commitment for title insurance ("Commitment") for the Property. The Buyer shall have 14 days from the date of receipt of the title commitment to make any objections to title to the Seller. The Seller shall have 10 days to confirm whether it will be able to remove the objections on or prior to closing and if not, which of the objections it is unwilling to remove, provided, however, the Seller must satisfy any mortgages, monetary liens, or other monetary encumbrances arising due to the act or omission of Seller on or prior to the Closing Date. The Buyer shall have five days from the date of the Seller's response to either waive its title objections which the Seller is unwilling to

remove or to terminate the Purchase Agreement. If Buyer has failed to affirmatively elect to terminate this Agreement within said five day period, Buyer shall be conclusively deemed to have elected to have waived its title objections and Buyer and Seller shall proceed to close the transaction as contemplated herein, without any abatement or reduction in the Purchase Price on account thereof.

9. ENVIRONMENTAL INVESTIGATIONS. Buyer acknowledges that it has been authorized by Seller to enter the Property and conduct environmental and engineering investigations of the Property, subject and in accordance with the provisions of Section 7 and Section 14.

10. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS. Seller shall pay all real estate taxes, interest and penalties, if any, relating to the Property for the years prior to the year of closing. Provided that this transaction shall close as provided herein, Buyer agrees to pay taxes for the year following the year of closing and all taxes for years thereafter. Seller and Buyer shall prorate all taxes for the year of closing based on the Closing Date. Seller acknowledges that there are no current or pending special assessments on the Property. To the extent there are any current or pending special assessments, including any assessment due and payable upon commencement of ownership, Seller shall be obligated to pay said assessments in full as of the Closing Date.

11. CLOSING. The date of closing shall be within sixty (60) days after satisfaction or waiver of all Buyer's Contingencies provided that in no event may the closing occur after 120 days from the date hereof ("Closing Date"). Delivery of all papers and the closing shall be made at the offices of the Title Company or at such other location as is mutually agreed upon by the parties. All deliveries and notices to Buyer shall be made as provided in Section 17 of this Agreement. The Buyer shall be responsible for the following closing costs: (1) recording fees and charges related to the filing of the deed; (2) all premiums required for the issuance of a title insurance policy and any endorsements; (3) one-half of the closing fee charged by the Title Company; (4) the cost of the Title Commitment and any title search and examination fees; and (5) its own legal and accounting fees associated with this transaction. The Seller shall be responsible for the following closing costs: (1) all recording fees and charges relating to the filing of any instrument required to make title marketable, subject and in accordance with the provisions of Section 8; (2) any Minnesota state deed tax, conservation fee, or other federal, state, or local documentary or revenue stamps or transfer tax with respect to the deed to be delivered by the Seller; (3) one-half of the closing fees charged by the Title Company; and (4) its own legal and accounting fees associated with this transaction. Any real estate taxes shall be prorated between the Buyer and the Seller as of the Closing Date.

12. POSSESSION/UTILITIES.

a. Possession. Seller agrees to deliver possession of the Property free of all personal property, junk, and debris to Buyer not later than the Closing Date.

b. Utilities. Seller shall pay all utility charges, if any, prior to the Closing Date.

13. SELLER'S WARRANTIES. Seller, jointly and severally, hereby represents and warrants to Buyer and Seller will represent and warrant to Buyer as of the Closing Date that:

a. **Title.** Seller represents and warrants that Seller has good and marketable fee simple title interest to the Property and that no consents or approvals from any third parties are required to convey the Property.

b. **Sewer and water.** Seller warrants that the Property is connected to City sewer and is connected to City water.

c. **Mechanics' Liens.** Seller warrants that, prior to the closing, Seller shall pay in full or make provision for payment of all amounts due for labor, materials, machinery, fixtures or tools furnished within the 120 days immediately preceding the closing in connection with construction, alteration or repair of any structure upon or improvement to the Property caused by or resulting from any action of Seller.

d. **Notices.** Seller warrants that Seller has not received any notice from any governmental authority as to violation of any law, ordinance or regulation in connection with the Property.

e. **Tenants.** Seller warrants that that there are no tenants or third parties in possession of the Property. During the term of this Agreement, the Seller agrees not to enter into any leases for the Property or to allow anyone to occupy the Property.

f. **Broker Commission.** Seller has utilized the services of Jeff Dick, Edge of The Wilderness Realty as a real estate broker, in connection with the transaction contemplated by this Purchase Agreement, and that no other broker, agent, or representative has been engaged or shall be entitled to any commission in connection with such transaction. Seller shall be responsible for compensating its real estate broker and paying any commission due. Seller agrees to indemnify, defend and hold Buyer harmless from the claims of any broker, real estate agent or similar party claiming through Seller.

g. **Condemnation.** Seller warrants that there is no pending or threatened condemnation, eminent domain, public taking, or similar proceeding affecting the Property or any portion thereof, and Seller has no actual knowledge that any such action is contemplated.

h. **Legal Proceedings.** There are no legal actions, suits or other legal or administrative proceedings, pending or threatened, that affect the Property or any portion thereof, and Seller has no knowledge that any such action is presently contemplated.

i. **Legal Capacity.** Seller has the legal capacity to enter into this Agreement. Seller has not filed, voluntarily or involuntarily, for bankruptcy relief within the last year under the United States Bankruptcy Code, nor has any petition for bankruptcy or receivership been filed against Seller within the last year.

j. **Methamphetamine Production.** To the best of Seller's knowledge,

methamphetamine production has not occurred on the Property.

k. **Wells, Private Septic Systems, and Storage Tanks.** Seller represents and warrants that Seller has disclosed to Buyer private wells located on or serving the Property and that, to Seller's knowledge, there are no private wells, septic systems and underground or above ground storage tanks, located on or serving the Property other than one private well that has been sealed prior to the Effective Date. Seller shall deliver to Buyer copies of all well records, permits, closure reports, water test results, and related documentation in Seller's possession or control. Buyer's acceptance of the Property is conditioned on Buyer's satisfactory review of the condition, status, and documentation of the private well, including the sealed well, during the applicable inspection period. Seller shall deliver a well disclosure certificate on or prior to the Closing Date.

l. **Hazardous Materials.** Except as disclosed in the report described in Exhibit D attached hereto, Seller represents and warrants that there are no hazardous wastes or materials on or under the Property, no notices have been received from any federal, state, local, or other governmental agency relating to hazardous materials or environmental conditions, and Seller shall indemnify and hold harmless Buyer and its employees, agents, and members from and against any and all loss, costs, damages, expenses, obligations and attorneys' fees incurred by Buyer as a result of any breach of this representation.

m. **Special Assessments.** No ordinance or hearing is now before any local governmental body which either contemplates or authorizes any public improvements or special tax levies, the cost of which may be assessed against the Property.

n. **Liens and Encumbrances.** The Property will as of the date of closing be free and clear of all mortgages, liens, security interests, encumbrances, leases or other restrictions except encumbrances permitted by Buyer. There are no third parties in possession of the Property.

o. **Violations.** There are no notices, orders, suits, judgments or other proceedings relating to fire, building, zoning, air pollution or health violations that have not been corrected.

Seller's representations and warranties set forth in this paragraph shall be continuing and are deemed to be material to Buyer's execution of this Agreement and Buyer's performance of its obligations hereunder. All such representations and warranties shall be true and correct on or as of the Closing Date with the same force and effect as if made at that time; and all of such representations and warranties shall survive closing for a period of five (5) years (the "Survival Period"), and shall not be affected by any investigation, verification or approval by any party hereto or by anyone on behalf of any party hereto. Seller agrees to defend, indemnify, and hold Buyer harmless for, from and against any loss, costs, damages, expenses, obligations and attorneys' fees incurred should an assertion, claim, demand or cause of action be instituted, made or taken, on the basis of breach of the representations or warranties contained herein; provided that any such claim, demand or cause of action based on a breach of any such representations or warranties shall be commenced prior to the expiration of the Survival Period, if ever or shall be deemed hereby waived.

14. INSPECTIONS. From the date of this Agreement to the Closing Date, Buyer, its agents, contractors, and employees shall have the right to enter upon the Property at any time in order to conduct soil, environmental, surveying, and other reasonable engineering tests, investigations, soil borings, monitoring and testing of groundwater monitoring wells, and to conduct a survey; provided that any such invasive drilling, monitoring, sampling and/or testing shall require Seller's written consent which shall not be unreasonably withheld, conditioned or delayed. Buyer shall also be entitled to a general walkthrough inspection within five days of the Closing Date.

15. RISK OF LOSS. If there is any loss or damage to the Property between the date hereof and the Closing Date, for any reason including fire, vandalism, flood, earthquake or act of God, the risk of loss shall be on Seller. If the Property is destroyed or substantially damaged before the Closing Date, this Agreement shall become null and void, at Buyer's option. At the request of Buyer, Seller agrees to sign a cancellation of Purchase Agreement.

16. DEFAULT/REMEDIES. If Buyer defaults under this Agreement, Seller has the right to terminate this Agreement by giving written notice of such election to Buyer, which notice shall specify the default. If Buyer fails to cure such default within thirty (30) days of the date of such notice, Seller may terminate this Agreement and retain the Earnest Money as Seller's liquidated damages, time being of the essence of this Agreement. The termination of this Agreement (and retention of the Earnest Money) will be the sole remedies available to Seller for such default by Buyer, and Buyer will not be further liable for damages. If Seller defaults under this Agreement, Buyer has the right to terminate this Agreement by giving written notice of such election to Seller, which notice shall specify the default. If Seller fails to cure such default within 30 days of the date of such notice, Buyer shall have the right (i) to terminate this Agreement (in which case Buyer shall be entitled to a refund of the Earnest Money), or (ii) to enforce and recover from Seller specific performance of this Agreement; provided, that any such action for specific performance shall be commenced within six months after default, if ever or shall be deemed hereby waived. The termination of this Agreement (and refund of the Earnest Money), or the enforcement and recovery from Seller of specific performance of this Agreement shall be the sole remedies available to Buyer for such default by Seller, and Seller shall not be further liable for damages. The service of the statutory notice under Minnesota Statutes Section 559.21 shall be sufficient to comply with the notice requirements of this Section 16.

17. NOTICE. Any notice, demand, request or other communication which may or shall be given or served by the parties, shall be deemed to have been given or served on the date the same is emailed or personally served upon one of the following indicated recipients for notices or is deposited in the United States Mail, postage prepaid and addressed as follows:

SELLER: Glenna M. Kellin and John Kellin

With a copy to:

Jeff Dick

EOW Realty
 501 Pokegama Ave S
 Suite 102
 Grand Rapids, MN 55744
 Jeff@EOWRealty.com

BUYER: Grand Rapids Economic Development Authority
 Attn: Rob Mattel
 402 N. Pokegama Ave.
 Grand Rapids, MN 55744

With a copy to:

Kutak Rock LLP
 Attn: Gina Florini, Esq.
 60 South Sixth Street Suite 3400
 Minneapolis, MN 55402

18. ENTIRE AGREEMENT. This Agreement, including exhibits attached hereto, and any amendments hereto signed by the parties, shall constitute the entire agreement between Seller and Buyer and supersedes any other written or oral agreements between the parties relating to the Property. This Agreement can be modified only in a writing properly signed on behalf of Seller and Buyer.

19. SURVIVAL. Notwithstanding any other provisions of law or court decision to the contrary, the provisions of this Agreement which are expressly stated herein to be performed after the closing shall survive closing, subject to the limitations set forth herein. Upon any termination of this Agreement subject to and in accordance with the terms hereof, and neither party shall have any further obligations to the other hereunder, except for the obligations hereunder which, by the express terms hereof, are intended to survive termination of this Agreement.

20. BINDING EFFECT; ASSIGNMENT. This Agreement binds and benefits the parties and their successors and assigns; provided, however, neither party shall assign this Agreement or its rights hereunder to any person or entity, without the written consent of the other party, except Buyer may assign this Agreement to any affiliate, to any entity controlled by or under common control as Buyer, or in connection with any financing obtained by Buyer, without obtaining Seller's prior consent.

21. PARTIAL INVALIDITY. If any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

22. **COUNTERPARTS; FAX AND PDF SIGNATURES.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Signature pages of this Agreement transmitted to any party via facsimile or Portable Document Format (PDF) shall be deemed to be originals for all purposes hereunder.

23. **HEADINGS.** The headings of the Sections, subsections, paragraphs and subparagraphs hereof are provided for convenience of reference only, and shall not be considered in construing their contents.

24. **TIME PERIODS.** Any and all references in this Agreement to time periods which are specified by reference to a certain number of days refer to calendar days, unless "business days" is otherwise expressly provided. However, if (a) the last date by which the Closing is permitted to occur hereunder, or (b) any date by which a party is required to provide the other party with notice hereunder, occurs on a Saturday or a Sunday or a banking holiday in the jurisdiction where the Property is located, then and in any of such events, such applicable dates shall be deemed to occur, for all purposes of this Agreement, on that calendar day which is the next, succeeding day, which is not a Saturday, Sunday or banking holiday.

25. **NO PARTNERSHIPS.** Nothing in this Agreement shall be deemed in any way to create between the parties any relationship of partnership, joint venture or association, and the parties disclaim the existence thereof.

26. **WAIVERS.** No party shall be deemed to have waived the exercise of any right which it holds hereunder unless such waiver is made expressly and in writing (and no delay or omission by any party hereto in exercising any such right shall be deemed a waiver of its future exercise). No such waiver made as to any instance involving the exercise of any such right shall be deemed a waiver as to any other such instance, or any other such right.

27. **DATA PRACTICES ACT.** The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 et seq.

28. **BROKERS.** Buyer is represented by Stephen Welliver of Wellson Group, Inc. Seller is represented by Jeff Dick of Edge of The Wilderness Realty. Buyer shall be responsible for paying its broker's fee. Seller shall be responsible for paying Seller's broker's fee. Each party agrees to indemnify, defend and hold the other party harmless from the claims of any other broker, real estate agent or similar party claiming through such indemnifying party.

29. **EXCLUSIVITY.** Seller agrees that during the term of this Agreement: (a) Seller will not initiate, encourage the initiation by others of discussions or negotiations with third parties, or respond to solicitations by third parties, relating to the purchase of the Property in whole or in part; (b) Seller will immediately notify Buyer if any third party attempts to initiate any such solicitation, discussion or negotiation with Seller; and (c) Seller will not enter into any agreement with respect to the Property with any third party. Seller hereby agrees that Seller shall be legally bound by the provisions of this Section 30 and Seller's violation of this Section 30 will cause

irreparable injury to Buyer.

30. RELOCATION BENEFITS; INDEMNIFICATION. Seller acknowledges that it is not being displaced from the Property as a result of the transaction contemplated by this Agreement and that it is not eligible for relocation assistance and benefits or in the event that Seller is eligible for relocation assistance and benefits, that the Purchase Price includes compensation for any and all relocation assistance and benefits for which Seller may be eligible. The provisions of this paragraph shall survive closing of the transaction contemplated by this Agreement.

(The remainder of this page intentionally left blank.)

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date and year above.

Buyer:

**Grand Rapids Economic Development
Authority**

By: _____
Its: President

By: _____
Its: Executive Director

Seller:

Glenna M. Kellin and John Kellin

By: _____
Glenna M. Kellin

By: _____
John Kellin

EXHIBIT A**Legal Description of Property**

Address: 533 NW 4th Street, Grand Rapids, Minnesota as shown in the picture below.

PID: 091-420-1940

Legal Description: Lots 13-15, Block 19, Grand Rapids 2nd Division, Section 20, Township 55, Range 25



EXHIBIT B

Bill of Sale, Assignment and Assumption

This Bill of Sale, Assignment and Assumption (this "Bill of Sale") is made as of the ____ day of _____, 2026, by and between Glenna M. Kellin and John Kellin, a married couple (collectively, "Assignor"), and the Grand Rapids Economic Development Authority, a public body politic and corporate under the laws of the State of Minnesota ("Assignee").

WITNESSETH:

For good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

Assignor hereby sells, transfers, assigns and conveys to Assignee the following:

1. All right, title and interest of Assignor in and to all improvements, buildings, facilities, and tangible personal property owned by Assignor ("Personalty") and located on and used in connection with the development, use, management, maintenance or operation of that certain land and improvements located at the properties described in Exhibit A, attached hereto and made a part hereof ("Real Property").

2. This Bill of Sale is given pursuant to that certain Purchase and Sale Agreement dated as of _____, 2026, between Assignor and Assignee (the "Purchase Agreement"), providing for, among other things, the conveyance of the Personalty. All capitalized terms herein which are not otherwise defined herein shall have the same meaning as set forth in the Purchase Agreement.

3. Assignee hereby accepts the assignment of the Personalty and agrees to assume and discharge, in accordance with the terms thereof, all of the obligations of Assignor thereunder from and after the date hereof.

4. This Bill of Sale shall be construed and enforced in accordance with, and governed by, the laws of the State of Minnesota.

5. This Bill of Sale shall bind and inure to the benefit of the parties hereto and their respective heirs, executors, personal representatives, successors, and assigns.

6. Assignor and Assignee hereby agree to execute such other and further assurances as Assignor or Assignee may from time to time reasonably deem necessary or appropriate to assure the validity, enforceability, and effective assignment and transfer of the Personalty.

7. This Bill of Sale may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Bill of Sale, Assignment and Assumption as of the date first above written.

Assignee:

Grand Rapids Economic Development
Authority

By: _____
Its: President

By: _____
Its: Executive Director

Assignor:

Glenna M. Kellin and John Kellin

By: _____
Glenna M. Kellin

By: _____
John Kellin



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: August 13, 2026

STATEMENT OF ISSUE: Consider the adoption of a resolution approving the acquisition of certain property owned by Cargill & Steffenson Properties, LLC and approving a Purchase Agreement

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

As you will recall, the proposed purchase of a 39'x 143' strip of land adjacent to the north boundary of the former Ben's Bait parcel is necessary to enhance the redevelopment potential of the site by expanding its area to accommodate additional parking.

The general terms of the negotiated Purchase Agreement with Cargill & Steffenson Properties, LLC are:

- Purchase Price: \$61,347.00 (\$11.00/s.f.)
- Earnest Money: \$5,000.00
- Post Closing Escrow: In addition to the Purchase Price, GREDA would deposit into an escrow \$6,000.00. This will be used to repair/restore the gravel parking lot on the adjacent property retained by the Seller, if there is any damage caused to it resulting from the demolition work on GREDA's parcel. The escrow will also be used to remove trees bordering the property that are located on the property retained by the Seller. Any unused funds will be returned to GREDA.
- Closing: 60 days after waiver of Buyer's Contingencies.
- Cross-Access Easement: Upon GREDA's request, the Seller agrees to execute and deliver a cross-access easement in connection with the redevelopment of the property.

RECOMMENDATION:

REQUIRED ACTION: Make a motion to adopt a resolution approving the acquisition of certain property owned by Cargill & Steffenson Properties, LLC and approving a Purchase Agreement.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

RESOLUTION APPROVING THE ACQUISITION OF CERTAIN PROPERTY OWNED BY CARGILL & STEFFENSON PROPERTIES, LLC, A MINNESOTA LIMITED LIABILITY COMPANY AND APPROVING THE PURCHASE AGREEMENT

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

Section 1. Recitals.

1.01. The Authority has established its Development District No. 1 (the "Development District") within the City of Grand Rapids, Minnesota (the "City").

1.02. The Authority desires to acquire certain property owned by Cargill & Steffenson Properties, LLC, a Minnesota limited liability company (the "Seller"), located in the City, and legally described as set forth in Exhibit A attached hereto (the "Property").

1.03. In connection with purchasing the Property from Seller, the Authority wishes to enter into that certain Purchase Agreement between the Authority and the Seller for the purchase and sale of the Property (the "Purchase Agreement") in substantially the form presented to the Board.

1.04. The Board has determined that the acquisition of the Property is in the best interest of the City and its residents.

Section 2. Purchase of Property Approved; Further Proceedings.

2.01. The Board approves the Purchase Agreement in substantially the form presented to the Board, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications, or consents referenced in or attached to the Purchase Agreement including without limitation the deed and any documents required by the title company relating to the acquisition of the Property (the "Conveyance Documents"). The Board hereby approves the acquisition of the Property from the Seller in accordance with the terms of the Purchase Agreement.

2.02. The Board hereby authorizes the President and Executive Director, in their discretion and at such time, if any, as they may deem appropriate, to execute the Conveyance Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the Authority's obligations thereunder when all conditions precedent thereto have been satisfied provided that the closing statement and closing documents may be signed solely by the Executive Director. The Conveyance Documents shall be in substantially the form on file with the Authority and the approval hereby given to the Conveyance 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 Conveyance Documents shall not be effective until the date of execution thereof as provided herein.

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

Approved by the Board of Commissioners of the Grand Rapids Economic Development Authority this 13th day of August, 2026.

President

ATTEST:

Secretary

EXHIBIT A**Legal Description of Property**

PID: #91-420-1950

Legal Description:

Lot 16 and the South 14.00 feet of Lot 17, Block 19, GRAND RAPIDS SECOND DIVISION,
according to the recorded plat thereof, Itasca County, Minnesota.

PURCHASE AGREEMENT

This Purchase Agreement ("Agreement") is made this _____ day of _____, 2026, by and between Cargill & Steffenson Properties, LLC, a Minnesota limited liability company ("Seller"), and the Grand Rapids Economic Development Authority, a public body politic and corporate under the laws of the State of Minnesota ("Buyer").

1. **PROPERTY.** Seller is the owner of property in the City of Grand Rapids, Minnesota, consisting of approximately 5,577 square feet which is legally described on the attached Exhibit A ("Property").

2. **OFFER/ACCEPTANCE.** In consideration of and subject to the terms and provisions of this Agreement, Buyer offers and agrees to purchase and Seller agrees to sell and hereby grants to Buyer the exclusive right to purchase the Property and all improvements thereon, together with all appurtenances. All fixtures, improvements, and personal property located on the Property on the date of this Agreement are included in the purchase of the Property.

3. **PURCHASE PRICE FOR PROPERTY AND TERMS.**

a. **PURCHASE PRICE:** The total purchase price for the Property is: Sixty-One Thousand Three Hundred Forty-Seven and no/100 Dollars (\$61,347.00), based upon \$11.00 per square foot of land ("Purchase Price"). The Purchase Price is predicated upon the assumption that the Property consists of 5,577 square feet. "Square Feet" shall mean the gross square footage of the Property less existing dedicated roads and easements and areas classified as waterways.

b. **TERMS:**

i. **Earnest Money.** The sum of Five Thousand and no/100 Dollars (\$5,000.00) earnest money (the "Earnest Money") shall be deposited into an escrow account by Buyer with The Title Team (the "Title Company") within five (5) business days after mutual execution of this Agreement. The Earnest Money shall become nonrefundable upon expiration of the Due Diligence Period, as extended pursuant to Section 7, unless there is a breach of this Agreement by the Seller or Seller is unable to deliver marketable title to the Property. In the event that Seller breaches the terms of this Purchase Agreement or Buyer shall terminate this Agreement prior to expiration of the Due Diligence Period (as hereinafter defined), the Title Company shall refund the Earnest Money to the Buyer within three (3) business days.

ii. **Balance Due to Seller.** Buyer agrees to pay by check or wire transfer on the Closing Date (as hereinafter defined) the remaining balance due on the Purchase Price according to the terms of this Agreement.

iii. **Post-Closing Escrow.** At Closing, Buyer shall deposit the sum of Six Thousand and no/100 Dollars (\$6,000.00) (the "Post-Closing Escrow") into an escrow account held by the Title Company. The Post-Closing Escrow shall be used to pay for (1) gravel replacement and restoration of lot after demolition of building on adjacent property, and (2) removal of trees bordering the Property, in each case on property retained by Seller adjacent to the

Property. The Title Company shall disburse the Post-Closing Escrow funds to the Seller upon receipt of invoices from the applicable vendors for completion of such work. The work funded by the Post-Closing Escrow shall be completed within one hundred eighty (180) days after the Closing Date. Upon completion of such work, or upon expiration of such 180-day period, whichever occurs first, any Post-Closing Escrow funds not disbursed shall be returned to Buyer. The provisions of this Section 3(b)(iii) shall survive the Closing and shall not terminate until all Post-Closing Escrow funds have been disbursed or returned to Buyer.

4. **DEED/MARKETABLE TITLE:** Seller agrees to execute and deliver a General Warranty Deed conveying marketable fee simple title to the Property to Buyer, free and clear of any mortgages, liens or encumbrances, subject only to the following exceptions:

- i. Building and zoning laws, ordinances, state and federal regulations;
- ii. Reservation of minerals or mineral rights to the State of Minnesota, if any;
- iii. The lien of real estate taxes and special assessments not yet due and payable;
- iv. Public utility and drainage easements of record which will not interfere with Buyer's intended use of the Property;
- v. Other matters created by or acceptable to or waived by Buyer pursuant to Section 8 below.

5. **DOCUMENTS TO BE DELIVERED AT CLOSING BY SELLER.** In addition to the General Warranty Deed required at Section 3 above, Seller shall deliver to Buyer at closing:

- a. An affidavit from Seller sufficient to remove any exception in Buyer's policy of title insurance for mechanics' and materialmen's liens arising due to the act or omission of Seller and rights of parties in possession;
- b. A "bring-down" certificate, certifying that all of the warranties made by Seller in this Agreement remain true as of the Closing Date;
- c. Affidavit of Seller confirming that Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code;
- d. A statement that the Seller does not know of any wells on the Property;
- e. Any notices, certificates, and affidavits regarding any private sewage systems, underground storage tanks, and environmental conditions as may be required by state or federal statutes, rules or regulations; and
- f. Any other documents reasonably required by Buyer's title insurance company or attorney to evidence that title to the Property is marketable and that Seller has complied with the terms of this Agreement.

6. **CONTINGENCIES.** Buyer's obligation to purchase the Property is contingent upon the following (collectively, "Buyer's Contingencies"):

- a. Approval of this Purchase Agreement by Buyer's governing body;
- b. Buyer shall have confirmed satisfactory condition of title;
- c. Buyer shall have received a satisfactory ALTA/ACSM survey of the Property and improvements, if any (at Buyer's sole cost and expense);
- d. Buyer shall have received satisfactory environmental reports including, but not limited to, a Phase I report and all necessary closure and no association letters from respective government agencies, if applicable (at Buyer's sole cost and expense) and is satisfied with the condition of the Property;
- e. Buyer shall have confirmed that the geotechnical characteristics of the Property are satisfactory, based on soil borings to be taken and analyzed by Buyer's geotechnical consultant (at Buyer's sole cost and expense);
- f. Buyer's ability to contemporaneously purchase the property located 533 NW 4th Street adjacent to the Property (the "Adjacent Property") in the City of Grand Rapids;
- g. Buyer's determination of marketable title pursuant to Section 8 of this Agreement.

7. **DUE DILIGENCE.**

a. **Due Diligence Period.** Buyer shall have one hundred twenty (120) days from the date of this Agreement to satisfy or waive the foregoing contingencies (the "Due Diligence Period"). These contingencies are solely for the benefit of Buyer and may be waived by Buyer. If Buyer determines, in its sole discretion, that any of Buyer's Contingencies have not been satisfied, Buyer shall have the right to terminate this Agreement and receive a full refund of any earnest money paid. Buyer reserves the right to waive any and all Buyer's Contingencies. If all contingencies are duly satisfied or waived, Buyer or its attorney shall give written notice to Seller thereof prior to the expiration of the Due Diligence Period, and Buyer and Seller shall proceed to close the transaction as contemplated herein.

b. **Due Diligence Period Extension.** Buyer shall have the right to extend the Due Diligence Period with written notice to Seller for up to an additional sixty (60) days if necessary to obtain all necessary governmental approvals. If the extension of the Due Diligence Period is exercised, the Earnest Money will become non-refundable.

c. **Seller's Due Diligence Deliverables.** The Seller shall provide the Buyer with the following, to the extent available and in Seller's possession or control: (1) any existing surveys; (2) any existing property condition assessments, (3) any existing Phase I and Phase II environmental assessments; (4) information regarding any underground or above ground storage

tanks on the Property; and (5) any title commitments previously obtained by the Seller for the Property (collectively defined as the "Deliverables"). The Seller shall deliver the requested Deliverables to the Buyer within five business days of mutual execution of this Agreement. Buyer hereby acknowledges that, except as expressly set forth in this Agreement, Seller has not made nor makes any warranty or representation regarding the truth, accuracy or completeness of the Deliverables or the source(s) thereof. Seller expressly disclaims any and all liability for representations or warranties, express or implied, statements of fact and other matters contained in such Deliverables, except for statements of fraud or misrepresentations expressly made by Seller in such Deliverables. Buyer shall rely solely upon its own investigation with respect to the Property, including, without limitation, the Property's physical, environmental or economic condition, compliance or lack of compliance with any ordinance, order, permit or regulation or any other attribute or matter relating thereto. Seller has not undertaken any independent investigation as to the truth, accuracy or completeness of the Deliverables and is providing the Deliverables solely as an accommodation to Buyer.

d. **Buyer's Inspections.** The Buyer shall be responsible for the costs of any environmental assessments and inspections and Buyer may enter the Property to conduct such assessments and inspections. Buyer shall (i) keep the Property free of any liens or third-party claims resulting from such assessments and inspections and/or from any other investigations, inspections, studies or testing of Property conducted by or on behalf of Buyer under the terms of this Agreement; (ii) defend, indemnify and hold Seller harmless from and against any and all liability, damages, claims, causes of action, costs or other expenses, including without limitation reasonable attorney's fees, paid, incurred or asserted against Seller in connection with any such liens or third-party claims and/or for injuries to or death of persons or damage to property arising from or caused by Buyer's entry onto the Property or the conduct of Buyer, its agents, employees and contractors in connection with the exercise by Buyer of the rights hereunder; provided, however, Buyer shall not be liable to Seller for any loss or damages caused by Seller, or Seller's agents', contractors' or employees' negligence; and (iii) if the Closing does not occur for any reason, fully restore the Property to its condition immediately before such exercise.

e. **Termination Right.** If Buyer or its attorney gives written notice to Seller prior to the expiration of the Due Diligence Period that one or more of the contingencies is not satisfied, or is not satisfied within the Due Diligence Period, and is not waived by Buyer, this Agreement shall thereupon be void at the written option of Buyer, and the title company shall return the Earnest Money to Buyer, and Buyer and Seller shall execute and deliver to each other documentation effecting the termination of this Agreement. Buyer shall also deliver to Seller copies of all documentation gathered during the Due Diligence Period, including without limitation all survey, environmental or soil tests. As a contingent Purchase Agreement, the termination of this Agreement pursuant to this Section 7 is not required pursuant to Minnesota Statutes Section 559.21, et. seq.

8. **TITLE EXAMINATION/CURING TITLE DEFECTS.** Buyer shall, at its expense and within a reasonable time after Seller's acceptance of this Agreement, obtain a commitment for title insurance ("Commitment") for the Property. The Buyer shall have 14 days from the date of receipt of the title commitment to make any objections to title to the Seller. The Seller shall have 10 days to confirm whether it will be able to remove the objections on or prior to

closing and if not, which of the objections it is unwilling to remove, provided, however, the Seller must satisfy any mortgages, monetary liens, or other monetary encumbrances arising due to the act or omission of Seller on or prior to the Closing Date. The Buyer shall have five days from the date of the Seller's response to either waive its title objections which the Seller is unwilling to remove or to terminate the Purchase Agreement. If Buyer has failed to affirmatively elect to terminate this Agreement within said five day period, Buyer shall be conclusively deemed to have elected to have waived its title objections and Buyer and Seller shall proceed to close the transaction as contemplated herein, without any abatement or reduction in the Purchase Price on account thereof.

9. **ENVIRONMENTAL INVESTIGATIONS.** Buyer acknowledges that it has been authorized by Seller to enter the Property and conduct environmental and engineering investigations of the Property, subject and in accordance with the provisions of Section 7 and Section 14.

10. **REAL ESTATE TAXES AND SPECIAL ASSESSMENTS.** Seller shall pay all real estate taxes, interest and penalties, if any, relating to the Property for the years prior to the year of closing. Provided that this transaction shall close as provided herein, Buyer agrees to pay taxes for the year following the year of closing and all taxes for years thereafter. Seller and Buyer shall prorate all taxes for the year of closing based on the Closing Date. Seller acknowledges that there are no current or pending special assessments on the Property. To the extent there are any current or pending special assessments, including any assessment due and payable upon commencement of ownership, Seller shall be obligated to pay said assessments in full as of the Closing Date.

11. **CLOSING.** The date of closing shall be within sixty (60) days after satisfaction or waiver of all Buyer's Contingencies provided that in no event may the closing occur after _____, 2026 ("Closing Date"). Delivery of all papers and the closing shall be made at the offices of the Title Company or at such other location as is mutually agreed upon by the parties. All deliveries and notices to Buyer shall be made as provided in Section 17 of this Agreement. The Buyer shall be responsible for the following closing costs: (1) recording fees and charges related to the filing of the deed; (2) all premiums required for the issuance of a title insurance policy and any endorsements; (3) one-half of the closing fee charged by the Title Company; (4) the cost of the Title Commitment and any title search and examination fees; and (5) its own legal and accounting fees associated with this transaction. The Seller shall be responsible for the following closing costs: (1) all recording fees and charges relating to the filing of any instrument required to make title marketable, subject and in accordance with the provisions of Section 8; (2) any Minnesota state deed tax, conservation fee, or other federal, state, or local documentary or revenue stamps or transfer tax with respect to the deed to be delivered by the Seller; (3) one-half of the closing fees charged by the Title Company; and (4) its own legal and accounting fees associated with this transaction. Any real estate taxes shall be prorated between the Buyer and the Seller as of the Closing Date.

12. **POSSESSION/UTILITIES.**

a. **Possession.** Seller agrees to deliver possession of the Property free of all

personal property, junk, and debris to Buyer not later than the Closing Date.

b. **Utilities.** Seller shall pay all utility charges, if any, prior to the Closing Date.

13. **SELLER'S WARRANTIES.** Seller hereby represents and warrants to Buyer and Seller will represent and warrant to Buyer as of the Closing Date that:

a. **Title.** Seller represents and warrants that Seller has good and marketable fee simple title interest to the Property and that no consents or approvals from any third parties are required to convey the Property.

b. **Sewer and water.** Seller warrants that the Property is connected to City sewer and is connected to City water.

c. **Mechanics' Liens.** Seller warrants that, prior to the closing, Seller shall pay in full or make provision for payment of all amounts due for labor, materials, machinery, fixtures or tools furnished within the 120 days immediately preceding the closing in connection with construction, alteration or repair of any structure upon or improvement to the Property caused by or resulting from any action of Seller.

d. **Notices.** Seller warrants that Seller has not received any notice from any governmental authority as to violation of any law, ordinance or regulation in connection with the Property.

e. **Tenants.** Seller warrants that there are no tenants or third parties in possession of the Property. During the term of this Agreement, the Seller agrees not to enter into any leases for the Property or to allow anyone to occupy the Property.

f. **Broker Commission.** Seller has not utilized the services of a real estate broker in connection with the transaction contemplated by this Purchase Agreement, and no broker, agent, or representative has been engaged or shall be entitled to any commission in connection with such transaction. Seller agrees to indemnify, defend and hold Buyer harmless from the claims of any broker, real estate agent or similar party claiming through Seller.

g. **Condemnation.** Seller warrants that there is no pending or threatened condemnation, eminent domain, public taking, or similar proceeding affecting the Property or any portion thereof, and Seller has no actual knowledge that any such action is contemplated.

h. **Legal Proceedings.** There are no legal actions, suits or other legal or administrative proceedings, pending or threatened, that affect the Property or any portion thereof, and Seller has no knowledge that any such action is presently contemplated.

i. **Legal Capacity.** Seller has the legal capacity to enter into this Agreement. Seller has not filed, voluntarily or involuntarily, for bankruptcy relief within the last year under the United States Bankruptcy Code, nor has any petition for bankruptcy or receivership been filed against Seller within the last year.

j. **Methamphetamine Production.** To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

k. **Wells, Private Septic Systems, and Storage Tanks.** Seller represents and warrants that, to Seller's knowledge, there are no private wells, septic systems, or underground or above ground storage tanks located on or serving the Property.

l. **Hazardous Materials.** Seller represents and warrants that there are no hazardous wastes or materials on or under the Property, no notices have been received from any federal, state, local, or other governmental agency relating to hazardous materials or environmental conditions, and Seller shall indemnify and hold harmless Buyer and its employees, agents, and members from and against any and all loss, costs, damages, expenses, obligations and attorneys' fees incurred by Buyer as a result of any breach of this representation.

m. **Special Assessments.** No ordinance or hearing is now before any local governmental body which either contemplates or authorizes any public improvements or special tax levies, the cost of which may be assessed against the Property.

n. **Liens and Encumbrances.** The Property will as of the date of closing be free and clear of all mortgages, liens, security interests, encumbrances, leases or other restrictions except encumbrances permitted by Buyer. There are no third parties in possession of the Property.

o. **Violations.** There are no notices, orders, suits, judgments or other proceedings relating to fire, building, zoning, air pollution or health violations that have not been corrected.

Seller's representations and warranties set forth in this paragraph shall be continuing and are deemed to be material to Buyer's execution of this Agreement and Buyer's performance of its obligations hereunder. All such representations and warranties shall be true and correct on or as of the Closing Date with the same force and effect as if made at that time; and all of such representations and warranties shall survive closing for a period of five (5) years (the "Survival Period"), and shall not be affected by any investigation, verification or approval by any party hereto or by anyone on behalf of any party hereto. Seller agrees to defend, indemnify, and hold Buyer harmless for, from and against any loss, costs, damages, expenses, obligations and attorneys' fees incurred should an assertion, claim, demand or cause of action be instituted, made or taken, on the basis of breach of the representations or warranties contained herein; provided that any such claim, demand or cause of action based on a breach of any such representations or warranties shall be commenced prior to the expiration of the Survival Period, if ever or shall be deemed hereby waived.

14. **INSPECTIONS.** From the date of this Agreement to the Closing Date, Buyer, its agents, contractors, and employees shall have the right to enter upon the Property at any time in order to conduct soil, environmental, surveying, and other reasonable engineering tests, investigations, soil borings, monitoring and testing of groundwater monitoring wells, and to conduct a survey; provided that any such invasive drilling, monitoring, sampling and/or testing

shall require Seller's written consent which shall not be unreasonably withheld, conditioned or delayed. Buyer shall also be entitled to a general walkthrough inspection within five days of the Closing Date.

15. **RISK OF LOSS.** If there is any loss or damage to the Property between the date hereof and the Closing Date, for any reason including fire, vandalism, flood, earthquake or act of God, the risk of loss shall be on Seller. If the Property is destroyed or substantially damaged before the Closing Date, this Agreement shall become null and void, at Buyer's option. At the request of Buyer, Seller agrees to sign a cancellation of Purchase Agreement.

16. **DEFAULT/REMEDIES.** If Buyer defaults under this Agreement, Seller has the right to terminate this Agreement by giving written notice of such election to Buyer, which notice shall specify the default. If Buyer fails to cure such default within thirty (30) days of the date of such notice, Seller may terminate this Agreement and retain the Earnest Money as Seller's liquidated damages, time being of the essence of this Agreement. The termination of this Agreement (and retention of the Earnest Money) will be the sole remedies available to Seller for such default by Buyer, and Buyer will not be further liable for damages. If Seller defaults under this Agreement, Buyer has the right to terminate this Agreement by giving written notice of such election to Seller, which notice shall specify the default. If Seller fails to cure such default within 30 days of the date of such notice, Buyer shall have the right (i) to terminate this Agreement (in which case Buyer shall be entitled to a refund of the Earnest Money), or (ii) to enforce and recover from Seller specific performance of this Agreement; provided, that any such action for specific performance shall be commenced within six months after default, if ever or shall be deemed hereby waived. The termination of this Agreement (and refund of the Earnest Money), or the enforcement and recovery from Seller of specific performance of this Agreement shall be the sole remedies available to Buyer for such default by Seller, and Seller shall not be further liable for damages. The service of the statutory notice under Minnesota Statutes Section 559.21 shall be sufficient to comply with the notice requirements of this Section 16.

17. **NOTICE.** Any notice, demand, request or other communication which may or shall be given or served by the parties, shall be deemed to have been given or served on the date the same is emailed or personally served upon one of the following indicated recipients for notices or is deposited in the United States Mail, postage prepaid and addressed as follows:

SELLER: Cargill & Steffenson Properties, LLC

Email: _____

With a copy to:

Email: _____

BUYER: Grand Rapids Economic Development Authority
Attn: Rob Mattei
402 N. Pokegama Ave.
Grand Rapids, MN 55744

With a copy to:

Kutak Rock LLP
Attn: Gina Fiorini, Esq.
60 South Sixth Street Suite 3400
Minneapolis, MN 55402

18. **CROSS-ACCESS EASEMENT.** Upon request of the Buyer, the Seller agrees to execute and deliver a cross access easement agreement in recordable form in connection with the redevelopment of the Property. A sample of the cross access area is depicted in Exhibit B attached hereto; provided, however, if the final easement location differs from Exhibit B, the parties shall mutually agree upon the location of the easement area, with neither party to unreasonably withhold, condition, or delay such agreement. Seller shall not unreasonably withhold, condition, or delay execution and delivery of such cross access easement agreement. The obligations of this Section 18 shall survive Closing without limitation as to time and shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

19. **ENTIRE AGREEMENT.** This Agreement, including exhibits attached hereto, and any amendments hereto signed by the parties, shall constitute the entire agreement between Seller and Buyer and supersedes any other written or oral agreements between the parties relating to the Property. This Agreement can be modified only in a writing properly signed on behalf of Seller and Buyer.

20. **SURVIVAL.** Notwithstanding any other provisions of law or court decision to the contrary, the provisions of this Agreement which are expressly stated herein to be performed after the closing shall survive closing, subject to the limitations set forth herein, including without limitation Section 18 and the Post-Closing Escrow obligations set forth in Section 3(b)(iii), which shall survive until all Post-Closing Escrow funds have been disbursed or returned to Buyer. Upon any termination of this Agreement subject to and in accordance with the terms hereof, neither party shall have any further obligations to the other hereunder, except for the obligations hereunder which, by the express terms hereof, are intended to survive termination of this Agreement.

21. **BINDING EFFECT; ASSIGNMENT.** This Agreement binds and benefits the parties and their successors and assigns; provided, however, neither party shall assign this Agreement or its rights hereunder to any person or entity, without the written consent of the other party, except Buyer may assign this Agreement to any affiliate, to any entity controlled by or under common control as Buyer, or in connection with any financing obtained by Buyer, without obtaining Seller's prior consent.

22. **PARTIAL INVALIDITY.** If any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

23. **COUNTERPARTS; FAX AND PDF SIGNATURES.** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Signature pages of this Agreement transmitted to any party via facsimile or Portable Document Format (PDF) shall be deemed to be originals for all purposes hereunder.

24. **HEADINGS.** The headings of the Sections, subsections, paragraphs and subparagraphs hereof are provided for convenience of reference only, and shall not be considered in construing their contents.

25. **TIME PERIODS.** Any and all references in this Agreement to time periods which are specified by reference to a certain number of days refer to calendar days, unless "business days" is otherwise expressly provided. However, if (a) the last date by which the Closing is permitted to occur hereunder, or (b) any date by which a party is required to provide the other party with notice hereunder, occurs on a Saturday or a Sunday or a banking holiday in the jurisdiction where the Property is located, then and in any of such events, such applicable dates shall be deemed to occur, for all purposes of this Agreement, on that calendar day which is the next, succeeding day, which is not a Saturday, Sunday or banking holiday.

26. **NO PARTNERSHIPS.** Nothing in this Agreement shall be deemed in any way to create between the parties any relationship of partnership, joint venture or association, and the parties disclaim the existence thereof.

27. **WAIVERS.** No party shall be deemed to have waived the exercise of any right which it holds hereunder unless such waiver is made expressly and in writing (and no delay or omission by any party hereto in exercising any such right shall be deemed a waiver of its future exercise). No such waiver made as to any instance involving the exercise of any such right shall be deemed a waiver as to any other such instance, or any other such right.

28. **DATA PRACTICES ACT.** The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 et seq.

29. **BROKERS.** Buyer is represented by Stephen Welliver of Wellson Group, Inc. Seller represents that it has not engaged a broker in connection with this transaction. Buyer shall be responsible for paying its broker's fee. Each party agrees to indemnify, defend and hold the other party harmless from the claims of any other broker, real estate agent or similar party claiming through such indemnifying party.

30. **EXCLUSIVITY.** Seller agrees that during the term of this Agreement: (a) Seller will not initiate, encourage the initiation by others of discussions or negotiations with third parties, or respond to solicitations by third parties, relating to the purchase of the Property in whole or in part; (b) Seller will immediately notify Buyer if any third party attempts to initiate any such solicitation, discussion or negotiation with Seller; and (c) Seller will not enter into any agreement with respect to the Property with any third party. Seller hereby agrees that Seller shall be legally bound by the provisions of this Section 29 and Seller's violation of this Section 29 will cause irreparable injury to Buyer.

(The remainder of this page intentionally left blank.)

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date and year above.

Buyer:

Seller:

Grand Rapids Economic Development
Authority

Cargill & Steffenson Properties, LLC

By: _____
Its: President

By: _____

Name: _____

By: _____
Its: Executive Director

Its: _____

EXHIBIT A**Legal Description of Property**

PID: #91-420-1950

Lot 16 and the South 14.00 feet of Lot 17, Block 19, GRAND RAPIDS SECOND DIVISION,
according to the recorded plat thereof, Itasca County, Minnesota.

EXHIBIT B

DEPICTION OF CROSS ACCESS EASEMENTS

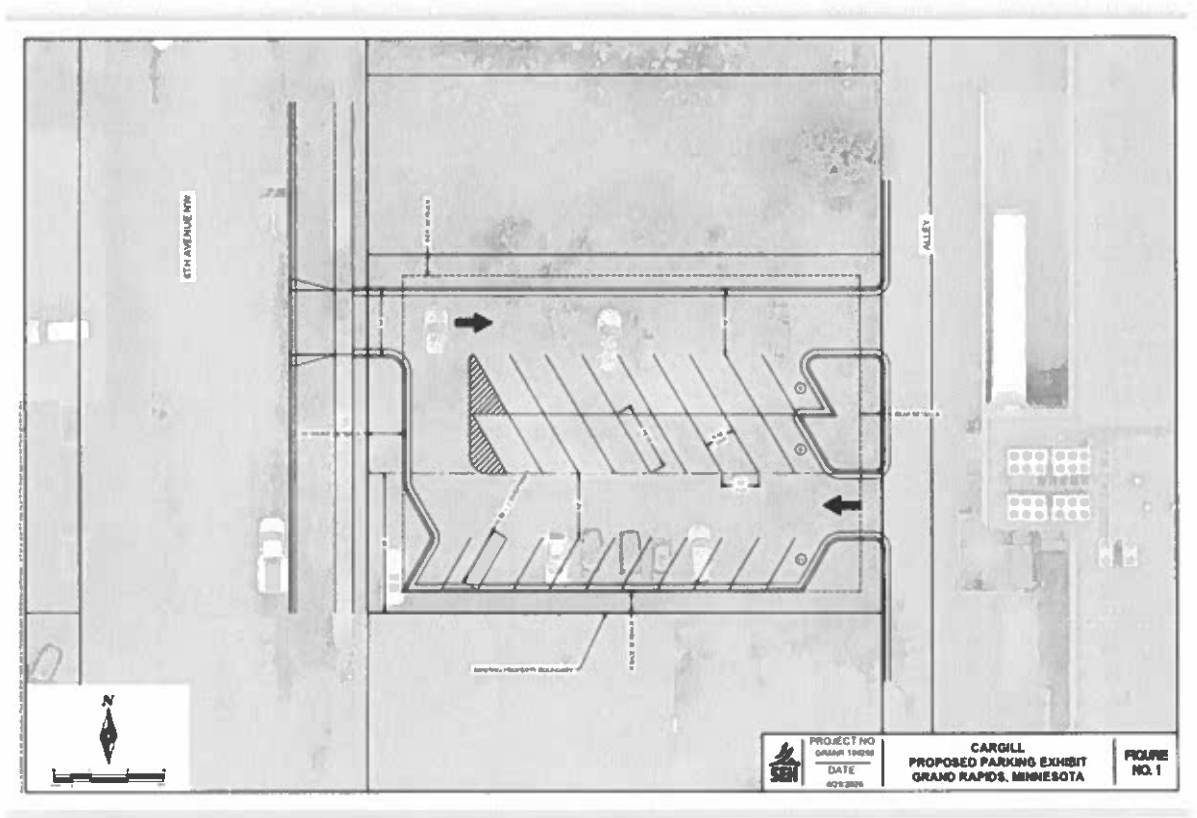


EXHIBIT D

[LIST ENVIRONMENTAL REPORT]

EXHIBIT E

Cross Access Easement Map

[Attach map from Worksheet showing cross access easements for parking entering the Property on the West and East boundaries]

GRAND RAPIDS PLANNING COMMISSION

RESOLUTION NO. _____

**FINDING THAT THE PROPOSED ACQUISITION OF CERTAIN
PROPERTY BY THE GRAND RAPIDS ECONOMIC
DEVELOPMENT AUTHORITY FROM GLENNA KELLIN AND
JOHN KELLIN, IS CONSISTENT WITH THE COMPREHENSIVE
PLAN OF THE CITY OF GRAND RAPIDS**

WHEREAS, the Grand Rapids Economic Development Authority (the “Authority”) proposes to purchase certain real property located at 533 NW 4th Street, Grand Rapids, MN (PID No. 91-420-1940), which is legally described as Lots 13-15, Block 19, GRAND RAPIDS SECOND DIVISION, according to the recorded plat thereof, Itasca County, Minnesota (the “Property”) from Glenna Kellin and John Kellin; and

WHEREAS, the Authority is acquiring the Property in order to facilitate redevelopment within its Development District No. 1; and

WHEREAS, Minnesota Statutes, Section 462.356, subdivision 2, requires the Grand Rapids Planning Commission (the “Planning Commission”) to review the proposed acquisition or disposal of publicly owned real property within the City and to report in writing to the governing body or political subdivision concerned, its findings as to compliance of the proposed acquisition or disposal with the comprehensive municipal plan; and

WHEREAS, staff of the City and the Authority have provided information to the Planning Commission for its review which shows that the acquisition of the Property by the Authority is in the best interest of the City and is consistent with the City’s comprehensive plan; and

WHEREAS, the Planning Commission’s review of the acquisition of the Property relates solely to compliance with Minnesota Statutes, Section 462.356; and

NOW, THEREFORE, BE IT RESOLVED, by the Grand Rapids Planning Commission that the Planning Commission finds that the acquisition of the Property is consistent with the City’s comprehensive municipal plan.

BE IT FURTHER RESOLVED that this resolution be communicated to the Board of Commissioners of the Authority.

Adopted by the Grand Rapids Planning Commission this ____ day of _____, 2026.

Chair

ATTEST:

Secretary

GRAND RAPIDS PLANNING COMMISSION

RESOLUTION NO. _____

FINDING THAT THE PROPOSED ACQUISITION OF CERTAIN PROPERTY BY THE GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY FROM CARGILL & STEFFENSON PROPERTIES, LLC, A MINNESOTA LIMITED LIABILITY COMPANY IS CONSISTENT WITH THE COMPREHENSIVE PLAN OF THE CITY OF GRAND RAPIDS

WHEREAS, the Grand Rapids Economic Development Authority (the “Authority”) proposes to purchase certain real property legally described as Lot 16 and the South 14.00 feet of Lot 17, Block 19, GRAND RAPIDS SECOND DIVISION, according to the recorded plat thereof, Itasca County, Minnesota (the “Property”), from Cargill & Steffenson Properties, LLC, a Minnesota limited liability company; and

WHEREAS, the Authority is acquiring the Property in order to facilitate redevelopment in its Development District No. 1; and

WHEREAS, Minnesota Statutes, Section 462.356, subdivision 2, requires the Grand Rapids Planning Commission (the “Planning Commission”) to review the proposed acquisition or disposal of publicly owned real property within the City and to report in writing to the governing body or political subdivision concerned, its findings as to compliance of the proposed acquisition or disposal with the comprehensive municipal plan; and

WHEREAS, staff of the City and the Authority have provided information to the Planning Commission for its review which shows that the acquisition of the Property by the Authority is in the best interest of the City and is consistent with the City’s comprehensive plan; and

WHEREAS, the Planning Commission’s review of the acquisition of the Property relates solely to compliance with Minnesota Statutes, Section 462.356; and

NOW, THEREFORE, BE IT RESOLVED, by the Grand Rapids Planning Commission that the Planning Commission finds that the acquisition of the Property is consistent with the City’s comprehensive municipal plan.

BE IT FURTHER RESOLVED that this resolution be communicated to the Board of Commissioners of the Authority.

Adopted by the Grand Rapids Planning Commission this ____ day of _____, 2026.

Chair

ATTEST:

Secretary