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

CITY COUNCIL MEETING AGENDA

Monday, August 12, 2024
5:00 PM

CALL TO ORDER: Pursuant to due notice and call thereof, a Regular meeting of the Grand Rapids City Council will be held on Monday, August 12, 2024 at 5:00 PM in City Hall Council Chambers, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL:

PROCLAMATIONS/PRESENTATIONS:

1. Sergeant Michelle Norris Oath
2. Officer Jeff Madsen Oath

POSITIVE HAPPENINGS IN THE CITY:

PUBLIC FORUM:

COUNCIL REPORTS:

APPROVAL OF MINUTES:

3. Approve Council minutes for Monday, July 22, 2024 Regular Council meeting.

VERIFIED CLAIMS:

4. Approve the verified claims for the period July 16, 2024 to August 5, 2024 in the total amount of $1,271,435.99.

ACKNOWLEDGE MINUTES FOR BOARDS AND COMMISSIONS:

5. Review and acknowledged the following minutes for Boards and Commissions:
   ~ March 21, 2024 PCA Board
   ~ April 3, 2024 Civic Center Advisory Board
   ~ May 21, 2024 Golf Board
   ~ May 29, 2024 Human Rights Commission
   ~ June 12, 2024 Library Board
   ~ July 11, 2024 GREDA meeting

CONSENT AGENDA:

6. Consider appointing additional election judge to serve in 2024 elections.

7. Consider approving temporary liquor permit for VFW Post 1720

8. Consider entering into an Advertising Agreement with a business at Yanmar Arena.

9. Consider approving a Lease Agreement with ISD 318 for use of the City's athletic fields.

10. Consider Voiding Lost Accounts Payable Check and Issue a Replacement Check

11. Consider accepting an easement for the Round 2 Development

12. Consider adopting a resolution accepting a bench donation in memory of Desiree Sulamith Joy Randle.

13. Consider approving temporary liquor permit for St. Joseph's Catholic Church

14. Consider increase in hourly wage for seasonal golf employee.

15. Consider approving additions to the Public Works street sweeper purchase

16. Consider a resolution approving Municipal Consent for SP 3104-61

17. Consider authorizing quotes and awarding the bid to Hawkinson Construction for the NW 5th Street Overlay Project.

18. Consider approving temporary liquor permit for United Way of 1000 Lakes

19. Consider entering into a Cleaning Services Agreement with Northwoods Cleaning Company at City Hall, Central School, and the library.

20. Consider approval of payment of $850 to McKeon Roberts to cover appraisal costs for land purchase by the City.

21. Consider approving change order 1 and final payment in the amount of $6,100.00 for stonework in the east lobby for the Civic Center Project

22. Consider approving the Lefty's Rental Contract utilized at National Night Out.

SET REGULAR AGENDA:

ADMINISTRATION:

23. Consider Amendment to the Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP) for non-represented employees

24. Consider appointment of Sarah P. Phillips to the position of Police Officer with the Grand Rapids Police Department.

25. Consider ending Human Resource services to the GRPU

FIRE:

26. Consider allowing the Grand Rapids Fire department to purchase fire safety equipment.

POLICE:

27. Consider adopting a resolution accepting donations from the Blandin Foundation, Pinched Catering, Super One Foods, Sandstorms, Pepsi and Rapids Welding for 2024 National Night Out.

28. Consider adopting a resolution accepting donations from the Cohasset Fire Hook & Ladder for 2024 National Night Out.

CITY COUNCIL:

29. Consider salary increases for Mayor and Council

PUBLIC HEARINGS: (scheduled to begin no earlier than 5:00 PM)

30. Conduct a public hearing to consider the establishment of TIF District 1-16; Unique Opportunities Downtown Housing

COMMUNITY DEVELOPMENT:

31. Consider the adoption of a resolution approving modification to the Development Program for Development District 1 and the establishment of TIF District No. 1-16; Downtown Housing Development and the TIF Plan therefore

32. Consider the adoption of a resolution approving a Purchase and Development Agreement and awarding the sale of, and providing the form, terms, covenants, and directions for the issuance of its Tax Increment Revenue Note (Downtown Housing Development)

33. Consider the adoption of a resolution authorizing interfund loan for advance of certain costs in connection with Tax Increment Financing District No. 1-16: Downtown Housing

34. Consider the adoption of a resolution approving the conveyance of certain property owned by the City and Itasca County to the Grand Rapids Economic Development Authority

35. Consider the adoption of a resolution approving a Purchase Agreement for the purchase of real property located in the City of Grand Rapids from Independent School District No. 318

36. Grant Application Request – Legion Park Master Plan

ADJOURNMENT:

NEXT REGULAR MEETING IS SCHEDULED FOR AUGUST 26, 2024, AT 5:00 PM

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

MEETING PROTOCOL POLICY: Please be aware that the Council has adopted a Meeting Protocol Policy which informs attendees of the Council's desire to conduct all City meetings in an orderly manner which welcomes all civil input from citizens and interested parties. If you are unaware of the policy, copies (orange color) are available in the wall file by the Council entrance.

ATTEST: Kimberly Gibeau, City Clerk

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

GRAND RAPIDS POLICE DEPARTMENT

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

Grand Rapids Police Department Oath of Office

I, _Michelle Norris_ do solemnly promise that,

I will support the Constitution of the United States,

the Constitution of the State of Minnesota and the laws thereof;

and that I will faithfully, honestly and impartially

perform the duties of a Police Sergeant for the City of Grand Rapids

according to the Constitution and laws of this State

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

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

GRAND RAPIDS POLICE DEPARTMENT

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

Grand Rapids Police Department Oath of Office

I, _Jeff Madsen_ do solemnly promise that,

I will support the Constitution of the United States,

the Constitution of the State of Minnesota and the laws thereof;

and that I will faithfully, honestly and impartially

perform the duties of a Police Officer for the City of Grand Rapids

according to the Constitution and laws of this State

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

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

CITY COUNCIL MEETING MINUTES

Monday, July 22, 2024
7:00 PM

Mayor Connelly called the meeting to order at 7:00 PM.

PRESENT: Mayor Tasha Connelly, Councilor Dale Adams, Councilor Molly MacGregor, Councilor Tom Sutherland, Councilor Rick Blake

STAFF: Chad Sterle, Andy Morgan, Barb Baird, Kevin Ott, Jeremy Nelson, Chery Pierzina

Mayor Connelly read a statement into the record regarding political violence.

POSITIVE HAPPENINGS IN THE CITY:

Councilor Adams highlighted Eldercircle Golf Fundraiser.

Councilor MacGregor gave overview of Free Range Food Co-op dinner fundraiser and the July Timberman Triathalon at Sugar Lake.

Mayor Connelly discussed the ribbon cutting for My Place Hotel and noted large community turnout.

PUBLIC FORUM:

Don Wydra, 21788 Moose Point Road, Cohasset, spoke in support of Pam Dowell in reference to her service on the PCA Board.

Dan Butterfield, 21810 Verde Lane, expressed interest in possible Airport Road property sales and requested that residents in the area be advise prior to sale of property.

APPROVAL OF MINUTES:

1. Approve Council minutes for Monday, July 8, 2024 Worksession & Regular meetings and summary for Monday, July 8, 2024 Closed meeting.

   Motion made by Councilor Adams, Second by Councilor MacGregor to approve Council minutes as presented. Voting Yea: Mayor Connelly, Councilor Adams, Councilor MacGregor, Councilor Sutherland, Councilor Blake

VERIFIED CLAIMS:

2. Approve the verified claims for the period July 2, 2024 to July 15, 2024 in the total amount of $1,666,592.45 including debt service payments of $296,738.19.

   Motion made by Councilor Blake, Second by Councilor Sutherland to approve Verified Claims as presented. Voting Yea: Mayor Connelly, Councilor Adams, Councilor MacGregor, Councilor Sutherland, Councilor Blake

CONSENT AGENDA:

3. Consider approving the School Resource Officer Agreement for the 2024-2025 school year with Independent School District #318

4. Consider approving Memorandum of Understanding with Itasca County Public Health.

5. Consider adopting a resolution authorizing the 2024 budgeted operating transfers.

   Adopted Resolution 24-61

6. Consider Voiding Lost Accounts Payable Check and Issue a Replacement Check

7. Consider approving the purchase of a tilt trailer for Public Works

8. Consider removal of Pam Dowell from the Police Community Advisory Board

9. Consider accepting quotation for installation of additional acoustical panels at Yanmar Arena.

10. Consider approving “amended” final payment in the amount of $5,034.00 for Work Scope 5 on the Civic Center Project

11. Consider approving agreements with Strange Daze and Twist of Fate for musical performances at 2024 Tall Timber Days event.

12. Consider adopting a resolution approving LG230 Application for Off-Site Gambling for Confidence Learning Center

    Adopted Resolution 24-62

13. Consider approving temporary liquor for Itasca Orchestra and Strings Program

14. Consider approving renewal for Office 365 services through Zix.

15. Consider approving change orders for Yanmar Arena Project

15a. Consider approving temporary liquor license for American Legion Post 476 for Itasca County Fair Beer Garden.

Motion made by Councilor Adams, Second by Councilor MacGregor to approve the Consent agenda as amended. Voting Yea: Mayor Connelly, Councilor Adams, Councilor MacGregor, Councilor Sutherland, Councilor Blake

SET REGULAR AGENDA:

Motion made by Councilor Blake, Second by Councilor MacGregor to approve the Regular agenda as presented. Voting Yea: Mayor Connelly, Councilor Adams, Councilor MacGregor, Councilor Sutherland, Councilor Blake

ADMINISTRATION:

16. Consider recommended appointment to the position of Police Sergeant; and authorize Human Resources to post, interview and hire for an open position of Police Officer, if approved for the OTS grant for DWI Officer.

    Human Resources Officer, Chery Pierzina, provided overview of selection process and recommends Patrol Sergeant Michelle Norris for the position of Sergeant.

    Motion made by Councilor MacGregor, Second by Councilor Sutherland to appoint Officer Michelle Norris to the position of Police Sergeant as recommended and authorize staff to begin the process of filling the open position of Police Officer. Voting Yea: Mayor Connelly, Councilor Adams, Councilor MacGregor, Councilor Sutherland, Councilor Blake

POLICE:

17. Consider adopting a resolution accepting a $50 donation to the GRPD Domestic Animal Control Facility from the Fredrickson / Johnson family.

    Motion made by Councilor Blake, Second by Councilor MacGregor to **adopt Resolution 24-63**, accepting donation from Fredrickson/Johnson family as presented. Voting Yea: Mayor Connelly, Councilor Adams, Councilor MacGregor, Councilor Sutherland, Councilor Blake

CITY COUNCIL:

18. Consider salary increases for Mayor and Council

    Council conducted discussion with Councilors Adams, Blake and MacGregor indicating they would support an increase in Council wages, though some would like to discuss further. Mayor Connelly doesn't feel like this is a good time to increase Council wages and Councilor Sutherland agrees.

    Motion made by Councilor Adams to approve Council salary increase as presented. Motion failed for lack of second.

Motion made by Councilor MacGregor, Second by Councilor Adams to table this item until the next Council meeting scheduled for August 12, 2024. Voting Yea: Mayor Connelly, Councilor Adams, Councilor MacGregor, Councilor Sutherland, Councilor Blake

There being no further business, the meeting adjourned at 7:34 PM.

Respectfully submitted:

Kimberly Gibeau

Kimberly Gibeau, City Clerk

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TIME: 11:34:40 DEPARTMENT SUMMARY REPORT
ID: AP443GR0.WOW

INVOICES DUE ON/BEFORE 08/12/2024

VENDOR #	NAME	AMOUNT DUE
GENERAL FUND		
2609850	ZIX CORP SYSTEMS INC	24,504.26
	TOTAL	24,504.26
CITY WIDE		
0605652	FERGUSON WOLSELEY IND GROUP	19.90
0715808	GOVCONNECTION INC	2,948.26
0920059	ITASCA COUNTY SHERIFFS DEPT	1,854.45
1105225	CITY OF KEEWATIN	848.16
1500600	OPG-3 INC	205.00
1915248	SHI INTERNATIONAL CORP	378.00
1915600	SOPHOS PAYMENT RESOURCES	7,410.88
2609850	ZIX CORP SYSTEMS INC	17,503.05
	TOTAL CITY WIDE	31,167.70
SPECIAL PROJECTS-NON BUDGETED		
0718060	GRAND RAPIDS HERALD REVIEW	353.63
	TOTAL SPECIAL PROJECTS-NON BUDGETED	353.63
ADMINISTRATION		
0914540	INNOVATIVE OFFICE SOLUTIONS LL	24.38
1215630	LOREN SOLBERG CONSULTING, LLC	1,600.00
1300032	MCFOA TREASURER	50.00
	TOTAL ADMINISTRATION	1,674.38
BUILDING SAFETY DIVISION		
0118100	VESTIS GROUP, INC	64.86
0221525	BUNES SEPTIC SERVICE INC	285.00
0605652	FERGUSON WOLSELEY IND GROUP	128.98
0701650	GARTNER REFRIGERATION CO	2,204.00
0920060	ITASCA COUNTY TREASURER	199.92
1901535	SANDSTROM'S INC	44.57
	TOTAL BUILDING SAFETY DIVISION	2,927.33
COMMUNITY DEVELOPMENT		
0920060	ITASCA COUNTY TREASURER	132.60
1309495	MINUTEMAN PRESS	100.00

DATE: 08/08/2024 CITY OF GRAND RAPIDS PAGE: 2
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INVOICES DUE ON/BEFORE 08/12/2024

VENDOR #	NAME	AMOUNT DUE
GENERAL FUND		
COMMUNITY DEVELOPMENT		
	TOTAL COMMUNITY DEVELOPMENT	232.60
FINANCE		
0718060	GRAND RAPIDS HERALD REVIEW	487.00
0914540	INNOVATIVE OFFICE SOLUTIONS LL	79.62
	TOTAL FINANCE	566.62
FIRE		
0112223	ALEX AIR APPARATUS 2 LLC	923.79
0118100	VESTIS GROUP, INC	104.10
0121721	AUTO VALUE - GRAND RAPIDS	17.03
0315455	COLE HARDWARE INC	32.65
0513231	EMERGENCY APPARATUS	1,106.15
0609305	FIGGINS TRUCK & TRAILER REPAIR	236.46
0920060	ITASCA COUNTY TREASURER	158.70
1200500	L&M SUPPLY	29.43
1901535	SANDSTROM'S INC	821.76
2609350	ZIEGLER INC	1,436.53
	TOTAL FIRE	4,866.60
PUBLIC WORKS		
0103325	ACHESON TIRE INC	185.00
0201650	BARGEN INC	23,294.00
0221650	BURGGRAF'S ACE HARDWARE	143.94
0301685	CARQUEST AUTO PARTS	182.84
0315455	COLE HARDWARE INC	111.71
0315481	CAR, INC	875.00
0400720	D&S STUMP GRINDING LLC	975.00
0401420	DAKOTA FLUID POWER, INC	163.91
0601690	FASTENAL COMPANY	2,557.68
0800040	H & L MESABI	2,873.91
0801836	HAWKINSON SAND & GRAVEL	1,092.09
0920060	ITASCA COUNTY TREASURER	2,211.01
1200500	L&M SUPPLY	494.82
1205110	LEASE LANDSCAPING INC	806.00
1415545	NORTHLAND LAWN & SPORT, LLC	90.69
2018560	TROUT ENTERPRISES INC	775.00
T001419	218 TREE SERVICE LLC	2,185.00
	TOTAL PUBLIC WORKS	39,017.60

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INVOICES DUE ON/BEFORE 08/12/2024

VENDOR #	NAME	AMOUNT DUE
GENERAL FUND		
FLEET MAINTENANCE		
0121721	AUTO VALUE - GRAND RAPIDS	149.00
0301685	CARQUEST AUTO PARTS	1,480.21
0315455	COLE HARDWARE INC	2.19
0513233	EMERGENCY AUTOMOTIVE TECH INC	901.92
0914200	INDUSTRIAL LUBRICANT COMPANY	2,192.16
0920060	ITASCA COUNTY TREASURER	77.40
	TOTAL FLEET MAINTENANCE	4,802.88
POLICE		
0124550	AXON ENTERPRISE INC	2,472.45
0215755	BOUND TREE MEDICAL LLC	407.90
0221650	BURGGRAF'S ACE HARDWARE	17.99
0301685	CARQUEST AUTO PARTS	41.34
0409501	JOHN P. DIMICH	4,583.33
0421725	DUTCH ROOM INC	89.72
0601346	FAIRVIEW HEALTH SERVICES	685.00
0914540	INNOVATIVE OFFICE SOLUTIONS LL	48.77
0918585	IRON RANGE TOWING & AUTO, LLC	150.00
0920060	ITASCA COUNTY TREASURER	3,682.16
1200500	L&M SUPPLY	8.52
1309090	SUPERONE FOODS NORTH	11.90
1618125	PRAXAIR DISTRIBUTION INC	96.05
1801611	RAPIDS RADIO LLC	850.00
1801725	RAY ALLEN MANUFACTURING LLC	206.98
1920233	STREICHER'S INC	215.97
	TOTAL POLICE	13,568.08
RECREATION		
0221650	BURGGRAF'S ACE HARDWARE	23.97
	TOTAL RECREATION	23.97
GENERAL FUND-LIQUOR/CHART GAMB		
1205250	LEFTYS TENT & PARTY RENTAL	192.11
	TOTAL	192.11
PUBLIC LIBRARY		

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INVOICES DUE ON/BEFORE 08/12/2024

VENDOR #	NAME	AMOUNT DUE
PUBLIC LIBRARY		
1309332	MN STATE RETIREMENT SYSTEM	3,060.00
	TOTAL	3,060.00
CENTRAL SCHOOL		
0118100	VESTIS GROUP, INC	64.09
0218745	ASHLEY BRUBAKER	424.99
0315455	COLE HARDWARE INC	30.45
0701650	GARTNER REFRIGERATION CO	4,251.84
1901535	SANDSTROM'S INC	165.17
	TOTAL	4,936.54
AIRPORT		
0315455	COLE HARDWARE INC	263.15
0401802	DAVIS BIRD CONTRACTING INC	4,325.00
0504825	EDWARDS OIL INC	910.11
0920060	ITASCA COUNTY TREASURER	129.85
1303039	MCCOY CONSTRUCTION & FORESTRY	479.78
	TOTAL	6,107.89
CIVIC CENTER		
GENERAL ADMINISTRATION		
0118230	ARENA WAREHOUSE, LLC	2,095.84
0221650	BURGGRAF'S ACE HARDWARE	14.99
0701650	GARTNER REFRIGERATION CO	2,207.39
1201430	LAKE SUPERIOR CUTTING EDGE LLC	350.00
1801613	RAPIDS PRINTING	281.00
	TOTAL GENERAL ADMINISTRATION	4,949.22
STATE HAZ-MAT RESPONSE TEAM		
0112223	ALEX AIR APPARATUS 2 LLC	953.82
	TOTAL	953.82
CEMETERY		

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INVOICES DUE ON/BEFORE 08/12/2024

VENDOR #	NAME	AMOUNT DUE
CEMETERY		
0221650	BURGGRAF'S ACE HARDWARE	89.98
	TOTAL	89.98
DOMESTIC ANIMAL CONTROL FAC		
0118100	VESTIS GROUP, INC	30.00
0118634	ARROWHEAD ANIMAL CLINIC, DC	583.75
0701650	GARTNER REFRIGERATION CO	404.15
0920060	ITASCA COUNTY TREASURER	393.44
	TOTAL	1,411.34
CAPITAL EQPT REPLACEMENT FUND		
CAPITAL OUTLAY-POLICE		
0124550	AXON ENTERPRISE INC	9,015.56
0421480	DTM FLEET SERVICE LLC	3,721.63
0513233	EMERGENCY AUTOMOTIVE TECH INC	13,159.20
1415046	NORTH COUNTRY CHEVROLET GMC	53,606.60
	TOTAL CAPITAL OUTLAY-POLICE	79,502.99
AIRPORT CAPITAL IMPRV PROJECTS		
AP 2023-2 S TAXILANE CRCK SLNG		
1900225	SEH	9,350.00
T001520	STRUCK & IRWIN PAVING INC	45,668.40
	TOTAL AP 2023-2 S TAXILANE CRCK SLNG	55,018.40
CIVIC CENTER CAPITAL IMP PJT		
IRA CIVIC CENTER RENOVATION		
0218115	BRAUN INTERTEC CORPORATION	1,455.00
T001517	EWEN STONE WORKS, LLC	6,100.00
	TOTAL IRA CIVIC CENTER RENOVATION	7,555.00
2024 INFRASTRUCTURE BONDS		
CP2010-1 3RD AVE NE RECON		
0218115	BRAUN INTERTEC CORPORATION	861.25
2000522	TNT CONSTRUCTION GROUP, LLC	376,852.63
	TOTAL CP2010-1 3RD AVE NE RECON	377,713.88

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INVOICES DUE ON/BEFORE 08/12/2024

VENDOR #	NAME	AMOUNT DUE
STORM WATER UTILITY		
0514798	ENVIRONMENTAL EQUIPMENT AND	18,714.41
0801836	HAWKINSON SAND & GRAVEL	1,743.51
0920058	ITASCA COUNTY	12,630.00
0920060	ITASCA COUNTY TREASURER	350.83
1621125	PUBLIC UTILITIES COMMISSION	2,200.00
1920240	CHAD B STERLE	450.00
2000522	TNT CONSTRUCTION GROUP, LLC	930.00
	TOTAL	37,018.75
	TOTAL UNPAID TO BE APPROVED IN THE SUM OF:	$702,215.57
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
0201354	B. BAIRD-PETTY CASH FUND	300.00
0205640	LEAGUE OF MN CITIES INS TRUST	59.05
0301650	JEFF CARLSON	46.00
0305530	CENTURYLINK QC	50.62
0309600	CIRCLE K/HOLIDAY	144.09
0504615	JUSTIN EDMUNDSON	46.00
0605191	FIDELITY SECURITY LIFE	99.64
0612083	FLAGSHIP RECREATION	1,874.00
0718015	GRAND RAPIDS CITY PAYROLL	332,974.77
0815440	HOLIDAY STATIONSTORES LLC	203.50
0821715	SAMUEL HUSSMAN	152.00
0900060	ICTV	34,504.62
0920055	ITASCA COUNTY RECORDER	138.00
1015320	JOHN E REID & ASSOCIATES INC	900.00
1201402	LAKE COUNTRY POWER	53.14
1205090	LEAGUE OF MINNESOTA CITIES	250.00
1215250	LOFFLER COMPANIES INC	653.15
1301145	MARCO TECHNOLOGIES, LLC	154.67
1301146	MARCO TECHNOLOGIES, LLC	91.63
1305046	MEDIACOM LLC	176.90
1305725	METROPOLITAN LIFE INSURANCE CO	2,177.28
1309162	MN BCA/TRAINING & EDUCATION	450.00
1309178	MINNESOTA GFOA TREASURER	250.00
1309199	MINNESOTA ENERGY RESOURCES	816.72
1309302	MN DEPT OF PUBLIC SAFETY	3,726.08
1309332	MN STATE RETIREMENT SYSTEM	2,070.00
1309335	MINNESOTA REVENUE	11,503.00
1309338	MN STATE TREAS/BLDG INSPECTOR	4,554.05
1321750	MUTUAL OF OMAHA	474.58
1516220	OPERATING ENGINEERS LOCAL #49	127,444.00
1601305	THOMAS J. PAGEL	1,126.94
1601750	PAUL BUNYAN COMMUNICATIONS	1,479.87
1901325	ST CLOUD STATE UNIVERSITY	225.00

DATE: 08/08/2024 CITY OF GRAND RAPIDS PAGE: 7
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INVOICES DUE ON/BEFORE 08/12/2024

VENDOR #	NAME	AMOUNT DUE
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
1913090	SEAN SMALLEN	82.00
1921620	SUPERIOR USA BENEFITS CORP	159.00
2000100	TASC	33.75
2100265	U.S. BANK	500.00
2305825	WEX INC	2,489.37
T001378	MIDLAND TITLE	28,587.00
T001477	BROTHERS BURN MOUNTAIN, THE	1,000.00
T001496	JILL SHEPHERD	900.00
T001504	LAGOM MODULAR	2,000.00
T001519	GERALD JOHNSON	500.00
T001521	LORI ARNDT	500.00
T001522	STRANGE DAZE	2,000.00
T001523	MICHAEL A MASTRACCHIO	1,300.00

TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF: $569,220.42

TOTAL ALL DEPARTMENTS $1,271,435.99

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

POLICE COMMUNITY ADVISORY BOARD MEETING MINUTES

Thursday, March 21, 2024
4:00 PM

The Purpose of the Grand Rapids Police Community Advisory Board (The Board) shall be to establish and enhance communication between Grand Rapids residents, Police Department and City Council. Together, the Advisory Board and Police Department will identify and focus on public safety issues and collaborate with community leaders, community organizations and stakeholders in developing solutions to multi-faceted community concerns. The Board provides recommendations to the Chief of Police and City Council as to how issues should be addressed.

CALL TO ORDER: Pursuant to due notice and call thereof, the Police Community Advisory Board will hold a regular meeting on Thursday, March 21, 2024, at 4:00 PM in City Hall Council Chambers at 420 North Pokegama Avenue, Grand Rapids.

Chair Connolly called the meeting to order at 4:02.

ROLL CALL:

PRESENT
Board Member Dan Butterfield
Board Chair Stephen Connolly
Board Member Tom Neustrom
Board Member Kerry Clausen
Board Member Cassey Casteel
Board Member Nikki Roberts
Board Member Jessica Malmquist

ABSENT
Board Member Pam Dowell
Board Member Wendy Uzelac

Staff Present: Captain Ott and Captain Nelson

PUBLIC INPUT (if anyone wishes to address the Board):

No one from the public was present.

SETTING THE AGENDA:

Nothing added.

CORRESPONDENCE:

APPROVE MINUTES:

1. Approval of the Minutes of January 18, 2024

   Motion made by Board Member Butterfield to approve January 18, 2024, Minutes. Seconded by Board Member Neustrom.
   Voting Yea: Board Member Butterfield, Board Chair Connolly, Board Member Neustrom, Board Member Clausen, Board Member Casteel, Board Member Roberts, Board Member Malmquist

2. Approval of the Special Meeting Minutes of February 15, 2024

   Motion made by Board Member Butterfield to approve February 15, 2024, Special Meeting Minutes. Seconded by Board Member Roberts.
   Voting Yea: Board Member Butterfield, Board Chair Connolly, Board Member Neustrom, Board Member Clausen, Board Member Casteel, Board Member Roberts, Board Member Malmquist

BUSINESS:

3. GRPD New Hires

   Captain Nelson and Captain Ott gave a background on each of our new hires and approximate start times. The new hires are Jeff Madsen, Joseph O'Toole and Phillip Murphy. Discussion was had about the hiring process and who is a part of the hiring team. Also discussed were some of the reasons for officers leaving the GRPD.

4. MN TZD (Towards Zero Deaths) New Vehicle Grant

   Captain Ott explained that GRPD has been awarded a Traffic Safety Vehicle grant for a specialized vehicle. The 2024 Chevy Silverado should be here in July. GRPD will be partnering with surrounding agencies giving them access to utilize the vehicle for TZD purposes.

5. SRO Upcoming Changes

   Captain Nelson spoke on the SRO changes that will be taking place within the schools due to the district budget cuts. Officer Scott will continue as a SRO. Officer Norris will be returning to the road. The COPS grant is on hold for now, but with the new hires and the SRO changes, Chief Morgan's goal for staff structure and ratios is being achieved.

UPDATES:

6. COPS Update

   Captain Ott discussed letter that was given to council. It was well received and going forward prior to the SRO issue. GRPD will pause with this grant and reconsider it in the future.

ANNOUNCEMENTS:

DARE Spaghetti Feed is Sunday, April 7th, 10 to 6 pm.

Children's Fair is April 27th at 9 am at the arena.

An email will be sent out.

SET AGENDA FOR NEXT MEETING:

Next meeting will be May 16, at 4 pm in City Hall Council Chambers.

ADJOURN:

Motion made by Board Member Butterfield to adjourn meeting. Seconded by Board Member Roberts. Voting Yea: Board Member Butterfield, Board Chair Connolly, Board Member Neustrom, Board Member Clausen, Board Member Casteel, Board Member Roberts, Board Member Malmquist

Respectfully Submitted

Amanda Mitchell

Amanda Mitchell

MEETINGS AND ATTENDANCE

The Board shall meet at minimum, four times each year as determined by the chair. A regular meeting may be cancelled by the chair or a majority of the Board. Every Board member shall be required to attend at least 75% of all meetings each calendar year. Board members who are unable to meet the attendance requirements may be removed by a majority vote of the Board. Prior to a vote considering the potential removal of a member, the member shall be afforded an opportunity to explain his or her reason for non-attendance.

BOARD MEMBERS AND TERM EXPIRATION

Dan Butterfield	12/31/2026	Wendy Uzelac	12/31/2025
Stephen Connolly	12/31/2026	Cassey Casteel	12/31/2024
Pam Dowell	12/31/2026	Kerry Clausen	2/31/2025
Tom Neustrom	12/31/2025	Nicolette Roberts	12/31/2024
Jessica Malmquist	12/31/2024		

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

CIVIC CENTER ADVISORY BOARD MINUTES

Wednesday, April 03, 2024
6:00 PM

CALL TO ORDER:

The meeting was called to order by the Board Chair Carlson at 6:05pm.

ROLL CALL:

PRESENT
Council Representative Tom Sutherland
Star of the North Representative Shannon Wourms
At Large Jeremy Carlson
ISD 318 Mark Schroeder

ABSENT
GRAHA Representative Andrew Haarklau
City Administrator, Tom Pagel

PUBLIC FORUM: (if anyone wishes to address the Board):

None.

SETTING THE AGENDA: This is the time for a Board Member to request an addition or removal of an item to the agenda.

CORRESPONDENCE:

None.

APPROVE MINUTES:

1. Approve Minutes from January 3, 2024

   Motion made by ISD 318 Schroeder, Seconded by Council Representative Sutherland to approve the January 3rd, 2024, Minutes. Voting Yea: Council Representative Sutherland, Star of the North Representative Wourms, At Large Carlson, ISD 318 Schroeder

BUSINESS:

2. Discuss Construction Budget and Contingency

   Discussed the Construction Budget and Contingency,

3. Main Lobby Renovation

   There is a pre-construction meeting scheduled for April 4, 2024. Some of the items that were discussed were the new ceiling and countertops, rock work, gables and acoustic panels.

4. State Bonding Contracts

   It was stated that the City Administrator, Tom Pagel, is lobbying at the Capital.

5. Discuss Concessions
   A. Control Over Items Sold
   B. Garbage and Cardboard

   The Board discussed Concessions. Graha currently runs the Concession stand and the Civic Center covers all utilities, garbage and clean-up. They would like to know the numbers that Graha takes in for the concessions. The Board would like to reserve the right to control what is sold at the Concession stand. and Dale will bring this up to them at their next meeting.

   Motion made by At Large Carlson, Seconded by ISD 318 Schroeder that the City will retian the oversight on items sold within the facility.
   Voting Yea: Council Representative Sutherland, Star of the North Representative Wourms, At Large Carlson, ISD 318 Schroeder

UPDATES:

6. Refrigerating the Pavilion

   There are bids from Rink Tech and Commercial Refrigeration for the artificial refrigeration of the Minor's Pavilion. It's a matter of ripping out the blacktop floor and putting in tubes. It would be a win-win for everyone as it would allow a 3rd rink for tournaments, the fees would be the same and it could be paid off within 5-6 years.

SET AGENDA FOR NEXT MEETING:

BUSINESS:
2. Discuss Construction Budget and Contingency
3. Main Lobby Renovation
4. State Bonding Contracts
5. Discuss Concessions

UPDATES:
6. Pavilion Refrigeration

ADJOURN:

The meeting adjourned at 6:55pm.

ATTEST:

Respectfully submitted by Cynthia Lyman

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

POKEGAMA GOLF COURSE BOARD MEETING MINUTES

Tuesday, May 21, 2024
7:30 AM

CALL TO ORDER: Pursuant to due notice and call thereof, a Regular Meeting of the Pokegama Golf Course Board will be held on Tuesday, May 21, 2024 at 7:30 AM at Pokegama Golf Course, 3910 Golf Course Road, Grand Rapids, Minnesota.

Rick McDonald called the meeting to order at 7:30 AM.

ROLL CALL:

PRESENT
Member Rick McDonald, Member John Bauer, Member Tom Lagergren

ABSENT
Member John Ryan, Member Roger Mischke

STAFF
Tom Beaudry, Steve Ross

PUBLIC INPUT:

No one from the public was present.

SETTING THE AGENDA: (This is an opportunity to approve the regular agenda as presented or add/delete an Agenda item by a majority vote of the Board members present.)

Motion made by Member Bauer, Seconded by Member Lagergren to approve the agenda as presented. Voting Yea: Member McDonald, Member Bauer, Member Lagergren

APPROVE MINUTES:

1. Approve minutes for the April 16, 2024, Golf Board meeting.

   Motion made by Member Lagergren, Seconded by Member Bauer to approve minutes for the April 16, 2024, Golf Board Meetings. Voting Yea: Member McDonald, Member Bauer, Member Lagergren

CLAIMS AND FINANCIAL STATEMENTS:

2. Consider approving the claims and reviewing financials.

   Motion made by Member Lagergren, Seconded by Member Bauer to approve the claims and reviewed financials. Voting Yea: Member McDonald, Member Bauer, Member Lagergren

VISITORS:

No visitors present.

REPORTS:

Superintendent Steve Ross reported.

They are short staffed until after school ends for the year. There will be more clean up then. More kids will be hired on soon.

A week ago they applied the fertilizer, Polyon, which breaks down over 6 months. It was good timing for the application. Polyon is more expensive in the beginning but pays for itself over the course of the season.

Grass is looking good. Verticut is working well.

Second trap might need some sand hauled in. The 7th trap is looking beautiful. Not many use the traps, might not be worth spending money, but should assess them and maybe focus on the ones needing the most attention. Might want a long-term plan to work on the drainage - spray on liners and new sand. Spray on liners are quite expensive.

They have done a top dressing and are trying to do it every two weeks.

There are no concerns with the expected heavy rains.

Left of 4 - get rid of the little sticks sticking up. Plan is to walk behind with the brush hog. Once the kids start, it will get done.

Golf Director Tom Beaudry reported.

The financials are looking good. Opening first part of April added good revenue, about $10,000 ahead of last year.

There is a focus on staff and training right now.

Sign-ups look good for the Bauer Better Ball. Sending out more info on this along with other upcoming summer events. June is going to be busy.

Receiving good feedback from the public. Sharing carts has created some discussions.

New Board Member position: Deb's application is in, email sent to City Clerk, waiting for that process to be complete. This position replaces Mischke. Hopefully it will be settled for next meeting. Discussion was had on the benefits of having a woman on the board.

The grant for the mobility vehicle was approved. Discussion with members on what the vehicle will be used for and logistics of use.

BUSINESS:

3. Maintenance Morning Tee Sheet Blocks

   Golf Director Tom Beaudry reported that the top dressing program is done regularly. They are blocking out time to put it on. It is better to do it when dew is dry.

4. 100th Anniversary Celebration

   -Committee for planning

   Board members discussed ideas.

   There is a man at the Historical Society willing to help.

   Celebrate all year with one big event.

   John Bauer would like to be on the committee.

   Have people from the community bring in memorabilia and dedicate a wall for the memorabilia.

   Will call a meeting together. Board members will check with friends

CORRESPONDENCE AND OPEN DISCUSSION:

John Bauer suggested putting a MN flag at #1. Board members discussed the idea. It would help with knowing the wind direction. Maybe a fraternity could donate to the flag. It would not have to be a large flag. Tom will run the idea by Steve.

ADJOURN:

Motion made by Member Bauer, Seconded by Member Lagergren to adjourn meeting.
Voting Yea: Member McDonald, Member Bauer, Member Lagergren

Meeting adjourned at 8:07 AM.

Respectfully submitted,

Amanda Mitchell

Amanda Mitchell, Recorder

CITY OF GRAND RAPIDS
HUMAN RIGHTS COMMISSION
MEETING MINUTES

Wednesday, May 29, 2024
4:00 PM

MISSION STATEMENT
The Mission of the Grand Rapids Human Rights Commission is to promote a community of harmony and respect for the rights and dignity of all.

CALL TO ORDER: Pursuant to due notice and call thereof, the Human Rights Commission will hold a regular meeting on Wednesday, May 29, 2024, at 4:00pm in City Hall Council Chambers at 420 North Pokegama Avenue, Grand Rapids, Minnesota.

Commission Chair Erickson called the meeting to order at 4:00pm.

ROLL CALL:

PRESENT
Commissioner Angella Erickson
Commissioner Doug Learmont
Commissioner Joan Gunderman
Commissioner Amy Blomquist
Commissioner Ronald Grossman
Commissioner Rick Blake
City Liaison, Human Resources Officer, Chery Pierzina

ABSENT
Commissioner Amanda Lussier
Commissioner Katelyn Dokken

PUBLIC INPUT (if anyone wishes to address the Commission):

Commission Chair Erickson opened up the Public Input. The first speaker to address the Commission, stated his name as Paul DeRoescher of Cohasset and did not wish to give his address. He stated his opposition to the upcoming Itasca Pride Event to be held on the Central School grounds on June 23rd, 2024.

The second speaker to address the Commission stated her name as Stephanie Lipscy, who also did not want to give her address. She would like the upcoming Itasca Pride Event to be held somewhere other than the Central School grounds on June 23rd, 2024.

A third speaker stated her name as Noreen Hautala and she said she would like the Human Rights Commission to protect people that have a health crisis from the police.

Commission Chair Erickson thanked them for their input.

SETTING THE AGENDA: (This is an opportunity to approve the regular agenda as presented or add/delete an Agenda item by a majority vote of the Commission members present.)

Motion made by Commissioner Blake, Seconded by Commissioner Grossman to accept the Agenda as written with the addition of #11 recognizing newly appointed Commissioner Peggy Clayton's resignation. Voting Yea: Commissioner Erickson, Commissioner Learmont, Commissioner Gunderman, Commissioner Blomquist, Commissioner Grossman, Commissioner Blake.

PRESENTATION:

1. Police Chief, Andy Morgan

   Grand Rapids Police Chief Andy Morgan introduced himself and his Administrative Assistant Jackie Heinrich. He gave a presentation of their data collection system for calls, to show how bias, when reported, is tracked.

APPROVE MINUTES:

2. Approve April 24, 2024, Minutes

   Motion made by Commissioner Learmont, Seconded by Commissioner Blomquist to approve the April 24, 2024, Minutes. Voting Yea: Commissioner Erickson, Commissioner Learmont, Commissioner Gunderman, Commissioner Blomquist, Commissioner Grossman, Commissioner Blake

FINANCIALS:

3. Approve May 2024 Financials

   Motion made by Commissioner Gunderman, Seconded by Commissioner Grossman to approve the May 2024 Financials. Voting Yea: Commissioner Erickson, Commissioner Learmont, Commissioner Gunderman, Commissioner Blomquist, Commissioner Grossman, Commissioner Blake

BUSINESS:

4. 2024 Work Plan

   Discussion that Quarter 2 is done with Juneteenth and Itasca Pride coming in June. Quarter 3, July and August, there isn't a lot scheduled.

5. Itasca Pride Event

   Discussion regarding providing portable restrooms through the City's Vendor for the Itasca Pride Event taking place June 23rd, 2024, on the Central School grounds that was suggested by

the City Council and staff.

Motion made by Commissioner Blake, Seconded by Commissioner Grossman to provide and pay for three regular, one handicapped portable restrooms and a hand washing station for the Itasca Pride Event on June 23rd, 2024 on the Central School grounds. Voting Yea: Commissioner Erickson, Commissioner Learmont, Commissioner Gunderman, Commissioner Blomquist, Commissioner Grossman, Commissioner Blake

6. Itasca County Fair

Discussion regarding having a booth at the Itasca County Fair. The City has participated at the Fair, but has not done so for quite a while. It was said that City Administrator Tom Pagel said it was ok if the Human Rights Commission wanted to do this. The Commission will reach out to Lila Crowe.

UPDATES:

7. Work Group Updates

For Juneteenth, there is a Freedom Walk scheduled by Big View/Kootasca on June 14th, 2024, which starts and ends at Central School. Big View/Kootasca is asking that the Grand Rapids Human Rights Commission partner with them for the Freedom Walk by granting permission to put their logo on the fliers for the event.

Motion made by Commissioner Grossman, Seconded by Commissioner Gunderman to partner with Big View/Kootasca for their Juneteenth Freedom Walk and allow the Human Rights Commission Logo on their fliers. Voting Yea: Commissioner Erickson, Commissioner Learmont, Commissioner Gunderman, Commissioner Grossman, Commissioner Blake. Voting abstaining; Commissioner Blomquist.

The Juneteenth Proclamation would need to be on the June 10th, 2024, City Council meeting agenda, Cindy Lyman will check with the City Clerk regarding the proclamation and the banners will be up by the 13th.

The Indigenous Peoples Day Event Work Group met and made connections with folks from Anishinaabe Education and other contacts to get moving on planning the event.

8. MN Human Rights Commission - Justin Page

After connecting with Justin Page from the Minnesota Human Rights Commission, he would like to speak with the Commission virtually. This will be on the June Agenda.

9. Mental Health Awareness

There is a Mental Health Awareness event tomorrow hosted by Kootasca called "Mental Health & the Workplace".

10. School District Policies

Commissioner Dokken will be updating the Commission next meeting.

11). The Commission acknowledged Commissioner Clayton's resignation.

CALLS/COMPLAINTS/INQUIRIES:

None.

SET AGENDA FOR NEXT MEETING:

PRESENTATION: MN Human Rights Commission - Justin Page

BUSINESS:
4) 2024 Work Plan
5) Itasca County Fair
6) GRPD Data/Possible Training Follow-Up

UPDATES:
7) Juneteenth Freedom Walk
8) Itasca Pride Event
9) Work Group Updates
10) School District Policies

ADJOURN:

The Commission adjourned at 5:43pm.
Respectfully submitted by Cynthia Lyman

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

ARTS & CULTURE COMMISSION MEETING MINUTES

Tuesday, June 04, 2024
3:45 PM

CALL TO ORDER:

The meeting was called to order by Vice Chair Gorman at 3:45pm.

ROLL CALL:

PRESENT
Commissioner Ed Zabinski
Commissioner Jennifer Gorman
Commissioner Myrna Peterson
Commissioner Aaron Squadroni
Commissioner Amanda Lamppa
Commissioner Angie Miskovich
Commissioner Sara Slaubaugh
MacRostie Program Manager, Emily Carlson

ABSENT
Commissioner Kari Hedlund
Commissioner Derek Fox
City Administrator, Tom Pagel

PUBLIC INPUT: (if anyone wishes to address the Commission)

None.

SETTING THE AGENDA:

Motion made by Commissioner Miskovich, Seconded by Commissioner Peterson to accept the Agenda as written. Voting Yea: Commissioner Zabinski, Commissioner Gorman, Commissioner Peterson, Commissioner Squadroni, Commissioner Lamppa, Commissioner Miskovich, Commissioner Slaubaugh

CORRESPONDENCE:

None.

APPROVE MINUTES:

1. Approve May 7th, 2024 Minutes

   Motion made by Commissioner Peterson, Seconded by Commissioner Miskovich to approve of the May 7th, 2024, Minutes. Voting Yea: Commissioner Zabinski, Commissioner Gorman, Commissioner Peterson, Commissioner Squadroni, Commissioner Lamppa, Commissioner Miskovich, Commissioner Slaubaugh

FINANCIALS:

2. Approve Financials for May 2024

   Motion made by Commissioner Lamppa, Seconded by Commissioner Slaubaugh to approve the May 2024, Financials. Voting Yea: Commissioner Zabinski, Commissioner Gorman, Commissioner Peterson, Commissioner Squadroni, Commissioner Lamppa, Commissioner Miskovich, Commissioner Slaubaugh

BUSINESS:

3. Artists in Residence

   The Artists in the Attic, Krista Rogers, Nelia Harper and Leah Yellowbird were invited to share their experience of their residency on the 3rd Floor of Central School with the Arts & Culture Commission. Two of the three were able to make it to the meeting this evening.

   Nelia Harper, the first of the two artists present, spoke about her experience as an artist in residency. Overall it was a great, positive experience. She loved the large space where she could do different things such as show and teach and said that the sunsets were amazing. Some of the challenges she spoke of were; the lighting, the brown water that leaked from the roof from rain or snow melting and absent signage for the public.

   The second artist to speak about her experience was Krista Rogers. She too stated that overall the experience was great, even though the building itself offered challenges to the artists. Some of those were things such as the lighting, moderating the heating/air system, the leaking roof, no Wi-Fi and that the building isn't open during events.

   It was requested that the artists put together a letter with bullet points on the pluses and minuses of their residency to give to City Staff.

4. NE Neighborhood Art Project

   The Commission is planning on a worksession to meet with Greg Mueller next week on June 11th, at 3:45pm.

5. Riverfest 2024

   Commissioner Squadroni brought some ideas to the Commission for different art pieces for Riverfest that could be made permanent and show the history of the event.

UPDATES:

6. Strategic Plan/New Commissioner Training Subcommittee

   Commissioners Hedlund and Miskovich met briefly at the Blanket Exercise.

7. True North Salon-Central School Sculpture

   Commissioner Zabinksi stated that he will try to meet again with Ashley of True North Salon before the next meeting. He will ask her to come to speak to the Commission, we will put on the agenda.

8. Blandin Mural

   The Blandin Mural is still in progress. The test materials were ordered, heavy duty vinyl.

9. Pokegama Band Map-Karen Noyce

   Commissioner Zabinski gave an update (handout and on screen) in regards to the Pokegama Band Map Project from Karen Noyce. The handout outlines goals, components, steps to achieving the goals and completion of the project, key components of the history to be communicated project design examples.

   Under achieving goals and the completion of the project, Karen Noyce asks that the City and the Arts & Culture Commission start the official process of vetting potential sites. The general consensus of the Commission is that this makes sense and will check with the City Engineering Department.

   Motion made by Commissioner Zabinski, Seconded by Commissioner Lamppa to ask the City to identify potential sites for the Pokegama Band Map Project by Karen Noyce. Voting Yea: Commissioner Zabinski, Commissioner Gorman, Commissioner Peterson, Commissioner Squadroni, Commissioner Lamppa, Commissioner Miskovich, Commissioner Slaubaugh

ANNOUNCEMENTS:

None.

SET AGENDA FOR NEXT MEETING:

BUSINESS:
3. Artists in Residence Follow-Up
4. NE Neighborhood Art Project
5. Riverfest 2024

UPDATES:
6. Strategic Plan/New Commissioner Training Subcommittee
7. True North Salon-Central School Sculpture - Ashley
8. Blandin Mural
9. Pokegama Band Map-Karen Noyce

ADJOURN:

The meeting adjourned at 5:23 pm.

Respectfully submitted by Cynthia Lyman

GRAND RAPIDS AREA LIBRARY BOARD MEETING MINUTES

Wednesday, June 12, 2024
5:00 PM

CALL TO ORDER: NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Area Library Board will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Wednesday, June 12, 2024 at 5:00 PM.

CALL OF ROLL:

Present: Barr, Dobbs, Martin, Richards, Squadroni, Teigland (joined at 5:08)

Absent: Blocker, Casteel, Kee

Staff: Will Richter

APPROVAL OF AGENDA:

Motion to approve agenda as presented

Mover: Richards

Seconder: Dobbs

Result: Passed unanimously

PUBLIC COMMENT (if anyone wishes to address the Board):

None

APPROVAL OF MINUTES:

1. Consider approval of Minutes from the 05-08-2024 Library Board Meeting.

Motion to approve Minutes as presented

Mover: Barr

Seconder: Squadroni

Result: Passed unanimously

COMMUNICATIONS:

2. Thank you e-mail from Meade Davis - 5th grade teacher at West Elementary.

Informational

FINANCIAL REPORT & CLAIMS (Roll Call Vote Required):

3. Review financial reports and consider a motion to approve payment of Library Bill List.

Motion to approve payment of Library Bill List as presented

Mover: Richards

Seconder: Dobbs

Result: Passed 5-0 (roll-call)

CONSENT AGENDA (Roll Call Vote Required):

4. Consider accepting donations as listed.

Motion to approve Consent Agenda as presented

Mover: Dobbs

Seconder: Richards

Result: Passed 5-0 (roll-call)

Ellen Teigland joined the meeting.

REGULAR AGENDA:

5. Text of new legislation pertaining to Minnesota libraries.
   Informational
6. American Library Association article about 2023 book challenges.
   Informational
7. KAXE article about Government Academy presentation at the library.
   Informational

UPDATES:

Friends & Foundation

Friends update by Teigland: Annual Meeting was 06-11, excited about holiday book grant to the Children's Library, Big Sale July 12 and 13 at CPC.

Foundation update by Barr: Business as usual. Next meeting is September.

STAFF REPORTS:

8. Review library reports and statistics.
   Library Director summarized reports and statistics – informational.

ADJOURNMENT:

NEXT REGULAR MEETING IS SCHEDULED FOR JULY 10, 2024, AT 5:00 PM.

ATTEST: Will Richter, Director of Library Services

DATE: 06/05/2024 CITY OF GRAND RAPIDS PAGE: 1
TIME: 13:42:39 DEPARTMENT SUMMARY REPORT
ID: AP443GR0.WOW

INVOICES DUE ON/BEFORE 06/12/2024

VENDOR #	NAME	AMOUNT DUE
PUBLIC LIBRARY		
0100010	5 STAR PEST CONTROL &	550.00
0118100	VESTIS GROUP, INC	125.52
0118660	ARROWHEAD LIBRARY SYSTEM	372.54
0201428	BAKER & TAYLOR LLC	2,851.45
0212124	BLACKSTONE PUBLISHING	47.00
0221650	BURGGRAF'S ACE HARDWARE	182.91
0305485	CENGAGE LEARNING INC	61.58
0315455	COLE HARDWARE INC	17.43
0405500	DEMCO INC	217.34
0701650	GARTNER REFRIGERATION CO	294.72
0718010	CITY OF GRAND RAPIDS	1,746.67
0914540	INNOVATIVE OFFICE SOLUTIONS LL	380.02
0920003	ITASCA AREA SCHOOLS	1,800.00
1200500	L&M SUPPLY	187.96
1309055	MIDWEST TAPE LLC	1,932.65
1901535	SANDSTROM'S INC	283.22
1920065	STAR TRIBUNE	753.90
2018125	TRAVELING LANTERN THEATRE CO	495.00
2018680	TRU NORTH ELECTRIC LLC	943.81
	TOTAL UNPAID TO BE APPROVED IN THE SUM OF:	$13,243.72
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
0100053	AT&T MOBILITY	54.42
0113105	AMAZON CAPITAL SERVICES	561.26
0605191	FIDELITY SECURITY LIFE	6.90
0718015	GRAND RAPIDS CITY PAYROLL	45,917.25
1015337	MICHELLE JOHNSON	81.74
1209520	EMILY LINDNER	300.00
1305725	METROPOLITAN LIFE INSURANCE CO	76.14
1309199	MINNESOTA ENERGY RESOURCES	191.14
1309335	MINNESOTA REVENUE	130.55
1516220	OPERATING ENGINEERS LOCAL #49	10,092.00
1601750	PAUL BUNYAN COMMUNICATIONS	322.07
1618119	ISABELLA A PRATTO	50.00
1621130	P.U.C.	2,395.43
1809158	WILLIAM RICHTER	4,837.25
2301700	WM CORPORATE SERVICES, INC	145.86
	TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:	$65,162.01
	TOTAL ALL DEPARTMENTS	$78,405.73

RESOLUTION NO. 2024-6
A RESOLUTION ACCEPTING DONATIONS

WHEREAS, Minnesota State Statutes 465.03, states that cities may accept gifts of real or personal property, including money, and use them in accordance with the terms the donor prescribes, and

WHEREAS, every such acceptance shall be by resolution of the governing body adopted by a two-thirds majority of its members,

NOW THEREFORE, BE IT RESOLVED, that the Library Board of the City of Grand Rapids, Itasca County, Minnesota, accepts the listed donations and terms of the donors as follows:

Grand Rapids Area Library Foundation - $6,853.44

DVDs - $2,836.87

Landscaping for picnic tables - $1,172.77

Program supplies, Story Time, and Andrea Zuill Day programs - $2,843.80 (Children's)

Grand Rapids Area Library Friends - $800.00 Children's Library holiday book project

Adopted this 12th day of June, 2024

Cyndy Martin, President

Deb Kee, Secretary

GRAND RAPIDS
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES

Thursday, July 11, 2024
4:00 PM

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, July 11, 2024 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

PRESENT
Commissioner Al Hodnik
President Sholom Blake
Commissioner Wayne Bruns
Commissioner Molly MacGregor

ABSENT
Commissioner Tom Sutherland
Commissioner Bill Martinetto
Commissioner Malissa Bahr

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

APPROVE MINUTES

1. Consider approval of minutes from the June 13, 2024 regular meeting.

   Motion by Commissioner Hodnik, second by Commissioner Bruns to approve the minutes from the June 13, 2024 regular meeting. The following voted in favor thereof: Hodnik, Bruns, MacGregor, Blake. Opposed: None, motion passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of $6,663.97.

   Motion by Commissioner MacGregor, second by Commissioner Bruns to approve claims in the amount of $6,663.97. The following voted in favor thereof: Blake, MacGregor, Bruns, Hodnik. Opposed: None, motion passed unanimously.

BUSINESS

3. Consider approval of a Downtown Entertainment Loan Agreement with Northern Community Radion and authorize payment of the Loan Amount to the Borrower.

   Motion by Commissioner Bruns, second by Commissioner Hodnik to approve a Downtown Loan Agreement with Northern Community Radio and authorize payment of the loan amount to the borrower. The following voted in favor thereof: Hodnik, Bruns, MacGregor, Blake. Opposed: None, motion passed unanimously.

4. Discuss the redevelopment of the former ISD318 Administration Building

   The Commissioners discussed the redevelopment of the former ISD 318 Administration Building.

5. Consider the election of the vacant Secretary/Treasurer GREDA Officer

   Motion by Commissioner Bruns, second by Commissioner MacGregor to appoint Commissioner Martinetto to as the GREDA Secretary/Treasurer. The following voted in favor thereof: Blake, MacGregor, Bruns, Hodnik. Opposed: None, motion passed unanimously.

UPDATES

Community Development Director Mattei provided an update on the Hwy 35 and Farm Bureau projects.

ADJOURN

There being no further business the meeting adjourned at 4:25 p.m.

<u>MEMBERS & TERMS</u>
Tom Sutherland - 12/31/2024 Council Representative
Molly MacGregor - 12/31/2024 Council Representative
Wayne Bruns - 3/1/25
Sholom Blake - 3/1/25
Al Hodnik - 3/1/27
Bill Martinetto - 3/1/27
Malissa Bahr - 3/1/30

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider appointing additional election judge to serve in 2024 elections.

PREPARED BY: Kimberly Gibeau

BACKGROUND:

In an effort to maintain party balance in polling places, the City must occasionally hire additional judges to serve in polling places.

REQUESTED COUNCIL ACTION:

Make a motion to appoint Scotty Puglisi to serve as Election Judge for August 13, 2024 Primary Election and November 5, 2024 General Election.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider approving temporary liquor permit for VFW Post 1720

PREPARED BY: Kimberly Gibeau

BACKGROUND:

The VFW Club, Post 1720 can obtain a temporary liquor license to serve alcohol off-site. They have submitted an application for an event on September 7, 2024 at in the parking area surrounding their establishment. Fees and insurance information have been received.

REQUESTED COUNCIL ACTION:

Make a motion to approve temporary liquor license for VFW Post 1720.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider entering into an Advertising Agreement with a business at Yanmar Arena.

PREPARED BY: Dale Anderson, Director of Parks & Recreation

BACKGROUND:

Advertising is a great source of revenue at Yanmar Arena. The following business wishes to enter into an Agreement to have dasher board ads and/or a back-lit wall sign:

- McCoy

REQUESTED COUNCIL ACTION:

Make a motion to enter into an Advertising Agreement with a business at the Yanmar Arena.

AGREEMENT FOR RENTAL OF ADVERTISING SIGN

WHEREAS, the City of Grand Rapids, acting through Yanmar Arena, Lessor, owns a multi-purpose facility; and

WHEREAS it will be beneficial to certain business to acquire the privilege of using the advertising signs contained on the interior walls and/or dasherboard in Yanmar Arena for a certain period of years; and

WHEREAS the Lessor desires to lease the available advertising sign to certain Lessees.

NOW, THEREFORE, IT IS HEREBY AGREED by Yanmar Arena only, Lessor, and **McCoy**, Lessee, that the Lessee shall lease for a period of 2 (two) years according to the terms set forth herein and upon the following terms and conditions:

1. Signs will be placed on the interior walls and/or dasherboard of Yanmar Arena only, and Lessor shall have the final decision as to exact location of each sign. The choice of each sign and location shall be on a "FIRST COME, FIRST SERVED" basis. Lessor reserves the right to take into consideration actual placement of signs to insure maximum utilization of all advertising areas on the interior walls and/or dasherboard of Yanmar Arena.

2. The Lessee shall pay to the Lessor in consideration of the sign and/or dasherboard, the sum of $800.00 in cash to the Lessor at the commencement of the rental term as set forth below.

3. The Lease term for the advertising space shall be as follows: July 1, 2024, to June 30, 2026. This contract will be automatically be renewed by the Lessor and Lessee yearly unless the Lessee provides written notice to the Lessor of their intent not to renew said lease. This written notice must be provided no later than December 1of the year prior to the Lessee's cancellation. For example, if the lease has been automatically renewed for a third year, which would end June 30, 2026, the Lessee must notify the Lessor in writing no later than June 1, 2026, for cancellation effective June 30, 2026.

4. Lessee shall have the first right to rent the advertising signs to Lessee for successive years. Although the signed contract is due within 30 days, lessee will be invoiced and payment in full is due August 30, 2024. The Lessor reserves the right to sell sign space if the payment is not received by August 30, 2024.

5. The Advertising logo and design to be used on the signs shall be provided by the Lessee and subject to approval by the Lessor. The Lessor will not unreasonably withhold its approval of any design submitted by Lessee; however, Lessor reserves the right to set standards for the substance and appearance of any advertising to be placed in Yanmar Arena pursuant to this Agreement.

6. The expense of setup and art work of the sign shall be borne by the Lessee.

7. This agreement shall not be changed unless done so in writing by the Lessee.

8. The Lessee's advertising space cannot be sublet or resold.

9. All signs and materials are the property of the Lessor.

10. All maintenance of the signs will be the responsibility of Yanmar Arena.

11. Lease rates and terms are $800.00 per year for 2024-25 and 2025-26 for one dasherboard advertisement.

BY: _____
Lessee

DATE: _____

CITY OF GRAND RAPIDS (Lessor)

BY: _____
Mayor

DATE: _____

_____
Tom Pagel, City Administrator

Dated this _____ day of _____, 20___.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider approving a Lease Agreement with ISD 318 for use of the City's athletic fields.

PREPARED BY: Dale Anderson, Director of Parks & Recreation

BACKGROUND:

This is the annual Lease Agreement for ISD 318's use of softball fields and soccer fields at the Grand Rapids Sports Complex and Streetar Baseball Field. The Lease reflects a 3% increase in fees over 2023.

REQUESTED COUNCIL ACTION:

Make a motion to approve a Lease Agreement with ISD 318 for use of the City's athletic fields.

LEASE AGREEMENT

This lease, made this 3rd day of June, 2024, between the City of Grand Rapids, a Municipal Corporation, hereafter called the "Lessor", and the Independent School District #318, Grand Rapids, MN, hereafter called the "Lessee".

Whereas, Lessor owns and operates the Bob Streetar Baseball Field and the Grand Rapids Sports Complex (which includes two official size Soccer Fields and four official Softball Fields); and

Whereas, Lessee has determined that the Bob Streetar Baseball Field and the Grand Rapids Sports Complex are suitable facilities for conducting their athletic programs; and

Whereas, Lessor and Lessee wish to enter into this Lease Agreement for the purpose of establishing the terms and conditions pursuant to which the Lessee shall lease the above named facilities; and

NOW THEREFORE, for good and valuable mutual consideration, Lessor and Lessee mutually agree as follows:

ARTICLE I

1. Lease Agreement: In consideration of and subject to the mutual conditions and obligations of this Lease Agreement to be kept and performed, including the obligation to lease, Lessor does hereby lease to Lessee the Bob Streetar Baseball Field and the Grand Rapids Sports Complex Softball Fields and Soccer Fields solely to the extent of this Lease Agreement.

2. Lessee's Right of Possession and Use: Lessee shall have the right to possess and use the Bob Streetar Baseball Field and the Grand Rapids Sports Complex Softball Fields and Soccer Fields for the purposes, to the extent and at the times set forth in Exhibit A attached hereto and incorporated by reference. Lessee's right to possess and use the aforementioned facilities shall be intermittent and confined to those portions of the facilities specifically identified in Exhibit A. Lessor and its licensees shall have the right to enter upon and use the aforementioned facilities at all times not consistent with Exhibit A. Lessee shall at all times comply with all statutes, ordinances, codes and regulations of any governmental authority concerning the use of the premises. Lessee shall not permit any hazardous or dangerous activity to be conducted at the aforementioned facilities or allow any activity which will increase insurance risks or premiums on the premises.

3. Schedule of Use: Lessee shall submit to Lessor annually before January 1 for Baseball and Softball and March 1 for Soccer schedules of all purposed uses for the upcoming seasons, which schedules shall be subject to Lessor's approval.

4. Supervision: Safety: Lessee agrees to assume full responsibility for the supervision of all persons entering the aforementioned facilities in conjunction with the Lessee's activities or events, including participants, coaches and other staff and spectators. Lessee shall require that all such persons conduct themselves in an orderly and safe manner consistent with the policies for use of the aforementioned facilities.

5. Concessions: Lessor retains the exclusive right to operate all concessions at the aforementioned facilities either through representatives of Lessor or Lessor's assignees. This Lease Agreement does not confer upon the Lessee the right to operate concessions.

6. Gate Receipts and Admission Charges: The Lessee shall, with prior approval by the Lessor and at their own expense, have the right to charge admission fees for their events. Provisions for simultaneous events held at the Grand Rapids Sports Complex must be made for participants, coaches, and spectators for those events.

ARTICLE II

1. Lease: Lessee shall pay to Lessor according to the following schedule:

August 1, 2024, $15,000.00 for the Soccer Fields at the Grand Rapids Sports Complex

March 1, 2025, $30,000.00 ($15,000.00 each) for Bob Streetar Baseball Field and the Grand Rapids Sports Complex Softball Fields (4).

If a sports season is cancelled due to pandemic, the lease amount above shall be reduced by twenty-five percent (25%).

Lease payments shall be payable to the City of Grand Rapids and mailed or delivered to City Hall. The parties shall conduct a lease rate review in February 2025. If the parties are unable to reach an agreement on the lease rate, then this lease agreement shall terminate as of June 30, 2025.

ARTICLE III

1. Maintenance and Repair: Lessor shall at all times during the term of this Lease Agreement, at Lessor's own cost and expense, repair and maintain the aforementioned facilities and any improvement or alterations except as otherwise provided in this Article.

2. Damages: Lessee shall reimburse Lessor for the reasonable cost to repair and restore the aforementioned facilities in the event of damage to the premises caused by participants, coaches or other staff, or spectators who are in or upon the aforementioned facilities in conjunction with any of the Lessee's activities or events.

3. Cleanup: Although Lessor retains ultimate responsibility for maintenance, Lessee shall perform routine cleanup after its use of the premises, including proper storage of equipment, pick up and proper disposal of litter.

4. Alterations, Improvements: Lessee shall not make alterations or improvements to the premises without the advanced written consent of Lessor.

5. Facility Preparation: The Lessor shall prepare the aforementioned facilities including mowing, infield dragging, field painting, and disposal of garbage and rest room maintenance. An outfield fence shall be placed on one field at the beginning of the season for varsity game use and will be removed the third week of May. Outfield fences to be installed for invitational tournament and section games only.

ARTICLE IV

1. **Term:** The term of this Lease Agreement shall be from July 1, 2024 - June 30, 2025.

ARTICLE V

1. **Lessor's Access:** The Lessor shall have the right to enter the leased premises for the purpose of inspecting, repairing, altering, or improving the leased facilities or for any other purpose not inconsistent with Exhibit A.

ARTICLE VI

1. **Indemnity:** Lessee shall protect, defend, hold harmless and indemnify Lessor against any and all claims, actions, losses, costs, expenses and liabilities, including reasonable attorney s fees for defense, arising out of or in any way related to Lessee's use of the premises or any of Lessee's activities or events, save when said claim, action, loss, cost, expense or liability is proximately caused solely and exclusively by the negligence or breach of this Lease Agreement by Lessor. In case of any action or proceeding brought against Lessor by reason of a claim covered by this Paragraph 11.1, upon notice from Lessor, Lessee covenants to defend such action or proceeding by counsel reasonable satisfactory to Lessor.

2. **Insurance:** Lessee shall maintain throughout the term of this Lease Agreement policy of comprehensive general liability insurance with limits of at least $330,000 per person and $750,000.00 per occurrence in 2024 through 2025, naming Lessor as an additional insured. The limit of such insurance policy shall not be less than the City's maximum limits of liability as set forth in Minn. Stat. Sec. 466.04. Said policy of insurance shall be evidenced by a certificate of insurance which shall be placed on file with Lessor by Lessee prior to commencement of occupancy of the premises by Lessee. Each such policy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without giving Lessor thirty (30) days advance written notice of such change. The policy shall also contain a contractual liability endorsement evidencing insurance coverage for Lessee's indemnification obligation to Lessor under this Lease Agreement.

3. **Liability to Lessee:** Lessor shall not be liable to Lessee or to any employee, student or invitee of Lessee for any claim or cause of action arising out of death, injury, damage to property occurring in, on or about the leased premises except for damages, attributable exclusively to the negligence or breach of this Lease Agreement by Lessor, its employees or agents, by a court of competent jurisdiction.

4. **Liability Limits Not Waived:** Nothing in this Article VI shall cause either Lessor or Lessee to be subject to liability in excess of any statutory limits of liability applicable to Lessor or Lessee.

ARTICLE VII

1. No Partnership: Nothing contained in this Lease Agreement shall be deemed or construed to create a partnership or joint venture of or between Lessor and Lessee or to create any other relationship between the parties hereto other than that of Lessor and Lessee.

IN WITNESS WHEREOF, the parties have hereto set their hands on the day and year first above written.

Lessor: CITY OF GRAND RAPIDS

BY: _____ BY: _____

Its City Clerk Its Mayor

Date: _____

Lessee: Independent School District 318

BY: Kara Lundin BY: Business Manager

Date: 6/13/24

'Exhibit A'

Streetar Field Uses:

- Boys Varsity and JV Baseball games and practices

Grand Rapids Sports Complex Uses:

- Girls Varsity, JV, and Middle School Fastpitch Softball games and practices
- Boys and Girls Varsity and JV Soccer games and practices

All game and practice schedules will be provided by ISD 318 Activities Director.

Tournaments not including Grand Rapids teams:

- Fastpitch Softball tournaments will be invoiced separately at $100 per game
- Baseball tournaments will be invoiced separately at $200 per game

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider Voiding Lost Accounts Payable Check and Issue a Replacement Check

PREPARED BY: Laura Pfeifer

BACKGROUND:

Accounts payable check #153499 issued to Bunes Septic Service, Inc. on June 27, 2023 for $255.00 is lost. An authorized representative of Bunes Septic Service, Inc. has completed the required Affidavit of Lost Check.

REQUESTED COUNCIL ACTION:

Make a motion to void lost accounts payable check #153499, issue a new check and waive bond requirements for the check issued to Bunes Septic Service, Inc. in the amount of $255.00.

AFFIDAVIT

STATE OF) Minnesota

) SS

COUNTY OF) Itasca

Colleen Casey, being first duly sworn on oath, states that he/she resides at **20693 Bluebird Drive, Grand Rapids, MN, 55744** and that he/she is the payee named in a check number **153499**, issued to **Bunes Septic Service, Inc.**, drawn by **City of Grand Rapids** dated **June 27, 2023**, for the sum of **$255.00**; that to my knowledge this check was never endorsed by me, that I did not authorize anyone to endorse it for me, and that the circumstances of the loss or destruction of the check are as follows:

Accounts Payable lost check

I am making this Affidavit in conjunction with my request that the **City of Grand Rapids** issue a duplicate check. I understand that I make this Affidavit under oath and that I may be subject to criminal penalty if my statements in this Affidavit are false.

SIGNED Colleen Casey

Subscribed and sworn to before me

This 2nd day of August, 2024

Tracey Lehmberg

Notary Public

TRACEY K. LEHMBERG
Notary Public-Minnesota
My Commission Expires Jan 31, 2027

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12th, 2024

AGENDA ITEM: Consider accepting an easement for the Round 2 Development

PREPARED BY: Matt Wegwerth

BACKGROUND:
On April 22nd, 2024, council approved the Hawkinson Commercial Development Second Addition plat. Prior to recording the plat, the right-of-way easement needed to be executed by all parties.

Attached is the easement agreement.

REQUESTED COUNCIL ACTION:

Make a motion accepting a right-of-way easement agreement from Round 2 Development LLC, Home Depot USA Inc., Apple-GR LLC, Northern Star Cooperative Services and Spirit Realty LP for the Hawkinson Commercial Development Second Addition.

PUBLIC
RIGHT-OF-WAY
EASEMENT AGREEMENT

THIS PUBLIC RIGHT-OF-WAY EASEMENT AGREEMENT (this "Agreement") is between Round 2 Development, LLC, a Minnesota limited liability company ("Round 2"), Home Depot U.S.A., Inc., a Delaware corporation ("HD"), Apple-GR, LLC, a Colorado limited liability company ("Applebee's"), Northern Star Cooperative Services, a Minnesota cooperative ("NSCS") and Spirit Realty, L.P., a Delaware limited partnership ("Spirit") (collectively, "Grantors"), and the City of Grand Rapids, Minnesota, a municipal corporation organized under the laws of the State of Minnesota (the "City"), and shall be effective on _____ (the "Effective Date").

WHEREAS, Grantors are the owners in fee simple of certain real estate in the City of Grand Rapids, County of Itasca, State of Minnesota, legally described in Exhibit A attached hereto (the "Grantor Property");

WHEREAS, there are two private roads that currently provide access to the Grantors' properties, a portion of which (the "Northern Access Road") was constructed, and is maintained, pursuant to a Shared Driveway Easement and Maintenance Agreement recorded in the Office of the Itasca County Registrar of Titles (the "Records") as Document No. T000068957 (the "Private Easement") and the remainder of which (the "Western Access Road") was constructed, and is maintained, pursuant to that certain Grading, Slope and Access Agreement recorded in the Records as Document No. 539735, as amended (the "GSAA"); and

WHEREAS, the Northern Access Road and Western Access Road are referred to herein collectively as the "Access Road;" and

WHEREAS, Grantors desire to convey a permanent, 66 foot wide public right-of-way easement (the "ROW Easement") to the City over the ROW Easement Area (as defined below), which will fully contain the Access Road and additional land; and

WHEREAS, the City is willing to accept the ROW Easement, along with all responsibility for maintaining and repairing the Access Road as of the Effective Date.

NOW THEREFORE, for valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Grant of Permanent Right-of-Way Easement. The Grantors hereby convey and transfer unto the City, its successors and assigns, a public easement for a right-of-way and ancillary purposes related to the right-of-way only (including, but not limited to, the installation and maintenance of public utilities, pathways, and landscaping) over, upon and across the areas legally described in Exhibit B-1 and depicted in Exhibit B-2 attached hereto (the "ROW Easement Area"). The ROW Easement is granted hereby for the purpose of a public roadway and public utilities within the ROW Easement Area. The City agrees to repair and maintain the public roadway and public utilities within the ROW Easement Area, at the City's sole cost and expense, according to and consistent with City standards.

2. Existing Maintenance and Reimbursement Obligations. All obligations of any party hereto contained in the Private Easement or within the GSAA to (a) arrange for or conduct maintenance or repair of the Access Road; or (b) pay for or reimburse a third party for expenses incurred to maintain or repair any portion of the Access Road, are hereby superseded and are of no further force or effect as of the Effective Date. Furthermore, to the extent any such obligations exist in any other written instrument executed or recorded prior to the Effective Date, the parties to this Agreement shall not enforce such obligations against any owner of any portion of Outlot A, Hawkinson Commercial Development.

3. Warranty of Title. Grantors hereby covenant with the City that Grantors are lawfully seized and possessed of their respective portions of the land underlying the ROW Easement Area, in fee simple absolute. Grantors make no other warranties or representations, express or implied, whatsoever.

4. Ownership of Improvements. Any and all roadway improvements and utility lines installed in conjunction therewith, constructed under the authority of this Agreement or in existence as of the Effective Date, shall be the property of the City, and the Grantors shall have no responsibility or liability therefore whatsoever. All such improvements are hereby conveyed by the Grantors to the City, without warranty.

5. Release. The City hereby releases the Grantors, and their successors and assigns, from any and all liability for any wrongful deaths, injuries to persons, or damage or loss to property, and any other form of consequential, exemplary or other damages, and for any other expense, loss or liability incurred or suffered by the City, its employees, contractors, subcontractors, agents, suppliers or other vendors or servants, arising out of or related to any excavation, grading, road work, and any other form of construction, repair or maintenance activities conducted by or at the behest of the City in, on, or under the ROW Easement Area, and the City assumes all responsibility therefor.

6. Survival. The indemnities and releases provided for in this Agreement shall survive any termination of this Agreement and the City's easement rights hereunder.

7. Enforcement Costs. In the event of any default or breach of this Agreement by any party hereto, or the failure of any party to perform its duties, obligations or responsibilities under this Agreement, the non-prevailing party in any resulting litigation shall be responsible for and shall pay any and all costs and expenses, including reasonable attorneys' fees and costs, incurred or suffered by the prevailing party in enforcing the terms and provisions of this Agreement.

8. This Agreement Controls. In the event of any conflict or inconsistency between the terms of this document and the terms of the Private Easement or the GSAA, the terms of this Agreement shall control.

[Signature pages follow]

IN WITNESS WHEREOF, the said parties have caused this Public Right-of-Way Easement Agreement to be executed as of the Effective Date.

Dated: 7/19/24

ROUND 2 DEVELOPMENT, LLC,
a Minnesota limited liability company

By: MARK G. HAWKINSON
Its: PRESIDENT

STATE OF Minnesota
COUNTY OF Itasca

This instrument was acknowledged before me on July 19, 24 by Mark Hawkinson as President of Round 2 Development, LLC, a Minnesota limited liability company.

LUCIE S. HESS-JOHNSON
NOTARY PUBLIC
MINNESOTA
My Comm. Exp. Jan.31,2027

Notary Public

Dated: 7-16-2024

HOME DEPOT U.S.A., INC.,
a Delaware corporation

By: JESSICA BORGERT
Its: Assistant General Counsel

STATE OF GEORGIA
COUNTY OF COWETA

This instrument was acknowledged before me on 7-16-24 by JESSICA BORGERT as Asst. General Counsel of Home Depot U.S.A., Inc., a Delaware corporation.

Notary Public

SHURON L. WILLIAMS
NOTARY
EXPIRES
GEORGIA
June 7, 2025
PUBLIC
COWETA COUNTY

Dated: 7/18/2024

APPLE-GR, LLC,
a Colorado limited liability company

By: HANS F KUHLMANN
Its: MANAGER

STATE OF Colorado
COUNTY OF Arapahoe

This instrument was acknowledged before me on 7/18/24 by HANS F KUHLMANN as MANAGER of Apple-GR, LLC, a Colorado limited liability company.

ANNY MIRA LANE
NOTARY PUBLIC - STATE OF COLORADO
NOTARY ID 20244024049
MY COMMISSION EXPIRES JUN 25, 2028

Notary Public

Dated: April 12, 2024

NORTHERN STAR COOPERATIVE SERVICES, a Minnesota cooperative

By: Bradley J. Box
Its: Chief Executive Officer

STATE OF Minnesota
COUNTY OF Itasca

This instrument was acknowledged before me on April 12, 2024 by Bradley J. Box as Chief Executive Officer of Northern Star Cooperative Services, a Minnesota cooperative.

NICOLE MARIE OSSE
NOTARY PUBLIC
MINNESOTA
My Comm. Exp. Jan. 31, 2028

Notary Public

11130-51

Dated: _____

SPIRIT REALTY, L.P.,
a Delaware limited partnership

_____
By: _____
Its: _____

STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me on _____ by _____ as _____ of Spirit Realty, L.P., a Delaware limited partnership.

_____
Notary Public

ACCEPTED BY:

CITY OF GRAND RAPIDS

_____

By: _____

Its: _____

Drafted by:
Robert R. Kanuit
Fryberger Law Firm
1409 Hammond Avenue, Suite 330
Superior, WI 54880
M:\DOCS\01130\000051\EML\01CJ205803.DOCX

EXHIBIT A

Legal Description of Grantor Property

Real Estate Owned by Round 2 Development, LLC:

Lot 1, Block 1, AND Outlot A, Hawkinson Commercial Development

Real Estate Owned by Home Depot U.S.A., Inc.:

Lot 2, Block 1, Home Depot Grand Rapids

Real Estate Owned by Apple-GR, LLC:

Lot 3, Block 1, Home Depot Grand Rapids

Real Estate Owned by Northern Star Cooperative Services:

Lot 2, Block 1, Hawkinson Commercial Development

Real Estate Owned by Spirit Realty, L.P.:

Lot 3, Block 1, Hawkinson Commercial Development

EXHIBIT B-1

Legal Descriptions of ROW Easement Areas – 6 pages

HOME DEPOT EASEMENT

A perpetual easement for infrastructure purposes over, under, across and through that part of Lot 2, Block 1, HOME DEPOT GRAND RAPIDS, according to the recorded plat thereof on file and of record in the office of the County Recorder, Itasca County, Minnesota, described as follows:

Beginning at the southwest corner of said Lot 2; thence North 89 degrees 55 minutes 25 seconds East, assigned bearing, along the south line of said Lot 2, a distance of 61.90 feet; thence North 00 degrees 03 minutes 14 seconds East 33.00 feet; thence South 89 degrees 55 minutes 25 seconds West, parallel with the south line of said Lot 2, a distance of 56.32 feet to the west line of said Lot 2; thence South 09 degrees 38 minutes 43 seconds West, along said west line, 33.48 feet to the point of beginning.

APPLEBEES EASEMENT

A perpetual easement for infrastructure purposes over, under, across and through the south 25.00 feet of Lot 3, Block 1, HOME DEPOT GRAND RAPIDS, according to the recorded plat thereof on file and of record in the office of the County Recorder, Itasca County, Minnesota.

Lot 1, Block 1, HAWKINSON COMMERCIAL DEVELOPMENT

A perpetual easement for infrastructure purposes over, under, across and through that part of Lot 1, Block 1, HAWKINSON COMMERCIAL DEVELOPMENT, according to the recorded plat thereof on file and of record in the office of the County Recorder, Itasca County, Minnesota, lying northerly and easterly of the following described line;

Commencing at the southwest corner of said Lot 1; thence North 89 degrees 48 minutes 29 seconds East, assigned bearing, along the south line of said Lot 1, a distance of 320.54 feet to a line parallel with and 11.00 feet westerly of the east line of said Lot 1 and the point of beginning of the line herein described; thence northerly 39.32 feet along said parallel line, a non-tangential curve, concave to the west, having a radius of 264.00 feet, a central angle of 08 degrees 32 minutes 04 seconds and a chord bearing of North 04 degrees 19 minutes 16 seconds East; thence North 00 degrees 03 minutes 14 seconds East, along said parallel line and tangent to last described curve, 86.88 feet to a line parallel with and 33 feet southerly of the north line of said Lot 1; thence South 89 degrees 55 minutes 25 seconds West, along last said parallel line, 293.14 feet to the west line of said Lot 1 and terminating thereat.

Lot 2, Block 1, HAWKINSON COMMERCIAL DEVELOPMENT

A perpetual easement for infrastructure purposes over, under, across and through that part of Lot 2, Block 1, HAWKINSON COMMERCIAL DEVELOPMENT, according to the recorded plat thereof on file and of record in the office of the County Recorder, Itasca County, Minnesota, lying easterly of the following described line;

Commencing at the northwest corner of said Lot 2; thence North 89 degrees 48 minutes 29 seconds East, assigned bearing, along the north line of said Lot 2, a distance of 320.54 feet to a line parallel with and 11.00 feet westerly of the easterly line of said Lot 2 and the point of beginning of the line herein described; thence southwesterly 123.20 feet along said parallel line, a non-tangential curve, concave to the northwest, having a radius of 264.00 feet, a central angle of 26 degrees 44 minutes 19 seconds and a chord bearing of South 21 degrees 57 minutes 28 seconds West; thence South 35 degrees 19 minutes 37 seconds West, along said parallel line, tangent to last said curve, 84.45 feet; thence southerly 126.80 feet, along said parallel line, along a tangential curve, concave to the southeast, having a radius of 336.00 feet and a central angle of 21 degrees 37 minutes 18 seconds; thence South 13 degrees 42 minutes 19 seconds West, along said parallel line, 76.64 feet; thence southerly 26.31 feet, along said parallel line, along a tangential curve concave to the east, having a radius of 110.00 feet and a central angle of 13 degrees 42 minutes 19 seconds; thence South 00 degrees 19 minutes 36 seconds West, not tangent to last described curve, 65.94 feet to the southeast corner of said Lot 2 and terminating thereat.

Lot 3, Block 1, HAWKINSON COMMERCIAL DEVELOPMENT

A perpetual easement for infrastructure purposes over, under, across and through that part of Lot 3, Block 1, HAWKINSON COMMERCIAL DEVELOPMENT, according to the recorded plat thereof on file and of record in the office of the County Recorder, Itasca County, Minnesota, lying westerly of the following described line:

Commencing at the northeast corner of said Lot 3; thence South 89 degrees 44 minutes 36 seconds West, assigned bearing, along the north line of said Lot 3, a distance of 253.58 feet to the point of beginning of the line herein described; thence Southerly 41.74 feet along a non-tangential curve, concave to the southeast, having a radius of 270.00 feet, a central angle of 08 degrees 51 minutes 23 seconds and a chord bearing of South 18 degrees 08 minutes 01 second West; thence South 13 degrees 42 minutes 19 seconds West, tangent to last described curve, 50.85 feet to the easterly line of the Drainage and Utility Easement as platted in said HAWKINSON COMMERCIAL DEVELOPMENT; thence Southerly 14.19 feet, along a non-tangential curve, along said easterly line of the Drainage and Utility Easements, concave to the east, having a radius of 275.00 feet, a central angle of 02 degrees 57 minutes 23 seconds and a chord bearing of South 01 degree 28 minutes 41 seconds West; thence South 00 degrees 00 minutes 00 seconds West, tangent to last described curve, along said easterly line of the Drainage and Utility easement, a distance of 60.36 feet; thence southeasterly 29.86 feet, along a tangential curve concave to the east, along said easterly line of the Drainage and Utility easement, having a radius of 36.00 feet and a central angle of 47 degrees 31 minutes 01 second to the south line of said Lot 3 and terminating thereat.

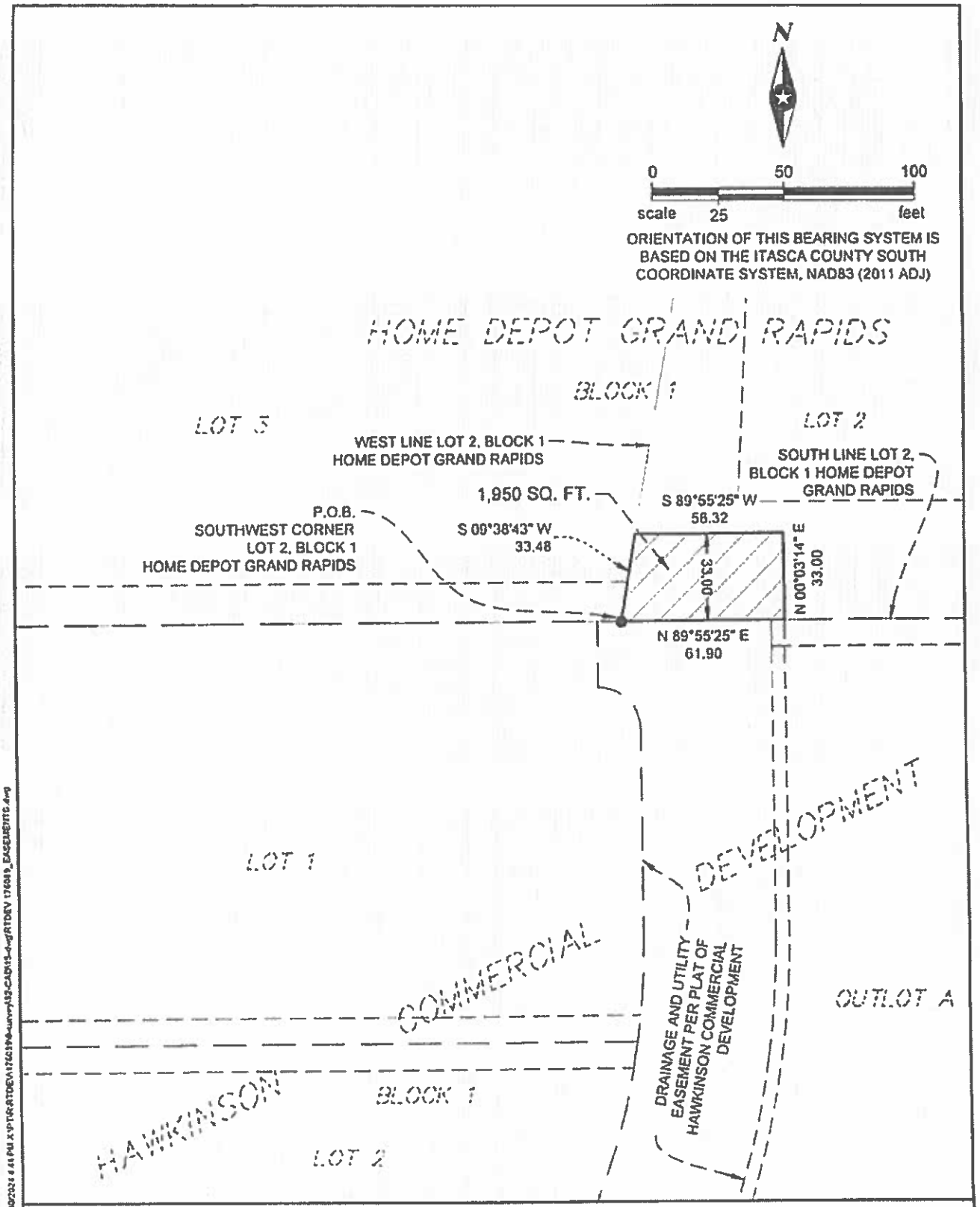
Outlot A, HAWKINSON COMMERCIAL DEVELOPMENT – Infrastructure Easement

A perpetual Infrastructure Easement over, under, across and through Outlot A, HAWKINSON COMMERCIAL DEVELOPMENT, according to the recorded plat thereof, Itasca County, Minnesota lying westerly of the following described line:

Commencing at the Northwest corner of said Outlot A; thence North 89 degrees 55 minutes 25 seconds East, assigned bearing along the North line of said Outlot A, a distance of 71.00 feet, to the point of beginning of the line to be described; thence South 00 degrees 03 minutes 14 seconds West, a distance of 120.03 feet; thence Southwesterly 194.10 feet along a tangential curve, concave northwest, having a radius of 330.00 feet and a central angle of 33 degrees 42 minutes 00 seconds; thence South 35 degrees 15 minutes 03 seconds West, tangent to the last described curve, 93.51 feet; thence Southwesterly 60.15 feet along a tangential curve, concave southeast, having a radius of 270.00 feet and a central angle of 12 degrees 45 minutes 55 seconds to the north line of Lot 1, Block 1, of said HAWKINSON COMMERCIAL DEVELOPMENT and terminating thereat.

EXHIBIT B-2

Depiction of ROW Easement Areas – 6 pages



EASEMENT EXHIBIT

GRAND RAPIDS, MINNESOTA

SEH Project	RTDEV-176089
Drawn By	CWJ
Designed By	
Checked By	DJB

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

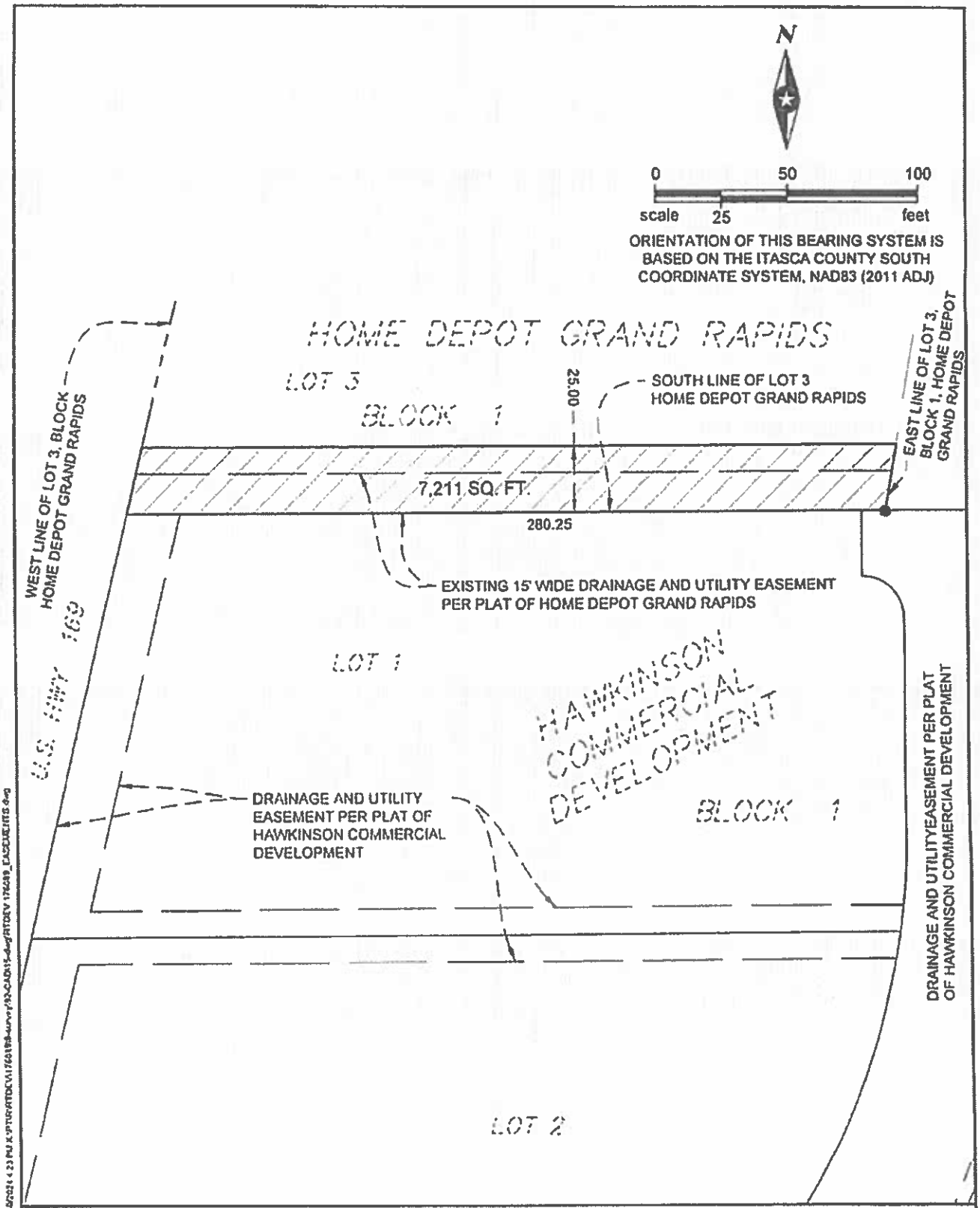
DANIEL J. BEMBOOM

DATE 01/30/2024

LICENSE NO. 46562

SEH

1 of 1



EASEMENT EXHIBIT

GRAND RAPIDS, MINNESOTA

SEH Project	RTDEV-176089
Drawn By	CWJ
Designed By	
Checked By	DJB

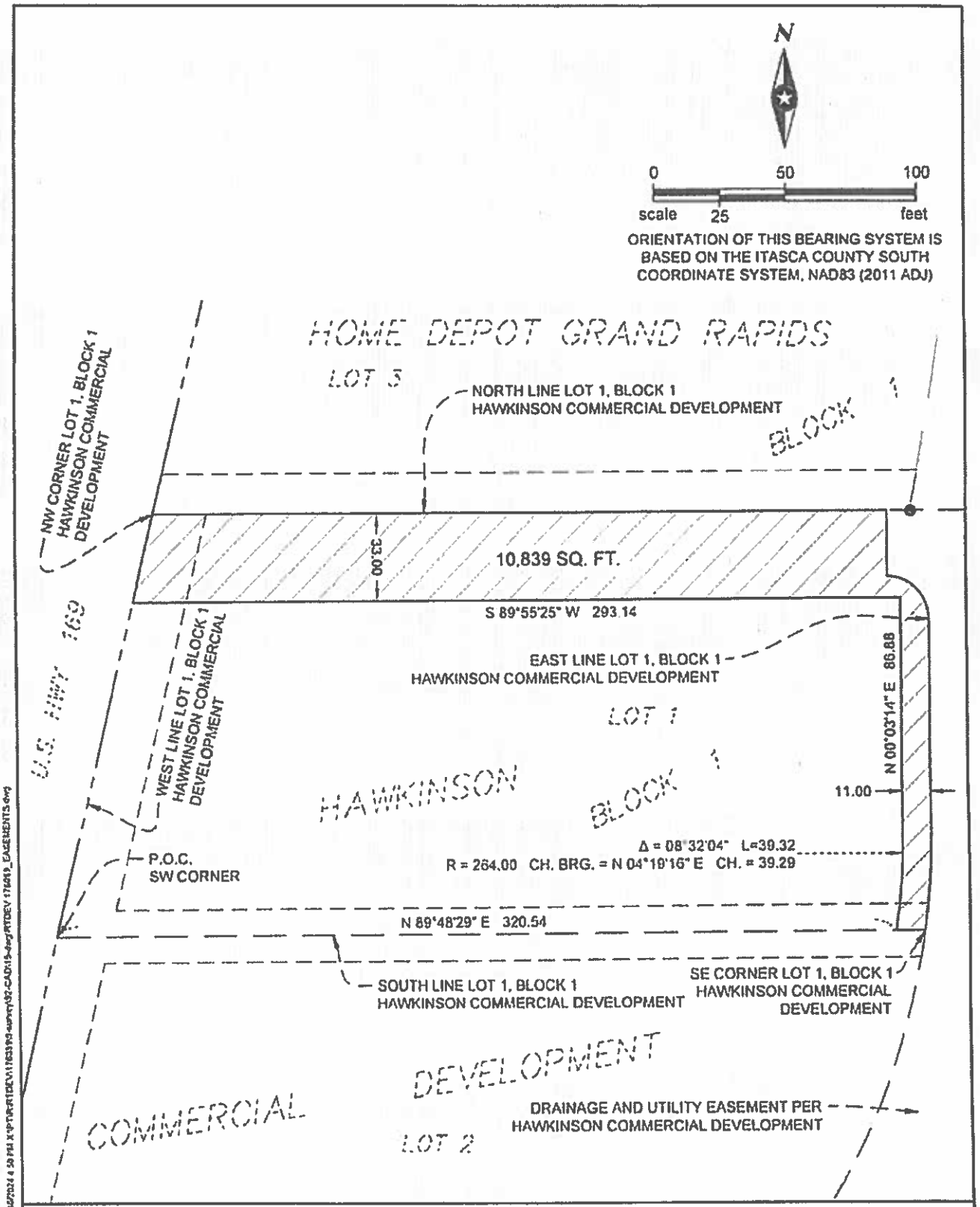
I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

DANIEL J. BEMBOOM

DATE 01/30/2024 LICENSE NO. 46562

SEH

1 of 1



EASEMENT EXHIBIT

GRAND RAPIDS, MINNESOTA

SEH Project	RTDEV-176089
Drawn By	CWJ
Designed By	
Checked By	DJB

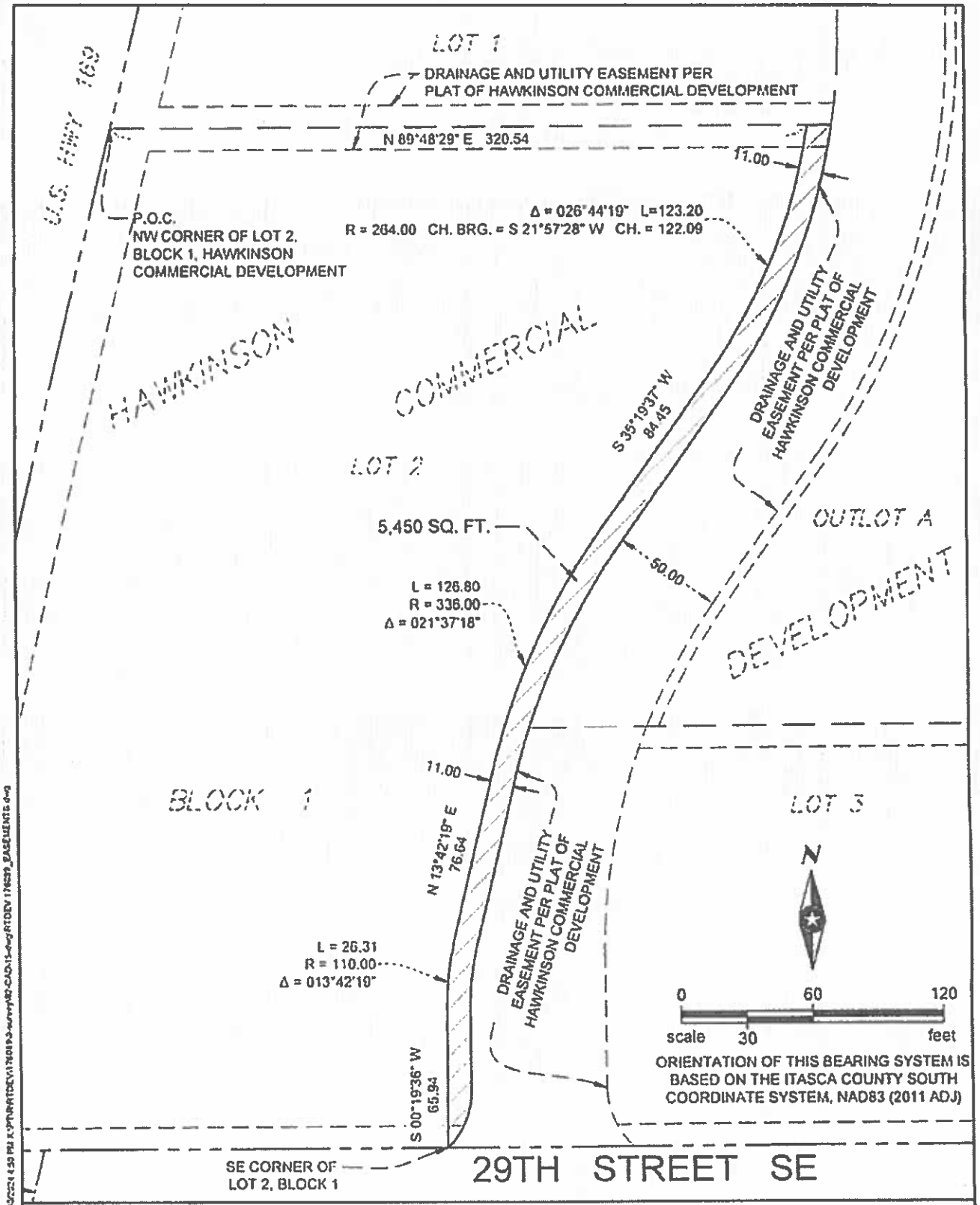
I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

DANIEL J. BEMBOOM

DATE 01/30/2024 LICENSE NO. 46562

SEH

1 of 1



EASEMENT EXHIBIT

GRAND RAPIDS, MINNESOTA

SEH Project	RTDEV-176089
Drawn By	CWJ
Designed By	
Checked By	DJB

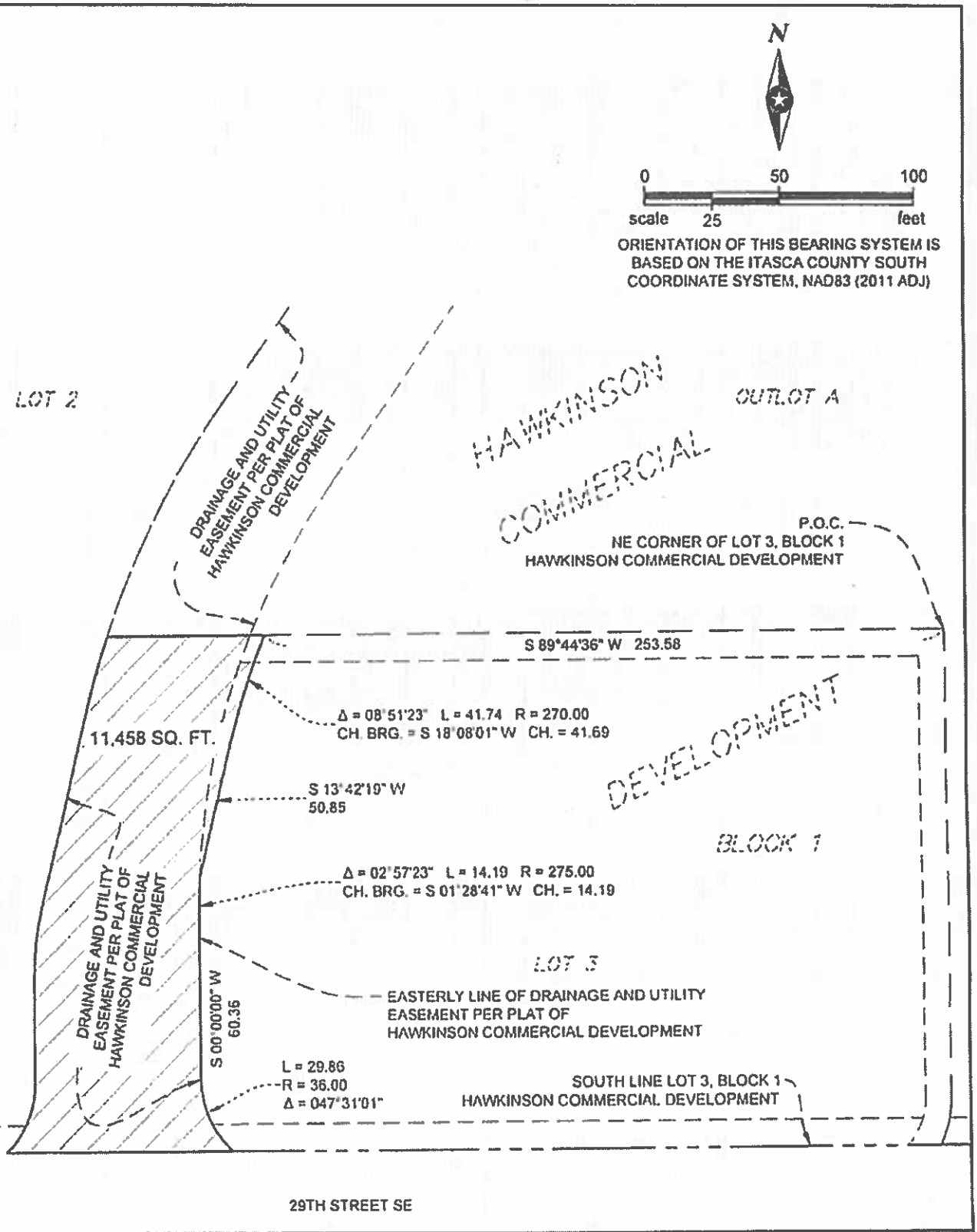
I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

DANIEL J. BEMBOOM

DATE 01/30/2024 LICENSE NO. 46582

SEH

1 of 1



EASEMENT EXHIBIT

GRAND RAPIDS, MINNESOTA

SEH Project	RTDEV-176080
Drawn By	CWJ
Designed By	
Checked By	DJB

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

DANIEL J. BEMBOOM

DATE 01/30/2024 LICENSE NO. 46562

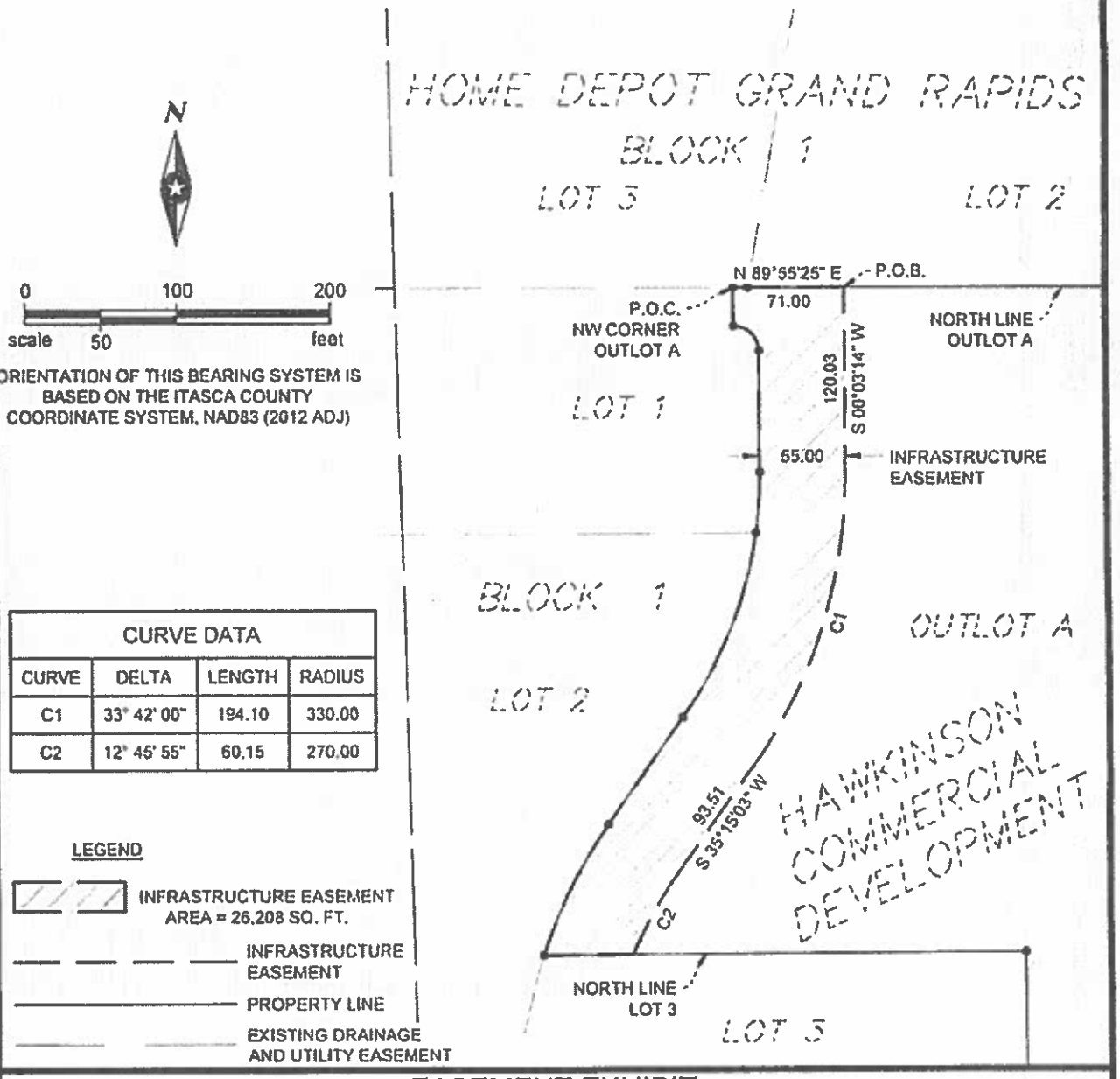
SEH

1 of 1

DESCRIPTION OF PROPOSED INFRASTRUCTURE EASEMENT

A perpetual Infrastructure Easement over, under, across and through Outlot A, HAWKINSON COMMERCIAL DEVELOPMENT, according to the recorded plat thereof, Itasca County, Minnesota lying westerly of the following described line:

Commencing at the Northwest corner of said Outlot A; thence North 89 degrees 55 minutes 25 seconds East, assigned bearing along the North line of said Outlot A, a distance of 71.00 feet, to the point of beginning of the line to be described; thence South 00 degrees 03 minutes 14 seconds West, a distance of 120.03 feet; thence Southwesterly 194.10 feet along a tangential curve, concave northwest, having a radius of 330.00 feet and a central angle of 33 degrees 42 minutes 00 seconds; thence South 35 degrees 15 minutes 03 seconds West, tangent to the last described curve, 93.51 feet; thence Southwesterly 60.15 feet along a tangential curve, concave southeast, having a radius of 270.00 feet and a central angle of 12 degrees 45 minutes 55 seconds to the north line of Lot 1, Block 1, of said HAWKINSON COMMERCIAL DEVELOPMENT and terminating thereat.



CURVE DATA			
CURVE	DELTA	LENGTH	RADIUS
C1	33° 42' 00"	194.10	330.00
C2	12° 45' 55"	60.15	270.00

LEGEND

- INFRASTRUCTURE EASEMENT AREA = 26,208 SQ. FT.
- INFRASTRUCTURE EASEMENT
- PROPERTY LINE
- EXISTING DRAINAGE AND UTILITY EASEMENT

EASEMENT EXHIBIT

GRAND RAPIDS, MINNESOTA

SEH Project	RTDEV 176089
Drawn By	LCS
Designed By	CWJ
Checked By	DJB

I HEREBY CERTIFY THAT THIS PLAN WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

DANIEL J. BEMBOOM

DATE 03-07-24 LICENSE NO. 46562

SEH

1 of 1

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider adopting a resolution accepting a bench donation in memory of Desiree Sulamith Joy Randle.

PREPARED BY: Matt Wegwerth

BACKGROUND:

The family of Desiree Sulamith Joy Randle would like to donate a bench to be placed on the fishing pier at the library in honor of her memory.

REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution accepting a bench donation in memory of Desiree Sulamith Joy Randle.

Council member introduced the following resolution and moved for its adoption:

RESOLUTION NO. 24-

A RESOLUTION ACCEPTING A $2,608 DONATION FOR THE INSCRIPTION AND COST OF ONE PARK BENCH

WHEREAS, Minnesota State Statutes 465.03, states that cities may accept gifts of real or personal property, including money, and use them in accordance with the terms the donor prescribes; and

WHEREAS, every such acceptance shall be by resolution of the governing body adopted by two-thirds majority of its members.

NOW THEREFORE, BE IT RESOLVED, the City Council of the City of Grand Rapids, Itasca County, Minnesota, accepts the listed donation and terms of the donor as follows:

- A donation in the amount of $2,608 for the cost of a park bench to be placed on the fishing pier at the library.

Adopted this 12th day of August, 2024.

_____
Tasha Connelly, Mayor

Attest:

_____
Kim Johnson-Gibeau, City Clerk

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider approving temporary liquor permit for St. Joseph's Catholic Church

PREPARED BY: Kimberly Gibeau

BACKGROUND:

St. Joseph's Catholic Church can obtain a temporary liquor license to serve alcohol off-site. They have submitted an application for an event on September 14, 2024.

REQUESTED COUNCIL ACTION:

Make a motion to approve temporary liquor license for St. Joseph's Catholic Church, contingent upon receipt of proof of insurance.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider increase in hourly wage for seasonal golf employee.

PREPARED BY: Chery Pierzina, Human Resources Officer

BACKGROUND:

The Pokegama Golf Course hires part-time and seasonal workers for the 2024 Golfing Season.

Zachary Lagergren, Equipment Operator at the Pokegama Golf Course, was rehired at $15.00 per hour. This evening, we are recommending increasing his hourly rate of pay to $17.00 per hour, effective August 13, 2024.

All costs associated with his employment are included in the 2024 budget.

REQUESTED COUNCIL ACTION:

Make a motion to increase the hourly rate of pay for the one (1) golf course employee as mentioned above effective August 13, 2024.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12th, 2024

AGENDA ITEM: Consider approving additions to the Public Works street sweeper purchase

PREPARED BY: Matt Wegwerth

BACKGROUND:
At the May 22, 2023 meeting, City Council approved the purchase of the TYMCO 500x street sweeper from Environmental Equipment and Services, Inc. in the amount of $271,235.00.

The quote that was approved inadvertently omitted sales tax and registration fees. These are summarized below:

- Sales Tax = $18,647.41
- Registration = $67.00
- Total Fees = $18,714.41

REQUESTED COUNCIL ACTION:

Make a motion approving additional costs associated with the purchase of the TYMCO 500X street sweeper in the amount of $18,714.41.

Environmental Equipment & Services Inc.
27365 Zachary Avenue
Elko, MN 55020

Office Phone: 952-461-3650
Fax: 952-461-3689

Invoice

DATE	INVOICE #
8/5/2024	17400

BILL TO	SHIP TO
City of Grand Rapids Attn: Accounts Payable 420 N. Pokegama Ave. Grand Rapids, MN 55744	City of Grand Rapids Public Works Dept. 500 SE 4th St. Grand Rapids, MN 55744

State Contract Number	TERMS	DUE DATE	SHIP VIA	CUSTOMER P.O.
S-843(5) #190617	Due on receipt	8/5/2024	Hand Deliver	20231438

Qty/Hrs	Item	Description	Unit Price	Amount
1	Sweeper	2024 TYMCO 500X mounted on a 2024 International MV607SBA Chassis. Truck VIN: 3HAEUMMN2RL656963 Sweeper SN: 202407SNH53207 Miles: 1,408 Hrs: 2	371,235.00	371,235.00T
-1	Trade Disc-Titled	Less Trade-In of Titled: 2017 TYMCO 500X mounted on a 2017 International 4300-DT Chassis Truck VIN: 1HTMMAAN5HH040953 Sweeper SN: 201704SNG51404BAH	100,000.00	-100,000.00T
1	Title & Reg.	Titling, Registration Fees & Tax Exempt Plates. This rate is exactly what is listed on the title application. We do not charge any service fees for titling. Motor vehicle sales tax (6.875%) is listed below. As soon as payment and the trade-in title are received we will title the sweeper and overnight the plates to the above address.	67.00	67.00

Thank you for your business!
Call Suzanne if you have any questions or concerns (952) 461-3650. Special Orders are Subject to 20% Restocking Fee. Buyer hereby acknowledges that payment has been made for the parts / equipment received and such payment shall be considered a "contemporaneous exchange for new value" under the federal and state bankruptcy codes, regulations and statutes.

Sales Tax (6.875%)	$18,647.41
Total	$289,949.41

APPLICATION TO TITLE/REG. A VEHICLE

MINNESOTA DEPARTMENT OF PUBLIC SAFETY
Driver and Vehicle Services division
445 Minnesota Street, Suite 185, Saint Paul, MN 55101
Phone 651-297-2126 TTY: 651-282-6555
drive.mn.gov

Confirmation Number: 0-017-737-769

VALIDATION AND OFFIC

Item 15.

PLATE NUMBER	STICKER NUMBER	YEAR

Contact Phone Number for Customer	WEIGHT STICKER NUMBER/MOTORCYCLE ENGINE NO.

A

VEHICLE IDENTIFICATION NUMBER: **3HAEUMMN2RL656963**

MODEL YEAR	MAKE	MODEL	BODY STYLE	VEHICLE COLOR	WEIGHT RATING
2024	INTL	MV607	Truck	White	Class 7 - 26,001 - 33,000

VEHICLE TYPE	VEHICLE CLASS	VEHICLE USE TYPE	# PASS.	FUEL TYPE	NEW ☒ / USED ☐	DATE OF ACQUISITION
Truck/Bus	Truck	Tax Exempt	0	Diesel		05-Aug-2024

AUTO INSURANCE COMPANY	POLICY NUMBER	EXP. DATE	EMPTY WT.	# AXLES
LEAGUE OF MN CITIES	CMC10009421	01-Jan-2025	22900	2

B

ODOMETER DISCLOSURE STATEMENT. I (WE) CERTIFY THAT THE ODOMETER NOW READS Exempt (NO TENTHS) MILES AND TO THE BEST OF MY KNOWLEDGE, THE ODOMETER MILEAGE IS:

- ☐ *Actual mileage*
- ☐ *In excess of odometer's mechanical limits*
- ☐ *Not actual mileage - WARNING ODOMETER DISCREPANCY*

DAMAGE DISCLOSURE STATEMENT. TO THE BEST OF MY KNOWLEDGE, THIS VEHICLE:

- ☐ Has
- ☒ Has Not

(CHECK ONE) SUSTAINED DAMAGE IN EXCESS OF 80 PERCENT ACTUAL CASH VALUE.

ASSIGNMENT: I (WE) CERTIFY THAT THIS VEHICLE IS FREE FROM ALL SECURITY INTERESTS. I (WE) WARRANT TITLE AND ASSIGN THE REGISTRATION TAX AND VEHICLE TO THE PERSON(S) NAMED IN SECTION D.

ENVIRONMENTAL EQUIPMENT & SERVICES INC — SELLER'S PRINTED NAME(S)

05-Aug-2024 — ACQUISITION DATE

27365 ZACHARY AVE ELKO MN 55020-9528 — SELLER'S ADDRESS

DLR24273 — DEALER LICENSE #

X _____ ALL SELLER'S SIGNATURE(S)

C

IS THIS VEHICLE SUBJECT TO SECURITY AGREEMENT(S)? YES ☐ NO ☒ *IF YES, COMPLETE SECTION C*

FIRST SECURED PARTY (PRINT NAME)	DATE OF LOAN

For Additional Secured Parties, Attach Completed Form PS2017

STREET ADDRESS	CITY	ZIP CODE	STATE

D

If more than two owners, complete a separate attachment with the additional owners information (must provide all info as below)

FIRST, MIDDLE, LAST NAME		DRIVER'S LICENSE / DEALER NUMBER	DATE OF BIRTH
CITY OF GRAND RAPIDS	☐NO FIRST NAME ☐NO MIDDLE NAME		

ADDITIONAL PURCHASER(S)/OWNER(S) FIRST, MIDDLE LAST NAME		CONJUNCTION	DRIVER'S LICENSE NUMBER	DATE OF BIRTH
	☐NO FIRST NAME ☐NO MIDDLE NAME			

RESIDENCE STREET ADDRESS	CITY	STATE	ZIP CODE
420 N. POKEGAMA AVE.	GRAND RAPIDS	MN	557447612

MAILING ADDRESS

E

You can elect to receive your registration renewals by email. If you select this option paper renewal notices will not be mailed.

To elect this service please provide email address for notice to be emailed to: _____

F

I CERTIFY BY MY SIGNATURE I HAVE PURCHASED THE VEHICLE DESCRIBED ON THIS APPLICATION. CHECK ONE:

This section to be completed if under 18

- ☐ I am 17 years old and have completed an approved driver training course.
- ☐ I am 17 years old and a high school graduate.
- ☐ I am an employed, emancipated minor and I have a Minnesota driver's license.
- ☐ When I was a resident of a foreign state, I was the duly registered owner of the automobile or truck described on this application. (COMPLETE SECTION G)

G "A vehicle acquired by a Minnesota resident is subject to tax as soon as the vehicle is operated on a Minnesota street or highway. An automobile brought into Minnesota by a non-resident must be registered within 60 days; however, if the foreign state vehicle is not currently registered, the vehicle must be registered immedi the non-resident is calculated 60 days from the date of residency or transaction date, whichever is first; or from the date vehicle is first operated on a Minn highway."

Item 15.

WERE YOU A MINNESOTA RESIDENT AT THE TIME OF PURCHASE?	IF NO, WHEN DID YOU BECOME A MINNESOTA RESIDENT?	IF YES, WHEN WAS THE VEHICLE FIRST OPERATED ON A MINNESOTA ROAD OR HIGHWAY?
YES ☐ NO ☐		

H

BASE VALUE/MSRP or GROSS WEIGHT	REGISTRATION PERIOD	USDOT Number
$0	From 05-Aug-2024 Through 28-Feb-2026	

MN COUNTY/STATE VEH. IS KEPT	Registration Quantity:
	1

FOR CLASSIC, COLLECTOR, STREET ROD & PIONEER, PLEASE INDICATE DESIRED NUMBER OF PLATES: ☐ **One Plate** ☐ **Two Plates**

REGULAR LICENSE PLATE NUMBER OF THE OTHER VEHICLE OWNED OR LEASED BY YOU

TRAILERS/TRUCKS REGISTERED ON A GROSS WEIGHT BASIS MUST REGISTER AT A MINIMUM OF 1.25 TIMES THE EMPTY WEIGHT.

FOR TRUCKS REGISTERED AT 78,000 OR HIGHER, MUST DECLARE THE NUMBER OF AXLES ON THE FRONT OF THIS APPLICATION.

I **PURCHASER'S MOTOR VEHICLE SALES TAX DELARATION**

1. Full Purchase Price	$371,235.00
2. Less trade-in allowance complete item #6	$100,000.00
3. Net Purchase Price	$271,235.00
4. 6.875 % of line 3	$18,647.41
5. Less tax paid to another state	$0.00
NET SALES TAX DUE	**$18,647.41**

6. Trade-in was:

MODEL YR.	MAKE	PLATE #
VIN NUMBER		
1HTMMAAN5HH040953		

WITHOUT PROPER OWNERSHIP/TRANSFER DOCUMENTS (eg., OUT-OF-STATE CERTIFICATE OF TITLE), NO MINNESOTA TITLE WILL BE ISSUED.

MN DEALER LICENSE #	DLR24273
MN SALES TAX ACCOUNT #	
INTERNAL REV. CODE # (IRC)	
PRORATE ACCOUNT #	
PRORATE FLEET #	
I declare this tax exemption	

ADDITIONAL FEES

ELECTRIC VEHICLE SURCHARGE:	0.00
EXPEDITED TITLE FEE:	20.00
FARM QUARTERLY FEE:	0.00
LEASE EXTENSION FEE:	0.00
REINSTATEMENT FEE:	0.00
SALVAGE INSPECTION FEE:	0.00
SPECIAL PLATE TRANSFER FEE:	0.00

ADMIN/REGISTRATION TAX:	10.00
PLATE FEE:	10.00
CONTRIBUTION FEE:	0.00
WHEELAGE TAX:	0.00
TECH SURCHARGE FEE:	2.25
PS VEHICLE FEE:	3.50
TRANSFER TAX:	0.00
TITLE FEE:	8.25
LIEN FEE:	0.00
MV SALES TAX:	18,647.41
LATE TRANSFER PENALTY:	0.00
VS DEPUTY SURCHARGE:	1.00
STATE/DEPUTY FILING FEE:	12.00
TOTAL DUE:	**18,714.41**

(Sales tax due when registered)

J **Tennessen Warning**

What is the purpose of supplying the requested information?

*The information collected on this form is used to apply for a certificate of title pursuant to Minn. Stat. 168.02(1).

Am I required to provide the requested information?

*You must provide the information requested within ten days of the date of sale in order to obtain a certificate of title. See Minn. Stat. 168.10(2).

What will happen if I do not provide the requested information?

*If you do not provide the requested information, DVS will be unable to process your application for a certificate of title.

Who will have access to the requested information?

*DVS may disclose personal information when it relates to the operation or use of a vehicle or to public safety. The use of personal information relates to public safety if it concerns the physical safety or security of drivers, vehicles, pedestrians or property. Information on an individual provided to register a vehicle may be treated as provided by U.S.C 2721, and may be disclosed as required or permitted by that section. Information may be used, rented, or sold solely for bulk distribution by organizations for business purposes including surveys, marketing or solicitation. The registered owner may request, in writing, that their residence address or name and residence address be classified as "private data on individuals," provided the vehicle is not registered to a business. See Minn Stat. 168.346(3).

I (We) certify I (we) are of legal age, have purchased this vehicle subject to liens shown and no other. This vehicle is and will continue to be insured while operating upon the public streets and highways. The vehicle will be operated in compliance with the laws that apply to its class of registration. I (we) have received a copy of this application and all of my (our) declarations are true and correct. If applicable, I (we) have knowledge of Federal and State applicable to commercial motor vehicle operation, Minn. Stat. § 221, public service commission rules 1-48 and 49 U.S.C. § 390-399, and if a transporter of hazardous materials, 49 U.S.C. §§ 171-199.

☐ You may disclose my information for any use in response to requests for my individual driver or motor vehicle

☐ You may disclose my personal information for bulk distribution for surveys, marketing, or solicitations.

Signature _____ DATE _____

Signature _____ DATE _____

ALL PURCHASERS/OWNERS MUST SIGN

DO NOT SIGN UNTIL FORM IS COMPLETED IN ENTIRETY

Minnesota

21 Day Temporary Registration

Expiration 08/26/2024

03132808

Issued: 08/05/2024 VIN: 3HAEUMMN2RL656963 2024 INTL MV607, WHI

STATE OF MINNESOTA TEMPORARY VEHICLE REGISTRATION

Plate	Issue Date	Expiration Date	VIN
03132808	08/05/2024	08/26/2024	3HAEUMMN2RL656963

Year	Make	Model	Body Style	Color	Registered Weight
2024	INTL	MV607	TK	WHI	

Owner Name	Mailing Address	City/State/Zip
CITY OF GRAND RAPIDS	420 N. POKEGAMA AVE.	GRAND RAPIDS, MN 557447612

Issuing Agency License	Issuing Agency	Insurance Company	Policy Number
DLR24273	ENVIRONMENTAL EQUIPMENT & SERVICES INC	LEAGUE OF MN CITIES	CMC10009421

Reorder # MADA-TTAG-VEHICLE MADA Services Inc. 651-291-2400

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12th, 2024

AGENDA ITEM: Consider a resolution approving Municipal Consent for SP 3104-61

PREPARED BY: Matt Wegwerth

BACKGROUND:

MnDOT is proceeding with plans to complete State Project 3104-61, highway 2 mill and overlay from the east junction of highway 169 to 0.25 miles east of the Gunn Road. In accordance with Minnesota Statute 161.164, MnDOT submitting for City approval the project's Final Layout, identified as Layout No. 1, S.P. 3104-61.

The City's approval (municipal consent) is required for this project because it requires acquisition of permanent rights of way (the state is acquiring the underlying fee within our existing permanent highway easement where we do not currently have underlying fee). Municipal consent of MnDOT projects is described in Minnesota Statutes 161.162 through 161.167.

The project will be completed by MnDOT at no cost to the City.

REQUESTED COUNCIL ACTION:

Make a motion adopting a resolution approving the final layout for State Project 3104-61 on Trunk Highway 2, from the east junction of Trunk Highway 169 to 0.25 miles east of Gunn Road with the City of Grand Rapids.

Minnesota Department of Transportation
District 1, Duluth
1123 Mesaba Ave.
Duluth, MN, 55811

June 13, 2024

Matthew Wegwerth
Public Works Director / City Engineer
City of Grand Rapids

RE: Request for City Approval (Municipal Consent) of the Final Layout for SP 3104-61

Dear Matt,

MnDOT is proceeding with plans to complete State Project 3104-61, highway 2 mill and overlay from the east junction of highway 169 to 0.25 miles east of the Gunn Road. In accordance with Minnesota Statute 161.164, I am submitting for City approval the project's Final Layout, identified as Layout No. 1, S.P. 3104-61.

The City's approval (municipal consent) is required for this project because it requires acquisition of permanent rights of way (the state is acquiring the underlying fee within our existing permanent highway easement where we do not currently have underlying fee). Municipal consent of MnDOT projects is described in Minnesota Statutes 161.162 through 161.167.

Approval or disapproval of the final layout is by resolution of the City Council. (A sample resolution is attached). However, if the City neither approves nor disapproves the final layout within 90 days of the public hearing, the layout is deemed approved (per MN Statute 161.164).

The deadlines (per MN Statute 161.164) for the City's responsibilities regarding municipal consent of the attached layout are as follows, based on a submittal date of the final layout to the City of 6/13/2024:

- Within 15 days of receiving the final layout, schedule a public hearing by June 28th, 2024.
- Within 60 days of receiving the final layout, conduct the public hearing by August 12th, 2024.
- Provide at least 30-days' notice of the public hearing.
- Within 90 days of the public hearing, approve or disapprove the layout by resolution by November 12th, 2024.

MnDOT will attend the public hearing to present the final layout and answer questions, as required by statute.

Project Purpose
To improve the ride quality and extend the useful life of the highway.

Project Description

On highway 2 from the east junction of highway 169 to 0.25 miles east of the Gunn Rd.

Scope Summary

- Mill and Overlay Driving Lanes and turn lanes, Fogseal bituminous shoulders and Place aggregate on aggregate shoulders to bring up to grade as needed.
- Upgrade existing pedestrian facilities to be compliant with the Americans with Disabilities Act.
- Add pedestrian push button stations to the signal at highway 2 and Airport Rd.
- From the east termini of the sidewalk to LaPrairie Ave. on the westbound direction of highway 2, convert the existing right turn lanes to a standard shoulder.
- Close 4 driveway access locations. (within the city limits of LaPrairie)
- Improved crossing of highway 2 at LaPrairie Avenue, includes curb bump outs, pedestrian curb ramps, cross walk markings, intersection lighting, and a crosswalk flashing beacon system.
- Construct a right turn lane at the wayside rest.
- Construct left turn lanes for the Gunn Rd and Jess Harry Road including aligning the local road connections to meet opposite of each other at the intersection, and new intersection lighting.
- Upgrade all guardrail within the project limits to meet current standards.
- Repair storm sewer and culvert locations that have been identified as needing repair.

Planned Project Schedule

The anticipated project letting date is December 6th, 2024, with construction expected to occur during the 2025 construction season.

All construction will be accomplished under traffic with standard lane closures and flagging operations.

City's Estimated Project Costs

There are no work items that require cost participation from the City of Grand Rapids.

City's Maintenance Responsibilities

The city's post-project maintenance responsibilities consist of routine sidewalk maintenance, routine signal maintenance, and routine maintenance of drainage systems. A funding, operation and maintenance layout was submitted previously to highlight the maintenance responsibilities.

Please feel free to contact me if you have any questions about this submittal.

Sincerely,

Randy Costley
Project Manager
MnDOT - District 1
1123 Mesaba Ave.
Duluth, MN, 55811
Cell: (218) 576-8923
randy.costley@state.mn.us

Attachments:

Final Layout for SP 3104-61, dated 08/08/2022
Sample City Resolution

cc:

Council member _____ introduced the following resolution and moved for its adoption:

RESOLUTION NO. 24-__

A RESOLUTION APPROVING FINAL LAYOUT FOR S.P. 3104-61

WHEREAS, the Commissioner of Transportation has prepared a final layout for State Project 3104-61 on Trunk Highway 2, from east junction of Trunk Highway 169 to 0.25 miles east of Gunn Road within the City of Grand Rapids for pavement improvements; and seeks the approval thereof, as described in Minnesota Statutes 161.162 to 161.167: and

WHEREAS, said final layout is on file in the district 1 Minnesota Department of Transportation office, Duluth, Minnesota, being marked as Layout No. 1, S.P. 3104-61, from R.P. 184+00.133 to 187+00.000; and

NOW, THEREFORE, BE IT RESOLVED that said final layout for the improvement of said Trunk Highway within the corporate limits be and is hereby approved.

Adopted by the Council this 12th day of August, 2024.

_____
Tasha Connelly, Mayor

ATTEST:

_____
Kim Johnson-Gibeau, City Clerk

Councilmember seconded the foregoing resolution and the following voted in favor thereof: ; and the following voted against same: ; whereby the resolution was declared duly passed and adopted.

LEVEL 2 LAYOUT APPROVAL

Approved: David Crickmore
Director of Transportation Planning

Approved: James Maxey
Chief Engineer

Approved: Andy Johnson
Director of Operations

LAYOUT PROJECT DESCRIPTION: FM 2 FROM 0.5 MI. E. OF FM 1 TO 0.5 MI. E. OF JESS HARRY RD./GUNN RD.

LAYOUT PROJECT LIMITS: BEG. 0.5 MI. E. OF FM 1 END 0.5 MI. E. OF JESS HARRY RD./GUNN RD.

LAYOUT PROJECT NUMBER: 0902-02-031

LAYOUT PROJECT NAME: FM 2 FROM FM 1 TO JESS HARRY RD./GUNN RD.

LAYOUT PROJECT TYPE: RESURFACING

LAYOUT PROJECT FUNDING: STATE

LAYOUT PROJECT ESTIMATED COST: $1,000,000

LAYOUT PROJECT ESTIMATED CONSTRUCTION TIME: 120 DAYS

LAYOUT PROJECT ESTIMATED ROW: $0

LAYOUT PROJECT ESTIMATED UTILITIES: $0

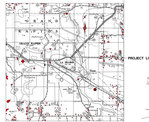
LAYOUT PROJECT ESTIMATED ENVIRONMENTAL: CE

LAYOUT PROJECT ESTIMATED PE: $0

LAYOUT PROJECT ESTIMATED CONSTRUCTION: $1,000,000

LAYOUT PROJECT ESTIMATED CE: $0

LAYOUT PROJECT ESTIMATED TOTAL: $1,000,000



SCALE: NTS

INDEX MAP

PROJECT LOCATION

TYPICAL SECTIONS

LAYOUT HISTORY

Purpose and Need

WHAT ACCOMPLISHES THE PROJECT: Pavement Rehabilitation - Conserving pavement resulting in rough ride, high maintenance costs, and reduced ride quality.

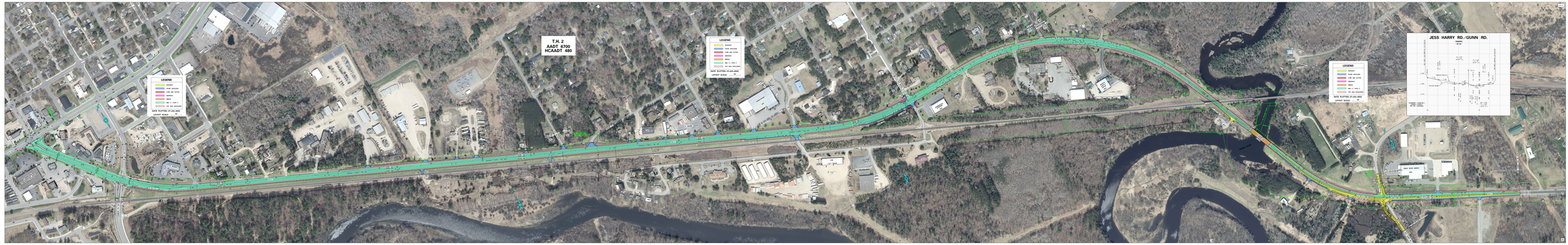
PURPOSE ACCOMPLISHED BY THIS ACTION: Pavement Rehabilitation - To improve ride quality and reduce maintenance costs.

There are no design exceptions.

This is a Super Load Corridor. FM 46 is not a Super Load Corridor, but there are OSOW vehicles that do use this route.

This is not a Scenic Byway route.

Layout Notes:



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider authorizing quotes and awarding the bid to Hawkinson Construction for the NW 5th Street Overlay Project.

PREPARED BY: Matt Wegwerth

BACKGROUND:

The City recently received quotes for the NW 5th Street Overlay Project. Only one quote was received from Hawkinson Construction. Staff recommends awarding the bid to Hawkinson Construction in the amount of $60,403.20.

This project was originally planned under the 2024 Public Works budget as a maintenance project. We have since determined that MSA Maintenance dollars are a better source of funding for this project, thus requiring council approval.

REQUESTED COUNCIL ACTION:

Make a motion authorizing quotes and awarding the bid to Hawkinson Construction, in the amount of $60,403.20, for the NW 5th Street Overlay Project.

From: Benjamin Gaard
To: Matt Wegwerth, PE
Cc: Ryan Swanson
Subject: 5th street overlay
Date: Wednesday, July 3, 2024 9:13:03 AM

Good morning,

Ulland Brothers will not be able to bid on this project for the city of Grand Rapids. Thank you as always for the invite and please continue to keep us on your list for projects like this.

Thank you,

Ben Gaard
Sent from my iPhone
This message may contain confidential and/or privileged information. If you are not the addressee or authorized to receive this for the addressee, you must not use, copy, disclose, or take any action based on this message or any information herein. If you have received this message in error, please advise the sender immediately by reply e-mail and delete this message. Thank you for your cooperation.

P Please consider the environment before printing this email.

Hawkinson Construction
501 County Road 63 P.O. Box 278 Grand Rapids, MN 55744
Phone: (218) 326-0309 Fax: (218) 326-0755

To:	City Of Grand Rapids	**Contact:**	Kevin Koetz
Address:	420 N Pokegama Avenue	**Phone:**	218-398-5201
	Grand Rapids, MN 55744	**Fax:**	
Project Name:	City Of GR (3) Streets Orverlays In NW	**Bid Number:**	
Project Location:	Grand Rapids, MN	**Bid Date:**	6/6/2024
Attachments:	City GR 3 Overlays 2024.pdf		

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
LUMP SUM	1) Mobilization 2) Furnish And Supply Tack Coat 3) Furnish And Install Hot Mix Leveling	1.00	LS	$86,171.800	$86,171.80

Total Bid Price: $86,171.80

Notes:

- Note: All credit card payments will be charged an extra 4%.
- Note: No shouldering or reestablishment of vegetation along edges of driveway included.
- Note: It is the owners responsibility to obtain any and all permits.
- Note: Hawkinson Construction has zero responsiblity if owners have not obtained the proper permit and/or permits.
- Note: Damage to sprinkler lines, private LP, Power Lines after the meter, or other unseen objects buried under project area are Not Hawkinson Construction responsibility. The owner is responsible for any and all necessary relocation and/or repairs cost.
- Note: A minimum slope of 2% is necessary to guarantee drainage.
- **Note: Corner $7,893.60**
- **Note: NW 20th Ave $17,875.00**
- **Note NW 5th St. $60,403.20**

ACCEPTED: The above prices, specifications and conditions are satisfactory and hereby accepted. **Buyer:** _____ **Signature:** _____ **Date of Acceptance:** _____	**CONFIRMED:** **Hawkinson Construction** **Authorized Signature:** **Estimator:** Toby Holmgren 218-326-0309 toby@hawkinsonconstruction.com

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider approving temporary liquor permit for United Way of 1000 Lakes

PREPARED BY: Kimberly Gibeau

BACKGROUND:

The United Way of 1000 Lakes can obtain a temporary liquor license to serve alcohol at an event. They have submitted an application for an event on September 7, 2024 at the Public Works/Public Utilities facility. Fee and insurance information have been received.

REQUESTED COUNCIL ACTION:

Make a motion to approve temporary liquor license for United Way of 1000 Lakes.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12th, 2024

AGENDA ITEM: Consider entering into a Cleaning Services Agreement with Northwoods Cleaning Company at City Hall, Central School, and the library.

PREPARED BY: Jon Peterson

BACKGROUND:

Due to a short term need for janitorial services at City Hall, Central School, and the library, City staff is recommending entering into an agreement with Northwoods Cleaning Company to provide cleaning services.

Contractor	Quote Amount
Northwoods Cleaning Service	$4,800.00

REQUESTED COUNCIL ACTION:

Make a motion to enter into a Cleaning Services Agreement with Northwoods Cleaning Company.

CLEANING SERVICES AGREEMENT

This Agreement is between the City of Grand Rapids ("City") and Northwoods Cleaning Company, 18064 Danson Road, Grand Rapids, MN 55744.

WHEREAS, City wishes to hire Northwoods Cleaning Company to provide janitorial services at Central School, City Hall, and Library from August 19th-September 13th, 2024.

NOW, THEREFORE, in exchange for the promises and other considerations set forth below, the parties agree as follows:

1. Scope of Work.

City Hall (cleaning staff on site Monday-Friday 4:30 pm – 6:30 pm)

- Clean all bathrooms – daily
- Clean break room – daily
- Sweep and mop north and east entrances – daily
- Clean glass north and east entrances – daily
- Vacuum all rugs – daily
- Polish drinking fountains - daily
- Empty all garbage cans as needed
- Vacuum all carpeted areas – once per week
- Sweep and mop hallway and stairs – once per week
- Wipe down all desks in council chambers – once per week

Central School (Cleaning staff onsite Monday – Friday 10:00 am – 12:00 pm)

- Clean bathrooms – daily
- Vacuum all rugs – daily
- Clean glass west, north, and east entrances – daily
- Sweep west, north, and east entrances – daily
- Sweep and mop hard surface floors – twice per week or as needed
- Sweep the north stairwell – twice per week
- Empty all garbage cans as needed

Library (Cleaning staff onsite Monday – Friday 8:00 am – 10:00 am)

- Dust mop front entrance – daily
- Clean front entrance glass – daily
- Clean breakroom – daily
- Vacuum all rugs – daily

- Clean bathrooms – daily
- Empty all garbage cans as needed
- All tables to be wiped down – once per week or as needed
- Vacuum all carpeted areas – once per week or as needed
- Clean interior windowsills – once per week

2. Schedule. Duties will be performed Monday - Friday 2 hours a day at each building. Janitorial services will begin on August 19th, 2024, and run through September 13, 2024. Either party may cancel this contract for any reason by providing the other party with 7 days written notice.

3. Compensation. Northwoods Cleaning Company will receive $1200.00 per week from August 19th - September 13th.

4. Insurance. Northwoods Cleaning Company will provide the City with a Certificate of Insurance.

IN WITNESS WHEREOF the parties have signed this Agreement as of the date set forth below.

City of Grand Rapids:	**Northwoods Cleaning Company:**
By:_____	_____
Name:_____	Printed Name:_____
By:_____	_____
Name:_____	Printed Name:_____

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: 8-12-24

AGENDA ITEM: Consider approval of payment of $850 to McKeon Roberts to cover appraisal costs for land purchase by the City.

PREPARED BY: Tom Pagel, City Administrator

BACKGROUND:

The City recently closed on property owned by McKeon Roberts. In January of this year, Tom Pagel, City Administrator, verbally agreed to cover the $850 appraisal necessary to close the property purchase. The formal closing documents did not account for this agreement.

REQUESTED COUNCIL ACTION:

Make a motion to approve the payment of $850 to McKeon Roberts for appraisal costs related to the purchase of property as described in the attached and authorize payment upon approval.

EXHIBIT "A"

That part of the unplatted part of the Northwest Quarter of the Southwest Quarter, Section 28, Township 55 North, Range 25 West of the Fourth Principal Meridian, Itasca County, Minnesota, bounded as follows:

On the North by the waters edge of an existing pond.

On the South and West by the Plat of MCGOWAN'S FIRST ADDITION TO GRAND RAPIDS, according to the plat on file and of record in the office of the Itasca County Recorder.

On the East by the east line of the vacated portion of MCGOWAN'S ADDITION TO GRAND RAPIDS, lying West and adjacent to Block 7 per Document No. 222009 found in Book No. MR72, Page 45.

EXCEPT

The East 104.00 feet of the North 412.00 feet lying West and adjacent to Block 7, MCGOWAN'S ADDITION TO GRAND RAPIDS according to the plat on file and of record in the office of the Itasca County Recorder.

Tom Pagel

From: Tom Pagel
Sent: Monday, August 5, 2024 3:23 PM
To: Chad Sterle; Matt Wegwerth, PE
Subject: RE: Roberts Property Purchase

Chad/Matt;

Please see below. I found the email.

Tom Pagel | City Administrator

City of Grand Rapids
tpagel@grandrapidsmn.gov
cityofgrandrapidsmn.com
Office: 218-326-7626 • Fax: 218-326-7608

420 North Pokegama Avenue • Grand Rapids • MN • 55744-2662

From: Tom Pagel
Sent: Tuesday, January 30, 2024 10:37 AM
To: Chad Sterle <csterle@sterlelaw.com>; Matt Wegwerth, PE <mwegwerth@grandrapidsmn.gov>
Subject: Roberts Property Purchase

Chad/Matt;

I have agreed to pay for an appraisal as part of the closing costs with Mr. Roberts. He needs this appraisal to get his mortgage company to agree.

Tom Pagel | City Administrator

City of Grand Rapids
tpagel@grandrapidsmn.gov
cityofgrandrapidsmn.com
Office: 218-326-7626 • Fax: 218-326-7608

420 North Pokegama Avenue • Grand Rapids • MN • 55744-2662

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider approving change order 1 and final payment in the amount of $6,100.00 for stonework in the east lobby for the Civic Center Project

PREPARED BY: Glen Hodgson

BACKGROUND:

At the February 12, 2024, meeting the Council accepted a quote from Ewen Stone Works for improvements in the east lobby at Yanmar Arena.

Change Order #1 associated with this work is presented with this RCA for Council approval. The extra work involved additional surface preparation on 12 different wall segments. The preparation was necessary to insure a firm bond between the wall and the new stone.

The amount of the change order is $1,150.00.

Work for the original scope and for the change order is now complete and ready for final payment.

The original quote amount was $13,450.00. With the change order the final quote amount is $14,600.00.

One previous payment has been made, so that the amount of the final payment due is $6,100.00.

REQUESTED COUNCIL ACTION:

Make a motion approving change order 1 and final payment in the amount of $6,100.00 for east lobby stonework for the Civic Center Project.

Ewen Stone Works, LLC.
32505 Lakeview Trail
Grand Rapids, MN 55744
(218) 259-5103
turboewen@gmail.com

Name YANMAR / IRA civic center
Address c/o Dale Anderson
Phone
Email 7-30-24

ITEM	QTY	PRICE	TOTAL
INVOICE			
- Original Bid			$13,450
Down Payment/material			(8500)
change order			1150
Total Due			$6,100

ESTIMATE

Ewen Stone Works, LLC.
32505 Lakeview Trail
Grand Rapids, MN 55744
(218) 259-5103
turboewen@gmail.com

Name: Lumber Arena
Address: c/o Dale Anderson
Phone:
Email:

ITEM	QTY	PRICE	TOTAL
CHANGE ORDER			
Added 2x8 to fir out	1		$1,150
the three columns to			
bury the support bracket			
for counter tops, lathe			
and scratch coat			
includes all material			
and labor			
Total Due			$1,150

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 22, 2024

AGENDA ITEM: Consider approving the Lefty's Rental Contract utilized at National Night Out.

PREPARED BY: Chief Andy Morgan

BACKGROUND:
National Night Out is an annual community-building event that promotes a stronger partnership between police and community. Grand Rapids Police Department has hosted numerous successful National Night Out gatherings in the past. This year's event was held at Central School, August 6, 2024.

Grand Rapids Police Department rented a youth pirate ship bouncy house. Numerous kids enjoyed the rental.

REQUESTED COUNCIL ACTION:

Make a motion authorizing the Mayor and City Administrator to sign the Lefty's Rental Contract utilized at National Night Out.

Lefty's Tent & Party Rental
4542 E. US Hwy 169
Bovey, MN 55709
Ph: 2182451387

JOB INVOICE

JOB DESCRIPTION: National Night Out

Invoice #

INVOICE TO:
Grand Rapids Police Department
420 N. Pokegama Ave.,
Grand Rapids, Minnesota 55744

Attention: Jeff Carlson
Phone: (218) 360-0938
Email: jcarlson@grandrapidsmn.gov

JOB SITE:
Old Central School
10 NW 5th Street
Grand Rapids, Minnesota ,55744

Contact: Jeff Carlson
Phone:
Email: jcarlson@grandrapids.mngov

Event Date:8/6/2024
Load-in: 8/6/2024
Show Start: 8/6/2024
Load Out: 8/7/2024

Terms: In Advance
Order Status: Active
Quote by: Tracy Lammi
Email: tracy@rentatentandparty.com

EQUIPMENT

Delivery	Event Date	Pick Up
8/6/2024	8/6/2024	8/7/2024

Quantity	Description	Duration	Price	Subtotal
Rental Equipment				
1	PIRATE SHIP BOUNCE COMBO	1 Days	$199.00	$199.00
1	BOUNCE KIT	2 Days	$0.00	$0.00
		Total Rental Equipment:		$199.00
		Total :		$199.00

Delivery/Misc

Quantity	Description	Price	Subtotal
1	Grand Rapids	$55.00	$55.00
		Total Delivery/Misc:	$55.00

Notes:

Product Total:	$199.00
Discount:	($69.65)
Damage Waiver:	$7.76
Delivery/Misc:	$55.00
Job Total:	**$192.11**

4542 E. US HWY 169, Bovey MN 55709

Phone: 218-245-1387

Fax: 218-245-1212

UNDERGROUND UTILITY CHECK

The Client/Customer/Homeowner are responsible for *marking* the area where the tent/inflatable will be set up. The area must be marked 72 hours PRIOR to the setup date/time that Lefty's will be setting up. The area may be marked in a few different ways which include:

1. Mark the area with wood stakes that have WHITE paint on the top OR some type of WHITE material tied to the stakes
2. Mark the area with WHITE spray paint

You may mark where you want the center of the tent/inflatable OR where you want the four corners of the tent/inflatable.

Safety is a top priority for our installation team. Underground gas and electric lines pose a threat to our customers and staff.
The stakes used to secure our tents and inflatables are driven 3-4 feet into the ground. Prior to installation, Lefty's will contact you to acquire the description of your site as well as the exact location of installation on your property. This information is required for us to call Gopher State and schedule a locate for underground utilities.
If a site is not marked or is marked unclearly, our staff has the right to refuse installation. Any damage to these utilities is the responsibility of the property owner or person renting equipment.

By signing and dating below you are agreeing to these instructions

Name_____Date_____

RENTAL CONTRACT * TERMS & CONDITIONS* INVOICE

4542 E. US Hwy 169 * Bovey, MN 55709 * Phone: 218-245-1387 * Fax: 218-245-1212

Thank You for including Lefty's Tent and Party Rental in your Event or Celebration.
Lefty's offers high quality rental items and various services to help make your event run as smoothly, efficiently and as stress-free as possible. The majority of rental items are rented for one occasion or event and based upon a one to three day rental time period. Inflatable bounce house rental are for a 24 hour time frame. Additional days are available for additional fees. Rental client assumes responsibility for items rented from the time of receipt to time of return/pick up. "We do the work, you do the partying!"

Consultation: Our trained staff is available to discuss your rental needs and we offer a no-obligation quote for your convenience.

Reserving Equipment/ Cancelling or Changing Order: Quotes and proposals do not guarantee availability of rental equipment. ***Equipment and items will be reserved only upon receipt of a signed rental agreement. A 50% reservation fee is required at the time the rental agreement is made (cash, check or credit card). This fee is nonrefundable. It is used to guarantee the rented items in your name. This fee can float for up to one year if your plans should change and you decide to release the rental.*** All reserved equipment is subject to a 50% cancellation fee. Order changes and reductions of less than 50% (***per item)*** or **one** tent section are not subject to a cancellation fee. If the customer has used a credit card for payment, any refund will be subject to a "restocking fee" due to the charges we pay just for processing your card. This fee will depend upon card used.

Additional Charges may Occur if: **1)** ***Gas exceeds $4.00 per gallon at the time of delivery (***a surcharge will be applied). **2)** Site is not ready or accessible when the crew arrives or situations that may prevent or delay pickup/delivery. **3)** Tent & rented equipment is not ready for prearranged pickup. **4)** Delivery/pick up is from any location other than ground level (***upstairs/downstairs or walking distances over 50ft***.). **5)** Delivery/pickup requiring the use of pontoon, barge or air transportation. **6)** Chairs, tables & items are not stacked as delivered for pickup and client decorations are not removed. **7)** Food service items are not rinsed and in original containers. **8)** Customer requires ***specific delivery/pickup time*** *or* ***after hours delivery.*** **9)** Tent or equipment has become excessively soiled (unable to be wiped off with a cloth and tent cleaner) or damaged due to smoke, fire, grease, paper or fabric bleeds or improper use and or decorating. **10)** Unconventional Setups, orders requiring multiple trucks, ***Asphalt Stake Punches & Fill*** or ***Cement Weights*** (charged by rental not # used). **11)** Orders made within 48 hours of delivery or installation time. **Additional Charges for Permits:** Where building and fire permits are required, Lefty's Tent and Party Rental can file for all permits and provide necessary equipment (exit signs, fire extinguishers). There will be an additional fee for this service.

Damage Waiver: For security against damaged items, a **non-refundable** damage waiver of 6% will be added to all orders. Damage waiver is not insurance. It covers accidental breakage due to normal use. Pieces must be returned to Lefty's as the waiver does not cover loss, theft or damage caused by misuse or abuse.

Delivery/Pickup Service: There is a **$**100 (min) order requirement for items to be delivered. Mileage is additional on any delivered items. All fees are based on tailgate delivery and charged by geographic location. Additional delivery charges will occur for orders requiring more than one truck, 2nd floor or higher delivery locations, excessive distance for loading/unloading trucks, specific delivery and pick-up times, and after-hours delivery and pick-up. ***Delivery fees quoted may change after site inspection.*** All items will be delivered and picked up at a designated location. The client should be available to count all items upon delivery and pickup, otherwise, the counts will be considered accurate. You may request AM (8-12) or PM (12-4) delivery or pickup service (location will be a factor but we will try to accommodate your requests). ***Responsibility for equipment remains with the client from the time of delivery to the time of pickup***. Please be sure all equipment is secured when not in use and protected from the weather.

Final Payment: Client must provide Lefty's Tent and Party Rental with ***event details, required information, delivery information & final count 14 days prior to event*** at which time a final invoice with balance due will be provided. ***Full payment is due 10 to 14 days prior to the event*** *with the exception of* ***sidewalls****, which should be*

paid at or ***before the time of delivery***. Orders will NOT be routed/scheduled for delivery until full payment is received. Orders will be charged $30 for any insufficient /bounced check fees.

Gratuity: Our employees appreciate your kindness and generosity for a job well done. Please leave gratuities with our Crew Leaders.

On-Site Service/Setup: Client may retain the services of Lefty's Tent and Party employees during an event. Reservations and additional charges apply.

Site Preparation: ***Safety is a priority for our installation team*: *please be sure WHITE FLAGS are set (4 days prior) and your site is ready prior to arrival of CREW and UTILITY COMPANIES*** (i.e. lawns mowed, vehicles out of the way, etc.) Client will inform Lefty's Tent and Party of the existence of any underground utilities (i.e. phone, gas lines, buried electric, septic system, etc.) or conditions that may interfere with the ability to stake and /or anchor equipment and provide their legal description **(*AT LEAST 14 DAYS PRIOR TO EVENT)*** to be passed on to Gopher State One Call in order to submit a request to locate and mark utilities. Client assumes responsibility for all damage to underground equipment in absence of such information and notice. **Note:** 5 foot radius required for *most* pole tents.

Tent Decorating: The client will not use staples, colored crepe paper, streamers or colored paper/tape of any sort to decorate the canopy top. The client will not hang heavy objects from the canopy ropes or remove any ropes/ratchets for any reason. If you have questions regarding the decorating of the canopy, please talk to one of our staff. Lefty's Tent and Party will provide onsite decorating at an additional charge.

After the Event - Cleanup/ Preparation for Pickup: Inflatable bounce houses should be unplugged when not in use. All personal belongings, trash, and decorations should be removed from the tent before scheduled pickup time**.** ***All chairs and tables should be stacked as delivered if you have not contracted onsite services*.** All dishes, glassware and food service equipment should be returned to proper containers and assembled at a single location for pickup. These items should be well rinsed and particle-free, but they need not be washed. Linens should be dry and free of food and particles and shaken out and put in the provided linen bag/box or an open garbage bag. Missing or extremely damaged linens will be billed at replacement cost.

Weather: Client understands that tents are temporary structures designed to provide limited protection from weather conditions, primarily sun and rain; however there may be situations, particularly those involving strong winds and lightning, in which the tents will not provide protection and may even be damaged or blown over. Evacuation of tents to avoid possible injury is recommended when severe weather threatens the area where the tent is erected. People must leave the tents and not seek shelter in tents during such conditions. Because it may be difficult to determine if the weather is severe enough to necessitate evacuation, it is best to err on the side of caution. If in doubt, evacuate. It is the clients' responsibility to be aware of changing weather conditions and to exercise its best judgment with regard to the evacuation of tents.

Lefty's EMERGENCY TELEPHONE #218-244-6188 is available 24 hours to provide assistance to clients.

Indemnification and Defense: Client agrees that if any legal proceeding are brought against Lefty's Tent and Party Rental to recover compensation for injuries to individuals or damages to personal property occurring in connection with the event Client will provide a defense for Lefty's and any of it's employees named in such proceedings and will indemnify Lefty's Tent and Party Rental and its employees for any judgment rendered against them.

*(I agree to terms as stated) _____ ____ _____

Client Signature Date Printed Name

(Please read, sign and return with your deposit or payment) *Revised 10/29/2018* ***(*2019 Prices Subject to Change)***

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider Amendment to the Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP) for non-represented employees

PREPARED BY: Chery Pierzina, Human Resources Officer

BACKGROUND:

Full-time non-represented employees are eligible to participate in the Minnesota Post Employment Health Care Savings Plan (HCSP) established under Minnesota Statutes, Section 358.98 (Minn. Supp. 2001) and as outlined in the Minnesota State Retirement System's Trust and Plan Documents.

The Plan for full-time non-represented employees has not been reviewed since June 2019. Under the current Plan, non-represented employees, working 2 years to 15 years contribute $50.00 per pay period to their HCSP. Non-represented employees working 15 years+ contribute $100.00 per pay period. In comparison, patrol officers contribute $75.00 per pay period and sergeants contribute $100.00 per pay period.

The City has had several requests from non-represented staff to increase the contribution amounts for their HCSP. Non-represented employees were provided with three (3) different contribution options and were asked to vote on their preference. The City has 28 employees that fall within this classification of employees, 23 of these employees are currently eligible to contribute to a HSCP. Twenty (20) non-represented employees responded to the contribution options preference request.

Our request this evening, based on the majority of the full-time non-represented employees voting on their preference, is to increase the HCSP contribution amounts for full time non-represented employees as follows:

All full time non-represented employees will contribute the following amounts based on their years of service as follows:

- 2-5 years $75.00 per pay period
- 6-10 years $100.00 per pay period
- 11-15 years $125.00 per pay period
- 16+ years $150.00 per pay period

All full-time non-represented employees with two (2) years or more of service eligible for the severance payment outlined in the Flexible Time Off policy will contribute 100% of their severance to the HCSP, and

All full time non-represented employees with two (2) years of service or more that have accumulated over 248 hours of FTO on their hire date of each year will have those hours, up to a maximum of forty (40) hours, converted into cash and deposited into their post-employment health care savings account. (The conversion is available only if the employee has used at least eighty (80) hours of FTO during the twelve (12) months preceding the hire date).

All funds collected by the employer on behalf of the employee will be pre-taxed and deposited into the employee's post-employment health care savings plan account. There is no cost to the City to implement this request.

The increase in contribution amounts for full-time non-represented employees has been reviewed and approved by MSRS on July 31, 2024, and it aligns with our Plan Document with MSRS. An updated copy of our Plan Document with MSRS is attached to the RCA and should also be updated in our Personnel Policies Handbook, Appendix C.

A copy of the June 10, 2019, RCA is attached for your review as well as the updated Plan Document.

REQUESTED COUNCIL ACTION:

Make a motion to approve recommended increases to the proposed Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP) for non-represented employees.

CITY OF GRAND RAPIDS

Legislation Details (With Text)

File #:	19-0377	**Version:**	1	**Name:**	Correction to previous RCA regarding the Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP).
Type:	Agenda Item			**Status:**	Consent Agenda
File created:	6/6/2019			**In control:**	City Council
On agenda:	6/10/2019			**Final action:**	
Title:	Correction to previous RCA regarding the Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP).				
Sponsors:					
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result

Correction to previous RCA regarding the Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP).

Background Information:

At the December 20, 2017 City Council meeting, the Council approved an amendment to the Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP) for non-represented employees. In that amendment, there were two misprints that need to be corrected:

*All full-time **exempt** employees as outlined below are eligible to participate in the Minnesota Post Employment Health Care Savings Plan (HCSP) established under Minnesota Statutes, section 358.98 (Minn. Supp. 2001) and as outlined in the Minnesota State Retirement System's Trust and Plan Documents. All funds collected by the employer on behalf of the employee will be deposited into the employee's post employment health care savings plan account.*

1. All full-time non-represented employees with two (2) years of service to fifteen (15) years of service will contribute $50.00 per pay period;

2. All full-time non-represented employees with fifteen (15) or more years of service will contribute $100.00 per pay period;

3 All full-time non-represented employees with two (2) years or more of service eligible for the severance payment outlined in the Flexible Time Off policy will contribute 100% of their severance to the HCSP; and

*4 All full-time **exempt** employees with two (2) years of service or more that have accumulated over 248 hours of FTO on their hire date of each year will have those hours, up to a maximum of forty (40) hours, converted into cash and deposited into their post employment health care savings account. (The conversion is available only if the employee has used at least eighty (80) hours of FTO during the twelve (12) months preceding the hire date.)*

Both of the terms **"exempt"** should be **"non-represented."**

Staff Recommendation:

HCSP

Health Care Savings Plan
At-A-Glance

Our **Tax-Free** Solution

The Health Care Savings Plan

is an employer-sponsored program that allows Minnesota Public employees to invest money in a medical savings account while employed. This plan is administered by the Minnesota State Retirement System (MSRS).

How It Works

You are automatically enrolled and contribute to the Health Care Savings Plan (HCSP) as directed by the bargaining agreement or personnel policy of your employer. You choose how your account balance is invested. After you end employment, you may access the funds to reimburse eligible medical expenses incurred by you, your spouse, legal tax dependents and adult children up to their 26th birthday. An administrative fee is charged to help pay for the cost of plan services. This fee is prorated and deducted monthly from your account balance.

HCSP is a **TAX-FREE** Account!

More of your money works for you in an HCSP account because you don't pay taxes on contributions or reimbursements. Here is an example showing how you benefit from **TAX-FREE** savings assuming a severance payment of $10,000.

Severance Paid to HCSP Account

Severance Payment	$10,000
Federal Income Tax	$ - 0
State Income Tax	- 0
FICA Tax	- 0
$10,000 Net Contribution to HCSP	

Severance Paid in Cash

Severance Payment	$10,000
Federal Income Tax	$ -2,200
State Income Tax	- 705
FICA Tax	- 765
$6,330 Net Payout in Cash	

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This hypothetical example assumes a 22% federal tax withholding rate, a 7.05% state tax withholding rate and a 7.65% FICA (Social Security and Medicare) tax rate.

Individual tax rates may vary based on total taxable income and filing status for the year.

Did you know your HCSP contributions and reimbursements from the account are not reportable on federal or state income tax returns?

How are Your Contributions Invested

Contributions are automatically invested in the **Money Market Fund.** Once your account is established, you have the freedom to choose your investment mix at any time. You can also transfer all or a portion of the existing account balance among any of the investment options offered by the plan. Restrictions may apply.

HCSP Investment Options

You can invest your contributions in any combination of the available investment options.

Learn more online:
www.msrs.state.mn.us/hcsp-investment-options.

Investment Options

T. Rowe Price Small Cap Stock Fund	Higher Risk/Potential Reward
Vanguard Total International Stock Index Fund	
Vanguard Mid Cap Index Stock Fund	
Vanguard Total Stock Market Index Fund	
Vanguard Dividend Growth Fund	
Vanguard Balanced Index Fund	
Dodge & Cox Income Fund	
Vanguard Total Bond Market Index Fund	
Stable Value Fund	
Money Market Fund	Lower Risk/Potential Reward

Carefully consider the investment option's objectives, risks, fees and expenses. To obtain a prospectus, summary prospectus or disclosure document, as available, containing this information contact MSRS. Read them carefully before investing.

Visit online at:
www.msrs.state.mn.us

Call the MSRS Service Center:
1.800.657.5757 or 651.296.2761

You could lose money by investing in the Money Market Fund. Although the Fund seeks to preserve the value of your investment at $1 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Investing involves risks, including possible loss of principal. Stock funds have greater risk than bond funds and bond funds have greater risk than capital preservation funds. Investing in foreign investments increases risks due to currency fluctuations, taxation differences and political developments. Bond funds are subject to interest rate, inflation and credit risks associated with the underlying bonds.

Eligibility Requirements for Reimbursements

You can access your HCSP account for reimbursement of eligible medical expenses when you:

- Separate from service at any age
- Retire
- Collect a disability benefit from a Minnesota public pension plan

Only eligible medical expenses incurred after you leave public employment can be reimbursed. You pay the bill and then submit a Reimbursement Request form with appropriate documentation of expenses to MSRS. Your reimbursement will then be mailed to you or electronically deposited into your bank account.

Inheriting the Balance of an HCSP Account

Upon your death, any remaining HCSP account balance is transferred to an heir. The assets are placed in an HCSP account for your survivor and must be used for the reimbursement of healthcare-related expenses.

Who inherits the account balance?

1. **Spouse** - Automatically inherits 100% of the remaining balance. Reimbursements to a spouse are tax-free.
2. **Legal tax dependents** - The balance is divided equally among your dependents. Reimbursements to a dependent are tax-free.
3. **Beneficiaries** - If you are not survived by a spouse or dependent, your named beneficiary will inherit the balance. Reimbursements to a beneficiary are taxable income.

Reimbursements are always paid to **YOU**. MSRS never pays the medical provider.

Benefits of the Health Care Savings Plan

Post-Employment Account

After you end public employment, you can request reimbursements for eligible healthcare expenses regardless of your age. Reimbursement of expenses is available for you, your spouse, dependent children and adult children up to age 26.

Reimbursement of Out-of-Pocket Medical Expenses

The HCSP provides reimbursement of insurance premiums and other medical expenses not covered by your insurance. Using the tax-free dollars accumulated in your HCSP account to reimburse out-of-pocket medical expenses may help provide significant savings for you and your family.

Choose How Your Funds are Invested

Contributions are automatically invested in the Money Market Fund. You have the freedom to change your investment mix at any time.

Account Balances Always Transfer to a Beneficiary

Upon your death, any remaining account balance will transfer to an HCSP account for your spouse, dependents or a designated beneficiary.

Most Common **Reimbursable** Expenses

- **Premiums for medical, dental and long-term care insurance**
- **Medicare Part B, C and D premiums**
- **Insurance deductibles and co-pays**
- **Prescription drug co-pays**
- **Eye-care expenses**
- **Dental expenses**
- **Chiropractor and acupuncture**

To learn more see: **www.msrs.state.mn.us /eligible-expenses.**
View IRS Publication 502 Medical and Dental expenses at: **www.irs.gov**

NOTE: *The current IRS Publication 502 supersedes MSRS documentation regarding reimbursable health care-related expenses.*

Frequently Asked Questions

Can I opt out of the HCSP?

You may opt out if you:

- Are eligible for TRICARE retiree insurance benefits
- Have a service-connected disability
- Are a foreign national who plans to return to your country of origin after you end employment
- Have comprehensive health insurance coverage provided for life that is at least 70% paid for by an employer. The coverage must be provided by a source other than your current employer who sponsors your HCSP.
- Are a Native American eligible for tribal insurance coverage.

Once you opt out of participation in the HCSP, you cannot enroll at any time in the future.

What federal and state laws govern the HCSP?

The HCSP is a tax-exempt section 115 Governmental Integral Part Trust. The HCSP assets can only be used for post-employment medical expenses. The trust was approved by an IRS private letter ruling, which ensures the tax-exempt status. Minnesota Statutes, Chapter 352.98 authorizes Minnesota State Retirement System (MSRS) to offer the HCSP to governmental employees who work for a city, county, school district, political subdivision or the State of Minnesota.

Can I have multiple medical savings plans?

Yes, you may invest in multiple tax-advantaged medical savings plans such as a Health Savings Account (HSA), Health Reimbursement Account (HRA) or Flexible Spending Account (FSA). However, you cannot be reimbursed for the same expense from more than one savings plan or deduct a reimbursed expense on your federal income tax return.

How much are administrative fees?

The annual administrative fee is 0.65 percent of your account balance. This fee is prorated and deducted monthly from your account balance. The maximum annual fee is $140 (or $11.67 per month). Fees are subject to change.

How do I monitor my account?

There are several ways to monitor and access your account.

Statements - A summary of your account information will be available online or mailed to you quarterly.

Online 24/7 Access - Manage your HCSP account anytime and as often as you like.

Phone - Speak with an MSRS representative Monday through Friday from 8:00 a.m. to 4:30 p.m.

Contact Us – We're Here To Help!

Phone: **1.800.657.5757 or 651.296.2761**
Web: **www.msrs.state.mn.us** Email: **info@msrs.us**

Address: **60 Empire Drive, Suite 300 St. Paul, MN 55103**
Hours: **Monday – Friday, 8:00 a.m. - 4:30 p.m.**

The Health Care Savings Plan (HCSP) is administered by Minnesota State Retirement System (MSRS).

Securities, when presented, are offered and/or distributed by Empower Financial Services, Inc., Member FINRA/SIPC.
This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

MINNESOTA STATE RETIREMENT SYSTEM

HEALTH CARE SAVINGS PLAN
PLAN DOCUMENT

Adopted By: Minnesota State Retirement System
Plan Sponsor

Health Care Savings Plan (HCSP)
Name of Plan

December 1, 2023
Effective Date

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Introduction

The Health Care Savings Plan (HCSP) is an employer-sponsored program administered by the Minnesota State Retirement System (MSRS) that allows employees to save money for reimbursement of post-employment medical and dental expenses and/or health insurance premiums. Contributions are made by Minnesota public employers to a trust on behalf of its employees. Amounts credited to an employee's account can be used to reimburse eligible healthcare expenses after the employee terminates employment from public service or in other limited circumstances.

Participants may choose from the available investment options provided by the Minnesota State Board of Investment (SBI). It is intended that assets in the program accumulate tax-free, and are paid out to Participants on a tax-free basis for reimbursement of eligible healthcare expenses (in accordance with IRS Publication 502 and Internal Revenue Code 213(d)).

Plan Sponsor And Trustees	The Board of Directors of the Minnesota State Retirement System 60 Empire Drive, Suite 300 St. Paul MN 55103 651-296-2761
Plan Administrator Information	The Executive Director Minnesota State Retirement System 60 Empire Drive, Suite 300 St. Paul, MN 55103 651-296-2761
Name of Plan	Health Care Savings Plan (HCSP)
Plan Custodian	Empower Trust Company, LLC 8115 East Orchard Road Greenwood Village, CO 80111
Plan Recordkeeper	Empower Annuity Insurance Company of America 8515 East Orchard Road Greenwood Village, CO 80111

Glossary of Terms

Administrator
Administrator means the Minnesota State Retirement System Executive Director appointed by the Board of Directors to administer the Plan. Administrator shall not include the Recordkeeper or any company which issues policies, contracts, or investment media to the Plan in respect of a Participant.

Beneficiary
The person(s) designated by the Participant who, in the absence of a surviving spouse or Dependent, is entitled to receive benefits under the Plan after the death of the Participant. The Beneficiary must be a natural person.

Board of Directors
The Board of Directors of the Minnesota State Retirement System (MSRS) as established under Minnesota Statutes, section 352.03.

Custodian
The bank, trust company or other person, if any, selected by the Sponsor as indicated on page 3 of this Plan Document and who is authorized to hold Plan assets in a custodial account in accordance with regulations issued by the Secretary of the Treasury pursuant to Code 410(f).

Dependent
Includes a spouse and any person who can be legally claimed as a dependent for federal tax purposes. A dependent as defined in Internal Revenue Code section 152.

Fund Trustees
The Minnesota State Retirement System (MSRS) Board of Directors act as the trustees for the Health Care Savings Plan (HCSP) Trust Fund.

Participant
Refers to an individual who is currently enrolled in the Health Care Savings Plan. Only individuals who meet certain criteria defined by the Employer/Bargaining Unit are eligible to participate in the Plan.

Plan
Refers to the Health Care Savings Plan (HCSP) administered by Minnesota State Retirement System (MSRS).

Plan Administrator
Administrator means the Minnesota State Retirement System Executive Director appointed by the Board of Directors to administer the Plan. Administrator shall not include the Recordkeeper or any company which issues policies, contracts, or investment media to the Plan in respect of a Participant.

Plan Document
This Plan Document is adopted by the Board of Directors of Minnesota State Retirement System (MSRS), which governs administration of the Plan, pursuant to Minn. Stat. §352.03, subd. 4.

Plan Sponsor
Sponsor means the Minnesota State Retirement System Board of Directors. A Plan Sponsor offers said Plan and ensures the Plan Administrator operates in compliance with the rules related to said Plan.

Plan Year
For financial reporting purposes, the plan year will be identified as a fiscal year running from July 1 to June 30. For plan provisions, the plan year will be identified as a calendar year running January 1 to December 31.

State
Means the State of Minnesota and its political subdivisions, agencies and instrumentalities.

Trust Document
The legal document which governs and protects the assets of the Plan for the sole benefit of the Participants.

Legal Authority

State

Minnesota Statutes, Chapter 352.98, authorized the Administrator to establish a plan or plans, known as the Health Care Savings Plan (HCSP), through which public employers and employees may save to be reimbursed for post-employment health care expenses. The law mandates MSRS to make available one or more trusts, authorized under the Internal Revenue Code to be eligible for tax-preferred or tax-free treatment.

The Board of Directors of Minnesota State Retirement System (MSRS) has authority to oversee the Plan and establish Plan rules, pursuant to Minn. Stat. §352.03, subd. 4. The terms of the Plan will be governed under Minnesota law.

Federal

The State, acting through the MSRS, intends that the Trust, hereby established, shall be exempt from income tax and FICA tax as an integral part of the State as provided under the Internal Revenue Code of 1986, as amended (the “IRS Code”), IRS Revenue Ruling 87–2, and other relevant guidance.

Fiduciary Responsibility

The Board of Directors of Minnesota State Retirement System (MSRS) are fiduciaries as provided in Minnesota Statutes, sections 352.03 and 356A, and as such, the Board of Directors is willing to hold and administer the Trust Fund for the benefit of eligible HCSP Participants and beneficiaries under and in accordance with the terms of the HCSP Plan Document and the HCSP Trust Document.

Recordkeeper

The Plan Recordkeeper, as contracted by the Administrator, shall be responsible for the administration of investments held in the Plan. The Plan Recordkeeper’s duties shall include:

- Receiving contributions under the terms of the Plan;
- Making reimbursements from Plan assets held in Trust in accordance with written instructions received from an authorized representative of the Plan Administrator;
- Keeping accurate records of the Trust assets and making such records available to the Plan Administrator.

The Plan Recordkeeper’s duties shall be limited to those described above. The Administrator shall be responsible for any other administrative duties required under the Plan or by applicable law.

Participation and Contributions

Employer and Employee Participation

Eligibility Criteria
Employers shall be eligible to participate in the Plan if they make retirement contributions and take retirement deductions on behalf of employees of the state or a political subdivision, including officers or employees covered by a plan or fund specified in chapter 353D, 354B, 354D, 424A, or section 356.20, subd. 2.

Participation Criteria
Like any other collectively bargained benefit, employer participation is voluntary. Employee eligibility requirements and contributions to the Plan are determined as follows:

- **Union Employees**. Amounts to be deposited into the account and employee eligibility requirements must be negotiated or agreed to by both the bargaining unit and the employer and written into a collective bargaining agreement or Memorandum of Understanding (MOU). Once contributions are approved and established in the agreement, employees who meet the eligibility requirements must participate as set out in the agreement

- **Non-Union Employees**. Amounts to be deposited into the account and employee eligibility requirements must be agreed to by the employer and included in a written personnel policy. Once contributions are approved and established in the personnel policy, employees who meet the eligibility requirements must participate as set out in the policy.

Employee participation is mandatory. Individual employees who meet the eligibility requirements set out in the bargaining agreement or personnel policy cannot opt out of the Plan except in limited circumstances as described in “Exemption Rules” on page 12.

Funding Sources

An employer may elect to contribute either a specified dollar amount or a percentage of employees' salaries into separate accounts established for each employee in the Trust Fund. Contributions may be derived from one or more of the following sources, as determined by the employer(s):

- **Additional Employer Contributions.** Contributions may be made in addition to the salary and other benefits provided to employees.
- **Mandated Employee Contributions.** The employer may mandate that employees' salaries be reduced to offset contributions.
- **Severance Pay.** Many public employers pay unused vacation and/or sick leave as severance pay at the time an employee terminates employment. An employer may mandate that all or a portion of such severance pay be paid to the Trust Fund.

Employer Responsibilities

The employer shall:

- Enroll each employee group in the Plan in a manner approved by the Administrator.
- Shall obtain approval from the Administrator for the group to participate in the Plan before contributions are remitted on behalf of employees.
- Notify the Administrator when Plan language has been modified.
- Notify the Administrator if the employee group will no longer participate in the Plan.
- Remit contributions to the Trust Fund within a period that is not longer than is reasonable for the proper administration of the Participant's account balance. Plan contributions shall be deemed to be remitted within a period that is not longer than 15 business days following the end of the month in which the amount would otherwise have been paid to the Participant unless specifically stated otherwise in the bargaining agreement or personnel policy.

Investment Options

Investment Options

The MSRS invests its funds through the Minnesota State Board of Investment (SBI) in compliance with Minnesota Statutes, Chapter 11A. It shall be the sole responsibility of the SBI to ensure that all investment options offered under the Plan are appropriate and in compliance with any and all state laws pertaining to such investments. Once the funds are invested, in accordance with the Trust Document, they are held in trust for the sole purpose of paying reimbursements for qualified medical expenses and paying administrative expenses. The Trust is for the sole purpose of the Participant and cannot be reclaimed by the employer or by creditors of the employer.

A Participant has the right to direct the investments of their account. If a Participant does not provide such direction, the Participant's account shall be invested in the default investment option selected by the Plan Sponsor.

Participant Investment Direction

Participants shall have the option to direct the investment of their account from among the investment options offered by the Plan. The Participant's right to transfer among or out of any such investment options shall be subject to any timing or other restrictions imposed upon Participants by the providers of the investment options chosen by the Participant, including, but not limited to market-timing restrictions, excessive trading restrictions and redemption fees. The Trustee or Custodian, as applicable, shall hold title to such investment options. A Participant's right to direct the investment of account balances shall apply only to making selections among the options made available under the Plan and only to the extent specified by the Administrator pursuant to uniform rules. The terms of this paragraph, including any trading restrictions or fees, shall also apply to beneficiary and alternate payee accounts.

(a) Each Participant shall designate in a manner prescribed by the Administrator one or more investment options in which they wish to have their account invested and may change such investment directions in accordance with and at the time or times specified under uniform rules established by the Administrator or the investment provider, as applicable. The Participant's account shall be debited or credited as appropriate to reflect all gains or losses on such investments.

(b) Neither the Administrator, the Trustee, the Custodian, nor any other person shall be liable for any loss incurred by virtue of an investment in the default investment option, following the Participant's investment direction, or by reason of any reasonable administrative delay in implementing such directions.

(c) The SBI may from time to time change the investment options made available under the Plan pursuant to uniform rules established by the Administrator. If an investment option is eliminated, all Participants who chose that investment option shall have money remaining in the eliminated investment option on the elimination date reinvested in the replacement investment option. The Participants shall have no right to require the Administrator to select or retain any investment option. Any change with respect to investment options made by the Administrator, however, shall be subject to the terms and conditions (including any rules or procedural requirements) of the affected investment options.

Administrative Features

Plan Year

For financial reporting purposes, the plan year is identified as a fiscal year running from July 1 to June 30.

For plan provisions, the plan year is identified as a calendar year running January 1 to December 31.

Reimbursements

Eligibility

Participants are eligible to request reimbursements from their Plan upon:

- Retirement;
- Termination of employment at any age;
- Receipt of a disability benefit from a Minnesota public pension plan.

Returning to Work After Termination or Retirement

Rehired Employee

A rehired employee is defined as a Participant re-employed by a previous public employer that sponsored their HCSP **and** whose status as a terminated employee of the sponsoring employer lasted less than 13 consecutive weeks, or less than 26 consecutive weeks, if employer is an educational organization.

Generally, a rehired employee is not eligible to request reimbursement of medical expenses incurred after they return to work. *Exception*: Participants may be reimbursed with funds credited to their HCSP account prior to January 1, 2014, provided they are rehired in a position that is not eligible for employer-sponsored medical insurance coverage.

New Employee

A new employee is defined as a Participant who returns to work with a:

- different employer; **or**
- previous employer that sponsored their HCSP **and** the period of absence with no earnings from that employer was 13 consecutive weeks or longer, or 26 consecutive weeks or longer, if employer is an educational organization.

A new employee may request reimbursement of eligible medical expenses from the account balance attributed to their previous employment. The account balance attributed to the new employment cannot be accessed until the Participant terminates service.

Allowable Expenses

Expenses are deemed “allowable” if they are for healthcare expenses (as defined in Internal Revenue Code section 213(d)) of an eligible Participant, their spouse, legal dependent(s), or for adult children until their 26th birthday.

MSRS shall not reimburse for any healthcare expenses other than those allowed under the Internal Revenue Code.

Reimbursements, including insurance premiums, are payable directly to the Participant.

Proof of Expenses

In order to receive reimbursement for allowable health care expenses, including insurance premiums, Participant must either complete a paper *Reimbursement Request* form or request reimbursement through the MSRS portal. Requests for reimbursement must include valid receipts or any other documentation that MSRS deems necessary to verify the expenses incurred.

All claims for reimbursement are verified against IRS Publication 502 to ensure compliance with Internal Revenue Code section 213(d). An annual maximum exists for reimbursements of out-of-pocket medical expenses subject to Internal Revenue Code section 105(h). The annual maximum amount may be adjusted annually and is based on increases or decreases of inflation for medical expenses and/or premiums.

There is no annual maximum with respect to healthcare expenses not subject to Internal Revenue Code section 105(h), including reimbursements of health insurance premiums.

Reimbursement Schedule

Reimbursements will be paid directly to the Participant, either by direct deposit into a personal bank account designated by the Participant or by check. Out-of-pocket expenses are processed daily. Ongoing installment reimbursements of medical, dental, or long-term care insurance premiums are processed monthly.

MSRS shall establish procedures necessary to process reimbursements and deposit funds to Participant bank accounts.

Exemption Rules

An employee shall be ineligible to contribute to the Plan if they elect and are approved by the Administrator to waive participation due to one of the following circumstances:

- The employee is a foreign national and plans to return to the country in which they are a citizen upon termination of public employment.
- The employee will receive employer-paid post-retirement health care coverage provided by an employer other than the employer who is sponsoring their HCSP, or through a spouse's employer. The insurance must be provided for life and at least 70 percent of the cost of health insurance coverage is paid for by the employer.
- The employee is eligible for certain military health care coverage.

The employee must file the request to waive participation with the Administrator in a manner approved by the Administrator. Requests to be exempt from the Plan are subject to approval by the Plan Administrator.

An employee's election to waive participation is irrevocable.

If the employee has a Plan account balance at the time the employee becomes ineligible for future contributions, the funds credited to such account shall be subject to the same terms that apply to the accounts of other Participants, including the rules that apply to eligibility, proof of expenses, and reimbursement schedule

Designating Account Beneficiary(ies)

The Participant may designate a Beneficiary(ies) to receive any amounts distributed in the event of the Participant's death and there is no surviving spouse and/or legal dependents. (The Participant's spouse or legal dependents are automatically entitled to any remaining account balance after the death of the Participant.)

A Beneficiary must be a natural person.

A Participant may change or remove the designated Beneficiary(ies) at any time by filing a request with the Administrator in a manner approved by the Administrator. A request to change or remove the Beneficiary designation shall take effect the date received and deemed acceptable by the Administrator.

A surviving spouse or legal dependents shall always supersede a Beneficiary's right to any remaining balance upon the death of the Participant.

Marriage Dissolution: In the event of marriage dissolution, the former spouse of the Participant is no longer eligible to receive the balance of the account upon the death of the Participant unless the divorce decree provides otherwise. If a Participant wishes to keep a former spouse as their designated Beneficiary, a *Beneficiary Designation* form must be completed.

Death of Participant

Contributions to the Plan

Contributions to the Plan shall end upon the Participant's death, unless the contribution is a payroll deduction from wages earned prior to the Participant's death.

Rights of Succession

If the Participant dies prior to exhausting their HCSP account balance, the surviving spouse shall be eligible (pursuant to the rules established by the Administrator) to be reimbursed, tax-free, for eligible healthcare expenses until the account balance is exhausted. The surviving spouse may not disclaim their right to any remaining account balance.

If the Participant has no surviving spouse, the remaining account balance will be divided equally among all legal dependents. Each dependent's share shall be treated as a separate HCSP account to be used for the tax-free reimbursement of eligible healthcare expenses.

If the Participant has no spouse or legal dependent(s), then the designated beneficiaries shall be eligible to be reimbursed for healthcare expenses until the account is exhausted. If the Participant has more than one designated beneficiary, the account balance will divided as instructed by the participant. In the absence of a specific percentage, the account will be divided equally among the beneficiaries. Each beneficiary's share shall be treated as a separate HCSP account. Reimbursements to a Beneficiary are subject to state and federal taxes.

If the Participant has no spouse, legal dependent(s) or designated beneficiaries, then the representative of the estate will determine who is eligible to receive the money, which must be used for the reimbursement of eligible healthcare expenses.

Election to Suspend Reimbursements

A Participant may elect to suspend reimbursement eligibility for a plan year in which there is "conflicting coverage" because the Participant, spouse, or employer contributed to a Health Savings Account (HSA) on behalf of the Participant. For administrative purposes, the plan year will be identified as a calendar year running from January 1 to December 31. To suspend the HCSP account, a Participant must submit a *Reimbursement Suspension Election* form prior to the beginning of that plan year. The suspension election is effective for that plan year and may not be modified or revoked during that period.

- The suspension election applies to reimbursement of medical expenses; however reimbursement of dental or vision expenses is allowable if a Participant meets the eligibility criteria described in the "Reimbursements" section (see page 10).
- The suspension election must be renewed each plan year.
- If a Participant suspends his/her HCSP account, the Employer shall continue to deposit funds to the account as outlined in the applicable bargaining agreement or personnel policy.
- Participants may not request reimbursement of expenses incurred during the plan year for which the suspension election applies regardless of whether the reimbursement request is submitted during the plan year or subsequent years.

Plan Rules and Termination

Establishing Plan Rules

The MSRS Board of Directors may establish Plan rules regarding the administrative functions and items that are not clearly articulated in Federal or State Law. The Plan rules are not effective until formally adopted by the Board of Directors at a public meeting, and are not subject to the State of Minnesota rule making process of the State.

Amending the Plan

The MSRS Board of Directors has the authority to amend the Plan at any time, in whole or in part. Amendments to the Plan shall not be effective unless officially adopted by the MSRS Board of Directors. These amendments must be made at a public meeting. Participants will be notified of any Plan changes.

The Plan Administrator shall provide a copy of any Plan amendments to the Recordkeeper.

Changes imposed by the Internal Revenue Service, either by law change, regulations or ruling, shall be effective immediately without approval from the MSRS Board of Directors.

Plan Termination

In the event the Plan is lawfully terminated for any reason, amounts not credited to Participants' accounts or used for paying fees and reasonable administrative expenses of the Trust, shall revert back to the State of Minnesota and governmental employers participating in the Plan. Amounts reverted will be made on a pro-rated basis. The pro-rated amount will be calculated by determining the percentage of assets attributable to each governmental unit in relation to all the Plan assets. Any amounts remaining at termination of the Plan will be divided as pro-rated to governmental units covering employees in the Plan.

Amounts credited to Participants' accounts will remain in the Participants' accounts. Individual Participants will continue to utilize their accounts as set out in this Plan Document until their account balance is exhausted.

Fees and Expenses

Administrative Fee

Administrative fee(s) are established by the Board of Directors of Minnesota State Retirement System (MSRS).

The Board of Directors, in their capacity as the Plan fund trustees, set the annual administrative fee at 0.65 percent. Fees are subject to change. The fee is prorated and deducted from Participants' accounts on a monthly basis. Fees shall not exceed $140 per year.

Investment Expenses

Annual investment expenses are charged by the State Board of Investment and are subject to change.

Statement Fee

Fees for paper participant statements may be assessed at the cost charged by the Recordkeeper, assuming paperless options are provided by the Recordkeeper at no additional cost.

Employer Fees

There are no fees charged to the employer; all fees, administrative and investment are paid by the Participant. All fees are subject to change.

Miscellaneous

Account Corrections

It shall be the Participant's obligation to review all confirmation statements and quarterly statements for discrepancies or errors. Account corrections will be made only for errors which are communicated by the Participant to the Administrator within 60 calendar days of the last quarter end. After 60 days, account information shall be deemed accurate and acceptable. If the Participant notifies the Administrator after this 60-day period, the correction will only be made from the date of notification forward and not on a retroactive basis.

Small Balance Transfer to Plan Sponsor Account

On a quarterly basis, the balance of each Participant account that has a small balance shall be transferred to the Plan Sponsor account. A Participant account has a small balance if the balance of the account is five dollars or less for a period of at least three months and no contributions are made to the account for the same period.
Each Participant whose small balance is transferred to the Plan Sponsor account shall be notified. At the Participant's request, any small balances transferred from the Participant's account to the Plan Sponsor account will be restored to the Participant's account.

Assignability of Participant Account

None of the money in the Plan is assignable either in law or in equity or subject to estate tax, or to execution levy, attachment, garnishment, or other legal processes, except as provided in Minnesota Statutes, sections 518.58, 518.581, or 518A.53.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider appointment of Sarah P. Phillips to the position of Police Officer with the Grand Rapids Police Department.

PREPARED BY: Chery Pierzina, Human Resources Officer

BACKGROUND:

The Grand Rapids Police Department (GRPD) recently posted an open Patrol Officer position. From this posting, the City received three (3) applications. The interview committee, consisting of Chief Andy Morgan, Captain Kevin Ott, Captain Jeremy Nelson, and myself, interviewed all three (3) applicants, and are recommending the appointment of **Sarah Phillips** to the position of Police Officer, subject to satisfactory results of a background check, pre-employment medical exam, psychological exam, drug screening, completion of post-license for law enforcement, which is expected to be completed by July 31, 2025, and a six (6) month probationary period following her start date. .

A start date will be determined at a later date, based on the length of time necessary to complete the background check and all other conditions of employment, including the completion of post-license for law enforcement. Based on the current Law Enforcement Labor Services (LELS) Agreement, the Memorandum of Understanding approved at the March 13, 2023, City Council Meeting, and the Memorandum of Agreement approved at the February 12, 2024, City Council Meeting, Sarah will be starting as a new Police Officer with a starting wage of $32.34 per hour, will have a 6-month probationary period, and will follow the schedule for a new Police Officer for placement on the Flexible Time Off (FTO) table.

Sarah is currently enrolled in the law enforcement program at Minnesota North College, where she has completed the first year of the two-year program. She has a background working as a respite care provider in the State of Rhode Island, and she's a Certified Nursing Assistant (CNA). Most recently, Sarah has been working as the Police Department Summer Intern, where she's been exposed to a variety of Police Department activities. She has fit in well at the Police Department and is eager to take her career to the next level, working as a Police Officer.

REQUESTED COUNCIL ACTION:

Make a motion to appoint Sarah Phillips, as listed above, to the position of Police Officer, subject to satisfactory results of a background check, pre-employment medical exam, psychological exam, drug screening, completion of post-license for law enforcement, which is expected to be completed by July 31, 2025, and a six (6) month probationary period following her start date.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: 8-12-24

AGENDA ITEM: Consider ending Human Resource services to the GRPU

PREPARED BY: Tom Pagel, City Administrator

BACKGROUND:

The City and GRPU continuously look for opportunities to share resources. In 2022, an opportunity to try sharing Human Resources (HR) staff developed with the hiring of Chery Pierzina. Under the shared services Chery worked three days for the City and two days for the GRPU.

With the City having around 75 full-time and up to 150 part-time employees and the GRPU having around 35 full-time employees, it was very difficult for one person to effectively provide HR services. As a result, City Administrator, Tom Pagel, notified Julie Kennedy, General Manager of the GRPU, that the City was providing one-year notice of ending the HR shared service staff. He also indicated the City's willingness to end shared services earlier.

Julie has responded via email, which is attached for reference. Tom's recommendation is that the City Council move forward with Option 1 – ending the shared HR services on September 30th of this year.

The City will continue to consider shared service opportunities with the GRPU as they develop.

REQUESTED COUNCIL ACTION:

Make a motion to approve the termination of shared HR services with the GRPU as of September 30, 2024.

Tom Pagel

Subject: FW: HR Shared Services

From: Julie Kennedy <jakennedy@grpuc.org>
Sent: Monday, July 29, 2024 5:36 PM
To: Chery Pierzina <cpierzina@grandrapidsmn.gov>
Cc: Tom Pagel <tpagel@grandrapidsmn.gov>; Tasha Connelly <tconnelly@grandrapidsmn.gov>; Tom Stanley <tgstanley@grpuc.org>; Susan Herreid <susanh@haci.net>
Subject: RE: HR Shared Services

This message was sent securely using Zix®

Hi Chery –

I understand the unique challenge we're facing, and I appreciate your support as we navigate the situation.

To ensure clarity for the full group, I'll summarize the three options you and I discussed during our last meeting:

1. **End HR Services at the Close of Q3:** We have been billed from January through June. If we decide to discontinue services at the end of Q3, would we be billed only for July through September, or would the amount due be through December? The financial difference here is $13,871.52.

2. **Conclude HR Services at Year-End:** Should continuation of shared services not be an option to us, and we are required to pay through the end of the year, this option would likely be our choice.

3. **Continue Shared HR Services:** Opt to maintain our shared HR services, reviewing and discussing the HR needs and available resources for each organization, and adjust the workload and budget accordingly. Matt and I do this annually with the Information Services (formerly GIS) shared services.

I'll look to Mayor Tasha and President Stanley for guidance on how they wish to proceed with these discussions.

Thanks,
Julie

Julie Kennedy | General Manager
Grand Rapids Public Utilities
500 SE 4th St. | Grand Rapids, MN 55744
W: 218-326-7687 | M: 218-259-5020 | F: 218-326-7698
grpuc.org |"GRPUC – Service is Our Nature"

GRAND RAPIDS
PUBLIC UTILITIES
Service is Our Nature

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: 8/12/2024

AGENDA ITEM: Consider allowing the Grand Rapids Fire department to purchase fire safety equipment.

PREPARED BY: Travis Cole-Fire Chief

BACKGROUND:
The City of Grand Rapids received one-time Public Safet Aid funding that allows public safety departments to use the aid for public safety initiatives such a recruitment and retentions, or fire rescue equipment as an example of use of funds. The fire department has established a list of equipment that needs to be replaced, upgraded, or purchased to enhance our fire protection capabilities and improve fire fighter safety. These items include thermal imaging equipment, hybrid turnout gear, water rescue suites, extrication tools, rapid intervention SCBA kits, rope rescue equipment, rescue randy training manikin, and some miscellaneous equipment. Attached is a list explaining each piece of equipment and the price from vendors. City staff have followed the city's purchasing policy in acquiring multiple quotes. See attached documentation for prices.

This is nonbudgeted purchases that will be satisfied by Minnesota Public Safety Aid Funds. Utilizing this funding source will allow there to be zero cost by the City of Grand Rapids.

REQUESTED COUNCIL ACTION:

Make a motion to allow the Grand Rapids Fire department to purchase 32 sets of Fire Dex TecGen51 turnout gear, 9 Seek Thermal imagers and accessories, 2 sets of Mighty Struts, Cordless extrication tools, 2 RIT emergency kits, 6 Ice Commander Suites, rope rescue equipment, Rescue Randy training manakin, mobile air trailer improvements and Polaris Ranger parts for a total price of $128,150.94 plus any shipping costs using Public Safety Aid Funds.

Thermal Cameras and replace broken seek thermals- $14,621.40 (MES-Municipal Emergency Services)

(Currently we have two engines and squad that do not carry this piece of equipment and we have Seek FirePro300 thermals that ffs wear when they go interior that stopped working and need to be replaced.)

Hybrid Fire coat and pants- $31,456 (MES-Municipal Emergency Services Only company who can sell this product in our area)

(Given the difficult nature of firefighting, you're at risk of developing heat stress more often than the public. As the leading cause of firefighter occupational deaths, it's important you take steps to reduce overexertion. Easily power through 90% of your calls with this single-layer garment designed to require less cardiovascular energy than your structural gear.

By wearing this gear, our department can extend the longevity of its structural firefighting gear, reduce the risk of exposure to contaminants, and limit the chances of developing heat stress.)

Replaces mustang suites- $5,279.70 (Clarey's Safety)

(Have not replaced cold water rescue suites in over 18 years and 5 suites are worn or have small holes leaking water into them)

Mighty Struts extrication- $18,999.98 (Clarey's Safety)

(This would provide two sets of extrication structs for vehicle stabilization and lifting for our two trucks that carry extrication equipment for vehicle accidents. This equipment is compatible with our current extrication power tools.)

Cordless Spreader and Cutter-$28,289 (Clarey's Safety. Only company who can sell this product in our area)

(This would allow an extra set of cordless cutters and spreaders on one of our rescue trucks to be more portable on car accidents)

RIT Emergency Kit- $13,808.10 (MacQueen)

(Currently with our new SCBA packs we received, we need to upgrade our Rapid Intervention Team kit (RIT) so we have the proper set up to go interior with backup crew to rescue downed FF low on air. This allows us to bring an emergency SCBA Kit into an emergency scenario and provide the downed fire fighter with emergency air.)

Rope Rescue Equipment- $3,350.89 (MES-Municipal Emergency Services)

(We need to replace and purchase new rope rescue equipment for our rescue truck and ladder truck that has become worn out and allow the missing pieces to have a set of rope rescue equipment on each truck.)

Rescue Randy 165lb Manikin- $1,837.90 (MES-Municipal Emergency Services)

(Our rescue randy is one is barley holding up. This manikin is used in our new hire testing, along with our yearly department physical test and general use in our trainings. Our current manikin is missing an arm and has several holes in it that are spilling out the small weighted BBs all over the floor and parking lot)

Polaris Ranger Windshields/roof- $1,582.97 (Rays Sport & Cycle)

(Our Polaris ranger that was a split purchase with hazmat money didn't come with a roof or windshields. This piece of equipment has been vital on several rescue calls as well as during city functions)

Mobile Air Trailer Improvements- $8,925 (Alex Air Apparatus)

(Our department has a mobile air trailer for filling SCBA bottles remotely on scene. Over the past 5 years, the compressor that helps fill the bottles has been having maintenance issues and cost money each year to maintain. We would like to remove the compressor and add 3 more storage bottles in its place that will be filled when stored in the hall. This will reduce maintenance costs and issues on scene.)

Total Equipment Replacement/Purchase Estimate: $128,150.94

MUNICIPAL EMERGENCY SERVICES

(877) 637-3473

Quote

Quote #	QT1835857
Date	07/09/2024
Expires	07/24/2024
Sales Rep	McCabe, Brian
Shipping Method	FedEx Ground
Customer	GRAND RAPIDS FIRE DEPT. (MN)
Customer #	C30688

Bill To
GRAND RAPIDS FIRE DEPT.
420 NORTH POKEGAMA AVENUE
GRAND RAPIDS MN 55744
United States

Ship To
GRAND RAPIDS FIRE DEPARTMENT
104 SE 11th Street
GRAND RAPIDS MN 55744
United States

Item	Alt. Item #	Units	Description	QTY	Unit Price	Amount
FQ-PAEX			AttackPRO camera, 2 batteries and 1 desktop battery charger	2	$2,999.00	$5,998.00
FD-PAA			AttackPRO, truck charger	2	$699.00	$1,398.00
FQ-AAAX			Seek FirePRO 300 Thermal Imager	7	$999.00	$6,993.00
RT4-4504			SEEK TIC Gear Keeper with Aluminum Carabiner	7	$33.20	$232.40

Customer Pays Frieght.

Subtotal	$14,621.40
Shipping Cost	$0.00
Tax Total	$0.00
Total	$14,621.40

This Quotation is subject to any applicable sales tax and shipping and handling charges that may apply. Tax and shipping charges are considered estimated and will be recalculated at the time of shipment to ensure they take into account the most current information.

All returns must be processed within 30 days of receipt and require a return authorization number and are subject to a restocking fee.

Custom orders are not returnable. Effective tax rate will be applicable at the time of invoice.

QT1835857

MUNICIPAL EMERGENCY SERVICES

(877) 637-3473

Quote

Quote #	QT1793393
Date	02/26/2024
Expires	07/23/2024
Sales Rep	McCabe, Brian
Shipping Method	FedEx Ground
Customer	GRAND RAPIDS FIRE DEPT. (MN)
Customer #	C30688

Bill To
GRAND RAPIDS FIRE DEPT.
420 NORTH POKEGAMA AVENUE
GRAND RAPIDS MN 55744
United States

Ship To
Rob Rima
GRAND RAPIDS FIRE DEPT.
836 N.E. 2nd Ave
Grand Rapids MN 55744
United States

Item	Alt. Item #	Units	Description	QTY	Unit Price	Amount
TECGEN51-Rescue80-Coat			Custom Fire-Dex TECGEN51 Rescue80 Coat Per FW21337	32	$497.00	$15,904.00
TECGEN51-Rescue80-Pant			Custom Fire-Dex TECGEN51 Rescue80 Pant Per FW21337	32	$486.00	$15,552.00

Freight not included in prices.

Subtotal	$31,456.00
Shipping Cost	$0.00
Tax Total	$0.00
Total	$31,456.00

This Quotation is subject to any applicable sales tax and shipping and handling charges that may apply. Tax and shipping charges are considered estimated and will be recalculated at the time of shipment to ensure they take into account the most current information.

All returns must be processed within 30 days of receipt and require a return authorization number and are subject to a restocking fee.

Custom orders are not returnable. Effective tax rate will be applicable at the time of invoice.

QT1793393

MUNICIPAL EMERGENCY SERVICES

(877) 637-3473

Quote

Quote #	QT1835864
Date	07/09/2024
Expires	07/24/2024
Sales Rep	McCabe, Brian
Shipping Method	FedEx Ground
Customer	GRAND RAPIDS FIRE DEPT. (MN)
Customer #	C30688

Bill To
GRAND RAPIDS FIRE DEPT.
420 NORTH POKEGAMA AVENUE
GRAND RAPIDS MN 55744
United States

Ship To
GRAND RAPIDS FIRE DEPARTMENT
104 SE 11th Street
GRAND RAPIDS MN 55744
United States

Item	Alt. Item #	Units	Description	QTY	Unit Price	Amou
IC9001 03-Gold-UniAdult-Regular			Ice Commander Rescue Suit w/Harness Adult Universal Size	6	$879.95	$5,279.70

Customer Pays Freight.

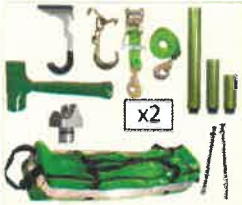
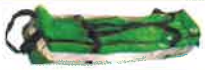
Subtotal	$5,279.70
Shipping Cost	$0.00
Tax Total	$0.00
Total	$5,279.70

This Quotation is subject to any applicable sales tax and shipping and handling charges that may apply. Tax and shipping charges are considered estimated and will be recalculated at the time of shipment to ensure they take into account the most current information.

All returns must be processed within 30 days of receipt and require a return authorization number and are subject to a restocking fee.

Custom orders are not returnable. Effective tax rate will be applicable at the time of invoice.

QT1835864

IMAGE	PART NUMBER	PRODUCT NAME	MSRP/MAP
	AGM-EJA-3000-M (M18) AGM-EJA-3000-D (Dewalt) AGM-EJA-3000-K (Makita)	Mighty Strut (strut only)	4499.99
	AGM-EJA-3001-M (M18) AGM-EJA-3001-D (Dewalt) AGM-EJA-3001-K (Makita)	Mighty Strut System included in Kit: **Battery not included** (1) Strut (1) Ratchet Strap (1) 10" Extensions (1) Chain Cluster (1) 15" Extensions (1) Universal Hook (1) 30" Extensions (1) Dead Blow (2) Spikes (1) Carrying Bag (1) Combo Head	4999.99
	AGM-EJA-3002-M (M18) AGM-EJA-3002-D (Dewalt) AGM-EJA-3002-K (Makita)	Mighty Strut System 2 pk included in Kit: **Battery not included** (2) Struts (2) Ratchet Strap (2) 10" Extensions (2) Chain Cluster (2) 15" Extensions (2) Universal Hook (2) 30" Extensions (2) Dead Blow (4) Spikes (2) Carrying Bag (2) Combo Head	9499.99
	AGM-EJA-3003	Might Strut Accessory Kit (1) 10" Extensions (1) Ratchet Straps (1) 15" Extensions (1) Combo Head (1) 30" Extensions (2) Spikes (1) Universal Hook (1) Carrying Bag (1) Dead Blow (1) Chain Cluster	599.99
	AGM-EJA-3004	Might Strut Accessory Kit 2pk (2) 10" Extensions (2) Ratchet Straps (2) 15" Extensions (2) Universal Hook (2) 30" Extensions (2) Combo Heads (2) Combo Heads (4) Spikes (2) Dead Blow (2) Chain Cluster	1099.99
	AGM-EJA-3005	Mighty Strut Replacement Bag	199.99
	AGM-EJA-3006	Mighty Strut 10 inch Extension	109.99
	AGM-EJA-3007	Mighty Strut 15 inch Extension	139.99
	AGM-EJA-3008	Mighty Strut 30 inch Extension	179.99
	AGM-EJA-3009	Mighty Strut Combo Head	199.99
	AGM-EJA-3010	Mighty Strut Cluster	59.99
	AGM-EJA-3011	Mighty Strut Ratchet Tie Down	31.99
	AGM-EJA-3012	Mighty Hook Picket Stake	19.99
	AGM-EJA-3024	Universal Hook	49.99

Ultimate Safety Concepts, Inc. dba: Clarey's Safety Equipment

P.O. Box 5827
Rochester, MN 55903-5827
507/289-6749 or 800/558-8009 - Fax 507/289-5213

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☐ **ORDER** ☒ **QUOTE**

DATE:	7/11/24	ACCOUNT #	
	BILL TO:		SHIP TO:
CUSTOMER:	**GRAND RAPIDS FIRE DEPARTMENT**		**GRAND RAPIDS FIRE DEPARTMENT**
ADDRESS:	104 SE 11th St		104 SE 11th St
CITY/STATE/ZIP:	Grand Rapids, MN 55744		Grand Rapids, MN 55744
CONTACT NAME:	Travis Cole (Chief)		PO # None
PHONE:	218-360-9702	EMAIL	tcole@grandrapidsmn.gov
FAX:	N/A	SHIPPING CHARGES QUOTED?	**To Be Determined**

FROM:	**Scotty Allyn ©651-261-9079**	REP DELIVER:	SHIP: X

SHIPPING CHARGES STILL APPLY IF APPLICABLE

NUMBER OF PAGES:	1

WE ARE PLEASED TO QUOTE YOU ON THE FOLLOWING EQUIPMENT:

QUANTITY	PART NUMBER	DESCRIPTION	UNIT PRICE	AMOUNT
		M28 Battery Platform:		
	ART.109.370.3	Genesis S44-SL3 eForce (24" Spreader) w/Milwaukee 28V 5 Ah Battery	$13,809.00ea	
	ART.109.173.6	Genesis S49-SL3 eForce (28" Spreader) w/Milwaukee 28V 5 Ah Battery	$14,612.00ea	
	ART.109.173.5	Genesis S54-SL3 eForce (32" Spreader) w/Milwaukee 28V 5 Ah Battery	$15,371.00ea	
	ART.110.214.9	Genesis SC198-SL3 NXT GEN Smooth Cut Blades w/Milwaukee 28V 5 Ah Battery	$12,300.00ea	
	ART.110.215.1	Genesis SC240-SL3 NXT GEN Smooth Cut Blades w/Milwaukee 28V 5Ah Battery	$12,918.00ea	
(2)	ART.105.375.5	M28 Milwaukee 28V 5Ah Battery	No Charge	
		Include (1) Extra Battery With Each M28 Tool		

07/12/24 9:09 AM

		M18 Battery Platform:		
	1101468GRS	Genesis S44-SLi (24" Spreader) w/Milwaukee 18V Battery	$16,950.00ea	
	1101469GRS	Genesis S49-SLi (28" Spreader) w/Milwaukee 18V Battery	$18,124.00ea	
	1100143GRS	Genesis S54-SLi (32" Spreader) w/Milwaukee 18V Battery	$18,795.00ea	
	1101548GRS	Genesis SC198-SLi NXT GEN Cutter w/Smooth Cut Blades w/Milwaukee 18V Battery	$15,715.00ea	
	1101550GRS	Genesis SC240-SLi NXT GEN Cutter w/Smooth Cut Blades w/Milwaukee 18V Battery	$16,271.00ea	
(1)	AGM-EJA-3001-M	Mighty Strut System-Includes: (1) Strut, (1) 10" Extension, (1) 15" Extension, (1) 30" Extension, (2) Spikes, (1) Combo Head, (1) Ratchet Strao, (1) Chain Cluster, (1) Universal Hook, (1) Dead Blow, (1) Carrying Case, Battery Not Included	$4999.99ea	$4999.99
	Freight	Freight On Might Strut System	$150.00	$150.00

MACQUEEN

MacQueen
350 Austin Circle
Delafield, WI 53018
(262) 646-5911
Fax: (262) 646-5912

Ship To: GRAND RAPIDS FD
ATTN: ROB RIMA
836 NE 2ND AVE
GRAND RAPIDS, MN 55744

Invoice To: GRAND RAPIDS FIRE DEPT
104 SE 11TH STREET
GRAND RAPIDS MN 55744

Attention: TRAVIS COLE

Branch		
16 - DELAFIELD, WI		
Date: 07/18/2024	Time: 14:46:13 (O)	Page: 1
Account No: GRAND011	Phone No: 2183267639	Est No: 01 024312
Ship Via:	Purchase Order: QUOTE	
Tax ID No:		
		Salesperson: 277 / 312

ESTIMATE EXPIRY DATE: 08/17/2024

PARTS ESTIMATE - NOT AN INVOICE

Part#	Description	U	Qty	Price	Amount
DOES NOT INCLUDE SHIPPING					
10169710	G1 RIT SYSTEM C		~~1~~ 2	6904.05	6904.05 /13808.1
G1 RIT System, 2216, FCPC, Regulator, 6-Ft Quick-Fill & ExtendAire II Systems (2013 ed.), remote gauge, URC, Quick-Connect					
RBL20	TRUE NORTH L-2		1	321.03	321.03
TRUE NORTH L-2 RIT BAG					
10169714	G1 RIT SYSTEM C		1	4905.74	4905.74
G1 RIT System complete, 2216 psi, 6-ft. Quick-Fill & ExtendAire II Systems, URC					

Subtotal: 12130.82

Tax: .00

TOTAL: 12130.82

Authorization: _____

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www.macqueengroup.com

MUNICIPAL EMERGENCY SERVICES

(877) 637-3473

Quote

Quote #	QT1839367
Date	07/17/2024
Expires	08/21/2024
Sales Rep	McCabe, Brian
Shipping Method	FedEx Ground
Customer	GRAND RAPIDS FIRE DEPT. (MN)
Customer #	C30688

Bill To
GRAND RAPIDS FIRE DEPT.
420 NORTH POKEGAMA AVENUE
GRAND RAPIDS MN 55744
United States

Ship To
GRAND RAPIDS FIRE DEPARTMENT
104 SE 11th Street
GRAND RAPIDS MN 55744
United States

Item	Alt. Item #	Units	Description	QTY	Unit Price	Amount
441102			PACK, RIGTECH, BLUE, CMC	2	$224.00	$448.00
pCARD	WP-048		WP-048 Custom pCARD ROPE RESCUE DAY PACK	1	$0.00	$0.00
300090			CARABINER, PROSTEEL SCREW-LOCK D, BLK/BRZ, CMC	12	$27.00	$324.00
300092			CARABINER, PROSTEEL AUTO-LOCK D, ANSI, BLK/SLVR, CMC	1	$32.11	$32.11
201024			CMC ProSeries Anchor Strap - Blue - Large - 7 Feet	2	$65.80	$131.60
300438			PULLEY, PROSWIVEL 2.0", PMP, DOUBLE, CMC	6	$175.00	$1,050.00
281203-200			Static-Pro Lifeline 200ft Length 1/2 Inch Rope - Red-White	1	$73.75	$73.75
430203			CMC Rescue Rope Bag #2 - Red	1	$83.40	$83.40
281203-200			Static-Pro Lifeline 200ft Length 1/2 Inch Rope - Red-White	1	$302.00	$302.00
281202-200			Static-Pro Lifeline 200ft Length 1/2 Inch Rope - Blue-White	1	$302.01	$302.01
281201-200			Static-Pro Lifeline 200ft Length 1/2 Inch Rope Orange-White	1	$302.01	$302.01
281207-200			Static-Pro Lifeline 200ft Length 1/2 Inch Rope Yellow-White	1	$302.01	$302.01

Customer Pays Freight.

Subtotal	$3,350.89
Shipping Cost	$0.00
Tax Total	$0.00
Total	$3,350.89

This Quotation is subject to any applicable sales tax and shipping and handling charges that may apply. Tax and shipping charges are considered estimated and will be recalculated at the time of shipment to ensure they take into account the most current information.

All returns must be processed within 30 days of receipt and require a return authorization number and are subject to a restocking fee.

Custom orders are not returnable. Effective tax rate will be applicable at the time of invoice.

QT1839367

MUNICIPAL EMERGENCY SERVICES

(877) 637-3473

Quote

Quote #	QT1839310
Date	07/19/2024
Expires	08/03/2024
Sales Rep	McCabe, Brian
Shipping Method	FedEx Ground
Customer	GRAND RAPIDS FIRE DEPT. (MN)
Customer #	C30688

Bill To
GRAND RAPIDS FIRE DEPT.
420 NORTH POKEGAMA AVENUE
GRAND RAPIDS MN 55744
United States

Ship To
GRAND RAPIDS FIRE DEPARTMENT
104 SE 11th Street
GRAND RAPIDS MN 55744
United States

Item	Alt. Item #	Units	Description	QTY	Unit Price	Amount
1344			RESCUE RANDY 145 LBS	1	$1,520.85	$1,520.85
1475			RESCUE RANDY 165# IAFF LARGE BODY	1	$1,837.90	$1,837.90

Customer pays Freight

Subtotal	$3,358.75
Shipping Cost	$0.00
Tax Total	$0.00
Total	$3,358.75

This Quotation is subject to any applicable sales tax and shipping and handling charges that may apply. Tax and shipping charges are considered estimated and will be recalculated at the time of shipment to ensure they take into account the most current information.

All returns must be processed within 30 days of receipt and require a return authorization number and are subject to a restocking fee.

Custom orders are not returnable. Effective tax rate will be applicable at the time of invoice.

QT1839310

20890 HWY 169 S, Grand Rapids, MN 55744
218.326.9355

Part Quote

Sold To: GRAND RAPIDS FIRE DEPT (TRAVIS COLE)
Date: 08/08/2024 9:32 AM

Sold	S/O	Lay	P/U	Part Number	Sup	Description	Retail	Ext Price	Bin	Ava
1	0	0	0	2889021	PO	K-WNDSHLD,FIXED	$899.99	$809.99	E1C-PWH	4
1	0	0	0	2882911	PO	(SEE NOTE) ROOF POLY SPORT / RNGR 1000	$449.99	$404.99	N5C PWH	3
1	0	0	0	2879013	PO	REAR LOCK & RIDE PRO-FIT GLASS	$519.99	$467.99	N5B-PWH	3

Subtotal	$1,869.97
Less Discount	($187.00)
Sales Tax	$0.00

Quote Total	$1,582.97

Thank You For Your Business!

NO RETURNS ON IN STOCK ITEMS AFTER 30 DAYS

NO RETURNS ON ANY SPECIAL ORDERS AFTER 15 DAYS

20% RESTOCKING CHARGE ON ALL RETURNED SPECIAL ORDER PARTS.

ALL RETURNS MUST BE IN ORIGINAL PACKAGE, ALL RETURNED ITEMS MUST BE IN NEW / UNUSED CONDITION.

NO RETURNS ON ELECTRICAL PARTS, PAINTED PARTS, DECALS, CLOSEOUT OR CLEARANCE ITEMS.

ALL RETURNED APPAREL / RIDING GEAR MUST BE PACKED AS THEY WERE RECEIVED WITH ALL ORIGINAL TAGS ATTACHED.
ANY RETURNED ITEM THAT HAS HAIR, DIRT, INK, PET ODOR, SMOKE ODOR OR ANYTHING NOT PRESENT WHEN PURCHASED WILL NOT BE ACCEPTED.
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(This is not an Invoice)

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312 Oak St S
New London, MN 56273
Phone: 800-264-2320
Fax: 320-763-9077
Email: orders@alexairapparatus.com
Web Site: *www.alexairapparatus.com*

Date	Customer PO
8/8/2024	

BILL TO	SHIP TO
Grand Rapids Fire Department Grand Rapids, MN	Grand Rapids Fire Set Up with Ethan

S.O. #	Promise Date	Terms	Sales Rep
		N30	Ethan

QTY	STOCK ORDER	PART NUMBER	DESCRIPTION	PRICE (Each)	PRICE (Extended)
1	ORDER	CSCD-6-3	Bauer Cascade Cylinder System, 3-6000psi Cylinders	$7,375.00	$7,375.00
1	ORDER	SERVICE	Installation, Mounting, Labor	$1,250.00	$1,250.00

**CUSTOMERS THAT HAVE NOT PROVIDED TAX EXEMPT FORMS WILL BE CHARGED APPLICABLE SALES TAX*
**FREIGHT PREPAID & ADDED*
**F.O.B SHIPPING POINT*
**THIS IS NOT AN INVOICE*

Authorized Signature of Approval

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TAX:	
TOTAL:	**$8,925.00**

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Mustang Ice Co

Brand : Mustang Survival

(1 review)

$914.99

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SKU: IC9(

UPC: 062

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Quantity: 1

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Description | Reviews

Mustang Ice Commander Rescue Suit

The Mustang Ice Commander is the suit of choice for search and rescue teams, fire departments, and ice rescue profession
with a watertight hood, integrated gloves, and attached boots. The flotation and insulation performance of a zip-in buoyanc
long periods of time in icy cold water and maintain mental and physical capabilities. Updated liner with zipper and velcro att
and repair.Each Ice Commander™ has an integrated chest harness for attachment to tether lines, ice awl pockets for storag
rubber soles on the attached boots. As well, each suit is 45% lighter than other rescue suits as it is made in a high visibility v
ARE INHERENTLY DANGEROUS AND SHOULD ONLY BE PERFORMED BY PROFESSIONALS WHO HAVE THE APPROPRIATE TRA
PERFORMING THESE MISSIONS.The Ice Commander is intended for ice and still/static cold water rescues only by trained pro
operating standards and requirements of their state or county.\

Mustang Ice Commander Rescue Suit Features:

- UNIVERSAL ADULT (110-330lbs / 4'11"-6'6")
- Water-tight hood and face seal
- SOLAS reflective tape and Velcro™ patch for light attachment
- Heavy duty zipper - flexible full-length zipper provides a water-tight seal

- Welded nylon outer shell - provides waterproofing and durability
- High performance urethane-coated nylon exterior makes cleaning and repairs easier
- Safety harness - integral self-adjusting safety harness
- Ergonomic ice awl pockets - sleeve pockets customized to attach and stow ice awls
- Pockets easily secured with Velcro™ (ice awls not included)
- Detachable inner buoyancy liner - constructed of closed-cell AirSoft™ foam for maximum flotation and thermal insulation (Replacement Liner MA2282 03)
- Liner can be unzipped and removed for cleaning and in-the-field repairs
- Note: IC9001 03 is not compatible with the MA2282 02 Replacement Liner
- Reinforced knees - reinforced and padded with 2.5 mm neopreneSeat and elbows are reinforced with shell fabric
- Color: Gold

Related Items:

- **More Rescue Suit Options (View)**

Related Products

Save 5% Now!

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RS-1002 Ice Rescue Suit
$1,044.97
ADD TO CART

Mustang Survival
Mustang Men's Hudson Latex Gasket Dry Suit
$797.99
OPTIONS

Mustang Survival
Mustang Men's Hudson CCS Dry Suit
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OPTIONS

Mustang Survival
Mustang Women's Helix CCS Dry
$1,097.99
OPTIONS

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For best user experience use Chrome browser, Firefox browser, or Safari browser. Internet Explorer may experience issues.

Seek FirePro 300 Fast Frame Thermal Imaging Camera

$1,154.00

Availability: ☑ In Stock

Product Code: FQ-AAAX
Brand: SEEK THERMAL (/brands/seek-thermal)

Qty 1 **ADD TO CART**

DESCRIPTION

DOCUMENTS

VIDEOS

FirePro 300 Fast Frame Thermal Imaging Camera (FQ-AAAX)

–

With FirePRO 300, you can equip every firefighter with an affordable and lightweight thermal camera to enhance situational awareness and increase firefighter safety. Featuring our high-resolution 320 x 240 sensor, FirePRO 300 provides firefighters with the ability to regain orientation in low visibility or blackout smoke conditions.

Additionally, Seek's game-changing Mixed Gain technology allows firefighters to see detail in the hottest and coolest regions of the scene at the same time without freezing and switching modes. Mixed Gain simplifies and improves thermal imaging for the fire service.

Protect yourself, your crew, and your community with high-resolution personal thermal imaging.

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$2,999.00

Seek AttackPRO™

(0) **QUESTION & ANSWER**

Quantity - 1 +

SKU: FQ-PAEX // IN STOCK, ORDER NOW!

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DETAILS

Seek AttackPRO™ Access. Direct. Attack. Maintain your situational awareness with a simple and decluttered display showing greyscale and color...

GET 10% OFF

Breathing Air Cylinder: Steel, 5,000 psi Cylinder Pressure, 120 min Cylinder Duration

Item **14A070** Mfr. Model **AC-472**

Web Price
$2,687.65 / each

This item requires special shipping, additional charges may apply.

Qty 1 Add to Cart

Ship Pickup

Ships from supplier. Expected to arrive on or before **Thu. Aug 29**.

Ship to **56601** | Change

Shipping Weight **220 lbs**

Ship Availability Terms

Add to List

Product Image Feedback Compare

Product Details

Catalog Page **N/A**

Brand **AIR SYSTEMS INTERNATIONAL**

For Use With **MP-2300 Series Air Carts**

Cylinder Duration **120 min**

Brand and Series **Airline**

Includes **CGA-347 Valve**

System Type **SAR System**

Cylinder Material **Steel**

Cylinder Pressure **5,000 psi**

Pre-Filled **No**

Cylinder Color **Yellow**

Standards **DOT/TC/ISO/UN Approved**

UNSPSC **46182004**

Country of Origin **USA (subject to change)**

Product Description

These Air Systems International SCBA (self-contained breathing apparatus) breathing-air cylinders provide clean, breathable air to workers in IDLH (immediately dangerous to life or health) and non-IDLH environments. The cylinder connects to a tube to deliver air to a facepiece or mask. Cylinder size determines how long the cylinder can be used before it needs to be recharged.

Product Details Feedback

Compatible Products

Chat with an Age

MARCOM Compliance Training Program: Chemical/HAZMAT Training, English

Item **6GWR0**

Compare

Web Price

$242.26 / each

Qty 1 Add to Cart

INDUSTRIAL SCIENTIFIC Multi-Gas Detector: IP66/IP67, INDUSTRIAL SCIENTIFIC Ventis MX4, Ventis MX4

Item **6XFK9**

Compare

Web Price

$986.44 / each

Qty 1 Add to Cart

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider adopting a resolution accepting donations from the Blandin Foundation, Pinched Catering, Super One Foods, Sandstorms, Pepsi and Rapids Welding for 2024 National Night Out.

PREPARED BY: Chief Andy Morgan

BACKGROUND:
National Night Out is an annual community-building event that promotes a stronger partnership between police and community. Grand Rapids Police Department has hosted numerous successful National Night Out gatherings in the past. This year's event was held at Central School, August 6, 2024.

Below you will find the gracious financial donors of this year's event.

- Blandin Foundation donated $1,000
- Pinched Catering donated approximately $300 of cookies
- Super One Foods donated approximately $1,250 of BBQ goods
- Sandstroms donated approximately $350 of potato chips
- Rapids Welding donating approximately $200 of helium for balloons

We greatly value continued partnerships with all.

Attached you will find a public announcement of the National Night Out event.

REQUESTED COUNCIL ACTION:

Make a motion adopting a resolution accepting donations from the Blandin Foundation, Pinched Catering, Super One Foods, Sandstorms, Pepsi and Rapids Welding for 2024 National Night Out.

Council member introduced the following resolution and moved for its adoption:

RESOLUTION NO. 24-

A RESOLUTION ACCEPTING A $1,000 DONATION FROM BLANDIN FOUNDATION, A $300.00 DONATION FROM PINCHED CATERING, A $1,250.00 DONATION FROM SUPER ONE FOODS, A $350 DONATION FROM SANDSTROMS AND A $250 DONATION FROM RAPIDS WELDING FOR THE GRAND RAPIDS POLICE DEPARTMENT'S PUBLIC SAFETY EDUCATION FUND FOR NATIONAL NIGHT OUT EXPENDITURES

WHEREAS, Minnesota State Statutes 465.03, states that cities may accept gifts of real or personal property, including money, and use them in accordance with the terms the donor prescribes; and

WHEREAS, every such acceptance shall be by resolution of the governing body adopted by two-thirds majority of its members,

NOW THEREFORE, BE IT RESOLVED, the City Council of the City of Grand Rapids, Itasca County, Minnesota, accepts the listed donations and terms of the donors as follows:

- Blandin Foundation donated $1,000
- Pinched Catering donated approximately $300 of cookies
- Super One Foods donated approximately $1,250 of BBQ goods
- Sandstroms donated approximately $350 of potato chips
- Rapids Welding donating approximately $200 of helium for balloons

Adopted this 12th day of August, 2024

_____
Tasha Connelly, Mayor

Attest:

_____
Kimberly Johnson-Gibeau, City Clerk

Councilmember seconded the foregoing resolution and the following voted in favor thereof: ; and the following voted against same: None, whereby the resolution was declared duly passed and adopted.

Grand Rapids Police Department

National Night Out

It's a Free Event!

Go out and have a true sense of unity in our community

Tuesday
August 06

Old Central School
10 NW 5th St ~ Grand Rapids, MN
From 5:00 pm - 8:00 pm

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

There will be a K-9 demonstration, a bouncy house, food booth, and displays from Local Emergency Services, and community groups.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider adopting a resolution accepting donations from the Cohasset Fire Hook & Ladder for 2024 National Night Out.

PREPARED BY: Chief Andy Morgan

BACKGROUND:
National Night Out is an annual community-building event that promotes a stronger partnership between police and community. Grand Rapids Police Department has hosted numerous successful National Night Out gatherings in the past. This year's event was held at Central School, August 6, 2024.

Cohasset Fire Hook & Ladder donated $200 to Grand Rapids Police Reserves Program.

Attached you will find a public announcement of the National Night Out event.

REQUESTED COUNCIL ACTION:

Make a motion adopting a resolution accepting donations from the Cohasset Hook and Ladder for 2024 National Night Out.

Council member introduced the following resolution and moved for its adoption:

RESOLUTION NO. 24-

A RESOLUTION ACCEPTING A $200 DONATION FROM THE COHASSET FIRE HOOK & LADDER FOR THE GRAND RAPIDS POLICE RESERVES FOR NATIONAL NIGHT OUT EXPENDITURES

WHEREAS, Minnesota State Statutes 465.03, states that cities may accept gifts of real or personal property, including money, and use them in accordance with the terms the donor prescribes; and

WHEREAS, every such acceptance shall be by resolution of the governing body adopted by two-thirds majority of its members,

NOW THEREFORE, BE IT RESOLVED, the City Council of the City of Grand Rapids, Itasca County, Minnesota, accepts the listed donations and terms of the donors as follows:

- Cohasset Fire Hook and Ladder donated $200

Adopted this 12th day of August, 2024

_____
Tasha Connelly, Mayor

Attest:

_____
Kimberly Johnson-Gibeau, City Clerk

Councilmember seconded the foregoing resolution and the following voted in favor thereof: ; and the following voted against same: None, whereby the resolution was declared duly passed and adopted.

COHASSET FIRE HOOK & LADDER
TAX ID 33-100-777-0
PO BOX 242
COHASSET, MN 55721

2044

75-1516/912

DATE 8/6/24

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Grand Rapids Police Department

National Night Out

It's a Free Event!

Go out and have a true sense of unity in our community

Tuesday
August 06

Old Central School
10 NW 5th St ~ Grand Rapids, MN
From 5:00 pm - 8:00 pm

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

There will be a K-9 demonstration, a bouncy house, food booth, and displays from Local Emergency Services, and community groups.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 22, 2024

AGENDA ITEM: Consider salary increases for Mayor and Council

PREPARED BY: Tom Pagel, City Administrator

BACKGROUND:

City Council By-Laws state the following:

In an even calendar year, prior to the general election, the City Council shall establish the salary of the Mayor and Councilmembers to be effective January 1st of the following odd calendar year. The method to determine the salary will be to take the existing salaries and increase them based on the Consumer Price Index (CPI) as published on the Federal Reserve Band of Minneapolis website. Typically, this will require the CPI for the two previous years. If pay increases are missed, the salaries shall be increased according to the CPI index in all years of no increases.

The City Council has not approved an increase in salaries since 2016. The current monthly rate for Mayor and Council is $880 and $660 respectively. According to the By-Laws the monthly rate for Mayor and Council should be $1,085 and $814 respectively.

As a reference, the following cities are:

Brainerd	Mayor	$650	Council	$550
Bemidji	Mayor	$1,166	Council	$1,000
Hibbing	Mayor	$xxxx	Council	$yyyyy

REQUESTED COUNCIL ACTION:

Make a motion to approve a salaries of Mayor and Council Members, effective January 1, 2025.

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Conduct a public hearing to consider the establishment of TIF District 1-16; Unique Opportunities Downtown Housing

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

Staff will present the attached PowerPoint presentation as background for the public hearing.

REQUESTED COUNCIL ACTION:

CITY OF GRAND RAPIDS
ITS IN MINNESOTA'S NATURE

Public Hearing
Tax Increment Finance (TIF)
Housing District 1-16

Unique Opportunities Grand Rapids, LLC.
Block 20/21 Downtown Apartment Project

August 12, 2024

CITY OF GRAND RAPIDS
ITS IN MINNESOTA'S NATURE

Project Background

- **Unique Opportunities Grand Rapids, LLC of Alexandria, MN (Developer) filed an application for TIF Business Assistance on February 8th of this year requesting Tax Increment Financing (TIF) in the amount of $1,328,254.**
- **Project Scope – The Developer's application detailed a proposal for the development of a 63-unit 4-story apartment, with underground parking, community room, fitness room, bike storage and dog washing area. The unit mix will consist of 8 Studio, 8-Alcove 1 bdrm., 23-1 bdrm., 16-2 bdrm., 8-3 bdrm.**
- **Project Timeline and Cost - The project is proposed to begin in the fall of this year or, if bids aren't obtained in time, the spring of 2025. The estimated total development cost is approximately $10,150,000.**
- **Project Location – The project is proposed to be located on the 1.45-acre, GREDA owned, Block 20/21 site on the north side of 2nd St. N., across from the Library and Northern Community Radio (KAXE).**

CITY OF GRAND RAPIDS
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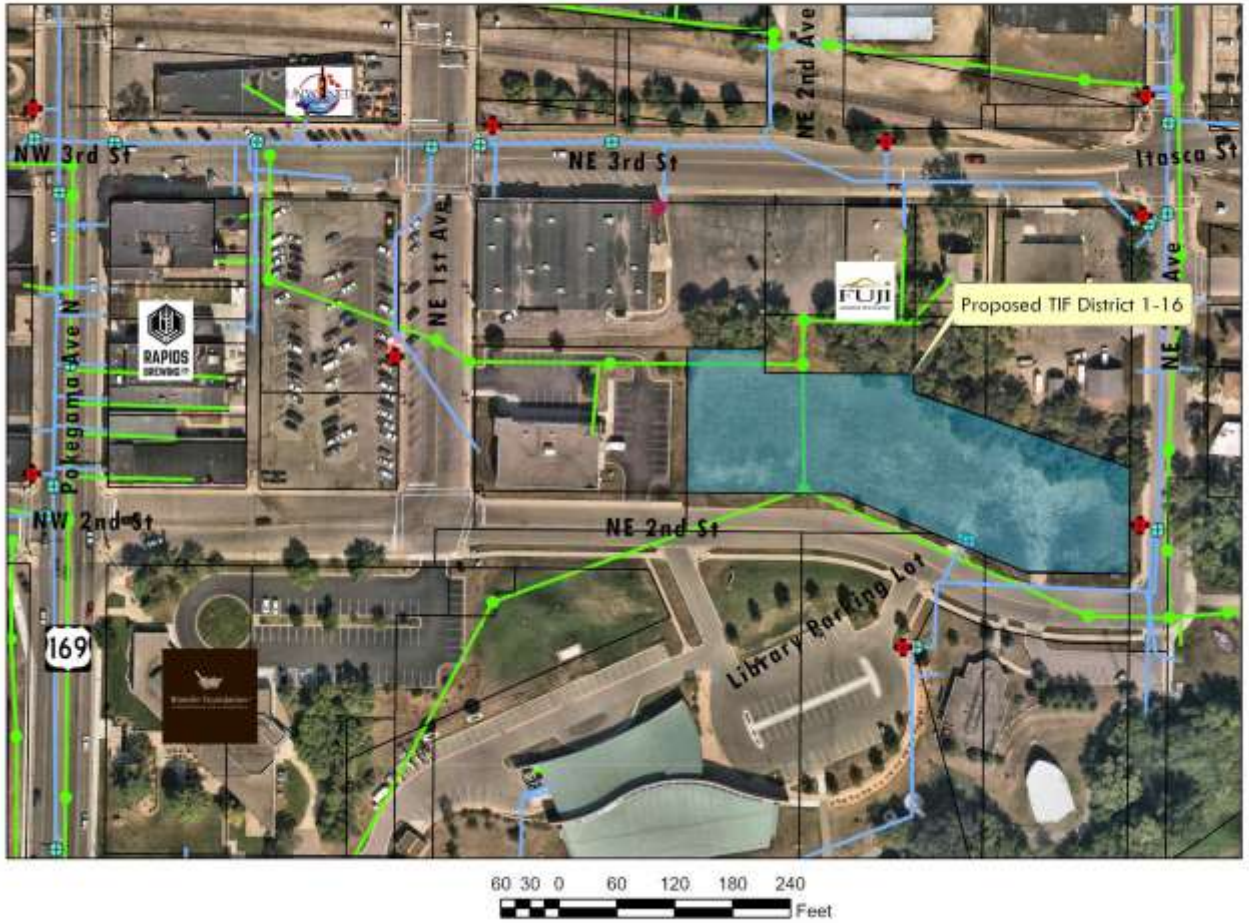
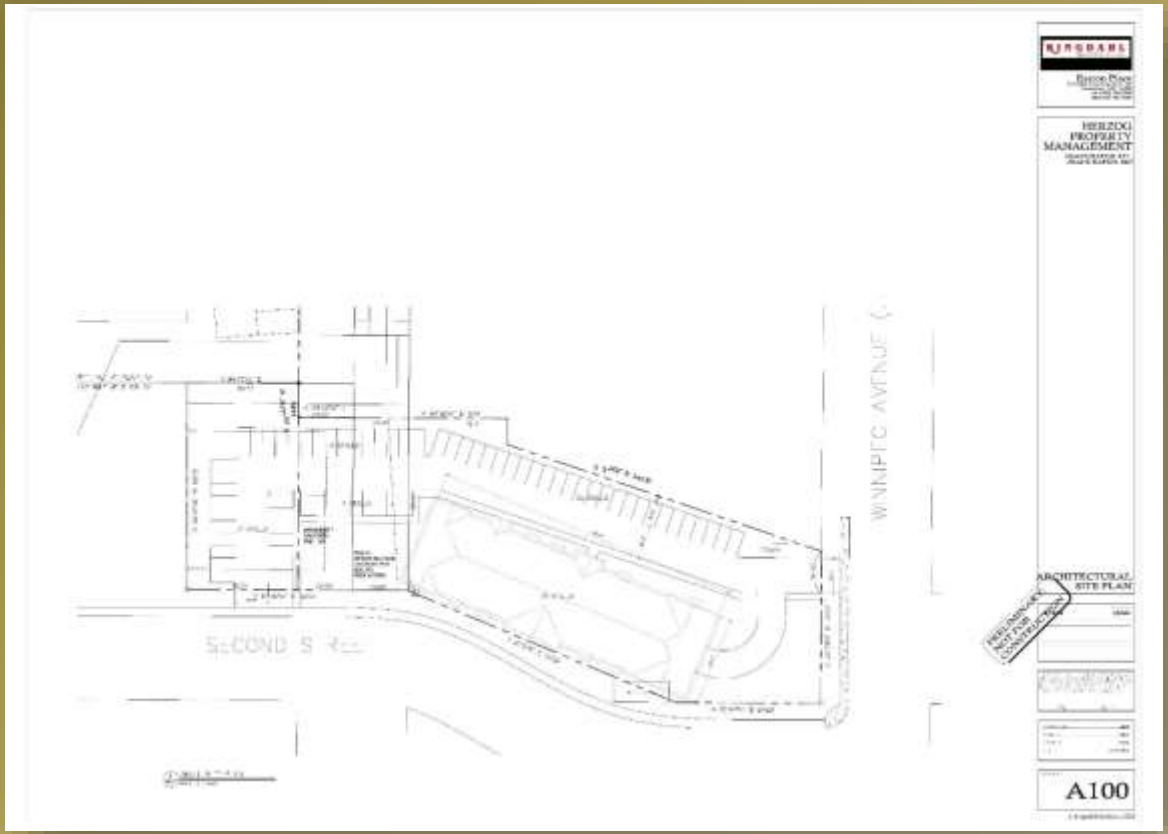
Project Background

Project Background

Unique Opportunities Grand Rapids TIF District 1-16



Project Background



Project Background

CITY OF GRAND RAPIDS
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Project Background

Project Background

Project Sources and Uses:

Sources/Revenue:		Uses/Development Costs:	
First Mortgage	$6,193,714	Site Acquisition	$200,000
Equity	$2,628,032	Construction Costs	$8,500,000
TIF Note	$1,328,254	Professional Services/Fees	$430,000
		Financing Costs	$520,000
		Development Fee	$500,000
Total:	$10,150,000	Total:	$10,150,000

Project Background

Current and Future Assessed Value Estimate:

	Current (Itasca County Assessor)	Future (Itasca County Assessor)
Land Value (1.5 acres)	$242,800	$364,800
Building Value	$0	$3,900,700
Total Value	$242,800	$4,265,500
Annual Property Taxes (Pay 2024 Rate)	$0	*$144,029

*** Based on a higher ($7,875,000) post development EMV, requested by Developer**

CITY OF GRAND RAPIDS
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TIF Business Assistance

- **The proposed TIF district would be a Housing District**
  - **Consistent with the TIF Act, 20% of the total number of units will be affordable to persons with incomes at or below 50% of the area median income.**
- **The Public Purpose objectives, within the City's business assistance policies, which align with this project are:**
  - **To create housing opportunities for senior and low to moderate income families.**
  - **To enhance or diversify the City's economic base.**
  - **To provide a diversity of housing adjacent to cultural, recreational, economic, natural, education and transportation systems.**
  - **To accomplish other public policies consistent with the Comprehensive Plan, such as; to support a vibrant Downtown.**
- **In Minnesota, TIF can be used for two purposes:**
  - **To finance public infrastructure that is related to the development, or**
  - **To induce or cause a development or redevelopment that otherwise would not occur. (The economics of the development won't work without the assistance, for reasons such as; added cost of building acquisition and removal, development costs won't allow for affordable rents, added cost of site cleanup, etc.)**

CITY OF GRAND RAPIDS
ITS IN MINNESOTA'S NATURE

TIF Business Assistance

- **TIF But-for Test**
  - **Under Minnesota statute, before a City can establish a TIF district for a project, the developer must demonstrate and the City must verify that, but-for the use of TIF, the project would not occur in the foreseeable future.**
- **TIF Basics:**

Total Tax Capacity (Post Development) - Original Tax Capacity (Pre Development) = Captured Tax Capacity

Captured Tax Capacity X Local Tax Rate = Tax Increment

  - **Important to note that <u>no property taxes have been collected from this site as it has been publicly owned for many decades.</u>**
  - **The increase in taxes resulting from the new development (increment) is only delayed until the TIF commitment is satisfied.**
  - **Upon that satisfaction, all property taxes resume full distribution to the taxing entities.**

TIF Business Assistance

- **<u>TIF Need Analysis</u> – the City's fiscal consultant Ehlers has analyzed and evaluated the Developer's updated project budget and pro forma based upon industry standards and market ranges for rent, rate of return, development costs, operating costs, development fees and revenues.**
  - **Based upon that analysis, it was determined that these elements of the proposed development were within an expected range and that TIF assistance in the amount of $ 1,328,254 is required to achieve an expected cash-on-cash return on investment of 8% for this project. However, even with the TIF assistance, Ehlers' projections show that that the 8% ROI won't be reached until year 19.**

CITY OF GRAND RAPIDS
ITS IN MINNESOTA'S NATURE

TIF Business Assistance

- When approving a TIF Plan, the City Council must find (among other things) that:
  - The proposed development would not reasonably be expected to occur solely through private investment in the reasonably foreseeable future; and
  - The increased market value of the site that could reasonably be expected to occur without the use of TIF would be less than the increase estimated to result from the proposed development.
- The Draft Resolution, TIF Plan and its Appendix C address these required findings and describe the basis of the determined need for this public assistance in furthering the public purposes of creating housing opportunities for low to moderate income families, providing a diversity of life cycle housing adjacent to cultural, recreational, economic, natural, education and transportation systems, and to improve the tax base and to improve the general economy.
- The proposed TIF involves pay-as-you-go financing, which means the developer will pay the costs of creating the improvements with their funds, and the increments, as they are generated by the new development, will be used to reimburse the developer for these costs over time.
- Housing TIF districts have a maximum duration of 26 years. It is projected that, at full development, the principal amount of the TIF obligation, assuming a present value rate of 7.5%, will be fully funded in over the maximum term.
- In accordance with statutory requirements, 20% of the units (13 units) will be reserved for households earning greater than 50% of the area median income. No rent restrictions apply to this project, however.

Process

At their August 8 meeting, GREDA reviewed the application and adopted a resolution:

1. **Supporting a modification to the Development Program for the City's Development District No. 1, establishing TIF District 1-16 therein and adopting a TIF Plan, therefore; and**
2. **Approving the sale of land; and**
3. **Approving the Purchase and Development Agreement with the City and Unique Opportunities Grand Rapids LLC.**

City Council actions that will be considered immediately following this Public Hearing will include:

1. **Adoption of a resolution approving the establishment of TIF District No. 1-16 and approving the TIF Plan for the District.**
2. **Adoption of a resolution approving the Purchase and Development Agreement with GREDA and Unique Opportunities Grand Rapids LLC and awarding the sale of, and providing the form, terms, covenants and directions for the issuance of its tax increment revenue note.**
3. **Adoption of a resolution establishing an inter fund loan in connection with the TIF District.**

CITY OF
GRAND RAPIDS
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Questions?

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider the adoption of a resolution approving modification to the Development Program for Development District 1 and the establishment of TIF District No. 1-16; Downtown Housing Development and the TIF Plan therefore

PREPARED BY: Rob Mattei, Director of Community Development District

---

BACKGROUND:

Following the public hearing, the City Council may consider the facts presented, the public testimony and the recommendation of the Grand Rapids Economic Development Authority in considering the draft resolution.

REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution approving modification to the Development Program for Development District 1 and the establishment of TIF District No. 1-16; Downtown Housing Development and the TIF Plan therefore

CITY OF GRAND RAPIDS, MINNESOTA

RESOLUTION NO. ____

RESOLUTION APPROVING A MODIFICATION TO DEVELOPMENT PROGRAM FOR MUNICIPAL DEVELOPMENT DISTRICT NO. 1 AND THE ESTABLISHMENT OF TAX INCREMENT FINANCING DISTRICT NO. 1-16: DOWNTOWN HOUSING DEVELOPMENT AND A TAX INCREMENT FINANCING PLAN THEREFOR

BE IT RESOLVED by the City Council (the "Council") of the City of Grand Rapids, Minnesota (the "City") as follows:

Section 1. Recitals.

1.01. The City has heretofore established Municipal Development District No. 1 (the "Development District") and adopted a Development Program therefor (the "Development Program") pursuant to Minnesota Statutes, Sections 469.124 through 469.133, and Sections 469.174 to 469.1794, all as amended (the "TIF Act"). The City has proposed adopting a Modification to the Development Program (the "Modified Development Program") for the Development District, establishing the Tax Increment Financing District No. 1-16: Downtown Housing Development, a housing district (the "TIF District") therein, and adopting a Tax Increment Financing Plan (the "TIF Plan") therefor (the Modified Development Program and the TIF Plan are referred to collectively herein as the "Plans"), all pursuant to and in conformity with the TIF Act and all as reflected in the Plans, and presented for the Council's consideration.

1.02. The City has investigated the facts relating to the Plans and has caused the Plans to be prepared.

1.03. Pursuant to Section 469.175, subdivision 2a of the TIF Act, notice of the proposed TIF District was delivered to the Itasca County (the "County") Commissioner who represents the area to be included in the TIF District, at least 30 days before publication of the notice of public hearing.

1.04. Pursuant to Section 469.175, subdivision 2 of the TIF Act, the proposed Plans and the estimates of the fiscal and economic implications of the TIF Plan were presented to the Clerk of the Board of Education of Independent School District No. 318 and to the Auditor/Treasurer of the County (the "County Auditor/Treasurer") at least 30 days before the date of the required public hearing; and

1.05. Certain written materials (the "Materials") relating to the Plans and to the activities contemplated therein have heretofore been prepared by staff and consultants and submitted to the Council and/or made a part of the City files and proceedings on the Plans. The Materials include

the tax increment application made and other information supplied by Unique Opportunities Grand Rapids, L.L.C., a Minnesota limited liability company (or one or more entities to be formed thereby or affiliated therewith, the "Developer"), as to the activities contemplated therein, the items listed under the heading "Supporting Documentation" in the TIF Plan, and information constituting or relating to (1) why the assistance satisfies the so-called "but for" test and (2) the bases for the other findings and determinations made in this resolution. The Council hereby confirms, ratifies, and adopts the Materials, which are hereby incorporated into and made as fully a part of this resolution to the same extent as if set forth in full herein.

1.06. The Board of Commissioners of the Grand Rapids Economic Development Authority (the "EDA") adopted a resolution on August 8, 2024, supporting the adoption of the TIF District.

1.07. The City is not modifying the boundaries of the Development District, but is modifying the Development Program to include the establishment of the TIF District.

1.08. This Council has fully reviewed the contents of the Plans, and on this date conducted a duly noticed public hearing thereon at which the views of all interested persons were heard.

Section 2. Findings; Modified Development Program.

2.01. The Council finds that the boundaries of the Development District are not being expanded and the Development Program is not being modified other than to establish the TIF District therein and therefore the Council reaffirms the findings and determinations originally made in connection with the establishment of the Development District and the adoption of the Development Program therefor.

2.02. It is found and determined that the Modified Development Program is intended to provide an impetus for development in the public interest, that the land within the Development District would not be available for development without the financial aid to be sought under this Modified Development Program, and that the effect of the Modified Development Program will be to encourage development in accordance with the general plan of development of the City as a whole. The Council approves the Modified Development Program.

Section 3. Findings; TIF District

3.01. It is found and determined that it is necessary and desirable for the sound and orderly development of the Development District and the City as a whole, and for the protection and preservation of the public health, safety, and general welfare, that the authority of the TIF Act be exercised by the City to provide financial assistance to the TIF District and the Development District.

3.02. The Council hereby finds that the TIF District is in the public interest and is a

"housing district" within the meaning of Section 469.174, subdivision 11 of the TIF Act, because it consists of a project or portions of a project intended for occupancy, in part, by persons or families of low and moderate income as defined in Chapter 462A, Title II of the National Housing Act of 1934; the National Housing Act of 1959; the United States Housing Act of 1937, as amended; Title V of the Housing Act of 1949, as amended; and any other similar present or future federal, state or municipal legislation or the regulations promulgated under any of those acts. No more than 20% of the square footage of buildings that receive assistance from tax increments will consist of commercial, retail or other nonresidential uses.

3.03. It is further found and determined, and it is the reasoned opinion of the City, that the development proposed in the TIF Plan for the TIF District could not reasonably be expected to occur solely through private investment within the reasonably foreseeable future. This finding is supported by the fact that the cost of developing affordable housing makes this development infeasible without City assistance. The cost of land acquisition, site and public improvements and utilities makes this housing development infeasible without City assistance. Due to decreased rental income from affordable units, there is insufficient cash flow to provide a sufficient rate of return, pay operating expenses, and service the debt. This leaves a gap in the funding for the project and makes this housing development feasible only through assistance, in part, from tax increment financing. The Developer was asked for and provided a letter and a proforma as justification that the Developer would not have gone forward without tax increment assistance. The City reasonably determines that no other development of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

3.04. The TIF Plan for the TIF District conforms to the general plan for development of the City as a whole and will generally serve to implement policies adopted in the City's comprehensive plan. The housing development contemplated in the TIF Plan will be in accordance with the existing zoning or approved zoning variances for the property.

3.05. The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development of the TIF District and the Development District by private enterprise because it will provide an impetus for residential development, which is desirable or necessary for increased population and an increased need for life-cycle housing within the City; result in additional availability of affordable housing units; eliminate and prevent blight and blighting factors within the Development District and City; help develop an underutilized site in the City; and will help develop a site with the City's downtown consistent with the City's downtown development plan.. In addition, the proposed development described in the TIF Plan will increase the taxable market valuation in the City.

3.06. Background information and facts supporting all the above findings are set forth in the TIF Plan, including but not limited to Appendix C, and the TIF Plan and all findings set forth therein are incorporated herein by reference. In reaching its conclusions regarding the TIF Plan, the City Council has also relied upon reports and recommendations of its staff and consultants, information submitted by the developer of the proposed development within the TIF District, as well as the knowledge of members of the City Council gained in hearings upon and during

consideration of other matters relating to the proposed development.

3.07. The adoption of the TIF Plan conforms in all respects to the requirements of the Act. The TIF Plan will help facilitate development that will create diverse housing opportunities and increase the number and availability of affordable housing units in the City, eliminate blighting factors and underutilized land in the City, help develop a long vacant site in the City, and improve the tax base. The City expressly finds that any private benefit to be received by a private developer is incidental, as the tax increment assistance is provided solely to make the development financially feasible and thus produce the public benefits described. Therefore, the City finds that the public benefits of the TIF Plan exceed any private benefits.

Section 4. Modified Development Program and TIF Plan Adopted; Certification; Filing.

4.01. The Modified Development Program and the TIF Plan are hereby approved and adopted in substantially the form on file with the City.

4.02. The geographic boundaries of the TIF District and the Development District are described in the TIF Plan and Modified Development Program, respectively, and are incorporated herein by reference.

4.03. The City Administrator is authorized and directed to transmit a certified copy of this resolution together with a certified copy of the TIF Plan for the TIF District to the Auditor/Treasurer of Itasca County with a request that the original tax capacity of the property within the TIF District be certified to the City pursuant to Section 469.177, subdivision 1 of the TIF Act, and to file a copy of the Modified Development Program, and the TIF Plan with the Minnesota Commissioner of Revenue and State Auditor as required by the TIF Act.

Adopted this 12th day of August, 2024 by the City Council of the City of Grand Rapids, Minnesota.

_____
Mayor

Attest:

_____
City Clerk

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider the adoption of a resolution approving a Purchase and Development Agreement and awarding the sale of, and providing the form, terms, covenants, and directions for the issuance of its Tax Increment Revenue Note (Downtown Housing Development)

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

GREDA approved this Purchase and Development Agreement between GREDA, the City of Grand Rapids, and Unique Opportunities Grand Rapids, LLC at their meeting on August 8, 2024.

Following the public hearing, the City Council may consider the facts presented, the public testimony and the recommendation of the Grand Rapids Economic Development Authority in considering the draft resolution.

REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution approving a Purchase and Development Agreement and awarding the sale of, and providing the form, terms, covenants, and directions for the issuance of its Tax Increment Revenue Note (Downtown Housing Development)

CITY OF GRAND RAPIDS, MINNESOTA

RESOLUTION NO. _____

APPROVING A PURCHASE AND DEVELOPMENT AGREEMENT, AND AWARDING THE SALE OF, AND PROVIDING THE FORM, TERMS, COVENANTS AND DIRECTIONS FOR THE ISSUANCE OF ITS TAX INCREMENT REVENUE NOTE (DOWNTOWN HOUSING DEVELOPMENT)

BE IT RESOLVED BY the City Council (the "Council") of the City of Grand Rapids, Minnesota (the "City") as follows:

Section 1. Recitals; Approval and Authorization; Award of Sale.

1.01. Recitals.

(a) The City has heretofore approved the establishment of the Tax Increment Financing District No. 1-16: Downtown Housing Development, a housing district (the "TIF District"), within Municipal Development District No. 1 in the City (the "Development District"), and has adopted a tax increment financing plan therefor for the purpose of financing certain improvements within the Development District.

(b) To facilitate the development of certain property within the Development District and the TIF District, the City, the Grand Rapids Economic Development Authority (the "Authority"), and Unique Opportunities Grand Rapids, L.L.C., a Minnesota limited liability company, or an affiliate thereof or party related thereto (the "Developer"), have negotiated a Purchase and Development Agreement (the "Agreement") which provides for the conveyance of certain real property described in SCHEDULE A attached hereto (the "Development Property") from the Authority to the Developer and the acquisition, construction and equipping by the Developer of an approximately 63-unit multifamily rental housing facility with underground parking and enhanced finishes with at least twenty percent (20%) of such units to be available to persons or families of low and moderate income with all related improvements to be completed, owned and operated by the Developer on the Development Property (the "Minimum Improvements"), and the issuance by the City of its Tax Increment Revenue Note, Series 2024 (Downtown Housing Development) (the "Note") to the Developer.

1.02. Approval of Agreement.

(a) The Council approves the Agreement in substantially the form presented, including the provisions granting a business subsidy to the Developer, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications, or consents referenced in or attached to the Agreement (the "Development Documents").

(b) The Council hereby authorizes the Mayor and the City Administrator in their discretion and at such time, if any, as they may deem appropriate, to execute the Development Documents on behalf of the City, and to carry out, the City's obligations thereunder when all conditions precedent thereto have been satisfied. The Development Documents shall be in substantially the form on file with the City and the approval hereby given to the Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the City 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 City. The execution of any instrument by the appropriate officers

of the City herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This resolution shall not constitute an offer and the Development Documents shall not be effective until the date of execution thereof as provided herein.

(c) In the event of absence or disability of the officers, any of the documents authorized by this resolution to be executed may be executed without further act or authorization of the City by any duly designated acting official, or by such other officer or officers of the City as, in the opinion of the City Attorney, may act in their behalf. Upon execution and delivery of the Development Documents, the officers and employees of the City are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the City to implement the Development Documents, including without limitation the issuance of tax increment revenue obligations thereunder when all conditions precedent thereto have been satisfied and reserving funds for the payment thereof in the applicable tax increment accounts.

1.04. Authorization of Note. Pursuant to Minnesota Statutes, Section 469.178, the City is authorized to issue and sell its bonds for the purpose of financing a portion of the public development costs of the Development District. Such bonds are payable from all or any portion of revenues derived from the TIF District and pledged to the payment of the bonds. The City hereby finds and determines that it is in the best interests of the City that it issue and sell the Note to the Developer for the purpose of financing certain public development costs of the Development District, subject to all terms and conditions of the Agreement.

1.05. Issuance, Sale, and Terms of the Note.

(a) The City hereby authorizes the Mayor and City Administrator to issue the Note in accordance with the Agreement. All capitalized terms in this resolution have the meaning provided in the Agreement unless the context requires otherwise.

(b) The Note shall be issued to the Developer in the maximum aggregate principal amount of $1,328,254 in consideration of certain eligible costs incurred by the Developer in connection with construction of the Minimum Improvements. The Note shall be dated the date of delivery thereof and shall bear interest at the rate of 7.50% per annum from the date of issue to the earlier of maturity or prepayment. The Note will be issued in the principal amount of the Public Development Costs submitted and approved in accordance with Section 3.6 of the Agreement. The Note is secured by Available Tax Increment, as further described in the form of the Note set forth in SCHEDULE B attached hereto. The City hereby delegates to the City Administrator the determination of the date on which the Note is to be delivered, in accordance with the Agreement.

Section 2. Form of Note. The Note shall be in substantially the form set forth in SCHEDULE B attached hereto, with the blanks to be properly filled in and the principal amount adjusted as of the date of issue:

Section 3. Terms, Execution and Delivery.

3.01. Denomination, Payment. The Note shall be issued as a single typewritten note numbered R-1. The Note shall be issuable only in fully registered form. Principal of and interest on the Note shall be payable by check or draft issued by the Registrar described herein.

3.02. Dates; Interest Payment Dates. Principal of and interest on the Note shall be payable by mail to the owner of record thereof as of the close of business on the fifteenth day of the month preceding the Payment Date, whether or not such day is a business day.

3.03. Registration. The City hereby appoints the City Administrator of the City to perform the functions of registrar, transfer agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its office a bond register in which the Registrar shall provide for the registration of ownership of the Note and the registration of transfers and exchanges of the Note.

(b) Transfer of Note. Upon surrender for transfer of any Note duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form reasonably satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, a new Note of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may close the books for registration of any transfer after the fifteenth day of the month preceding each Payment Date and until such Payment Date.

(c) Cancellation. The Note surrendered upon any transfer shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(d) Improper or Unauthorized Transfer. When any Note is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Note or separate instrument of transfer is legally authorized. The Registrar shall incur no liability for its refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(e) Persons Deemed Owners. The City and the Registrar may treat the person in whose name the Note is at any time registered in the bond register as the absolute owner of such Note, whether the Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Note and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the City upon such Note to the extent of the sum or sums so paid.

(f) Taxes, Fees and Charges. For every transfer or exchange of the Note, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange.

(g) Mutilated, Lost, Stolen or Destroyed Note. In case the Note shall become mutilated or be lost, stolen, or destroyed, the Registrar shall deliver a new Note of like amount, maturity dates and tenor in exchange and substitution for and upon cancellation of such mutilated Note or in lieu of and in substitution for such Note lost, stolen, or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case the Note lost, stolen, or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Note was lost, stolen, or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance, and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. The Note so surrendered to the Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen, or destroyed Note has already matured or been called for redemption in accordance with its terms, it shall not be necessary to issue a new Note prior to payment.

3.04. Preparation and Delivery. The Note shall be prepared under the direction of the City Administrator and shall be executed on behalf of the City by the signatures of its Mayor and City Administrator. In case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the

same as if such officer had remained in office until delivery. When the Note has been so executed, it shall be delivered by the City Administrator to the owner thereof in accordance with the Agreement.

Section 4. Security Provisions.

4.01. Pledge. The City hereby pledges to the payment of the principal of and interest on the Note all Available Tax Increment as defined in the Note.

4.02. TIF Fund. Until the date the Note is no longer outstanding and no principal thereof or interest thereon (to the extent required to be paid pursuant to this resolution) remains unpaid, the City shall maintain a separate and special "TIF Fund" to be used for the payment of the principal of and interest on the Note. The City irrevocably agrees to appropriate to the TIF Fund on or before each Payment Date the Available Tax Increment in an amount equal to the Payment then due, or the actual Available Tax Increment, whichever is less. Any Available Tax Increment remaining in the TIF Fund upon the termination of the Note in accordance with its terms may be used for any authorized purpose in accordance with the TIF Act.

4.03. Additional Obligations. The City will issue no other obligations secured in whole or in part by Available Tax Increment unless such pledge is on a subordinate basis to the pledge on the Note.

Section 5. Certification of Proceedings.

5.01. Certification of Proceedings. The officers of the City are hereby authorized and directed to prepare and furnish to the owner of the Note certified copies of all proceedings and records of the City, and such other affidavits, certificates, and information as may be required to show the facts relating to the legality and marketability of the Note as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates, and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

Section 6. Effective Date. This resolution shall be effective upon approval.

Approved this 12th day of August, 2024, by the City Council of the City of Grand Rapids, Minnesota.

_____
Mayor

ATTEST:

_____
City Clerk

SCHEDULE A

DEVELOPMENT PROPERTY

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

Parcel 1:

The South Half of Block Twenty (20), Town of Grand Rapids, Minnesota, according to the plat thereof on file and of record in the office of the Register of Deeds, of Itasca County, Minnesota, AND the West Half (W1/2) of vacated 2nd Avenue East lying adjacent to the South 125 feet (S 125) of Block Twenty (20) LESS that part conveyed by Document No. 45251, described as follows: The West 220 feet of the South half of Block 20, Town of Grand Rapids.

(Torrens Cert. No. 23062)

Parcel 2:

That portion of Block Twenty-one (21), Town of Grand Rapids, AND the vacated North-South alley lying within Block 21, lying South and West of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Lot Twenty-four (24) and the East Half (E1/2) of vacated 2nd Avenue East lying adjacent to Lots Twenty thru Twenty-four (20-24), Block 21, according to the recorded plat thereof on file and of record in the office of the Registrar of Titles of Itasca County, Minnesota. Less and Except that part of Lot 19, Block 21, according to the Plat of Grand Rapids on file in the office of the Itasca County Recorder, lying southwesterly of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Block 21.

AND

That portion of the West Half (W1/2) of Lot Twenty (20), Block Twenty-one (21), Town of Grand Rapids, lying northeast of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Lot Twenty-four (24), Block 21, according to the recorded plat thereof on file and of record in the office of the Registrar of Titles of Itasca County, Minnesota.

AND

That part of the North Half (N1/2) of vacated Second Street North lying adjacent to Blocks Twenty-one (21) and Twenty-four (24) and lying northeast of the following described line: beginning at a point along the north line of Block Twenty-four (24) lying One Hundred five (105) feet West of the Northeast corner of said Block: thence Northwesterly to the southwest corner of said Lot Twenty-four (24), Block Twenty-one (21) and there terminating.

(Torrens Cert. No. 24386)

Parcel 3:

That part of the South Half of vacated Second Street North, lying between Blocks 21 and 24, of the Plat of Town of Grand Rapids, Itasca County, Minnesota, lying northeasterly of the following described line:

Beginning at a point on the north line of said Block 24, 105 feet West of the northeast corner thereof; thence northwesterly to the southwest corner of Lot 24, block 21, said Town of Grand Rapids.

(Abstract)

SCHEDULE B

FORM OF TIF NOTE

UNITED STATE OF AMERICA
STATE OF MINNESOTA
COUNTY OF ITASCA
CITY OF GRAND RAPIDS

No. R-1 $_____

TAX INCREMENT REVENUE NOTE
SERIES 2024
(DOWNTOWN HOUSING DEVELOPMENT)

Rate	Date of Original Issue
7.50%	_____, 20__

The City of Grand Rapids, Minnesota (the "City") for value received, certifies that it is indebted and hereby promises to pay to Unique Opportunities Grand Rapids, L.L.C., a Minnesota limited liability company, or its registered assigns (the "Owner"), the principal sum of $_____ and to pay interest thereon at the rate of 7.50% per annum, solely from the sources and to the extent set forth herein. Capitalized terms shall have the meanings provided in the Purchase and Development Agreement, dated as of August __, 2024 (the "Agreement"), between the City, the Grand Rapids Economic Development Authority (the "Authority"), and the Owner, unless the context requires otherwise.

1. Payments. Principal and interest (the "Payments") shall be paid on August 1, 2026 and each August 1 and February 1 thereafter (the "Payment Dates") to and including the earliest of (i) February 1, 2052, (ii) such date (if any) as the Authority shall have terminated the Agreement pursuant to its terms, or (iii) until the Developer has received the principal amount of the Note plus accrued interest thereon (the "Final Payment Date"), in the amounts and from the sources set forth in Section 3 hereof. Payments shall be applied first to accrued interest, and then to unpaid principal.

Payments are payable by mail to the address of the Owner or such other address as the Owner may designate upon thirty (30) days written notice to the City. Payments on this Note are payable in any coin or currency of the United States of America which, on the Payment Date, is legal tender for the payment of public and private debts.

2. Interest. Simple, non-compounding interest at the rate stated herein shall accrue on the unpaid principal, commencing on the date of original issue. Interest shall be computed on the basis of a year of 360 days consisting of twelve 30-day months and shall be charged for actual days principal is unpaid.

3. Available Tax Increment. (a) Payments on this Note are payable on each Payment Date solely from and in the amount of Available Tax Increment, which shall mean 90% of the Tax Increment attributable to the Minimum Improvements and Development Property that is paid to the City by Itasca County in the six (6) months preceding the Payment Date on the Note. Available Tax Increment shall not include any Tax Increment if, as of any Payment Date, there is an uncured Event of Default under the Agreement.

The City shall have no obligation to pay principal of and interest on this Note on each Payment Date from any source other than Available Tax Increment, and the failure of the City to pay the entire amount of principal or interest on this Note on any Payment Date shall not constitute a default hereunder as long as the City pays principal and interest hereon to the extent of Available Tax Increment. The City shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the Final Payment Date.

4. Default. If on any Payment Date there has occurred and is continuing any Event of Default under the Agreement, the City may withhold from payments hereunder all Available Tax Increment. If the Event of Default is thereafter cured in accordance with the Agreement, the Available Tax Increment withheld under this Section shall be deferred and paid, without interest thereon, on the next Payment Date after the Event of Default is cured. If the Event of Default is not cured in a timely manner, the City may terminate this Note by written notice to the Owner in accordance with the Agreement.

5. Optional Prepayment. The principal sum and all accrued interest payable under this Note is prepayable in whole or in part at any time by the City without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Note.

6. Termination. At the City's option, this Note shall terminate and the City's obligation to make any payments under this Note shall be discharged upon the occurrence of an Event of Default on the part of the Developer as defined in Section 9.1 of the Agreement, but only if the Event of Default has not been cured following notice to the Developer and the applicable cure period in accordance with the Agreement.

7. Nature of Obligation. This Note is issued in the total principal amount of $_____, issued to aid in financing certain public development costs and administrative costs of a Development District undertaken by the City pursuant to Minnesota Statutes, Sections 469.124 through 469.133, as amended, and is issued pursuant to an authorizing resolution (the "Resolution") duly adopted by the City on August 12, 2024, and pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Sections 469.174 through 469.1794, as amended. This Note is a limited obligation of the City which is payable solely from Available Tax Increment pledged to the payment hereof under the Resolution. This Note and the interest hereon shall not be deemed to constitute a general obligation of the City, the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, the City, nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Note or other costs incident hereto except out of Available Tax Increment, and neither the full faith and credit nor the taxing power of the City or any political subdivision thereof is pledged to the payment of the principal of or interest on this Note or other costs incident hereto.

8. Registration and Transfer. This Note is issuable only as a fully registered note without coupons. As provided in the Resolution, and subject to certain limitations set forth therein, this Note is transferable upon the books of the City kept for that purpose at the principal office of the City Administrator of the City, by the Owner hereof in person or by such Owner's attorney duly authorized in writing, upon surrender of this Note together with a written instrument of transfer satisfactory to the City, duly executed by the Owner and an investment letter executed by the transferee to the City. Upon such transfer or exchange and the payment by the Owner of any tax, fee, or governmental charge required to be paid by the City with respect to such transfer or exchange, there will be issued in the name of the transferee a new Note of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date.

Except as otherwise provided in Section 3.7(b) of the Agreement, this Note shall not be transferred to any person or entity, unless the City has provided written consent to such transfer.

9. Estimates of Available Tax Increment. Any estimates of Tax Increment prepared by the City or its financial advisors in connection with the Available Tax Increment and the Agreement are for the benefit of the City only, and are not intended as representations on which the Developer may rely.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen, and to be performed in order to make this Note a valid and binding limited obligation of the City according to its terms, have been done, do exist, have happened, and have been performed in due form, time and manner as so required.

IN WITNESS WHEREOF, the City Council of the City of Grand Rapids, Minnesota has caused this Note to be executed with the manual signatures of its Mayor and City Administrator, all as of the Date of Original Issue specified above.

CITY OF GRAND RAPIDS, MINNESOTA

Mayor	City Administrator

REGISTRATION PROVISIONS

The ownership of the unpaid balance of the Note herein is registered in the bond register of the City Administrator of the City of Grand Rapids, Minnesota, in the name of the person last listed below.

Date of Registration	Registered Owner	Signature of City Administrator
	Unique Opportunities Grand Rapids, L.L.C. Federal Tax I.D. No.:	

PURCHASE AND DEVELOPMENT AGREEMENT

by and between

CITY OF GRAND RAPIDS, MINNESOTA,

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY,

and

[UNIQUE OPPORTUNITIES GRAND RAPIDS, L.L.C.]

Dated: August __, 2024

Drafted by:
Kennedy & Graven, Chartered (GAF)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402

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PURCHASE AND DEVELOPMENT AGREEMENT

THIS PURCHASE AND DEVELOPMENT AGREEMENT, made on or as of the ___ day of August, 2024 (the "Agreement"), by and between the CITY OF GRAND RAPIDS, MINNESOTA, a statutory city organized and existing under the Constitution and the laws of the State of Minnesota (the "City"), the GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic (the "Authority"), and [UNIQUE OPPORTUNITIES GRAND RAPIDS, L.L.C.], a Minnesota limited liability company (the "Developer").

WITNESSETH:

WHEREAS, the City has undertaken a program to promote economic development and job opportunities and to promote the development of land which is underutilized within the City, and in connection herewith created a development project known as Municipal Development District No. 1 (the "Development District") pursuant to Minnesota Statutes, Sections 469.124 through 469.133, as amended (the "City Development Act"), and has adopted a development program therefor (the "Development Program"); and

WHEREAS, within the Development District the City has created Tax Increment Financing District No. 1-16: Downtown Housing Development (the "TIF District"), a housing tax increment financing district, in order to facilitate development of certain property in the Development District and promote the development of affordable housing within the City, and has adopted a tax increment financing plan therefor (the "TIF Plan"), all pursuant to the City Development Act and Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the "TIF Act"); and

WHEREAS, the Authority was created pursuant to Minnesota Statutes, Sections 469.090 through 469.1081, as amended (the "EDA Act"), and is authorized to transact business and exercise its powers by a resolution of the City Council of the City; and

WHEREAS, pursuant to the EDA Act, the Authority is authorized to acquire real property, or interests therein, and to undertake certain activities to prepare such real property for development by private enterprise; and

WHEREAS, the Developer has requested that the Authority sell it certain property legally described in EXHIBIT A attached hereto (the "Development Property"), and the Developer proposes to acquire, construct and equip an approximately 63-unit multifamily rental housing facility with underground parking and enhanced finishes including _____, with at least twenty percent (20%) of such units to be available to persons or families of low and moderate income, with all related improvements to be completed, owned and operated by the Developer on the Development Property (the "Minimum Improvements"); and

WHEREAS, in order to achieve the objectives of the Development Program and the TIF Plan, and to make the Minimum Improvements economically feasible for the Developer to construct, the City is prepared to reimburse the Developer for a portion of the public development costs related to the Minimum Improvements, as more particularly set forth in this Agreement; and

WHEREAS, the City and the Authority believe that the sale and improvement of the Development Property and the development of the TIF District pursuant to this Agreement, and fulfillment generally of this Agreement are vital and are in best interests of the City and the Authority, and the health, safety, morals, and welfare of the residents of the City, and in accordance with the public purposes and provisions of the applicable

state and local laws and the requirements under which the Development District has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

(The remainder of this page is intentionally left blank.)

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

"Administrative Costs" has the meaning set forth in Section 3.8.

"Affiliate" means with respect to the Developer (a) any corporation, partnership, limited liability company or other business entity or person controlling, controlled by or under common control with the Developer, and (b) any successor to such party by merger, acquisition, reorganization or similar transaction involving all or substantially all of the assets of such party (or such Affiliate). For the purpose hereof the words "controlling," "controlled by" and "under common control with" mean, with respect to any corporation, partnership, limited liability company or other business entity, the ownership of fifty percent (50%) or more of the voting interests in such entity possession, directly or indirectly, of the power to direct or cause the direction of management policies of such entity, whether ownership of voting securities or by contract or otherwise.

"Agreement" means this Purchase and Development Agreement, as the same may be from time to time modified, amended, or supplemented.

"Authority" means the Grand Rapids Economic Development Authority, a public body corporate and politic organized and existing under the laws of the State.

"Authorizing Resolution" means the resolution of the City, substantially in the form set forth in EXHIBIT F attached hereto, adopted by the City Council to authorize the issuance of the Note.

"Available Tax Increment" has the meaning provided in the Authorizing Resolution.

"Board" means the Board of Commissioners of the Authority.

"Business Day" means any day except a Saturday, Sunday, legal holiday, a day on which the City is closed for business, or a day on which banking institutions in the City are authorized by law or executive order to close.

"Certificate of Completion" means the certificate to be provided to the Developer pursuant to Section 4.5 hereof, in the form set forth in EXHIBIT B attached hereto.

"City" means the City of Grand Rapids, Minnesota, a statutory city organized and existing under the Constitution and the laws of the State.

"City Council" means the City Council of the City.

"City Development Act" means Minnesota Statutes, 469.124 through 469.133, as amended.

"City Representative" means the City Administrator of the City or any person designated in writing by the City Administrator to act as the City Representative for the purposes of this Agreement.

"Construction Plans" means the plans, specifications, drawings and related documents on the construction work to be performed by the Developer on the Development Property, including the Minimum Improvements and the Public Improvements, which (a) shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the appropriate building officials of the City, and (b) shall include at least the following: (1) site plan; (2) foundation plan; (3) basement plans; (4) floor plan for each floor; (5) cross sections of each (length and width); (6) elevations (all sides); (7) landscape plan; and (8) such other plans or supplements to the foregoing plans as the City may reasonably request to allow it to ascertain the nature and quality of the proposed construction work.

"County" means the County of Itasca, Minnesota, a public body corporate and politic under the laws of the State.

"Developer" means [Unique Opportunities Grand Rapids, L.L.C.], a Minnesota limited liability company, or permitted successors and assigns.

"Development District" means the City's Municipal Development District No. 1, as amended.

"Development Program" means the City's Development Program for the Development District, as amended.

"Development Property" means the real property located in the City and legally described in EXHIBIT A attached hereto.

"EDA Act" means the Economic Development Authority Act, Minnesota Statutes, Sections 469.090 to 469.1082, as amended.

"Event of Default" means an action by the Developer listed in Article IX hereof.

"Holder" means the owner of a Mortgage.

"Minimum Improvements" means the acquisition of the Development Property by the Developer from the Authority and the construction and equipping thereon of an approximately 63-unit multifamily rental housing facility with underground parking and enhanced finishes including _____ with at least twenty percent (20%) of such units to be available to persons or families of low and moderate income with all related improvements to be completed, owned and operated by the Developer on the Development Property.

"Mortgage" means any mortgage made by the Developer which is secured, in whole or in part, with the Development Property and which is a permitted encumbrance pursuant to the provisions of Article VII hereof.

"Note" means the City's pay-as-you-go Tax Increment Revenue Note, Series 2024 (Downtown Housing Development), substantially in the form contained in the Authorizing Resolution, to be delivered by the City to the Developer in consideration for the Developer's payment of Public Development Costs, and any obligation issued to refund the Note.

"Payment Date" has the meaning provided in the Authorizing Resolution.

"Public Development Costs" means those costs to be paid or reimbursed to the Developer by the City in connection with the development hereunder pursuant to Section 3.6 hereof, and as described in EXHIBIT D attached hereto.

"Public Improvements" has the meaning set forth in Section 4.4 hereof.

"State" means the State of Minnesota.

"Tax Increment" means that portion of the real property taxes which is paid with respect to the Development Property and which is remitted to the City by the County as tax increment pursuant to the TIF Act. The term Tax Increment does not include any amounts retained by or payable to the State auditor under Section 469.177, subdivision 11 of the TIF Act.

"TIF Act" means the Tax Increment Financing Act, Minnesota Statutes, Sections 469.174 through 469.1794, as amended.

"Tax Increment District" or "TIF District" means the City's Tax Increment Financing District No. 1-16: Downtown Housing Development, a housing tax increment financing district, within the Development District.

"Tax Increment Plan" or "TIF Plan" means the Tax Increment Financing Plan for the TIF District, as approved by the City Council on August 12, 2024, and as it may be amended.

"Tax Official" means any County assessor, County auditor, County or State board of equalization, the commissioner of revenue of the State, or any State or federal district court, the tax court of the State, or the State Supreme Court.

"Termination Date" means the earlier of the following: (a) the Final Payment Date (as defined in the Note), (b) the date when the Note has been fully paid, defeased or terminated in accordance with its terms; or (c) the date of termination of the Note and this Agreement by the City due to an Event of Default as set forth in Section 9.2 hereof.

"Transfer" has the meaning set forth in Section 8.2(a) hereof.

"Unavoidable Delays" means delays beyond the reasonable control of the party seeking to be excused as a result thereof which are the direct result of strikes, other labor troubles, material shortages, prolonged adverse weather or acts of God, pandemic affecting the State as determined by the Governor, acts of war or terrorism, fire or other casualty to the Minimum Improvements, discovery of unknown hazardous materials or other concealed site conditions or delays of contractors due to such discovery, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the City or Authority in exercising its rights under this Agreement) which directly result in delays. Unavoidable Delays shall not include delays in the Developer's obtaining of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under Section 4.3 hereof.

(The remainder of this page is intentionally left blank.)

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of the Authority. The Authority makes the following representations and warranties:

(a) The Authority is a public body corporate and politic duly organized and existing under the laws of the State. Under the provisions of the EDA Act, the Authority has the power to enter into this Agreement and carry out its obligations hereunder, and the execution of this Agreement has been duly, properly and validly authorized by the Authority. This Agreement contains the valid and binding obligations of the Authority and is enforceable in accordance with its terms.

(b) The Authority makes no representation or warranty, either express or implied, as to the Development Property or its condition, or that the Development Property shall be suitable for the Developer's purposes or needs or suitable for the construction of the Minimum Improvements.

(c) The activities of the Authority hereunder are undertaken for the purpose of fostering affordable rental housing for persons of low and moderate income, and for the purpose of promoting economic development and the development of certain real property which for a variety of reasons is presently unutilized and underutilized.

Section 2.2. Representations and Warranties of the City. The City makes the following representations and warranties:

(a) The City is a statutory city duly organized and existing under the laws of the State. Under the provisions of the City Development Act and the TIF Act, the City has the power to enter into this Agreement and carry out its obligations hereunder, and the execution of this Agreement has been duly, properly and validly authorized by the City. This Agreement contains the valid and binding obligations of the City and is enforceable in accordance with its terms.

(b) The activities of the City under this Agreement are undertaken for the purpose of fostering affordable rental housing for persons of low and moderate income, and for the purpose of promoting economic development and the development of certain real property which for a variety of reasons is presently unutilized and underutilized.

(c) The City has taken the actions necessary in accordance with the terms of the TIF Act to establish the Tax Increment District as a "housing district" within the meaning of Minnesota Statutes, Section 469.174, Subdivision 11.

(d) The Minimum Improvements contemplated by this Agreement is in conformance with the development objectives set forth in the Development Program and the TIF Plan.

(e) The City makes no representation or warranty, either express or implied, as to the Development Property or its condition, or that the Development Property shall be suitable for the Developer's purposes or needs.

(f) The City has not entered into any other contracts for the sale of the Development Property, nor are there any rights of first refusal, options to purchase, rights to build, leases or any other agreements regarding the Development Property, or any other rights of third parties that might prevent the execution of this Agreement or Developer's purchase of the Development Property.

(g) There are no tenants, persons or entities occupying any portion of the Development Property and no claim exists against any portion of the Development Property by reason of adverse possession or prescription.

(h) The Development Property is properly zoned for construction and operation of the Minimum Improvements.

Section 2.3 Representations and Warranties of the Developer. The Developer makes the following representations and warranties:

(a) The Developer is a Minnesota limited liability company duly and validly organized and existing in good standing under the laws of the State, and has the corporate power and authority to enter into this Agreement and to perform its obligations hereunder and is not in violation of any law of the State.

(b) In the event the Development Property is conveyed to the Developer, then the Developer will construct, operate, and maintain the Minimum Improvements, or cause the same to be constructed, operated and maintained, in accordance with the terms of this Agreement, and all applicable local, state, and federal laws and regulations (including, but not limited to, environmental, zoning, building code, and public health laws and regulations).

(c) Before the Minimum Improvements and the Public Improvements may be constructed, the Developer will obtain or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable City, County, State, and federal laws and regulations.

(d) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(e) The Developer understands that the City and the Authority may subsidize or encourage other developments in the City, including properties that compete with the Development Property and the Minimum Improvements, and that such subsidies may be more favorable than the terms of this Agreement, and that the City and the Authority have informed the Developer that development of the Development Property will not be favored over the development of other properties.

(f) No member of the City Council, no other officer of the City, no member of the Board or other officer of the Authority has either a direct or indirect financial interest in this Agreement, nor will any member of the City Council, any other officer of the City, any member of the Board or any other officer of the Authority benefit financially from this Agreement within the meaning of Minnesota Statutes, Section 471.87.

(g) The Developer did not obtain a building permit for any portion of the Minimum Improvements or for any other improvements on the Development Property not included in the calculation of the original tax capacity before the date of original approval of the TIF Plan by the City.

(h) The Minimum Improvements would not be undertaken by the Developer, and in the opinion of the Developer, would not be economically feasible within the reasonably foreseeable future without the assistance and benefit to the Developer provided for in this Agreement.

(i) The Developer represents that no more than twenty percent (20%) of the square footage of the Minimum Improvements will consist of commercial, retail or other nonresidential use.

(j) The Developer has received no notice or communication from any local, state, or federal official that the activities of the Developer, the City or the Authority on the Development Property may be or will be in violation of any environmental law or regulation (other than those notices or communications of which the City and Authority are aware). The Developer is aware of no facts the existence of which would cause it to be in violation of or give any person a valid claim under any applicable local, state, or federal environmental law, regulation or review procedure.

(k) The Developer will construct the Minimum Improvements in accordance with all applicable local, state, or federal energy-conservation laws or regulations.

(l) To the best of Developer's knowledge and belief, neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by, or conflicts with or results in a breach of the terms, conditions, or provisions of any restriction or any evidences of indebtedness, agreement, or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(m) Whenever any Event of Default occurs and if the Authority or the City shall employ attorneys or incur other expenses for the collection of payments due or to become due, or for the enforcement of performance or observance of any obligation or agreement on the part of the Developer under this Agreement, the Developer agrees that it shall, within ten days of written demand by the Authority or the City, pay to the Authority or the City the reasonable fees of such attorneys and such other expenses so incurred by the Authority or the City.

(n) The Developer shall promptly advise the City in writing of all litigation or claims affecting any part of the Minimum Improvements and all written complaints and charges made by any governmental authority materially affecting the Minimum Improvements or materially affecting the Developer or its business which may delay or require changes in construction of the Minimum Improvements.

(o) The total development costs of the Minimum Improvements are estimated to be approximately $10,150,000 and the sources of revenue to pay such costs are approximately $8,821,746, excluding the tax increment assistance, and the Developer has been unable to obtain additional private financing for the total development costs.

(p) The Developer has made its own projections of Tax Increments and revenues to be generated from the Minimum Improvements and of the Developer's return on investment and the Developer has not relied on any assumptions, calculations, determinations or conclusions made by the City, its governing body members, officers or agents, including the independent contractors, consultants and legal counsel, servants and employees thereof, with respect to the foregoing or in determining to proceed with the Minimum Improvements.

ARTICLE III

ACQUISITION AND CONVEYANCE OF PROPERTY; PUBLIC DEVELOPMENT COSTS; FINANCING

Section 3.1. Acquisition and Conveyance of the Development Property. As of the date of this Agreement, the Authority owns the Development Property. The Developer will acquire the Development Property from the Authority in accordance with the terms and conditions of this Agreement. The Developer will pay a purchase price of $200,000.00(the "Purchase Price") to the City. Upon execution of this Agreement, the Developer shall pay $5,000 in earnest money (the "Earnest Money") to the Authority. The Earnest Money shall be nonrefundable. The balance of the Purchase Price shall be due and payable by the Developer at Closing (as defined in Section 3.2(c) hereof). The parties agree and acknowledge that the Purchase Price for the Development Property represents the fair market value of the Development Property.

Section 3.2. Conditions of Conveyance; Purchase Price.

(a) *Generally*. The Authority shall convey title to and possession of the Development Property to the Developer by a quit claim deed substantially in the form of the deed attached as EXHIBIT C to this Agreement (the "Deed"). The Authority's obligation to convey the Development Property to the Developer and Developer's obligation to purchase the Development Property and otherwise perform any other obligations under this Agreement, are subject to and contingent upon satisfaction of the following terms and conditions:

(1) The City and the Authority having approved Construction Plans for the Minimum Improvements and the Public Improvements in accordance with Section 4.2.

(2) The Developer having obtained and the City and the Authority having reviewed the Developer's evidence of adequate financing in accordance with Article VII hereof.

(3) The Developer having received approval by the City, the Authority and by all governmental agencies from which approval must be obtained for the development of the Development Property and the construction of the Minimum Improvements and the Public Improvements (as hereinafter defined), including without limitation a building permit and approval of the site plans, building plans, and any other City approvals, all to the extent so required under City ordinances or other applicable regulations.

(4) The Developer having reviewed and approved (or waived Objections (as hereinafter defined) to) title to the Development Property as set forth in Section 3.4.

(5) The Developer having reviewed and approved (or waived Objections to) soil and environmental conditions and Inspections (as hereinafter defined) as set forth in Section 3.5.

(6) There is no uncured Event of Default under this Agreement.

(7) The Board having held a public hearing on the sale of the Development Property to the Developer.

(8) All of the representations and warranties of the Authority and City set forth in this Agreement being true and correct as of the Closing Date.

(9) The Authority and City having performed all of their obligations as and when required pursuant to this Agreement.

(b) *Exercise and waiver of conditions.* Conditions (4) and (5) and (8) through (9) are solely for the benefit of the Developer and may be waived by the Developer. Conditions (1) through (3) and (6) through (7) are for the benefit of both parties and may be exercised by either party.

All conditions must be satisfied or waived on or before Closing. If any of such conditions have not been satisfied or waived by the applicable date stated in this Section, then this Agreement may be terminated, at the benefitted party's option, by written notice from that party to the other. Upon such termination, this Agreement shall become null and void and neither party will have any further rights or obligations under this Agreement other than Developer's obligations under Section 3.8 hereof relating to the payment of Administrative Costs. Should a party fail to give notice of termination as provided herein with respect to any of contingencies benefitting that party, the contingency in question shall be conclusively deemed to have been waived by that party. Waiver of any condition (to the extent permitted under this paragraph) must be in writing delivered by the waiving party to the other party.

(c) *Closing*. The closing on conveyance of the Development Property from the Authority to the Developer (the "Closing") shall occur on a mutually acceptable date after satisfaction or waiver of the conditions specified in this Section, but no later than September 27, 2024.

Section 3.3. Place of Document Execution, Delivery and Recording; Costs.

(a) Unless otherwise mutually agreed by the Authority and the Developer, the execution and delivery of all deeds, documents and the payment of any purchase price shall be made at the offices of the title company selected by Developer (the "Title Company") or such other location to which the parties may agree.

(b) The Deed shall be in recordable form and shall be promptly recorded in the proper office for the recordation of deeds and other instruments pertaining to the Development Property. At Closing, the Developer shall pay recording costs for recordable documents except for any instruments required to clear title encumbrances, title insurance policy fees and premiums, if any, and one half of the title company closing fees, if any. The Authority shall pay any state deed tax, costs of recording any instruments required to clear title encumbrances, if any, and one half of any closing fees charged by the Title Company. The parties agree and understand that the Development Property is exempt from property taxes in 2024. The Authority will pay any and all outstanding special assessments on the Development Property as of the Closing.

(c) The Authority shall deliver such certificates, affidavits or other information as may be necessary to convey title to the Development Property to Developer, and allow Developer to obtain title insurance in an acceptable form, all as may be reasonably requested.

Section 3.4. Title.

(a) As soon as practical after the date of this Agreement, the Developer, at the Authority's expense, shall obtain a commitment for the issuance of a policy of title insurance for the Development Property from the Title Company (the "Title Commitment"). The Developer shall have thirty (30) days from the date of its receipt of the Title Commitment and a current ALTA survey of the Development Property obtained at the Developer's sole expense (the "Survey") to review the state of title to the Development Property and to provide the Authority with a list of written objections to such title (the "Objections"). If an update to the Title Commitment or Survey reveals any additional encumbrances not provided in the original Title Commitment, the Developer reserves the right to make additional Objections and the provisions of this Section shall apply to such additional Objections. Upon receipt of the Developer's list of written objections, the Authority shall proceed in good faith and with all due diligence to attempt to cure the Objections made by the Developer. In the event that the Authority has failed to cure Objections within sixty (60) days after its receipt of the

Developer's list of such Objections, the Developer may by the giving of written notice to the others parties, (i) terminate this Agreement, upon the receipt of which this Agreement shall be null and void and neither party shall have any liability hereunder, other than Developer's obligations under Section 3.8 hereof; or (ii) waive the Objections and proceed to Closing. Notwithstanding the previous sentence, if costs to the Authority to clear the Objections is more than $10,000, the Authority may, by giving written notice to the Developer, terminate this Agreement, upon the receipt of which this Agreement shall be null and void and neither party shall have any liability hereunder, other than Developer's obligations under Section 3.8 hereof. The Authority shall have no obligation to take any action to clear defects in the title to the Development Property, other than the good faith efforts described above.

(b) The City and Authority shall take no actions to encumber title to the Development Property between the date of this Agreement and the time which the Deed is delivered to the Developer. The City and Authority expressly agree that they will not cause or permit the attachment of any mechanics, attorneys, or other liens to the Development Property prior to Closing. Upon Closing, the Authority is obligated to remove any mortgages or liens and pay all costs to discharge any encumbrances to the Development Property attributable to actions of the City or the Authority, their employees, officers, agents or consultants, including without limitation any architect, contractor and or engineer. The Authority will remove any personal property from the Development Property before the Closing Date.

(c) The Developer shall take no actions to encumber title to the Development Property between the date of this Agreement and the time the Deed is delivered to the Developer. The Developer expressly agrees that it will not cause or permit the attachment of any mechanics, attorneys, or other liens to the Development Property prior to Closing. Notwithstanding termination of this Agreement prior to Closing, Developer is obligated to pay all costs to discharge any encumbrances to the Development Property attributable to actions of Developer, its employees, officers, agents or consultants, including without limitation any architect, contractor and or engineer.

Section 3.5. Soil Conditions; Other Representations.

(a) The Developer acknowledges that except as specifically provided in this agreement neither the Authority nor the City makes any representations or warranties as to the condition of the soils on the Development Property or its fitness for construction of the Minimum Improvements or any other purpose for which the Developer may make use of such property and that the assistance provided to the Developer under this Agreement neither implies any responsibility by the City or the Authority for any contamination of the Development Property nor imposes any obligation on such parties to participate in any cleanup of the Development Property. The Developer acquires the Development Property "as is." DEVELOPER ACKNOWLEDGES THAT DEVELOPER IS PURCHASING THE PROPERTY IN RELIANCE DEVELOPER'S INSPECTION OF THE PROPERTY PURSUANT TO THIS SECTION 3.5; AND ON DEVELOPER'S JUDGMENT REGARDING THE SUFFICIENCY OF SUCH INSPECTIONS EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT. DEVELOPER IS NOT RELYING ON ANY WRITTEN OR ORAL REPRESENTATIONS, WARRANTIES OR STATEMENTS THAT AUTHORITY OR AUTHORITY'S AGENTS HAVE MADE. SUBJECT TO DEVELOPER'S RIGHT TO TERMINATE THIS AGREEMENT PURSUANT TO THIS SECTION 3.5, PURCHASER IS PURCHASING THE PROPERTY IN "AS IS" CONDITION.

(b) Without limiting its obligations under Section 8.3 of this Agreement the Developer further agrees that it will indemnify, defend, and hold harmless the Authority, the City, and their governing body members, officers, and employees, from any claims or actions arising out of the presence, if any, of hazardous wastes or pollutants existing on or in the Development Property which either (i) arise out of activities of Developer on the Development Property or (ii) arise out of hazardous substances, asbestos,

petroleum substances, or pollutants, irritants or contaminants brought onto Development Property by Developer. In addition, Developer agrees to release the Indemnified Parties from any and all costs, expenses, losses, liabilities, claims, causes of action, demands, and damages relating to the environmental conditions on the Development Property as of the Date of Closing which are not caused by the actions of the Indemnified Parties. Nothing in this section will be construed to limit or affect any limitations on liability of the Authority or the City under State or federal law, including without limitation Minnesota Statutes, Sections 466.04 and 604.752.

(c) Before closing on conveyance of the Development Property, the Developer may enter the Development Property and conduct any environmental, soils studies, surveys, geothermal or any other inspections, investigations, testing or studies deemed necessary by the Developer (collectively, the "Inspections"). The Developer agrees that it shall cause all Inspections performed on the Development Property to be performed in a manner that does not disturb the Development Property and that the Development Property shall be returned to its original condition after Developer's entry. Except for soil borings and test pits, the Developer shall not conduct or cause to be conducted any physically intrusive investigations, examinations or studies of the Development Property without obtaining the prior written consent of the Authority, which consent shall not be unreasonably withheld. If on or before the Closing the Developer, in its sole discretion, is not satisfied with the results of its Inspections, determines that hazardous waste or other pollutants as defined under federal and state law exist on the Development Property, or that the soils are otherwise unsuitable for construction of the Minimum Improvements, the Developer may at its option terminate this Agreement by giving written notice to the Authority, upon receipt of which this Agreement shall be null and void and neither party shall have any liability hereunder, other than Developer's obligations under Section 3.8 hereof.

(d) The Authority represents and certifies that there are no wells on the Development Property.

Section 3.6. Public Development Costs. In order to make development of the Minimum Improvements economically feasible, the City will reimburse the Developer for a portion of the Public Development Costs as set forth in more detail in EXHIBIT D attached hereto. The total principal amount of Public Development Costs subject to reimbursement will not exceed $1,328,254. The Developer anticipates that the Public Development Costs will be at least $1,328,254. Public Development Costs in excess of the aggregate total are the responsibility of the Developer.

Section 3.7. Issuance of Note.

(a) *Terms*. To reimburse the Developer for a portion of the Public Development Costs paid by the Developer, the City shall issue the Note in the maximum principal amount of $1,328,254 to pay for Public Development Costs associated with of the Minimum Improvements. The City shall issue and deliver the Note upon Developer having:

(i) delivered to the City written evidence reasonably satisfactory to the City that Developer has incurred Public Development Costs for the Minimum Improvements in an amount at least equal to the principal amount of the Note, which evidence must include copies of the paid invoices or other comparable evidence for costs of allowable Public Development Costs, and a statement that no part of such cost has been included in any previous certification under this Section;

(ii) submitted evidence of financing in accordance with Section 7.1 hereof;

(iii) delivered to the City an investment letter in a form reasonably satisfactory to the City;

(iv) the construction of the Minimum Improvements and the Public Improvements have been substantially completed in accordance with Article IV hereof;

(v) paid all of the Administrative Costs required to have been paid as of such date in accordance with Section 3.8 hereof; and

(vi) the Developer is in material compliance with each term or provision of this Agreement required to have been satisfied as of such date.

The terms of the Note will be substantially those provided in the form of the note set forth in Schedule B of EXHIBIT F attached hereto, and the Note will be subject to all terms of the Authorizing Resolution, which is incorporated herein by reference. The Note shall bear interest at the rate of 7.50% as set forth in the Note.

(b) *Assignment of Note*. The City acknowledges that the Developer may assign the Note to a third party. The City consents to such an assignment, conditioned upon receipt of a written instrument of transfer reasonably satisfactory to the City approving such transfer and investment letter from such third party in a form reasonably acceptable to the City.

(c) *Qualifications.*

(i) The Developer understands and acknowledges that all Public Development Costs must be paid by the Developer and will be reimbursed solely from Available Tax Increment pursuant to the terms of the Note. Public Development Costs exceeding the principal amount of the Note are the sole responsibility of the Developer.

(ii) The City makes no representations or warranties regarding the amount of Available Tax Increment will be sufficient to pay the principal and interest on the Note. Any estimates of Tax Increment prepared by the City or its municipal advisors in connection with the TIF District or this Agreement are for the benefit of the City, and are not intended as representations on which the Developer may rely.

(iii) The Note shall be a special and limited obligation of the City and not a general obligation of the City, and only Available Tax Increment shall be used to pay the principal of and interest on the Note.

(iv) The City's obligation to make payments on the Note any Payment Date or on any date thereafter shall be conditioned upon the requirement (A) there shall not at that time be an Event of Default that has occurred and is continuing under this Agreement that has not been cured during the applicable cure period, (B) this Agreement shall not have been terminated pursuant to Section 5.2, and (C) all conditions set forth in Section 3.7(a) have been satisfied as of such date.

Section 3.8. Developer to Pay City and Authority's Fees and Expenses. The Developer will pay all of the reasonable Administrative Costs (as defined below) of the City and the Authority and must pay such costs to the City and the Authority within 30 days after receipt of a written invoice from the City or the Authority describing the amount and nature of the costs to be reimbursed. For the purposes of this Agreement, the term "Administrative Costs" means out of pocket costs incurred by the City or the Authority together with staff and consultant (including reasonable legal, financial advisor, etc.) costs of the City or the Authority, all attributable to or incurred in connection with the establishment of the TIF District, the drafting and adoption of the TIF Plan, and the review, negotiation and preparation of this Agreement

(together with any other agreements entered into between the parties hereto contemporaneously therewith) and the review and approvals of other documents and agreements in connection with the Minimum Improvements and the Public Improvements. In addition, certain engineering, environmental advisor, legal, land use, zoning, subdivision and other costs related to the development of the Development Property are required to be paid, or additional funds deposited in escrow, as provided in accordance with the City's planning, zoning, and building fee schedules. The City and the Authority acknowledge that the Developer has deposited $5,000 with the City toward payment of the Administrative Costs. If such costs exceed such amount, then at any time, but not more often than monthly, the City or the Authority, as applicable, will deliver written notice to Developer setting forth any additional fees and expenses and Developer agrees to pay all fees and expenses within 30 days of the City's or the Authority's, as applicable, written request. Any unused amount of such deposit shall be returned to the Developer.

Section 3.9. Use of Tax Increments. The City shall be free to use the Tax Increments, other than those to which the Developer is entitled pursuant to the provisions of Section 3.7 hereof, for its Administrative Expenses, and for any other purpose for which the Tax Increments may lawfully be used pursuant to applicable provisions of State law.

Section 3.10. Records. The City and its representatives shall have the right at all reasonable times, after reasonable notice, to inspect, examine and copy all books and records of the Developer relating to the Minimum Improvements and the Public Development Costs.

Section 3.11. No Business Subsidy. The parties agree and understand that the purpose of the City's financial assistance to the Developer is to facilitate development of affordable rental housing for persons of low and moderate income, and is not a "business subsidy" within the meaning of Minnesota Statutes, Sections 116J.993 to 116J.995, as amended.

ARTICLE IV

CONSTRUCTION OF MINIMUM IMPROVEMENTS

Section 4.1. Construction of Improvements. The Developer agrees that it will construct the Minimum Improvements and the Public Improvements on the Development Property in accordance with the approved Construction Plans, and at all times prior to the Termination Date will operate and maintain, preserve and keep the Minimum Improvements or cause the Minimum Improvements to be maintained, preserved, and kept with the appurtenances and every part and parcel thereof, in good repair and condition, ordinary wear and tear excepted. Neither the City nor the Authority shall have any obligation to operate or maintain the Minimum Improvements.

Section 4.2. Construction Plans.

(a) Before commencing construction of the Minimum Improvements and the Public Improvements, the Developer shall submit to the City and the Authority Construction Plans for the Minimum Improvements and the Public Improvements. The Construction Plans shall provide for the construction of the Minimum Improvements and the Public Improvements and shall be in conformity with the Development Program, this Agreement, and all applicable State and local laws and regulations. The City Representative and the will approve the Construction Plans in writing if: (i) the Construction Plans conform to the terms and conditions of this Agreement; (ii) the Construction Plans conform to the goals and objectives of the Development Program; (iii) the Construction Plans conform to all applicable federal, state and local laws, ordinances, rules and regulations; (iv) the Construction Plans are adequate to provide for construction of the Minimum Improvements and the Public Improvements; (v) the Construction Plans do not provide for expenditures in excess of the funds available to the Developer from all sources for construction of the Minimum Improvements and the Public Improvements; and (vi) no Event of Default. Approval may be based upon a review by the Building Official of the City of the Construction Plans. No approval by the City Representative shall relieve the Developer of the obligation to comply with the terms of this Agreement or of, applicable federal, state and local laws, ordinances, rules and regulations, or to construct the Minimum Improvements and the Public Improvements in accordance therewith. No approval by the City Representative shall constitute a waiver of an Event of Default has occurred. If approval of the Construction Plans is requested by the Developer in writing at the time of submission, such Construction Plans shall be deemed approved unless rejected in writing by the City Representative, in whole or in part. Such rejections shall set forth in detail the reasons therefor, and shall be made within thirty (30) days after the date of their receipt by the City. If the City Representative rejects any Construction Plans in whole or in part, the Developer shall submit new or corrected Construction Plans within thirty (30) days after written notification to the Developer of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans shall continue to apply until the Construction Plans have been approved by the City Representative. The City Representative's approval shall not be unreasonably withheld, conditioned, or delayed. Said approval shall constitute a conclusive determination that the Construction Plans (and the Minimum Improvements and the Public Improvements constructed in accordance with said plans) comply to the City's satisfaction with the provisions of this Agreement relating thereto.

The Developer hereby waives any and all claims and causes of action whatsoever resulting from the review of the Construction Plans by the City and/or any changes in the Construction Plans requested by the City. Neither the City, nor any employee or official of the City shall be responsible in any manner whatsoever for any defect in the Construction Plans or in any work done pursuant to the Construction Plans, including changes requested by the City.

(b) If the Developer desires to make any material change in the Construction Plans after their approval by the City, the Developer shall submit the proposed change to the City for approval. If the Construction Plans, as modified by the proposed change, conform to the requirements of this Section with respect to such previously approved Construction Plans, the City shall approve the proposed change and notify the Developer in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed approved by the City unless rejected, in whole or in part, by written notice by the City to the Developer, setting forth in detail the reasons therefor. Such rejection shall be made within ten (10) days after receipt of the notice of such change. The City's approval of any such change in the Construction Plans will not be unreasonably withheld.

Section 4.3. Commencement and Completion of Construction. Subject to Unavoidable Delays, the Developer shall commence the construction of the Minimum Improvements by May 31, 2025 and substantially complete construction of the Minimum Improvements by June 1, 2026. All work with respect to the Minimum Improvements to be constructed or provided by the Developer on the Development Property shall be in substantial conformity with the Construction Plans as submitted by the Developer and approved by the City.

The Developer agrees for itself, its successors and assigns, and every successor in interest to the Development Property, or any part thereof, that the Developer, and such successors and assigns, shall promptly begin and diligently prosecute to completion the development of the Development Property through the construction of the Minimum Improvements thereon, and that such construction shall in any event be commenced and completed within the period specified in this Section. Subsequent to execution of this Agreement, and until construction of the Minimum Improvements has been completed, the Developer shall make reports, in such detail and at such times as may reasonably be requested by the City, as to the actual progress of the Developer with respect to such construction.

Section 4.4. Public Improvements. The Developer shall construct a six-foot wide public sidewalk adjacent to the Minimum Improvements (the "Public Improvements"). The Public Improvements shall extend along the north curb line of 2nd Street North between the east and west boundary line of the Development Property, a length of approximately 480 feet. The Developer must substantially complete construction of the Public Improvements by June 1, 2026.

Section 4.5. Certificate of Completion.

(a) Promptly after completion of the Minimum Improvements and the Public Improvements in accordance with those provisions of this Agreement relating solely to the obligations of the Developer to construct the Minimum Improvements and the Public Improvements (including the dates for commencement and completion thereof), the City Representative will furnish the Developer with a Certificate of Completion in substantially the form set forth in EXHIBIT B attached hereto. The Certificate of Completion shall be a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement and in the Deed with respect to the obligations of the Developer, and its successors and assigns, to construct the Minimum Improvements and the Public Improvements and the date for the completion thereof. Such Certificate of Completion and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any Holder of a Mortgage, or any insurer of a Mortgage, securing money loaned to finance the Minimum Improvements, or any part thereof.

(b) If the City Representative shall refuse or fail to provide the Certificate of Completion in accordance with the provisions of this Section 4.5, the City Representative shall, within thirty (30) days after written request by the Developer, provide the Developer with a written statement, indicating in adequate detail in what respects the Developer has failed to complete the Minimum Improvements and/or the Public Improvements in accordance with the provisions of this Agreement, or is otherwise in default, and what

measures or acts it will be necessary, in the reasonable opinion of the City, for the Developer to take or perform in order to obtain such certification.

(c) The construction of the Minimum Improvements shall be deemed to be commenced when foundations are completed; and shall be deemed to be substantially complete upon issuance of a certificate of occupancy by the City. The construction of the Public Improvements shall be deemed to be substantially completed upon final inspection by the City and acceptance by the City.

Section 4.6. Income Limits.

(a) The City and the Developer understand and agree that the TIF District will constitute a "housing district" under Section 469.174, subdivision 11 of the TIF Act. The Developer covenants that, for the duration of the TIF District, it will comply with all income requirements for a qualified residential rental project as defined in Section 142(d) of the Internal Revenue Code of 1986, as amended. Specifically, the Developer agrees and covenants that twenty percent (20%) of the units of the Minimum Improvements (13 units) will be reserved for persons with incomes at or less than fifty percent (50%) of areawide median income.

(b) On or before April 1 of each year for the duration of the TIF District, the Developer shall submit evidence in substantially the form set forth in EXHIBIT E attached hereto, showing that the Minimum Improvements meet the relevant income and rent requirements. The parties agree and understand that the Developer may retain a manager (the "Manager") who will review such evidence and may certify on behalf of the Developer that the Minimum Improvements meet the relevant income and rent requirements. The Developer is responsible for any costs incurred to compensate the Manager (or any successor) for such activities.

(c) If the City reasonably determines based on evidence submitted by the Developer or receives notice from any Manager, the State department of revenue, the State auditor, any Tax Official or any court of competent jurisdiction that the TIF District does not qualify as a "housing district," such event shall be deemed an Event of Default under this Agreement. In addition to any remedies available to the City under Article IX hereof, the Developer shall indemnify, defend and hold harmless the City and the Authority for any damages or costs resulting therefrom.

(d) The Developer understands that if it does not comply with the affordability covenants in this Section, the TIF Act requires the City to decertify the TIF District.

ARTICLE V

INSURANCE AND CONDEMNATION

Section 5.1. Insurance.

(a) The Developer will provide and maintain at all times during the process of constructing the Minimum Improvements and the Public Improvements an All Risk Broad Form Basis Insurance Policy and, from time to time during that period, at the request of the Authority or the City, furnish the Authority or the City with proof of payment of premiums on policies covering the following:

(i) builder's risk insurance, written on the so-called "Builder's Risk -- Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Minimum Improvements and the Public Improvements at the date of completion, and with coverage available in nonreporting form on the so-called "all risk" form of policy. The interest of the Authority and the City shall be protected in accordance with a clause in form and content satisfactory to the Authority and the City;

(ii) comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, and contractual liability insurance) together with an Owner's Protective Liability Policy with limits against bodily injury and property damage of not less than $1,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used). The Authority and the City shall be listed as additional insureds on the policy; and

(iii) workers' compensation insurance, with statutory coverage, provided that the Developer may be self-insured with respect to all or any part of its liability for workers' compensation.

(b) Upon completion of construction of the Minimum Improvements and prior to the Termination Date, the Developer shall maintain, or cause to be maintained, at its cost and expense, and from time to time at the request of the Authority or the City shall furnish proof of the payment of premiums on, insurance as follows:

(i) insurance against loss and/or damage to the Minimum Improvements under a policy or policies covering such risks as are ordinarily insured against by similar businesses;

(ii) comprehensive general public liability insurance, including personal injury liability (with employee exclusion deleted), against liability for injuries to persons and/or property, in the minimum amount for each occurrence and for each year of $1,000,000, and shall be endorsed to show the City and Authority as additional insureds; and

(iii) such other insurance, including workers' compensation insurance respecting all employees of the Developer, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Developer may be self-insured with respect to all or any part of its liability for workers' compensation.

(c) All insurance required in this Article shall be taken out and maintained in responsible insurance companies selected by the Developer which are authorized under the laws of the State to assume the risks covered thereby. Upon request, the Developer will deposit annually with the City policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. Unless otherwise provided in this Article, each policy shall contain a provision that the insurer shall not cancel nor modify it in such a way as to reduce the coverage provided below the amounts

required herein without giving written notice to the Developer, the City, and the Authority at least thirty (30) days before the cancellation or modification becomes effective. In lieu of separate policies, the Developer may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Developer shall deposit with the City a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements.

(d) The Developer agrees to notify the Authority and the City immediately in the case of damage exceeding $100,000 in amount to, or destruction of, the Minimum Improvements or any portion thereof resulting from fire or other casualty. In such event the Developer either will forthwith repair, reconstruct, and restore the Minimum Improvements to substantially the same or an improved condition or value as it existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction, and restoration, the Developer will apply the net proceeds of any insurance relating to such damage received by the Developer to the payment or reimbursement of the costs thereof.

The Developer shall complete the repair, reconstruction and restoration of the Minimum Improvements, regardless of whether the net proceeds of insurance received by the Developer for such purposes are sufficient to pay for the same. Any net proceeds remaining after completion of such repairs, construction, and restoration shall be the property of the Developer.

(e) In lieu of its obligation to reconstruct the Minimum Improvements as set forth in this Section, the Developer shall have the option of: (i) paying to the City an amount that, in the reasonable opinion of the City and its municipal advisor, is sufficient to pay in full the outstanding principal and accrued interest on the Note, or (ii) so long as the Developer is the owner of the Note, waiving its right to receive subsequent payments under the Note.

(f) The Developer, the City and the Authority agree that all of the insurance provisions set forth in this Article V shall terminate upon the Termination Date.

Section 5.2. Subordination. Notwithstanding anything to the contrary herein, the rights of the Authority and the City with respect to the receipt and application of any insurance proceeds shall, in all respects, be subordinate and subject to the rights of any Holder under a Mortgage.

ARTICLE VI

REAL PROPERTY TAXES

Section 6.1. Right to Collect Delinquent Taxes. The Developer acknowledges that the City is providing substantial aid and assistance in furtherance of the construction of the Minimum Improvements through issuance of the Note. The Developer understands that the Tax Increments collected by the City from the Development Property pledged to payment on the Note are derived from real estate taxes on the Development Property, which taxes must be promptly and timely paid. To that end, the Developer agrees for itself, its successors and assigns, in addition to the obligation pursuant to statute to pay real estate taxes, that it is also obligated by reason of this Agreement to pay before delinquency all real estate taxes assessed against the Development Property and the Minimum Improvements. The Developer acknowledges that this obligation creates a contractual right on behalf of the City to sue the Developer or its successors and assigns to collect delinquent real estate taxes and any penalty or interest thereon and to pay over the same as a tax payment to the county auditor. In any such suit, the City shall also be entitled to recover its costs, expenses and reasonable attorney fees.

Section 6.2. Reduction of Taxes. The Developer agrees that prior to the Termination Date,

(a) It will not cause a reduction in the real property taxes paid in respect of the Development Property by (i) willful destruction of the Development Property or any part thereof; or (ii) willful refusal to reconstruct damaged or destroyed property, except to the extent otherwise provided in Section 5.1; (iii) filing any petition to seek reduction in market value or property taxes on any portion of the Development Property under any State law.

(b) It will not seek any tax exemption, tax deferral or abatement, either presently or prospectively or any other State or federal law, of the taxation of real property contained in the Development Property between the date of execution of this Agreement and the Termination Date.

(c) It will not seek administrative review or judicial review of the applicability or constitutionality of any tax statute relating to the taxation of real property contained on the Development Property determined by any tax official to be applicable to the Minimum Improvements or the Developer or raise the inapplicability or constitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings; provided, however, that "tax statute" does not include any local ordinance or resolution levying a tax.

ARTICLE VII

MORTGAGE FINANCING

Section 7.1. Financing. Before commencement of construction of the Minimum Improvements, the Developer shall submit to the City and the Authority evidence of one or more commitments for financing which, together with committed equity for such construction, is sufficient for the acquisition of the Development Property, and constructing the Minimum Improvements. Such commitments may be submitted as short-term financing, long-term financing, a bridge loan with a long term take-out financing commitment, or any combination of the foregoing. Such commitment or commitments for short-term or long-term financing shall be subject only to such conditions as are normal and customary in the mortgage banking industry.

Section 7.2. City and Authority's Option to Cure Default on Mortgage. In the event that any portion of the Developer's funds is provided through mortgage financing, and there occurs a default under any Mortgage authorized pursuant to this Article VII, the Developer shall provide the City and the Authority copies of any notice of default received by the Developer from the holder of such Mortgage. Thereafter, the City and the Authority shall have the right, but not the obligation, to cure any such default on behalf of the Developer within such cure periods as are available to the Developer under the Mortgage documents.

ARTICLE VIII

PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER; INDEMNIFICATION

Section 8.1. Representation as to Development. The Developer represents and agrees that its purchase of the Development Property, and its other undertakings pursuant to the Agreement, are, and will be used, for the purpose of development of the Development Property and not for speculation in land holding.

Section 8.2. Prohibition Against Developer's Transfer of Property and Assignment of Agreement. The Developer represents and agrees that prior to issuance of the Certificate of Completion for the Minimum Improvements:

(a) Except as specifically described by this Agreement, the Developer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to the Agreement or the Development Property or any part thereof or any interest therein, or any contract or agreement to do any of the same (except a lease to a residential occupant) (collectively a "Transfer"), to any person or entity, without the prior written approval of the City Council. The term "Transfer" does not include (i) encumbrances made or granted by way of security for, and only for, the purpose of obtaining construction, interim or permanent financing necessary to enable the Developer or any successor in interest to the Development Property, or any part thereof, to acquire the Development Property or construct the Minimum Improvements; (ii) any lease, license, easement or similar arrangement entered into in the ordinary course of business related to operation of the Minimum Improvements; or (iii) any sale, conveyance, or transfer in any form to any Affiliate.

(b) If the Developer seeks to effect a Transfer requiring the approval of the City and the Authority prior to issuance of the Certificate of Completion, the City and the Authority shall be entitled to require as conditions to such Transfer that:

(i) Any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the Authority and the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer as to the portion of the Development Property to be transferred.

(ii) Any proposed transferee, by instrument in writing reasonably satisfactory to the Authority and the City, and in form recordable among the land records, shall, for itself and its successors and assigns, and expressly for the benefit of the Authority and the City, have expressly assumed all of the obligations of the Developer under this Agreement as to the portion of the Development Property and Minimum Improvements to be transferred and agreed to be subject to all the conditions and restrictions to which the Developer is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Development Property and Minimum Improvements, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the Authority and the City) deprive the Authority or the City of any rights or remedies or controls with respect to the Development Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Development Property, the Minimum Improvements or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit the Authority or the City of or with respect to any rights or remedies on controls

provided in or resulting from this Agreement with respect to the Development Property and Minimum Improvements that the Authority or the City would have had, had there been no such transfer or change. In the absence of specific written agreement by the Authority and the City to the contrary, no such transfer or approval by the Authority and the City thereof shall be deemed to relieve the Developer, or any other party bound in any way by this Agreement or otherwise with respect to the Development Property, from any of its obligations with respect thereto.

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Development Property governed by this Article VIII, shall be in a form reasonably satisfactory to the Authority and the City.

(c) If the conditions described in paragraph (b) are satisfied then the Transfer will be approved and the Developer shall be released from its obligation under this Agreement, as to the portion of the Development Property that is transferred, assigned, or otherwise conveyed. The provisions of this paragraph (c) apply to all subsequent transferors, assuming compliance with the terms of this Article.

(d) After issuance of the Certificate of Completion, the Developer may transfer or assign the Minimum Improvements and/or the Developer's rights and obligations under this Agreement with respect to such property without the prior written consent of the City; provided that:

(i) until the Termination Date the transferee or assignee is bound by all the Developer's obligations hereunder with respect to the property and rights transferred. The Developer shall submit to the City written evidence of any such transfer or assignment, including the transferee or assignee's express assumption of the Developer's obligations under this Agreement. If the Developer fails to provide such evidence of transfer and assumption, the Developer shall remain bound by all obligations with respect to the subject property under this Agreement; and

(ii) upon compliance with clause (d)(i) above, the Developer shall be released from its obligations under this Agreement with respect to the property transferred.

The provisions of this paragraph (d) apply to all subsequent transferors, assuming compliance with the terms of this Article.

Section 8.3. Release and Indemnification Covenants.

(a) The Developer releases from and covenants and agrees that the Authority, the City, and the governing body members, officers, agents, servants, and employees thereof (the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Development Property or the Minimum Improvements other than loss or damage to property or any injury to or death of any person resulting from the willful misconduct of the Indemnified Parties..

(b) Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, and except for any breach by any of the Indemnified Parties of their obligations under this Agreement, the Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action, or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, maintenance, and operation of the Development Property.

(c) The Indemnified Parties shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, servants, or employees or any other person who may be about the Development Property or Minimum Improvements except for any action arising from the willful misconduct of the Indemnified Parties.

(d) All covenants, stipulations, promises, agreements, and obligations of the Authority and the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of such entity and not of any governing body member, officer, agent, servant, or employee of such entities in the individual capacity thereof.

ARTICLE IX

EVENTS OF DEFAULT

Section 9.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean, whenever it is used in this Agreement, any one or more of the following events, after the non-defaulting party provides thirty (30) days written notice to the defaulting party of the event, but only if the event has not been cured within said thirty (30) days or, if the event is by its nature incurable within thirty (30) days, the defaulting party does not, within such thirty-(30) day period, provide assurances reasonably satisfactory to the party providing notice of default that the event will be cured and will be cured as soon as reasonably possible:

(a) Failure by the Developer, the City, or Authority to observe or perform any covenant, condition, obligation, or agreement on its part to be observed or performed under this Agreement;

(b) Commencement by the Holder of any Mortgage on the Development Property or any improvements thereon, or any portion thereof, of foreclosure proceedings as a result of default under the applicable Mortgage documents; or

(c) If the Developer shall:

(i) file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act or under any similar federal or State law; or

(ii) make an assignment for benefit of its creditors; or

(iii) admit in writing its inability to pay its debts generally as they become due; or

(iv) be adjudicated a bankrupt or insolvent.

Section 9.2. Remedies on Default. Whenever any Event of Default referred to in Section 9.1 hereof occurs, the non-defaulting party may:

(a) Suspend its performance under this Agreement until it receives reasonable assurances that the defaulting party will cure its default and continue its performance under this Agreement.

(b) Cancel and rescind or terminate this Agreement.

(c) Upon a default by the Developer, the City may terminate the Note and decertify the TIF District.

(d) Take whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant under this Agreement, including but not limited to exercising its rights under Section 469.105 of the EDA Act.

Section 9.3. Revesting Title in Authority Upon Happening of Event Subsequent to Conveyance to Developer. In the event that subsequent to conveyance of the Development Property to the Developer and prior to receipt by the Developer of the Certificate of Completion for the Minimum Improvements and the Public Improvements:

(a) the Developer, subject to Unavoidable Delays, shall fail to begin construction of the Minimum Improvements in conformity with this Agreement and such failure to begin construction is not cured within ninety (90) days after written notice from the City or the Authority to the Developer to do so; or

(b) subject to Unavoidable Delays, the Developer after commencement of the construction of the Minimum Improvements, fails to carry out its obligations with respect to the construction of such improvements (including the nature and the date for the completion thereof), or abandons or substantially suspends construction work, and any such failure, abandonment, or suspension shall not be cured, ended, or remedied within ninety (90) days after written demand from the City or the Authority to the Developer to do so; or

(c) the Developer fails to pay real estate taxes or assessments on the parcel or any part thereof when due, or creates, suffers, assumes, or agrees to any encumbrance or lien on the parcel (except to the extent permitted by this Agreement), or shall suffer any levy or attachment to be made, or any materialmen's or mechanics' lien, or any other unauthorized encumbrance or lien to attach, and such taxes or assessments shall not have been paid, or the encumbrance or lien removed or discharged or provision satisfactory to the City and the Authority made for such payment, removal, or discharge, within sixty (60) days after written demand by the City or Authority to do so; provided, that if the Developer first notifies the City and the Authority of its intention to do so, it may in good faith contest any mechanics' or other lien filed or established and in such event the City and the Authority shall permit such mechanics' or other lien to remain undischarged and unsatisfied during the period of such contest and any appeal and during the course of such contest the Developer shall keep the City and the Authority informed respecting the status of such defense; or

(d) there is, in violation of this Agreement, any Transfer of the Development Property, and such violation is not cured within sixty (60) days after written demand by the City or the Authority to the Developer, or if the event is by its nature incurable within sixty (60) days, the Developer does not, within such sixty (60) day period, provide assurances reasonably satisfactory to the City and the Authority that the event will be cured as soon as reasonably possible;

(e) the Developer fails to comply with any of its other covenants under this Agreement related to the Minimum Improvements and the Public Improvements and fails to cure any such noncompliance or breach within sixty (60) days after written demand from the City or the Authority to the Developer to do so, or if the event is by its nature incurable within sixty (60) days, the Developer does not, within such sixty (60) day period, provide assurances reasonably satisfactory to the City and the Authority that the event will be cured as soon as reasonably possible; or

(f) the Holder of any Mortgage secured by the subject property exercises any remedy provided by the Mortgage documents or exercises any remedy provided by law or equity in the event of a default in any of the terms or conditions of the Mortgage, in either case which would materially adversely affect the rights and obligations of the Authority hereunder,

then the Authority shall have the right to re-enter and take possession of the parcel and to terminate (and revest in the Authority) the estate conveyed by the Deed to the Developer, it being the intent of this provision, together with other provisions of this Agreement, that the conveyance of the parcel to the Developer shall be made upon, and that the Deed shall contain a condition subsequent to the effect that in the event of any default on the part of the Developer and failure on the part of the Developer to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, the Authority at its option may declare a termination in favor of the Authority of the title, and of all the rights and interests in and to the parcel conveyed to the Developer, and that such title and all rights and interests of the Developer, and any assigns or successors

in interest to and in the parcel, shall revert to the Authority, but only if the events stated in this Section have not been cured within the time periods provided above.

Section 9.4. Resale of Reacquired Property; Disposition of Proceeds. Upon the revesting in the Authority of title to and/or possession of the parcel or any part thereof as provided in Section 9.3, the Authority shall, pursuant to its responsibilities under law, use its best efforts to sell the parcel or part thereof as soon and in such manner as the Authority shall find feasible and consistent with the objectives of such law and of the Development Program to a qualified and responsible party or parties (as determined by the Authority) who will assume the obligation of making or completing the Minimum Improvements and the Public Improvements or such other improvements in their stead as shall be satisfactory to the Authority in accordance with the uses specified for such parcel or part thereof in the Development Program. During any time while the Authority has title to and/or possession of a parcel obtained by reverter, the Authority will not disturb the rights of any owner of any tenant under any leases encumbering such parcel. Upon resale of the parcel, the proceeds thereof shall be applied:

(a) First, to reimburse the Authority and the City for all costs and expenses incurred by them, including but not limited to salaries of personnel, in connection with the recapture, management, and resale of the parcel (but less any income derived by the Authority and the City from the property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the parcel or part thereof (or, in the event the parcel is exempt from taxation or assessment or such charge during the period of ownership thereof by the Authority, an amount, if paid, equal to such taxes, assessments, or charges (as determined by the Authority assessing official) as would have been payable if the parcel were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the parcel or part thereof at the time of revesting of title thereto in the Authority or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Developer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the subject improvements or any part thereof on the parcel or part thereof; and any amounts otherwise owing the Authority and the City by the Developer and its successor or transferee; and

(b) Second, to reimburse the Developer, its successor or transferee, up to the amount equal to the amount actually invested by it in making any of the subject improvements on the parcel or part thereof.

Any balance remaining after such reimbursements shall be retained by the Authority as its property.

Section 9.5. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority, the City, or Developer in this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority and the City to exercise any remedy reserved to them, it shall not be necessary to give notice, other than such notice as may be required in this Article IX.

Section 9.6. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 9.5. Attorney Fees. Whenever any Event of Default on the part of the Developer occurs and if the City or the Authority employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement

on the part of the Developer under this Agreement, the Developer shall, within ten (10) days of written demand by the City or the Authority, pay to such entity the reasonable fees of such attorneys and such other expenses so incurred by such entity.

ARTICLE X

ADDITIONAL PROVISIONS

Section 10.1. Conflict of Interests; Authority and City Representatives Not Individually Liable. The Authority, the City, and the Developer, to the best of their respective knowledge, represent and agree that no member, official, or employee of the Authority or the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is, directly or indirectly, interested. No member, official, or employee of the Authority or the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the Authority or the City or for any amount which may become due to the Developer or successor or on any obligations under the terms of this Agreement.

Section 10.2. Equal Employment Opportunity. The Developer, for itself and its successors and assigns, agrees that during the construction of the Minimum Improvements and the Public Improvements provided for in this Agreement it will comply with all applicable federal, state, and local equal employment and non-discrimination laws and regulations.

Section 10.3. Restrictions on Use. The Developer agrees that, until the Termination Date, the Developer, and its successors and assigns (a) shall use the Development Property solely for the development of residential rental housing in accordance with the terms of this Agreement, and (b) shall not discriminate upon the basis of race, color, creed, sex, or national origin in the sale, lease, or rental, or in the use or occupancy of the Development Property or any improvements erected or to be erected thereon, or any part thereof.

Section 10.4. Provisions Not Merged With Deed. None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring any interest in the Development Property and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 10.5. Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 10.6. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand, or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally; and

(a) in the case of the Developer, is addressed to or delivered personally to the Developer at [Unique Opportunities Grand Rapids, L.L.C.], at 119 North Union Avenue, Fergus Falls, MN 56537, Attn: Samuel Herzog;

(b) in the case of the Authority, is addressed to or delivered personally to the Authority at City Hall, 420 North Pokegama Avenue, Grand Rapids, MN 55744, Attn: Executive Director; and

(c) in the case of the City, is addressed to or delivered personally to the City at City Hall, 420 North Pokegama Avenue, Grand Rapids, MN 55744, Attn: City Administrator;

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

Section 10.7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10.8. Recording. The City may record this Agreement and any amendments thereto with the Itasca County recorder. The Developer shall pay all costs for recording.

Section 10.9. Termination. This Agreement terminates on the Termination Date, except that termination of the Agreement does not terminate, limit or affect the rights of any party that arise before the Termination Date.

Section 10.10. Amendment. This Agreement may be amended only by written agreement approved by the City, the Authority, and the Developer. The Developer shall pay all costs for recording. The Developer's obligations under this Agreement are covenants running with the land for the term of this Agreement, enforceable by the City and the Authority against the Developer, its successor and assigns, and every successor in interest to the Development Property, or any part thereof or any interest therein.

Section 10.11. Choice of Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the State or federal courts of the State, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

Section 10.12. Good Faith. Each party shall act in good faith and in a commercially reasonable manner with respect to any matter contemplated by this Agreement, including, without limitation, approving or disapproving any request, including any request for approval of plans.

Section 10.13. Estoppel Certificates. The Authority and City agree that they will, from time to time, upon request by Developer and at the Developer sole expense, execute and deliver to Developer and to any parties designated by Developer, within ten (10) days following demand therefor, an estoppel certificate certifying (i) that this Agreement is unmodified and in full force and effect (or if there had been modifications, that the same are in full force and effect as so modified), (ii) that there are no defaults hereunder (or specifying any claim defaults), and (iii) such other matters as may be reasonably requested by Developer including, without limitation, certifications as to the completion and acceptance of the Minimum Improvements and the Public Improvements.

Section 10.14. Interpretation; Concurrence. The language in this Agreement shall be construed simply according to its generally understood meaning, and not strictly for or against any party and no interpretation shall be affected by which party drafted any part of this Agreement. By executing this Agreement, the parties acknowledge that they (a) enter into and execute this Agreement knowingly, voluntarily and willingly of their own volition with such consultation with legal counsel as they deem appropriate; (b) have had a sufficient amount of time to consider this Agreement's terms and conditions, and to consult an attorney before signing this Agreement; (c) have read this Agreement, understand all of its terms, appreciate the significance of those terms and have made the decision to accept them as stated herein; and (d) have not relied upon any representation or statement not set forth herein.

Section 10.15. Government Data. The Developer has been required to provide certain data to the City and the Authority, or their consultants in connection with applying for financial assistance in constructing the Minimum Improvements. It is also likely that the Developer will be required to provide additional data to the City or consultants in the course of administering the TIF District to ensure compliance with this Agreement and the TIF Act. All data provided to the City or the Authority or their consultants is government data within the meaning of the Minnesota Statutes, Chapter 13 (the "MGDPA"). The parties recognize that some of the

data provided by the Developer to the City or the Authority or their consultants may be nonpublic data as defined by the MGDPA. The parties acknowledge that the City and the Authority are subject to the MGDPA and will handle all government data in its possession in accordance with the MGDPA, notwithstanding any other agreement or understanding to the contrary.

IN WITNESS WHEREOF, the City, the Authority, and the Developer have caused this Purchase and Development Agreement to be duly executed on or as of the date first above written.

CITY OF GRAND RAPIDS, MINNESOTA

By _____
Its Mayor

By _____
Its City Administrator

STATE OF MINNESOTA)
) SS.
COUNTY OF ITASCA)

The foregoing instrument was acknowledged before me this ____day of _____, 2024 by Tasha Connelly, the Mayor of the City of Grand Rapids, Minnesota, on behalf of the City.

_____
Notary Public

STATE OF MINNESOTA)
) SS.
COUNTY OF ITASCA)

The foregoing instrument was acknowledged before me this ____day of _____, 2024 by Tom Pagel, the City Administrator of the City of Grand Rapids, Minnesota, on behalf of the City.

_____
Notary Public

Execution page of the Authority to the Purchase and Development Agreement, dated the date and year first written above.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

By _____
Its President

By _____
Its Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF ITASCA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2024 by Sholom Blake, the President of the Grand Rapids Economic Development Authority, Minnesota, on behalf of said Authority.

_____
Notary Public

STATE OF MINNESOTA)
) SS.
COUNTY OF ITASCA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2024 by Robert Mattei, the Executive Director of the Grand Rapids Economic Development Authority, Minnesota, on behalf of said Authority.

_____
Notary Public

Execution page of the Developer to the Purchase and Development Agreement, dated the date and year first written above.

[UNIQUE OPPORTUNITIES GRAND RAPIDS, L.L.C.]

By _____

Its _____

STATE OF MINNESOTA)
) SS.
COUNTY OF ITASCA)

The foregoing instrument was acknowledged before me this ____day of _____, 2024 by _____, the _____ of [Unique Opportunities Grand Rapids, L.L.C.], a Minnesota limited liability company, on behalf of said limited liability company.

_____
Notary Public

EXHIBIT A

LEGAL DESCRIPTION

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

Parcel 1:

The South Half of Block Twenty (20), Town of Grand Rapids, Minnesota, according to the plat thereof on file and of record in the office of the Register of Deeds, of Itasca County, Minnesota, AND the West Half (W1/2) of vacated 2nd Avenue East lying adjacent to the South 125 feet (S 125) of Block Twenty (20) LESS that part conveyed by Document No. 45251, described as follows: The West 220 feet of the South half of Block 20, Town of Grand Rapids.

(Torrens Cert. No. 23062)

Parcel 2:

That portion of Block Twenty-one (21), Town of Grand Rapids, AND the vacated North-South alley lying within Block 21, lying South and West of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Lot Twenty-four (24) and the East Half (E1/2) of vacated 2nd Avenue East lying adjacent to Lots Twenty thru Twenty-four (20-24), Block 21, according to the recorded plat thereof on file and of record in the office of the Registrar of Titles of Itasca County, Minnesota. Less and Except that part of Lot 19, Block 21, according to the Plat of Grand Rapids on file in the office of the Itasca County Recorder, lying southwesterly of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Block 21.

AND

That portion of the West Half (W1/2) of Lot Twenty (20), Block Twenty-one (21), Town of Grand Rapids, lying northeast of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Lot Twenty-four (24), Block 21, according to the recorded plat thereof on file and of record in the office of the Registrar of Titles of Itasca County, Minnesota.

AND

That part of the North Half (N1/2) of vacated Second Street North lying adjacent to Blocks Twenty-one (21) and Twenty-four (24) and lying northeast of the following described line: beginning at a point along the north line of Block Twenty-four (24) lying One Hundred five (105) feet West of the Northeast corner of said Block: thence Northwesterly to the southwest corner of said Lot Twenty-four (24), Block Twenty-one (21) and there terminating.

(Torrens Cert. No. 24386)

Parcel 3:

That part of the South Half of vacated Second Street North, lying between Blocks 21 and 24, of the Plat of Town of Grand Rapids, Itasca County, Minnesota, lying northeasterly of the following described line:

Beginning at a point on the north line of said Block 24, 105 feet West of the northeast corner thereof; thence northwesterly to the southwest corner of Lot 24, block 21, said Town of Grand Rapids.

(Abstract)

EXHIBIT B

CERTIFICATE OF COMPLETION

The undersigned hereby certifies that [Unique Opportunities Grand Rapids, L.L.C.] (the "Developer") has fully complied with its obligations under Articles III and IV of the Purchase and Development Agreement (the "Agreement"), dated August __, 2024, between the City of Grand Rapids, Minnesota, the Grand Rapids Economic Development Authority, and the Developer, with respect to construction of the Minimum Improvements and the Public Improvements (as both defined in the Agreement) in accordance with Article IV of the Agreement, and that the Developer is released and forever discharged from its obligations with respect to construction of the Minimum Improvements and the Public Improvements under Articles III and IV of the Agreement.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

By _____
Its President

By _____
Its Executive Director

STATE OF MINNESOTA)
) SS.
COUNTY OF ITASCA)

The foregoing instrument was acknowledged before me this _____ day of _____, 20___ by _____, the President of the Grand Rapids Economic Development Authority, on behalf of said Authority.

_____
Notary Public

STATE OF MINNESOTA)
) SS.
COUNTY OF ITASCA)

The foregoing instrument was acknowledged before me this _____ day of _____, 20___ by Robert Mattei, the Executive Director of the Grand Rapids Economic Development Authority, on behalf of said Authority.

_____
Notary Public

This document was drafted by:
Kennedy & Graven, Chartered (GAF)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402

EXHIBIT C

FORM OF QUIT CLAIM DEED

QUIT CLAIM DEED

STATE DEED TAX DUE HEREON: $_____

Date: _____, 2024

THIS QUIT CLAIM DEED is between the Grand Rapids Economic Development Authority, a public body corporate and politic (the "Grantor"), and [Unique Opportunities Grand Rapids, L.L.C.], a Minnesota limited liability company (the "Grantee").

WITNESSETH, that Grantor, in consideration of the sum of Two Hundred Thousand Dollars ($200,000.00) and other good and valuable consideration the receipt whereof is hereby acknowledged, does hereby grant, bargain, quitclaim and convey to the Grantee, its successors and assigns forever, all the tract or parcel of land lying and being in the County of Itasca and State of Minnesota described as follows, to-wit (such tract or parcel of land is hereinafter referred to as the "Property"):

Parcel 1:

The South Half of Block Twenty (20), Town of Grand Rapids, Minnesota, according to the plat thereof on file and of record in the office of the Register of Deeds, of Itasca County, Minnesota, AND the West Half (W1/2) of vacated 2nd Avenue East lying adjacent to the South 125 feet (S 125) of Block Twenty (20) LESS that part conveyed by Document No. 45251, described as follows: The West 220 feet of the South half of Block 20, Town of Grand Rapids.

(Torrens Cert. No. 23062)

Parcel 2:

That portion of Block Twenty-one (21), Town of Grand Rapids, AND the vacated North-South alley lying within Block 21, lying South and West of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Lot Twenty-four (24) and the East Half (E1/2) of vacated 2nd Avenue East lying adjacent to Lots Twenty thru Twenty-four (20-24), Block 21, according to the recorded plat thereof on file and of record in the office of the Registrar of Titles of Itasca County, Minnesota.

Less and Except that part of Lot 19, Block 21, according to the Plat of Grand Rapids on file in the office of the Itasca County Recorder, lying southwesterly of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Block 21.

AND

That portion of the West Half (W1/2) of Lot Twenty (20), Block Twenty-one (21), Town of Grand Rapids, lying northeast of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130)

feet North of the Southwest corner of Lot Twenty-four (24), Block 21, according to the recorded plat thereof on file and of record in the office of the Registrar of Titles of Itasca County, Minnesota.

AND

That part of the North Half (N1/2) of vacated Second Street North lying adjacent to Blocks Twenty-one (21) and Twenty-four (24) and lying northeast of the following described line: beginning at a point along the north line of Block Twenty-four (24) lying One Hundred five (105) feet West of the Northeast corner of said Block: thence Northwesterly to the southwest corner of said Lot Twenty-four (24), Block Twenty-one (21) and there terminating.

(Torrens Cert. No. 24386)

Parcel 3:

That part of the South Half of vacated Second Street North, lying between Blocks 21 and 24, of the Plat of Town of Grand Rapids, Itasca County, Minnesota, lying northeasterly of the following described line:

Beginning at a point on the north line of said Block 24, 105 feet West of the northeast corner thereof; thence northwesterly to the southwest corner of Lot 24, block 21, said Town of Grand Rapids.

(Abstract)

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

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging.

SECTION 1

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement recorded herewith entered into between the City of Grand Rapids, Minnesota, the Grantor and the Grantee on the ____ day of August, 2024, identified as "Purchase and Development Agreement" (hereinafter referred to as the "Agreement") and that the Grantee shall not convey this Property, or any part thereof, except as permitted by the Agreement until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to this Property or such part thereof then to be conveyed, has been placed of record. This provision, however, shall in no way prevent the Grantee from mortgaging this Property in order to obtain funds for acquiring the Development Property or erecting the Minimum Improvements thereon (as defined in the Agreement) in conformity with the Agreement, any applicable development program and applicable provisions of the zoning ordinance of the City of Grand Rapids, Minnesota, or for the refinancing of the same.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the development of the Property through the construction of the Minimum Improvements thereon, as provided in the Agreement.

Promptly after completion of the Minimum Improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the Minimum Improvements and the dates for the beginning and completion thereof. Such certifications and such determination shall not constitute evidence of

compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the Minimum Improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder, Itasca County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within thirty (30) days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2

The Grantee's rights and interest in the Property are subject to the terms and conditions of Section 9.3 of the Agreement relating to the Grantor's right to re-enter and revest in the Grantor title to the Property under conditions specified therein, including but not limited to termination of such right upon issuance of a Certificate of Completion as defined in the Agreement.

SECTION 3

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall comply with all provisions of the Agreement that relate to the Property or use thereof for the periods specified in the Agreement, including without limitation the covenant set forth in Section 10.3 thereof.

It is intended that the above and foregoing agreements and covenants shall be covenants running with the land for the term of the Agreement, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed a beneficiary of the agreements and covenants provided herein, both for and in its own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled; provided that Grantor shall not have any right to re-enter the Property or revest in the Grantor the estate conveyed by this Deed on grounds of Grantee's failure to comply with its obligations under this Section 3.

SECTION 4.

This Deed is also given subject to:

(a) Provision of the ordinances, building and zoning laws of the City of Grand Rapids, and state and federal laws and regulations in so far as they affect this real estate.

(b) [Others]

IN WITNESS WHEREOF, the Grantor has caused this Deed to be duly executed in its behalf by its President and Executive Director and has caused its corporate seal to be hereunto affixed this _____ day of _____, 2024.

☐ The Seller certifies that the Seller does not know of any wells on the described real property.

☐ A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____).

☐ I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

By _____
Its President

By _____
Its Executive Director

} SS

STATE OF MINNESOTA

COUNTY OF ITASCA

The foregoing instrument was acknowledged before me this _____ day of _____, 2024, by Sholom Blake, the President of the Grand Rapids Economic Development Authority, a body corporate and politic of the State of Minnesota, on behalf of said Authority.

NOTARIAL STAMP OR SEAL (OR OTHER TITLE OR RAK)

_____
SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

STATE OF MINNESOTA
} SS
COUNTY OF ITASCA

The foregoing instrument was acknowledged before me this _____ day of _____, 2024, by Robert Mattei, the Executive Director of the Grand Rapids Economic Development Authority, a body corporate and politic of the State of Minnesota, on behalf of said Authority.

NOTARIAL STAMP OR SEAL (OR OTHER TITLE OR RAK)

_____
SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

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

Tax Statements for the real property described in this instrument should be sent to (include name and address of Grantee):

[Unique Opportunities Grand Rapids, L.L.C.]
_____
_____

This instrument drafted by:

Kennedy & Graven, Chartered (GAF)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402

EXHIBIT D

PUBLIC DEVELOPMENT COSTS

Construction of Affordable Housing
Landscaping, including irrigation
Grading/earthwork
Engineering
Survey
Environmental Testing
Soil Borings
Site Preparation
Onsite Utilities
Storm Water/Ponding
Outdoor Lighting
Onsite Road, Curb, Gutter, Driveway, Sidewalk and Streetscape Improvements
Parking

EXHIBIT E

COMPLIANCE CERTIFICATE

The undersigned officer of [Unique Opportunities Grand Rapids, L.L.C.] (the "Developer") does hereby certify that as of the date of this Compliance Certificate not less than twenty percent (20%) of the residential units are occupied by individuals whose income is fifty percent (50%) or less of the area median gross income. Attached hereto as **Exhibit A** are the income verifications used to establish the above conclusions broken down by unit type and size.

This Compliance Certificate is given in accordance with the terms of Section 4.6 of the Purchase and Development Agreement, dated August __, 2024, between the City of Grand Rapids, Minnesota, the Grand Rapids Economic Development Authority and the Developer.

Dated this ____ day of _____, 20___.

[UNIQUE OPPORTUNITIES GRAND RAPIDS, L.L.C.]

By _____
Its _____

EXHIBIT A TO COMPLIANCE CERTIFICATE

Form of Renter's Income Verification Form

PROPERTY INFORMATION

Postal Address of Property _____

Unit Number _____

TENANT INFORMATION
(TO BE COMPLETED BY TENANT)

Name of Tenant _____

Phone # _____

Number of family/household members: _____

Annual Household Income* $_____

**Annual Household Income must be supported by documentation (i.e. copy of most current 1040's, etc.). Failure to provide verification will constitute a "non-qualifying tenant".*

Signature of Tenant(s) _____ Date _____

_____ Date _____

INCOME LIMIT INFORMATION
(TO BE COMPLETED BY DEVELOPER)

20____ Income Limits	
Family Size	Income
1	
2	
3	
4	
5	
6	
7	
8	

Does the Tenant meet these limits and has appropriate documentation been submitted?

_____ YES _____ NO

Pursuant to the Purchase and Development Agreement between the City of Grand Rapids and [Unique Opportunities Grand Rapids, L.L.C.] dated as of August __, 2024, at least 13 of the 63 rental units comprising the Minimum Improvements must be reserved for tenants whose income is 50% or less of the area's median gross income .

Reviewed and approved on behalf of [Unique Opportunities Grand Rapids, L.L.C.]

By _____ Date _____

EXHIBIT F

AUTHORIZING RESOLUTION

CITY OF GRAND RAPIDS, MINNESOTA

RESOLUTION NO. _____

APPROVING A PURCHASE AND DEVELOPMENT AGREEMENT, AND AWARDING THE SALE OF, AND PROVIDING THE FORM, TERMS, COVENANTS AND DIRECTIONS FOR THE ISSUANCE OF ITS TAX INCREMENT REVENUE NOTE (DOWNTOWN HOUSING DEVELOPMENT) TO [UNIQUE OPPORTUNITIES GRAND RAPIDS, L.L.C.]

BE IT RESOLVED BY the City Council (the "Council") of the City of Grand Rapids, Minnesota (the "City") as follows:

Section 1. Recitals; Approval and Authorization; Award of Sale.

1.01. Recitals.

(a) The City has heretofore approved the establishment of the Tax Increment Financing District No. 1-16: Downtown Housing Development, a housing district (the "TIF District"), within Municipal Development District No. 1 in the City (the "Development District"), and has adopted a tax increment financing plan therefor for the purpose of financing certain improvements within the Development District.

(b) To facilitate the development of certain property within the Development District and the TIF District, the City, the Grand Rapids Economic Development Authority (the "Authority"), and [Unique Opportunities Grand Rapids, L.L.C.], a Minnesota limited liability company, or an affiliate thereof or party related thereto (the "Developer"), have negotiated a Purchase and Development Agreement (the "Agreement") which provides for the conveyance of certain real property described in SCHEDULE A attached hereto (the "Development Property") from the Authority to the Developer and the acquisition, construction and equipping by the Developer of an approximately 63-unit multifamily rental housing facility with underground parking and enhanced finishes including _____ with at least twenty percent (20%) of such units to be available to persons or families of low and moderate income with all related improvements to be completed, owned and operated by the Developer on the Development Property (the "Minimum Improvements"), and the issuance by the City of its Tax Increment Revenue Note, Series 2024 (Downtown Housing Development) (the "Note") to the Developer.

1.02. Approval of Agreement.

(a) The Council approves the Agreement in substantially the form presented, including the provisions granting a business subsidy to the Developer, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications, or consents referenced in or attached to the Agreement (the "Development Documents").

(b) The Council hereby authorizes the Mayor and the City Administrator in their discretion and at such time, if any, as they may deem appropriate, to execute the Development Documents on behalf of the City, and to carry out, the City's obligations thereunder when all conditions precedent thereto have been satisfied. The Development Documents shall be in substantially the form on file with the City and the approval hereby given to the Development Documents includes approval of such additional details therein

as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the City 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 City. The execution of any instrument by the appropriate officers of the City herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This resolution shall not constitute an offer and the Development Documents shall not be effective until the date of execution thereof as provided herein.

(c) In the event of absence or disability of the officers, any of the documents authorized by this resolution to be executed may be executed without further act or authorization of the City by any duly designated acting official, or by such other officer or officers of the City as, in the opinion of the City Attorney, may act in their behalf. Upon execution and delivery of the Development Documents, the officers and employees of the City are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the City to implement the Development Documents, including without limitation the issuance of tax increment revenue obligations thereunder when all conditions precedent thereto have been satisfied and reserving funds for the payment thereof in the applicable tax increment accounts.

1.04. Authorization of Note. Pursuant to Minnesota Statutes, Section 469.178, the City is authorized to issue and sell its bonds for the purpose of financing a portion of the public development costs of the Development District. Such bonds are payable from all or any portion of revenues derived from the TIF District and pledged to the payment of the bonds. The City hereby finds and determines that it is in the best interests of the City that it issue and sell the Note to the Developer for the purpose of financing certain public development costs of the Development District, subject to all terms and conditions of the Agreement.

1.05. Issuance, Sale, and Terms of the Note.

(a) The City hereby authorizes the Mayor and City Administrator to issue the Note in accordance with the Agreement. All capitalized terms in this resolution have the meaning provided in the Agreement unless the context requires otherwise.

(b) The Note shall be issued to the Developer in the maximum aggregate principal amount of $1,328,254 in consideration of certain eligible costs incurred by the Developer in connection with construction of the Minimum Improvements. The Note shall be dated the date of delivery thereof and shall bear interest at the rate of [7.50]% per annum from the date of issue to the earlier of maturity or prepayment. The Note will be issued in the principal amount of the Public Development Costs submitted and approved in accordance with Section 3.6 of the Agreement. The Note is secured by Available Tax Increment, as further described in the form of the Note set forth in SCHEDULE B attached hereto. The City hereby delegates to the City Administrator the determination of the date on which the Note is to be delivered, in accordance with the Agreement.

Section 2. Form of Note. The Note shall be in substantially the form set forth in SCHEDULE B attached hereto, with the blanks to be properly filled in and the principal amount adjusted as of the date of issue:

Section 3. Terms, Execution and Delivery.

3.01. Denomination, Payment. The Note shall be issued as a single typewritten note numbered R-1. The Note shall be issuable only in fully registered form. Principal of and interest on the Note shall be payable by check or draft issued by the Registrar described herein.

3.02. Dates; Interest Payment Dates. Principal of and interest on the Note shall be payable by mail to the owner of record thereof as of the close of business on the fifteenth day of the month preceding the Payment Date, whether or not such day is a business day.

3.03. Registration. The City hereby appoints the City Administrator of the City to perform the functions of registrar, transfer agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the City and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its office a bond register in which the Registrar shall provide for the registration of ownership of the Note and the registration of transfers and exchanges of the Note.

(b) Transfer of Note. Upon surrender for transfer of any Note duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form reasonably satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, a new Note of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may close the books for registration of any transfer after the fifteenth day of the month preceding each Payment Date and until such Payment Date.

(c) Cancellation. The Note surrendered upon any transfer shall be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(d) Improper or Unauthorized Transfer. When any Note is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Note or separate instrument of transfer is legally authorized. The Registrar shall incur no liability for its refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(e) Persons Deemed Owners. The City and the Registrar may treat the person in whose name the Note is at any time registered in the bond register as the absolute owner of such Note, whether the Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Note and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability of the City upon such Note to the extent of the sum or sums so paid.

(f) Taxes, Fees and Charges. For every transfer or exchange of the Note, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee, or other governmental charge required to be paid with respect to such transfer or exchange.

(g) Mutilated, Lost, Stolen or Destroyed Note. In case the Note shall become mutilated or be lost, stolen, or destroyed, the Registrar shall deliver a new Note of like amount, maturity dates and tenor in exchange and substitution for and upon cancellation of such mutilated Note or in lieu of and in substitution for such Note lost, stolen, or destroyed, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case the Note lost, stolen, or destroyed, upon filing with the Registrar of evidence satisfactory to it that such Note was lost, stolen, or destroyed, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance, and amount satisfactory to it, in which both the City and the Registrar shall be named as obligees. The Note so surrendered to the Registrar shall be cancelled by it and evidence of such cancellation shall be given to the City. If the mutilated, lost, stolen, or destroyed Note has already matured or been called for redemption in accordance with its terms, it shall not be necessary to issue a new Note prior to payment.

3.04. Preparation and Delivery. The Note shall be prepared under the direction of the City Administrator and shall be executed on behalf of the City by the signatures of its Mayor and City Administrator. In case any officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. When the Note has been so executed, it shall be delivered by the City Administrator to the owner thereof in accordance with the Agreement.

Section 4. Security Provisions.

4.01. Pledge. The City hereby pledges to the payment of the principal of and interest on the Note all Available Tax Increment as defined in the Note.

4.02. TIF Fund. Until the date the Note is no longer outstanding and no principal thereof or interest thereon (to the extent required to be paid pursuant to this resolution) remains unpaid, the City shall maintain a separate and special "TIF Fund" to be used for the payment of the principal of and interest on the Note. The City irrevocably agrees to appropriate to the TIF Fund on or before each Payment Date the Available Tax Increment in an amount equal to the Payment then due, or the actual Available Tax Increment, whichever is less. Any Available Tax Increment remaining in the TIF Fund upon the termination of the Note in accordance with its terms may be used for any authorized purpose in accordance with the TIF Act.

4.03. Additional Obligations. The City will issue no other obligations secured in whole or in part by Available Tax Increment unless such pledge is on a subordinate basis to the pledge on the Note.

Section 5. Certification of Proceedings.

5.01. Certification of Proceedings. The officers of the City are hereby authorized and directed to prepare and furnish to the owner of the Note certified copies of all proceedings and records of the City, and such other affidavits, certificates, and information as may be required to show the facts relating to the legality and marketability of the Note as the same appear from the books and records under their custody and control or as otherwise known to them, and all such certified copies, certificates, and affidavits, including any heretofore furnished, shall be deemed representations of the City as to the facts recited therein.

Section 6. Effective Date. This resolution shall be effective upon approval.

Approved this ___ day of _____, 2024, by the City Council of the City of Grand Rapids, Minnesota.

_____
Mayor

ATTEST:

_____
City Clerk

SCHEDULE A

DEVELOPMENT PROPERTY

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

Parcel 1:

The South Half of Block Twenty (20), Town of Grand Rapids, Minnesota, according to the plat thereof on file and of record in the office of the Register of Deeds, of Itasca County, Minnesota, AND the West Half (W1/2) of vacated 2nd Avenue East lying adjacent to the South 125 feet (S 125) of Block Twenty (20) LESS that part conveyed by Document No. 45251, described as follows: The West 220 feet of the South half of Block 20, Town of Grand Rapids.

(Torrens Cert. No. 23062)

Parcel 2:

That portion of Block Twenty-one (21), Town of Grand Rapids, AND the vacated North-South alley lying within Block 21, lying South and West of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Lot Twenty-four (24) and the East Half (E1/2) of vacated 2nd Avenue East lying adjacent to Lots Twenty thru Twenty-four (20-24), Block 21, according to the recorded plat thereof on file and of record in the office of the Registrar of Titles of Itasca County, Minnesota. Less and Except that part of Lot 19, Block 21, according to the Plat of Grand Rapids on file in the office of the Itasca County Recorder, lying southwesterly of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Block 21.

AND

That portion of the West Half (W1/2) of Lot Twenty (20), Block Twenty-one (21), Town of Grand Rapids, lying northeast of a line extending from a point along the East boundary of Block 21, Thirty (30) feet North of the Southeast corner of Lot One (1) to a point along the West boundary of Block 21, One Hundred Thirty (130) feet North of the Southwest corner of Lot Twenty-four (24), Block 21, according to the recorded plat thereof on file and of record in the office of the Registrar of Titles of Itasca County, Minnesota.

AND

That part of the North Half (N1/2) of vacated Second Street North lying adjacent to Blocks Twenty-one (21) and Twenty-four (24) and lying northeast of the following described line: beginning at a point along the north line of Block Twenty-four (24) lying One Hundred five (105) feet West of the Northeast corner of said Block: thence Northwesterly to the southwest corner of said Lot Twenty-four (24), Block Twenty-one (21) and there terminating.

(Torrens Cert. No. 24386)

Parcel 3:

That part of the South Half of vacated Second Street North, lying between Blocks 21 and 24, of the Plat of Town of Grand Rapids, Itasca County, Minnesota, lying northeasterly of the following described line:

Beginning at a point on the north line of said Block 24, 105 feet West of the northeast corner thereof; thence northwesterly to the southwest corner of Lot 24, block 21, said Town of Grand Rapids.

(Abstract)

SCHEDULE B

FORM OF TIF NOTE

UNITED STATE OF AMERICA
STATE OF MINNESOTA
COUNTY OF ITASCA
CITY OF GRAND RAPIDS

No. R-1 $_____

TAX INCREMENT REVENUE NOTE
SERIES 2024
(DOWNTOWN HOUSING DEVELOPMENT)

Rate	Date of Original Issue
[7.50]%	_____, 20__

The City of Grand Rapids, Minnesota (the "City") for value received, certifies that it is indebted and hereby promises to pay to [Unique Opportunities Grand Rapids, L.L.C.], a Minnesota limited liability company, or its registered assigns (the "Owner"), the principal sum of $_____ and to pay interest thereon at the rate of 7.50% per annum, solely from the sources and to the extent set forth herein. Capitalized terms shall have the meanings provided in the Purchase and Development Agreement, dated as of August __, 2024 (the "Agreement"), between the City, the Grand Rapids Economic Development Authority (the "Authority"), and the Owner, unless the context requires otherwise.

1. Payments. Principal and interest (the "Payments") shall be paid on August 1, 2026 and each August 1 and February 1 thereafter (the "Payment Dates") to and including the earliest of (i) February 1, 2052, (ii) such date (if any) as the Authority shall have terminated the Agreement pursuant to its terms, or (iii) until the Developer has received the principal amount of the Note plus accrued interest thereon (the "Final Payment Date"), in the amounts and from the sources set forth in Section 3 hereof. Payments shall be applied first to accrued interest, and then to unpaid principal.

Payments are payable by mail to the address of the Owner or such other address as the Owner may designate upon thirty (30) days written notice to the City. Payments on this Note are payable in any coin or currency of the United States of America which, on the Payment Date, is legal tender for the payment of public and private debts.

2. Interest. Simple, non-compounding interest at the rate stated herein shall accrue on the unpaid principal, commencing on the date of original issue. Interest shall be computed on the basis of a year of 360 days consisting of twelve 30-day months and shall be charged for actual days principal is unpaid.

3. Available Tax Increment. (a) Payments on this Note are payable on each Payment Date solely from and in the amount of Available Tax Increment, which shall mean 90% of the Tax Increment attributable to the Minimum Improvements and Development Property that is paid to the City by Itasca County in the six (6) months preceding the Payment Date on the Note. Available Tax Increment shall not include any Tax Increment if, as of any Payment Date, there is an uncured Event of Default under the Agreement.

The City shall have no obligation to pay principal of and interest on this Note on each Payment Date from any source other than Available Tax Increment, and the failure of the City to pay the entire amount of principal or interest on this Note on any Payment Date shall not constitute a default hereunder as long as the City pays principal and interest hereon to the extent of Available Tax Increment. The City shall have no obligation to pay any unpaid balance of principal or accrued interest that may remain after the Final Payment Date.

4. Default. If on any Payment Date there has occurred and is continuing any Event of Default under the Agreement, the City may withhold from payments hereunder all Available Tax Increment. If the Event of Default is thereafter cured in accordance with the Agreement, the Available Tax Increment withheld under this Section shall be deferred and paid, without interest thereon, on the next Payment Date after the Event of Default is cured. If the Event of Default is not cured in a timely manner, the City may terminate this Note by written notice to the Owner in accordance with the Agreement.

5. Optional Prepayment. The principal sum and all accrued interest payable under this Note is prepayable in whole or in part at any time by the City without premium or penalty. No partial prepayment shall affect the amount or timing of any other regular payment otherwise required to be made under this Note.

6. Termination. At the City's option, this Note shall terminate and the City's obligation to make any payments under this Note shall be discharged upon the occurrence of an Event of Default on the part of the Developer as defined in Section 9.1 of the Agreement, but only if the Event of Default has not been cured following notice to the Developer and the applicable cure period in accordance with the Agreement.

7. Nature of Obligation. This Note is issued in the total principal amount of $_____, issued to aid in financing certain public development costs and administrative costs of a Development District undertaken by the City pursuant to Minnesota Statutes, Sections 469.124 through 469.133, as amended, and is issued pursuant to an authorizing resolution (the "Resolution") duly adopted by the City on August 12, 2024, and pursuant to and in full conformity with the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Sections 469.174 through 469.1794, as amended. This Note is a limited obligation of the City which is payable solely from Available Tax Increment pledged to the payment hereof under the Resolution. This Note and the interest hereon shall not be deemed to constitute a general obligation of the City, the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota, the City, nor any political subdivision thereof shall be obligated to pay the principal of or interest on this Note or other costs incident hereto except out of Available Tax Increment, and neither the full faith and credit nor the taxing power of the City or any political subdivision thereof is pledged to the payment of the principal of or interest on this Note or other costs incident hereto.

8. Registration and Transfer. This Note is issuable only as a fully registered note without coupons. As provided in the Resolution, and subject to certain limitations set forth therein, this Note is transferable upon the books of the City kept for that purpose at the principal office of the City Administrator of the City, by the Owner hereof in person or by such Owner's attorney duly authorized in writing, upon surrender of this Note together with a written instrument of transfer satisfactory to the City, duly executed by the Owner and an investment letter executed by the transferee to the City. Upon such transfer or exchange and the payment by the Owner of any tax, fee, or governmental charge required to be paid by the City with respect to such transfer or exchange, there will be issued in the name of the transferee a new Note of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date.

Except as otherwise provided in Section 3.7(b) of the Agreement, this Note shall not be transferred to any person or entity, unless the City has provided written consent to such transfer.

9. Estimates of Available Tax Increment. Any estimates of Tax Increment prepared by the City or its financial advisors in connection with the Available Tax Increment and the Agreement are for the benefit of the City only, and are not intended as representations on which the Developer may rely.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required by the Constitution and laws of the State of Minnesota to be done, to exist, to happen, and to be performed in order to make this Note a valid and binding limited obligation of the City according to its terms, have been done, do exist, have happened, and have been performed in due form, time and manner as so required.

IN WITNESS WHEREOF, the City Council of the City of Grand Rapids, Minnesota has caused this Note to be executed with the manual signatures of its Mayor and City Administrator, all as of the Date of Original Issue specified above.

CITY OF GRAND RAPIDS, MINNESOTA

Mayor	City Administrator

REGISTRATION PROVISIONS

The ownership of the unpaid balance of the Note herein is registered in the bond register of the City Administrator of the City of Grand Rapids, Minnesota, in the name of the person last listed below.

Date of Registration	Registered Owner	Signature of City Administrator
	[Unique Opportunities Grand Rapids, L.L.C.] Federal Tax I.D. No.:	

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 8, 2024

AGENDA ITEM: Consider the adoption of a resolution authorizing interfund loan for advance of certain costs in connection with Tax Increment Financing District No. 1-16: Downtown Housing

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

Minnesota Statute 469.178, subdivision 7 of the TIF Act authorizes the City to loan money from any permissible fund to finance expenses that are eligible to be paid by tax increments.

The draft resolution indicates that, should the City or the Grand Rapids Economic Development Authority (GREDA) incur costs related to TIF District 1-16 up to an amount of $10,000, that those costs will be financed on a temporary basis through an interfund loan from the City's or GREDA's funds legally authorized for such purpose. This interloan fund will then be reimbursed through tax increments from the property within the TIF District.

REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution authorizing interfund loan for advance of certain costs in connection with Tax Increment Financing District No. 1-16: Downtown Housing

CITY OF GRAND RAPIDS, MINNESOTA

RESOLUTION NO. _____

RESOLUTION AUTHORIZING AN INTERFUND LOAN FOR THE ADVANCE OF CERTAIN COSTS IN CONNECTION WITH TAX INCREMENT FINANCING DISTRICT NO. 1-16: DOWNTOWN HOUSING DEVELOPMENT

WHEREAS, on the date hereof, the City Council of the City of Grand Rapids, Minnesota (the "City") approved the creation of Tax Increment Financing District No. 1-16: Downtown Housing Development, a housing district (the "TIF District"), within Municipal Development District No. 1 in the City, pursuant to Minnesota Statutes, Sections 469.124 through 469.133, and Sections 469.174 through 469.1794, all as amended (the "TIF Act"), and a tax increment financing plan therefor; and

WHEREAS, the City may incur certain costs related to the TIF District, which costs may be financed on a temporary basis using legally-available City funds; and

WHEREAS, pursuant to Section 469.178, subdivision 7 of the TIF Act, the City is authorized to advance or loan money from any City or Grand Rapids Economic Development Authority fund from which such advances may be legally made in order to finance expenditures that are eligible to be paid with tax increments under the TIF Act; and

WHEREAS, the City may incur certain costs related to the TIF District, including but not limited to certain administrative costs (the "Qualified Costs"), in an amount of up to $10,000, which may be financed on a temporary basis using City funds legally authorized for such purpose (the "Interfund Loan"), and may reimburse such funds from tax increments from the TIF District when received ("Tax Increment"); and

WHEREAS, the City intends to designate such advances as an interfund loan in accordance with the terms of this resolution and the TIF Act.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City that:

1. The City hereby authorizes the advance of up to $10,000 in legally available City funds to pay the Qualified Costs, together with interest at the rate stated below, to be reimbursed with Tax Increment. Interest accrues on the principal amount from the date of each advance. The maximum rate of interest permitted to be charged is limited to the greater of the rates specified under Minnesota Statutes, Section 270C.40 and Section 549.09 as of the date the loan or advance is authorized, unless the written agreement states that the maximum interest rate will fluctuate as the interest rates specified under Minnesota Statutes, Section 270C.40 or Section 549.09 are from time to time adjusted; the interest rate shall be 5.00% and will not fluctuate.

2. Principal and interest ("Payments") on the Interfund Loan shall be paid semi-annually on each February 1 and August 1 (each a "Payment Date"), commencing on the first Payment Date on which the City has received Available Tax Increment (defined below), or on any

other dates determined by the City Finance Director, through the date of last receipt of Tax Increment.

3. Payments on the Interfund Loan will be made solely from Tax Increment received by the City from Itasca County, Minnesota in the six-month period before any Payment Date, net of the amount paid under any agreement with a private developer or otherwise pledged to the payment of any obligation (the "Available Tax Increment"). Payments shall be applied first to accrued interest, and then to unpaid principal, unless otherwise specified by the City Finance Director. Interest accruing from the Loan Date will be compounded semiannually on February 1 and August 1 of each year and added to principal, unless otherwise specified by the City Finance Director. Payments on this Interfund Loan may be subordinated to any outstanding or future bonds, notes or contracts secured in whole or in part with Available Tax Increment, and are on a parity with any other outstanding or future interfund loans secured in whole or in part with Available Tax Increment.

4. The principal sum and all accrued interest payable under the Interfund Loan are pre-payable in whole or in part at any time by the City without premium or penalty.

5. This resolution is evidence of an internal borrowing by the City in accordance with Section 469.178, subdivision 7 of the TIF Act, and is a limited obligation payable solely from Available Tax Increment pledged to the payment hereof under this resolution. The Interfund Loan shall not be deemed to constitute a general obligation of the State of Minnesota or any political subdivision thereof, including, without limitation, the City. Neither the State of Minnesota nor any political subdivision thereof shall be obligated to pay the principal of or interest on the Interfund Loan or other costs incident hereto except out of Available Tax Increment, and neither the full faith and credit nor the taxing power of the State of Minnesota or any political subdivision thereof is pledged to the payment of the principal of or interest on this Interfund Loan or other costs incident hereto. The City shall have no obligation to pay any principal amount of the Interfund Loan or accrued interest thereon, which may remain unpaid after the termination or expiration of the TIF District.

6. The City may at any time decide to forgive all or a portion of the outstanding principal amount and accrued interest on the Interfund Loan to the extent permissible under law.

7. The City may from time to time amend the terms of this resolution to the extent permitted by law, including without limitation amendment to the payment schedule and the interest rate; provided, that the interest rate may not be increased above the maximum specified in Section 469.178, subdivision 7 of the TIF Act.

8. This resolution is effective as of the date of its adoption.

Approved this 12th day of August, 2024, by the City Council of the City of Grand Rapids, Minnesota.

_____

Mayor

ATTEST:

_____

City Clerk

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider the adoption of a resolution approving the conveyance of certain property owned by the City and Itasca County to the Grand Rapids Economic Development Authority

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

Adjacent to a 22.5-acre tract of land owned by GREDA, with the address of 3002 Airport Rd., is a 12.5-acre parcel (91-033-4105) jointly owned by the City and County, as part of the Airport. This parcel is no longer needed for Airport purposes as the crosswind runway was built to the north of its location.

The GREDA 2024 Work Plan includes a goal of "Ensure an adequate inventory of industrial sites and facilities exist in the community." The Q2 desired outcome under that goal is to "Consider opportunities to make strategic property acquisitions for future industrial development."

The addition of this parcel to the adjacent GREDA tract would produce a 35-acre site that is zoned General Industrial with direct access to sanitary sewer, water, and three-phase power. As has been reinforced through our recent work on the L&M Distribution Center project, it is important to have a larger site to offer to some industrial prospects. The addition of this parcel would fulfill that part of our current inventory.

This parcel was not originally purchased with an FAA grant, so their clearance for the sale of this property from the City and County is much less involved. The only stipulations imposed on this purchase are that the purchase price be at a fair market value established by and appraisal and that the proceeds of the sale, received by the City and County, be used for Airport operations.

A fair market value of $146,000 was established by an appraisal completed and approved by the FAA last fall. The attached Purchase Agreement for GREDA's consideration reflects that.
recommendation:

Both GREDA and Itasca County have already taken action to approve this purchase by GREDA.

REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution approving the conveyance of certain property owned by the City and Itasca County to the Grand Rapids Economic Development Authority.

CITY OF GRAND RAPIDS

RESOLUTION NO. _____

RESOLUTION APPROVING CONVEYANCE OF CERTAIN PROPERTY OWNED BY THE CITY AND ITASCA COUNTY TO THE GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

BE IT RESOLVED by the City Council ("City Council") of the City of Grand Rapids ("City") as follows:

Section 1. Recitals.

1.01. The City and Itasca County (the "County") are the owners of certain property legally described as set forth in Exhibit A (the "Property").

1.02. The Property was to be used by the City and the County for the Grand Rapids/Itasca County Airport pursuant to an Airport Joint Powers Cooperative Agreement entered into between the City and the County on October 12, 2023.

1.03. The City and the County have determined that the Property is not needed for the airport. Therefore, the City and the County intend to convey the Property to the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota (the "EDA"), for future economic development.

1.04. The Authority and the City have followed applicable statutory provisions, including but not limited to, Minn. Stat. § 465.035 and Minn. Stat. § 471.64.

1.05. The City Council has determined that the conveyance of the Property as described in this resolution is in the best interest of the City and its residents.

Section 2. Sale of Property Approved; Further Proceedings.

2.01. The City Council hereby approves the conveyance of the Property to the EDA and any other documents required by the title company relating to the conveyance of the Property to the EDA including but not limited to a quit claim deed (the "Conveyance Documents").

2.02 The Council hereby authorizes the Mayor and City Administrator, in their discretion and at such time, if any, as they may deem appropriate, to execute the Conveyance Documents on behalf of the City, and to carry out, on behalf of the City, the City's obligations thereunder when all conditions precedent thereto have been satisfied.

2.03. City staff and officials are authorized to take all actions necessary to perform the City's obligations hereunder, including without limitation execution of the Conveyance Documents.

Approved by the City Council of the City of Grand Rapids, Minnesota this _____ day of _____, 2024.

_____
Mayor

ATTEST:

_____

Its: City Clerk

EXHIBIT A

Legal Description of the Property

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

The Northeast Quarter of the Southeast Quarter (NE ¼ SE ¼), Section Thirty-three (33), Township Fifty-five (55), Range Twenty-five (25), lying South of the North Eight Hundred Twenty-eight feet (N. 828') and LESS the West Five Hundred Forty-five feet (W. 545') of the South Two Hundred feet (S. 200'), according to the Government survey thereof on file and of record in the office of the Itasca County Recorder.

Subject to mineral reservations, restrictions and easements as they may appear of record.

PID #91-033-4105

FOREST LAKE ADDITION

rand Rapids Economic Development Authority, a Minnesota 501(c)(3) non-profit company, ed in the City of Grand Rapids, County of Itasca, State of Minnesota, to wit:

DITION TO GRAND RAPIDS, including vacated "T" alley situated within said Block 9 and tween the limits of Seventh Avenue West and Eighth Avenue West, according to the recorded

cording to the recorded plat thereof, Itasca County, Minnesota.

EST LAKE ADDITION and does hereby dedicate to the public for public use the public ways plat.

ment Authority, a Minnesota XXXXX XXXXX Company, has caused these presents to be _____, 20____.

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

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

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

Dated this _____ day of _____, 20____.

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

STATE OF MINNESOTA
COUNTY OF _____

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

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

CITY OF GRAND RAPIDS

We do hereby certify that on this _____ day of _____

Signed: City of Grand Rapids

_____
Dale Christy, Mayor

ITASCA COUNTY AUDITOR

I do hereby certify that there are no delinquent taxes on th
_____ 20____.

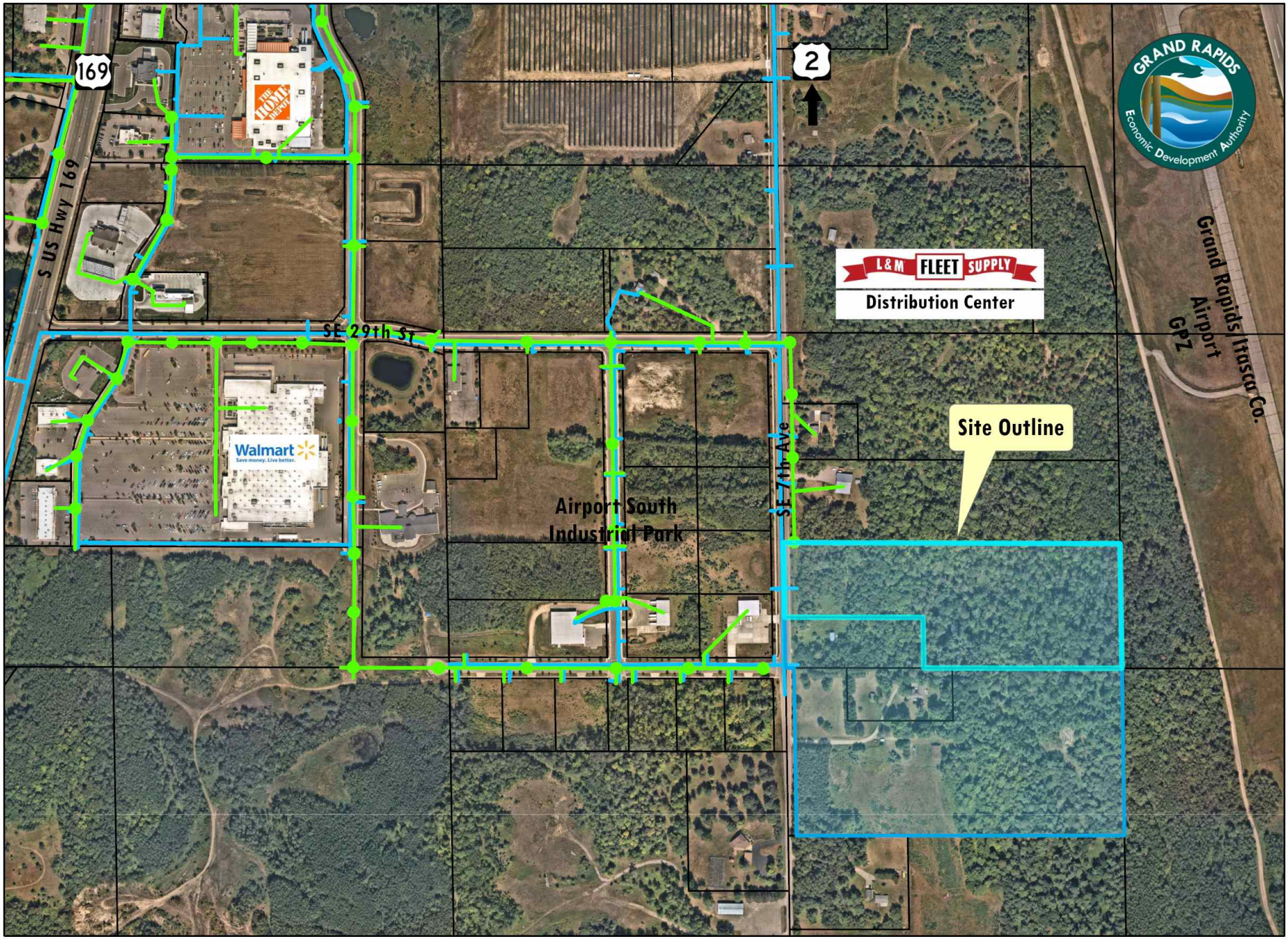
_____
Jeffrey T. Walker
Auditor / Treasurer
Itasca County, Minnesota

ITASCA COUNTY RECORDER AND REGISTRAR OF TI

I do hereby certify that the within instrument was filed in th
20____ at _____ o'clock ____ M as Document Number

_____
Nicolle Zuehlke
Recorder / Registrar
Itasca County, Minnesota

East Airport Road Industrial Site



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Miles

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Consider the adoption of a resolution approving a Purchase Agreement for the purchase of real property located in the City of Grand Rapids from Independent School District No. 318

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

The present zoning of the former ISD 318 Administration Building at 820 NW 1st Avenue is PU (Public Use). This zoning is intended to accommodate essential public facilities that provide governmental, educational, recreational, cultural and health care services.

Since the relocation of the District's administration offices to the former Southwest School, the property has been for sale on the open market. However, the limited uses allowed in PU zoning, for this 31,000 sq. ft. building, have made the sale and reuse of the property a challenge. The property is surrounded by R-2 (One and Two Family Residential) zoning and, thus, legally, a change in zoning is limited to an expansion of that same type of zoning, as other designations would be considered spot zoning.

The proposed option to raze the building and redevelop the site into eight owner-occupied single family home sites, in partnership with Itasca County HRA, has their interest and support (letter attached). This approach and a potential offer by the City to purchase the property for a price of $87,000 have been discussed with Superintendent, Matt Gross.

Most of the cost to purchase the property would be funded by the $79,000 remaining balance of ARPA Covid-19 funds. Should the City Council move forward with this acquisition, GREDA would subsequently assume title from the City and act as the lead in managing this redevelopment.

I have had some encouraging preliminary discussions with both IRRR and the Blandin Foundation regarding financial support for this effort. An estimated Sources and Uses of Funds is attached for review.

GREDA has reviewed this redevelopment plan and is interested in leading this effort. Should the Council approve this purchase and close on it with the School District, the Council will, at subsequent meeting be asked to approve a Quit Claim deed transferring ownership to GREDA.

REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution approving a Purchase Agreement for the purchase of real property located in the City of Grand Rapids from Independent School District No. 318.

CITY OF GRAND RAPIDS, MINNESOTA

RESOLUTION NO. _____

APPROVING A PURCHASE AGREEMENT FOR THE PURCHASE OF REAL PROPERTY LOCATED IN THE CITY OF GRAND RAPIDS FROM INDEPENDENT SCHOOL DISTRICT NO. 318

WHEREAS, the City of Grand Rapids (the "City") has negotiated a purchase agreement with Independent School District No. 318 (the "District") for the purchase of real property described on the attached Exhibit A (the "Property"); and

NOW, THEREFORE, BE IT RESOLVED by the City Council (the "Council") of the City of Grand Rapids, Itasca County, Minnesota (the "City"), as follows:

1. The Council hereby approves the Purchase Agreement in substantially the form presented to the Council, subject to modifications that do not alter the substance of the transaction and that are approved by the Mayor and the City Clerk, provided that execution of the Purchase Agreement by those officials shall be conclusive evidence of their approval.

2. City officials, staff, and consultants are authorized to take all actions necessary to perform the City's obligations under the Purchase Agreement as a whole, including without limitation, execution of any documents to which the City is a party referenced in or attached to the Purchase Agreement.

Approved by the City Council of the City of Grand Rapids, Minnesota, this _____ day of August, 2024.

_____
Mayor

Attest:

_____
City Clerk

EXHIBIT A
Legal Description of the Property

Block 29 of Kearneys 1st Addition to Grand Rapids, less the South 140 feet, County of Itasca, State of Minnesota.

Parcel Number: 91-585-2910

PURCHASE AGREEMENT

1. PARTIES. This Purchase Agreement (this "Agreement") is made on this _____ day of _____, 2024 (the "Effective Date"), by and between the City of Grand Rapids, a Minnesota municipal corporation (the "Buyer") and Independent School District No. 318, a Minnesota body corporate and politic (the "Seller").

2. SUBJECT PROPERTY. The Seller agrees to sell, and the Buyer agrees to purchase certain real property from the Seller. The property that is being purchased by the Buyer is described on the attached Exhibit A (the "Property").

3. OFFER/ACCEPTANCE. In consideration of the mutual agreements herein contained, the Buyer offers and agrees to purchase, and the Seller agrees to sell the Property.

4. PROPERTY INFORMATION. As soon as reasonably practicable, but in any event within 30 days after the Effective Date, the Seller shall deliver to the Buyer complete copies of all documents in the Seller's possession, control or reasonably available to the Seller related to the Property, including without limitation any surveys, plats, title insurance policies, property tax statements, zoning information, engineering studies, environmental reports, plans, contracts, licenses, permits, easements, covenants, conditions, restrictions, and all other reports, studies, records, and documents relating to or impacting the Property or its use or which the Buyer may reasonably request (collectively, the "Property Information"). The Seller shall deliver to the Buyer any additional Property Information, or updates thereto, that comes into the Seller's possession, control, or is reasonably available to the Seller up to the closing date.

5. CONTINGENCIES. The Buyer's obligations under this Agreement are expressly contingent upon:

A. **Representations and Warranties**. All of the Seller's representations and warranties contained in this Agreement must be true on the closing date as if made on the closing date, and the Seller shall have delivered to the Buyer at closing a certificate signed by the Seller and dated as of the closing date certifying and reaffirming that all of the Seller's representations and warranties are true and accurate as of the closing date (the "Bring- Down Certificate").

B. **Performance of the Seller's Obligations**. The Seller shall have performed all of the obligations required to be performed by the Seller as and when required by this Agreement.

C. **Title**. Title to the Property shall have been found acceptable, or been made acceptable, in accordance with this Agreement's requirements and terms.

D. **Inspections**. The Buyer shall be satisfied with the results of and all matters disclosed by Buyer's Inspections.

E. **Property Information**. The Buyer shall be satisfied with the terms, and the Buyer's review and analysis, of all Property Information.

F. **Survey**. The Buyer shall have been satisfied with the results of its Survey if one is conducted by the Buyer.

If any such contingency has not been satisfied within 180 days of the Effective Date, then the Buyer may at its option terminate this Agreement by written notice to the Seller. Upon such termination, this Agreement shall terminate and neither party will have any further rights or obligations regarding this Agreement. All of the contingencies set forth in this Agreement are specifically stated and agreed to be for the Buyer's sole and exclusive benefit and the Buyer shall have the right to unilaterally waive any contingency. Notwithstanding the foregoing, nothing contained herein will waive or diminish any right or remedy the Buyer may have for the Seller's default or breach of this Agreement.

6. PURCHASE PRICE: The Buyer shall pay the Seller the following amounts for the Property: $ 87,000.00 (the "Purchase Price"). There is no earnest money in this transaction.

7. CLOSING. The closing of the sale of the Property shall take place on _____, 2024 or as otherwise agreed to by the parties in writing.

The closing shall take place at Grand Rapids City Hall, Grand Rapids, Minnesota, or such other location as mutually agreed upon by the parties, or in accordance with escrow instructions provided by the parties, at a time the parties agree upon. The Seller shall deliver possession of the Property to the Buyer on the closing date. The Seller shall remove all personal property not included in the sale and all debris, trash, rubbish, materials, and garbage from the Property before the closing date.

8. INSPECTIONS. The Buyer, its agents, representatives, and contractors, shall have physical access to the Property through the closing date without charge at all reasonable times for the purpose of the Buyer's review, inspection, investigation, and testing of the Property, including, without limitation, analysis of the Property's conditions and any conditions affecting the Property, zoning and land use restrictions, governmental approvals and permits, easements, restrictions and covenants, access and parking, surveys, engineering, architectural and geotechnical tests, wetland and environmental reviews, and such other reports and tests which the Buyer, in its sole discretion, deems necessary or advisable (collectively, the "**Inspections**"). The Buyer shall pay all costs and expenses of any such Inspections and shall indemnify and hold the Seller and the Property harmless from and against all costs and liabilities relating to the Inspections. The Buyer shall repair and restore any damage to the Property caused by or occurring during the Buyer's Inspections and return the Property to as close as reasonably possible to substantially the same condition as it existed prior to such entry and Inspections. The Buyer shall not be liable for: (a) the Buyer's discovery of an adverse environmental or other condition affecting the Property; or (b) the negligence or other misconduct of the Seller or any third party not acting on behalf of or at the direction of the Buyer. The Buyer shall provide the Seller with copies of any reports, results, or other documents that are obtained by the Buyer through the course of the Inspections.

9. DOCUMENTS TO BE DELIVERED AT CLOSING. The Seller agrees to deliver the following documents to the Buyer at the closings with respect to each property:

A. A duly recordable limited warranty deed conveying fee simple title to the Property to the Buyer, free and clear of any mortgages, liens, or encumbrances other than matters created by or acceptable to the Buyer.

B. The Bring-Down Certificate.

C. An affidavit from the Seller indicating that on the closing date there has been no skill, labor, or material furnished to the Property for which payment has not been made or for which mechanics' liens could be filed; and that there are not any unrecorded interests in the Property, together with whatever standard owner's affidavit and/or indemnity, which may be required by title company, sufficient to remove any exception in the Buyer's policy of title insurance for mechanics' and materialmen's' liens and rights of parties in possession;

E. Affidavit of the Seller confirming that the Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code;

F. A completed Minnesota Well Disclosure Certificate or a statement that the Seller is not aware of any wells on the Property;

G. Any notices, certificates, and affidavits regarding any private sewage systems, underground storage tanks, and environmental conditions as may be required by Minnesota statutes, rules, or ordinances;

H. All other documents reasonably determined by the Buyer or the Title Company to be necessary to transfer the Property to the Buyer free and clear of all encumbrances except those which are permitted by the Buyer pursuant to Section 11 herein.

On the closing date, the Buyer will execute and deliver to the Seller:

A. The Purchase Price for the Property by either by certified check or by wire transfer; and

B. Such affidavits of the Buyer, certificates of real estate value, or other documents as may be reasonably required by the title company in order to record the Seller's closing documents and issue the title policy to the Buyer as required by this Agreement.

(collectively, the "Buyer's Closing Documents").

10. CLOSING COSTS AND RELATED ITEMS. The Seller and the Buyer agree to the following prorations and allocations of costs regarding this Agreement:

A. **Title Insurance and Closing Costs.** The Seller will pay all costs for the title company to examine title and issue the title commitment, updating the title commitment, and any fees charged by the title company for any escrow required regarding the Buyer's Objections. The Buyer will pay all premiums required for the issuance of a title policy and any endorsements. The Buyer and the Seller will split all reasonable and customary closing fees or charges imposed by the title company. The Seller will pay all state deed tax regarding the deed to be delivered by the Seller under this Agreement. The Seller will pay the cost of recording all documents necessary to place record title in the condition warranted and requested of the Seller in this Agreement, and the Buyer will pay the cost to record the deed.

B. **Real Estate Taxes and Special Assessments**. The Seller will pay in full on or before the closing dates all special assessments levied, pending, certified, or constituting a lien against the Property as of the closing date, including installments of special assessments payable with general real estate taxes in the year of closing. The Seller shall pay all general real estate taxes and installments of special assessments payable therewith in all years before the year of closing. General real estate taxes payable in the year of closing will be prorated between the Seller and the Buyer to the actual closing date. The Seller will pay all deferred real estate taxes or special assessments or other recapture taxes which may become payable as a result of the sale contemplated by this Agreement. The Seller shall pay all delinquent real estate taxes and special assessments, together with all penalties, interest, and costs payable in the year of closing and all prior years. The Buyer will pay all real estate taxes and special assessments on the Property due and payable after the year of closing.

C. **Other Costs**. All utility and operating costs and expenses of the Property will be prorated between the Seller and the Buyer as of the closing date regardless of when invoices for the same are received, so that the Seller pays that part of such other utility and operating costs and expenses accruing on and before the closing date, and the Buyer pays that part of such utility and operating costs and expenses accruing after the closing date. To the extent that actual amount of consumption of any utility services or the actual cost of other operating expenses is not determined prior to the closing date, the parties will prorate such costs at closing using a mutually agreeable estimate based on the last available reading or estimate of charges. The Seller and the Buyer will make any final post-closing adjustments to such costs and expenses within 60 days after the closing on the Property. The Seller and the Buyer will arrange to have all such services and companies to have accounts opened in the Buyer's name for the Property beginning on the closing date.

11. TITLE EXAMINATION. Title examination will be conducted as follows:

A. **Title Insurance Commitment**. Within 10 business days from the Effective Date of this Agreement, the Buyer may order a title commitment for the Property.

B. **Buyer's Survey**. The Buyer may obtain, at its cost and expense, a current survey certified to and satisfactory to the Buyer and the title company, showing the Property and all matters required by the Buyer and the title company (the "Survey").

C. **Buyer's Objections.** Within 10 business days after receiving the Survey and the updated title commitment, the Buyer must make any written objections (the "Objections") to the form and/or contents of the Survey or the title commitment. The Buyer's failure to make Objections within such time period will constitute waiver of objections. If an additional update to the title commitment reveals any encumbrance that did not appear in the original title commitment, updated title commitment, or Survey, the Buyer shall have the right to make Objections to such encumbrance and the provisions of this Section 11 (c) shall again apply to such Objections. Any matter shown on such title evidence and not objected to by the Buyer shall be a "Permitted Encumbrance" under this Agreement. The Seller shall have 30 days after receiving the Objections to cure the Objections, during which period the closing on the Property will be postponed, as necessary. The Seller will use reasonable efforts to correct any Objections. If the Objections are not cured within such 30-day period, the Buyer will have the option to do any of the following:

a. Terminate this Agreement; or

b. Waive the Objections and proceed to close; provided that the Buyer shall have the option, at closing, to pay directly any liens, mortgages, charges or similar encumbrances against the Property that are liquidated in amount and to which an Objection has been made by the Buyer.

D. **Title Policy.** At the closing, the title company will irrevocably commit to issue the title policy subject only to the Permitted Encumbrances.

12. REPRESENTATIONS AND WARRANTIES BY THE SELLER. The Seller hereby represents and warrants to the Buyer as of the closing date for the Property that:

A. **Authority.** The Seller is a public body corporate and politic, duly created under and subject to the laws of Minnesota; the Seller has the requisite power and authority to enter into and perform this Agreement and those closing documents signed by it. As of the closing date, the Seller's closing documents

shall have been duly authorized by all necessary action on the part of the Seller and shall have been duly executed and delivered. The Seller's execution, delivery, and performance of this Agreement and the Seller's closing documents shall not conflict with or result in a violation of either the Seller's contractual or other obligations or any judgment, order, or decree of any court or arbiter by which the Seller is bound. This Agreement and the Seller's closing documents shall be legal, valid, and binding obligations of the Seller enforceable with their terms.

B. **Title to Property.** The Seller owns and has good and marketable title to the Property, and on the respective closing dates, the Property will be free and clear of all encumbrances except the Permitted Encumbrances. Other than the Seller, there are no parties in possession of any part of the Property and there are no other leaseholds or rights of possession which have been granted to any third party. There are no unrecorded contracts, easements, leases, or other possessory rights of others affecting the Property or the Seller's ability to convey the Property to the Buyer.

C. **Legal Proceedings.** There is no other action, litigation, investigation, condemnation or proceeding of any kind pending or, to the best of the Seller's knowledge without investigation, threatened against any portion of the Property, and the Seller has no actual knowledge that any such action is contemplated.

D. **Wells.** There are not any wells located on the Property.

E. **Individual Sewage Treatment Systems.** There are not any individual sewage treatment systems located on the Property.

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

G. **Foreign Status.** The Seller is not a "foreign person," "foreign partnership," "foreign trust," or "foreign estate" as such terms are defined in the Internal Revenue Code.

13. **"AS IS, WHERE IS."** Except as otherwise provided in this Agreement, the Seller makes no other warranties or representations regarding the Property. The Buyer acknowledges that it has inspected or has had the opportunity to inspect the Property and agrees to accept the Property "AS IS" with no right of set off or reduction in the Purchase Price. Such sale shall be without representation of warranties, express or implied, either oral or written (except for the representations and warranties in Section 12 herein), made by the Seller or any official, employee or agent of the Seller with respect to the physical condition of the Property, including but not limited to, the existence or absence of petroleum, hazardous substances, pollutants or contaminants in, on, or under, or affecting the Property or with respect to the compliance of the Property or its operation with any laws, ordinances, or regulations of any government or other body, except as stated above. The Buyer

acknowledges and agrees that the Seller has not made and does not make any representations, warranties, or covenants of any kind or character whatsoever, whether expressed or implied, with respect to warranty of income potential, operating expenses, uses, habitability, tenant ability, or suitability for any purpose, merchantability, or fitness of the Property for a particular purpose, all of which warranties the Seller hereby expressly disclaims, except as provided in Section 12 above.

14. DAMAGE. If, prior to the closing date, all or any part of the Property is damaged by fire casualty, the elements or any other cause, the Seller shall immediately give written notice to the Buyer of such fact. The Buyer may terminate this Agreement within 30 days after the Seller's notice, in which event neither party will have any further obligations under this Agreement. If the Buyer elects not to terminate despite such damage, the Seller shall promptly commence to repair such damage or destruction and return the Property to its condition prior to such damage, and the Buyer shall have the right to approve any loss adjustment reached by the Seller with the applicable insurance companies, such approval not to be unreasonably withheld. If such damage is completely repaired prior to the closing date for the Property, then the Seller shall retain the proceeds of all insurance related to such damage. If such damage will not be completely repaired prior to the closing date but the Seller is diligently proceeding to repair, then the Seller shall complete the repair after the closing date and shall be entitled to receive the proceeds of all insurance related to such damage after repair is completed; provided, however, the Buyer shall have the right to delay the closing date until repair is completed. If the Seller shall fail to diligently proceed to repair such damage, then the Buyer shall have the right to require a closing to occur and the Seller shall assign to the Buyer all right to receive the proceeds of all insurance related to such damage and the Seller shall pay the Buyer an amount equal to the deductible under the applicable policies.

15. CONDEMNATION. If, prior to the closing, eminent domain proceedings are commenced against all or any part of the Property by an entity other than the Buyer, the Seller shall immediately give notice to the Buyer of such fact and at the Buyer's option (to be exercised within 15 days after the Seller's notice), this Agreement shall terminate, in which event neither party will have further obligations under this Agreement. If the Buyer fails to give such notice, then there shall be no reduction in the Purchase Price, and the Seller shall assign to the Buyer at the closing all of the Seller's right, title and interest in and to any award made or to be made in the condemnation proceedings. Prior to the closing, the Seller shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without the Buyer's prior written consent.

16. BROKER COMMISSIONS. The Seller and Buyer represent and warrant to each other that there is no broker involved in this transaction with whom it has negotiated or to whom it has agreed to pay a broker commission. The Buyer agrees to indemnify the Seller for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by the Buyer, and the Seller agrees to indemnify the Buyer for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by the Seller.

17. REMEDIES. If the Buyer or the Seller defaults in any of the agreements herein, the non-defaulting party may (i) terminate this Agreement, (ii) seek actual damages for breach of this

Agreement, or (iii) seek specific performance of this Agreement; provided that any action for specific enforcement must be brought within six months after the date of the alleged breach.

18. ASSIGNMENT. The Buyer may assign its rights under this Agreement to a related or affiliated entity with the Seller's approval, which shall not unreasonably be withheld and shall provide written notice to the Seller of such intent to assign. Such assignment shall relieve the Buyer of its obligations under this Agreement. The Seller may not assign its rights under this Agreement without the Buyer's prior written consent.

19. AMENDMENT AND MODIFICATION. No amendment, modification or waiver of any condition, provision or term of this Agreement shall be valid or have any effect unless made in writing, is signed by the party to be bound and specifies with particularity the extent and nature of such amendment, modification, or waiver. Any waiver by either party of any default by the other party shall not affect or impair any right arising from any previous or subsequent default.

20. NOTICES. Any notice, demand, request, or other communication which may or shall be given or served by the Seller on the Buyer or by the Buyer on the Seller, shall be deemed has been given or served on the date the same is hand delivered or the date of receipt or the date of delivery if deposited in the United States mail, registered, or certified, postage prepaid, and addressed as follows:

If to the Seller: Independent School District #318
Attn: Superintendent
601 SW 7th Street
Grand Rapids, MN 55744

If to the Buyer: City of Grand Rapids
Attn: City Administrator
420 N. Pokegama Avenue
Grand Rapids, MN 55744

or such other address as either party may give to another party in accordance with this Section.

21. NO PARTNERSHIP OR JOINT VENTURE. Nothing in this Agreement shall be construed or interpreted as creating a partnership or joint venture between the Seller and the Buyer relative to the Property.

22. CUMULATIVE RIGHTS. Except as may otherwise be provided herein, no right or remedy herein conferred on or reserved by either party is intended to be exclusive of any other right or remedy provided by law, but such rights and remedies shall be cumulative in and in addition to every other right or remedy given herein or elsewhere or existing at law, equity or by statute.

23. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties and no other agreement prior to this Agreement or contemporaneous herewith shall be effective except as expressly set forth or incorporated herein.

24. BINDING EFFECT. This Agreement binds and benefits the parties and their successors and assigns.

25. CONTROLLING LAW. This Agreement has been made under the substantive laws of the State of Minnesota, and such laws shall control its interpretation.

26. COUNTERPARTS. This Agreement or any amendments may be executed in counterparts, which taken together, shall constitute one original.

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

SELLER—INDEPENDENT SCHOOL DISTRICT NO. 318

By: _____

Its: _____

By: _____

Its: _____

BUYER—CITY OF GRAND RAPIDS

By: _____

Its: Mayor

By: _____

Its: City Clerk

EXHIBIT A

Descriptions of the Property

Block 29 of Kearneys 1st Addition to Grand Rapids, less the South 140 feet, County of Itasca, State of Minnesota.

Parcel Number: 91-585-2910

ITASCA COUNTY
HOUSING & REDEVELOPMENT AUTHORITY

March 1, 2024

Mr. Rob Mattei
Community Development Director
City of Grand Rapids

Dear Mr. Mattei,

At its regular meeting held on February 25, 2024, the HRA Board of Commissioners discussed and reviewed the HRA's current single-family home construction work and the potential to work with the city and/or the City EDA to acquire additional lots for home construction using the land trust model.

We understand that the EDA is working on a possible acquisition of the former ISD 318 Administration Building and corresponding property. We reviewed the proposed work plan that will include the demolition of the current structure and related work to make the site ready for single-family development and would like to express our interest in partnering with the city on this project. The HRA is very interested in purchasing the 8-lots for the estimated price of $80,000 from the city for use in our land trust program.

Please note that our ability to act will be dependent on securing the necessary funding from our partners to develop additional single-family homes. We would also need to secure a Phase I Environmental review so if this could be considered when the city is working on this project, that would be very helpful.

If you need additional information, please do not hesitate to contact me.

Diane R. Larson
Executive Director
Itasca County HRA

Former ISD #318 Administration Bldg. Redevelopment -Affordable Single Family

Sources and Uses

Uses	Budget	IRRR	City TIF	City Housing Allotment	HRA	Blandin	Total
Site Acquisition	$ 80,000				$ 80,000		$ 80,000
Demolition	$ 450,000	$ 225,000		$ 140,000		$ 85,000	$ 450,000
Engineering/Platting	$ 63,000		$ 63,000				$ 63,000
Utility Services	$ 160,000	$ 160,000					$ 160,000
Contingency	$ 75,300		$ 30,000			$ 45,300	$ 75,300
	$ 828,300	$ 385,000	$ 93,000	$ 140,000	$ 80,000	$ 130,300	$ 828,300

HRA able to purchase and sell to end user 8 lots at $10,000 each

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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: August 12, 2024

AGENDA ITEM: Grant Application Request – Legion Park Master Plan

PREPARED BY: Dan Swenson

BACKGROUND:

Legion Park was dedicated on March 12, 1966 by McVeigh Dunn Post No. 60 American Legion and spans approximately 160 acres.

Since the acquisition there have been many improvements to the park including the development of Yanmar Arena, Grand Rapids High School, the Reif Center, Streeter Field, Drazenovich Field, Nobel Hall Field, Cody Seim Memorial Skatepark, and an expansive recreational trail system on the western side of the park.

Improvements to Legion Park have been on a project-by-project basis related to the specific enhancements or organization needs and timing. To maximize the potential use and economic benefits of Legion Park, it is necessary to develop a master plan with community input. This plan will develop an understanding of the relationship between the community stakeholders and the future potential economic impact of the park.

The plan will need to identify the anticipated impacts of the neighborhood, city and greater surrounding community, the current level of community awareness regarding the levels of park uses and activities and the possible consequences of not developing a master plan or engaging the community for future planning purposes.

REQUESTED COUNCIL ACTION:

Make a motion to authorize staff to submit a grant application to the Blandin Foundation for the purpose of initiating a Legion Park Master Plan in an amount of $165,000.