



# GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

Thursday, July 25, 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 25, 2024 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

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

APPROVE MINUTES

1. Consider approval of minutes from the July 11, 2024 regular meeting.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$47,524.61.

BUSINESS

3. Consider adopting a resolution approving a first amendment to the Purchase Agreement between Deerwood Bank and the Grand Rapids Economic Development Authority.

UPDATES

ADJOURN

## MEMBERS & TERMS

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



# 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.

MEMBERS & TERMS

- 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

DATE: 07/19/2024  
 TIME: 09:38:23  
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 07/25/2024

VENDOR #	NAME	AMOUNT DUE
-----		
ECONOMIC DEVELOPMENT AUTHORITY		
0718010	CITY OF GRAND RAPIDS	2,555.00
	TOTAL	2,555.00
EDA - CAPITAL PROJECTS		
MISCELLANEOUS PROJECT		
0508450	EHLERS AND ASSOCIATES INC	150.00
	TOTAL MISCELLANEOUS PROJECT	150.00
DOWNTOWN REDVELPMNT BLK 18-21		
0508450	EHLERS AND ASSOCIATES INC	2,025.00
	TOTAL DOWNTOWN REDVELPMNT BLK 18-21	2,025.00
AIRPORT SOUTH INDUSTRIAL PARKS		
0212129	BLANDIN FOUNDATION	17,500.00
	TOTAL AIRPORT SOUTH INDUSTRIAL PARKS	17,500.00
FARM SERVICE REDEVELOPMENT		
2009800	THE TITLE TEAM	19,232.23
	TOTAL FARM SERVICE REDEVELOPMENT	19,232.23
	TOTAL UNPAID TO BE APPROVED IN THE SUM OF:	\$41,462.23
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
2209665	VISA	6,062.38
	TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:	\$6,062.38
	TOTAL ALL DEPARTMENTS	\$47,524.61



## REQUEST FOR GRAND RAPIDS EDA ACTION

---

**AGENDA DATE:** July 25, 2024

**STATEMENT OF ISSUE:** Consider adopting a resolution approving a first amendment to the Purchase Agreement between Deerwood Bank and the Grand Rapids Economic Development Authority.

**PREPARED BY:** Rob Mattei

---

### **BACKGROUND:**

The title company identified a third parcel that is adjacent to the property that was still owned by Itasca County Farm Co-op. Deerwood Bank was able to obtain a deed for Parcel 3 so it may be conveyed with the property to GREDA. Deerwood Bank and GREDA would like to extend the closing date to on or before July 30, 2024.

### **REQUIRED ACTION:**

Make a motion to adopt a resolution approving a first amendment to the Purchase Agreement between Deerwood Bank and the Grand Rapids Economic Development Authority.

## FIRST AMENDMENT TO PURCHASE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AGREEMENT (the “Amendment”) is made as of this \_\_\_\_ day of July, 2024, by and between Deerwood Bank, a Minnesota banking corporation (“**Seller**”), and the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of the State of Minnesota (“**Buyer**”).

1. Seller and the Buyer entered into that certain Purchase Agreement dated May 23, 2024 (the “Purchase Agreement”) providing for the conveyance by the Seller to the Buyer of certain property located in the City of Grand Rapids, Itasca County, Minnesota and legally described on the attached Exhibit A (the “Property”).
2. Seller has agreed to sell and Buyer has agreed to purchase a third parcel subject to the same terms and conditions of the Purchase Agreement and legally described on the attached Exhibit B (the “Parcel 3”).
3. The Purchase Agreement provides for a Closing Date on or before July 23, 2024, or such earlier date as the parties shall agree.
4. Seller and Buyer desire to extend the Closing Date to on or before July 30, 2024, or such date mutually acceptable to Seller and Buyer.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Seller and Buyer hereby amend the Purchase Agreement as follows:

1. The legal description of the property shall be amended to include Parcel 3.
2. The closing of this transaction shall be extended to occur in no event later than July 30, 2024, unless both parties agree to an extension of the Closing Date.
3. All other terms of the Purchase Agreement and any amendments remain binding.

*[Signatures on following page]*

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

**BUYER:**

**SELLER:**

Grand Rapids Economic Development  
Authority

Deerwood Bank

By: \_\_\_\_\_  
Its: President

By: \_\_\_\_\_  
Its: President

By: \_\_\_\_\_  
Its: Executive Director

**EXHIBIT A****Legal Description of the Property**

Parcel 1: Lots 1-12, inclusive, Block 26, together with that part of vacated Tenth Avenue West Appertaining thereto, and that portion of the vacated Ninth Avenue West lying East of Block 26, all in Grand Rapids Second Division, Itasca County, Minnesota

Except: The East 25 feet of Lots 1-6, Block 26, Grand Rapids Second Division, Itasca County, Minnesota.

Parcel 2: All of the Eastern 100 feet of Lots 1, 2,3, 4, 5 and 6, Block 25 AND all that portion of the West Half (W1/2) of vacated 10<sup>th</sup> Avenue West lying between and Easterly extensions of the North and South lines of said Block 25, excepting therefrom all those portions of Lots 5 and 6 of said Block 25 West of a line drawn parallel to and distant 60 feet Westerly of the East line of Block 25 AND except the East 4.72 feet of the West ½ (W1/2) of vacated tenth avenue West lying between the Easterly extension of the North and South lines of said Block 25, Second Division of Grand Rapids.



**EXHIBIT B**

**Legal Description of Parcel 3**

The East 4.72 feet of the West Half (W1/2) of vacated Tenth Avenue West lying between the Easterly extensions of the North and South lines of said Block 25, Second Division of Grand Rapids, Itasca County, Minnesota.

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING FIRST AMENDMENT TO THE PURCHASE AGREEMENT**

WHEREAS, Deerwood Bank, a Minnesota banking corporation (“Deerwood Bank”) owns certain real property legally described in Exhibit A attached hereto (the “Property”) in Grand Rapids, Minnesota (the “Property”); and

WHEREAS, Deerwood Bank and the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of the State of Minnesota (the “Authority”) entered into that certain Purchase Agreement dated May 23, 2024 (the “Purchase Agreement”) providing for the conveyance of the Property to the Authority; and

WHEREAS, Deerwood Bank and the Authority wish to amend certain terms of the Purchase Agreement; and

WHEREAS, the title company identified a third parcel that is adjacent to the Property that was still owned by Itasca County Farm Co-op which was the previous owner of the Property, said parcel is legally described on the attached Exhibit B (“Parcel 3”); and

WHEREAS, Deerwood Bank was able to obtain a deed for Parcel 3 from Itasca County Farm Co-op so that it may be conveyed with the Property to the Authority; and

WHEREAS, Deerwood Bank and the Authority wish include Parcel 3 in the Purchase Agreement as part of the property being conveyed by Deerwood Bank to the Authority; and

WHEREAS, Deerwood Bank and the Authority also wish to extend the Closing Date to on or before July 30, 2024, or such date mutually acceptable to Seller and Buyer.

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

1. The First Amendment to Purchase Agreement is hereby approved.
2. The President and the Executive Director are hereby authorized to execute and deliver to the Deerwood Bank the First Amendment to Purchase Agreement.

Adopted by the Board of Commissioners of the Grand Rapids Economic Development Authority this \_\_\_\_\_ day of July, 2024.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

**EXHIBIT A****LEGAL DESCRIPTION OF THE PROPERTY**

Parcel 1: Lots 1-12, inclusive, Block 26, together with that part of vacated Tenth Avenue West Appertaining thereto, and that portion of the vacated Ninth Avenue West lying East of Block 26, all in Grand Rapids Second Division, Itasca County, Minnesota

Except: The East 25 feet of Lots 1-6, Block 26, Grand Rapids Second Division, Itasca County, Minnesota.

Parcel 2: All of the Eastern 100 feet of Lots 1, 2,3, 4, 5 and 6, Block 25 AND all that portion of the West Half (W1/2) of vacated 10<sup>th</sup> Avenue West lying between and Easterly extensions of the North and South lines of said Block 25, excepting therefrom all those portions of Lots 5 and 6 of said Block 25 West of a line drawn parallel to and distant 60 feet Westerly of the East line of Block 25 AND except the East 4.72 feet of the West ½ (W1/2) of vacated tenth avenue West lying between the Easterly extension of the North and South lines of said Block 25, Second Division of Grand Rapids

**EXHIBIT B**

**Legal Description of Parcel 3**

The East 4.72 feet of the West Half (W1/2) of vacated Tenth Avenue West lying between the Easterly extensions of the North and South lines of said Block 25, Second Division of Grand Rapids, Itasca County, Minnesota.

**The Title Team**  
**ALTA Universal ID: 1213528**  
**1200 S Pokegama Ave, Ste 30**  
**Grand Rapids, MN 55744**

File No./Escrow No.: GR240168  
 Print Date & Time: July 17, 2024 1:53 pm  
 Officer/Escrow Officer: Rebecca Gilbert  
 Settlement Location: 1200 S Pokegama Ave, Ste 30  
 Grand Rapids, MN 55744  
 Property Address: 900 NW 4th St  
 Grand Rapids, MN 55744  
 Buyer: The Grand Rapids Economic Development Authority, a Minnesota public body corporate and politic  
 Attn: Executive Director  
 420 North Pokegama Avenue  
 Grand Rapids, MN 55744-2662  
 Seller: Deerwood Bank, a Minnesota banking corporation  
 2950 US Hwy 169  
 PO Box 429  
 Grand Rapids, MN 55744  
 Settlement Date : July 30, 2024  
 Disbursement Date : July 30, 2024

Description	Buyer	
	Debit	Credit
<b>Financial</b>		
Sale Price of Property	1.00	
<b>Prorations/Adjustments</b>		
County Taxes - 1st half 2024 01/01/24 to 06/30/24	7,752.00	
<b>Title Charges and Escrow/Settlement Charges</b>		
Closing Fee to The Title Team	500.00	
Disbursement Fee to The Title Team	60.00	
Exam Fee to The Title Team	250.00	
Search Fee to The Title Team	445.00	
e-Recording Fee to Simplifile e-Recording Account	35.00	
Owner's Title Insurance to The Title Team	1,621.50	
Coverage: \$642,000.00		
Premium: \$1,621.50		
Version: ALTA Owners Policy 2021		

Description	Buyer	
	Debit	Credit
<b>Government Recording and Transfer Charges</b>		
Recording Fees to Itasca County Recorder x2	92.00	
Deed Registration Tax to Itasca County Auditor x2	3.30	
Recording Fees (Sat) to Itasca County Recorder x5	230.00	
<b>Miscellaneous</b>		
Delinquent Property taxes #91-420-2511 + Penalty to Itasca County Auditor 36 months Full year 2021, 2022, 2023	350.40	
Property taxes #91-420-2510 to Itasca County Auditor 6 months 2nd half 2024	1,155.00	
Property taxes #91-420-2511 + Penalty to Itasca County Auditor Full year 2024	140.03	
Property taxes #91-420-2610 to Itasca County Auditor 6 months 2nd half 2024	6,597.00	
	<b>Debit</b>	<b>Credit</b>
<b>Subtotals</b>	19,232.23	
<b>Due from Buyer</b>		19,232.23
<b>Totals</b>	19,232.23	19,232.23

**Acknowledgement**

We/I have carefully reviewed the ALTA Settlement Statement and find it to be a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction and further certify that I have received a copy of the ALTA Settlement Statement. We/I authorize The Title Team to cause the funds to be disbursed in accordance with this statement.

Buyer  
  
The Grand Rapids Economic Development Authority

BY: \_\_\_\_\_  
Rob Mattei  
Director of Community Development

BY: \_\_\_\_\_

The Title Team

BY: \_\_\_\_\_  
Rebecca Gilbert  
Executive Closer