GRAND RAPIDS
ECONOMIC DEVELOPMENT AUTHORITY
MEETING AGENDA

Thursday, August 13, 2026
4:00 PM

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, August 13, 2026 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

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

APPROVE MINUTES

1. Consider approval of minutes from the July 23, 2026 regular meeting.

APPROVE CLAIMS

2. Consider approval of claims in the amount of $128,532.90

BUSINESS

3. Consider approval of a quote from TNT Construction for the removal of fertilizers and related, residual, stored products at 900 NW 4th St.

4. Consider the adoption of a resolution approving the acquisition of certain property owned by Cargill & Steffenson Properties, LLC and approving a Purchase Agreement

5. Consider adopting a resolution authorizing internal loan for advance of certain costs in connection with a tax increment financing district for property located at 533 NW 4th St (Cargill Purchase).

UPDATES

ADJOURN

<u>MEMBERS & TERMS</u>
Molly MacGregor - 12/31/2026 Council Representative
Tom Sutherland - 12/31/2026 Council Representative
Wayne Bruns - 3/1/31
Sholom Blake - 3/1/31
Al Hodnik - 3/1/27

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

GRAND RAPIDS
ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES

Thursday, July 23, 2026
4:00 PM

CALL TO ORDER

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

CALL OF ROLL

PRESENT
Commissioner Al Hodnik
President Sholom Blake
Commissioner Wayne Bruns
Commissioner Bill Martinetto

ABSENT
Commissioner Jean MacDonell
Commissioner Tom Sutherland
Commissioner Molly MacGregor

STAFF
Rob Mattei
Aurimy Groom
Will Richter

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 .*

The agenda was approved with addition:

Consider approving an agreement with The Pines for the use of the Block 18 GREDA Site.

APPROVE MINUTES

1. Consider approval of minutes from the July 9th, 2026 regular meeting.

   Motion by Commissioner Martinetto, second by Commissioner Bruns to approve the minutes from the July 9th, 2026 regular meeting. The following voted in favor thereof: Martinetto, Bruns, Blake, Hodnik. Opposed: None, motion passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of $43,778.28.

Motion by Commissioner Hodnik, second by Commissioner Martinetto to approve claims in the amount of $43,778.28. The following voted in favor thereof: Hodnik, Blake, Bruns, Martinetto. Opposed: None, motion passed unanimously.

BUSINESS

3. Consider adopting a resolution supporting creation of a tax increment financing district within Municipal Development District No. 1, establishing TIF District 1-18 therein, the program and TIF Plan; and recommending approval of a TIF Development Agreement between the City of Grand Rapids and Elevation Grand Rapids, LLC.

   Community Development Director Mattei provided a power point presentation. Unique Opportunities Grand Rapids, LLC of Alexandria filed an application for TIF Business Assistance requesting $2,167,000 in TIF. The proposed project is a 99 unit 4-story apartment complex with underground parking. The estimated total development cost is approximately $20,169,081 with the developer hoping to begin this fall or the spring of 2027 and a proposed completion date of the summer of 2028. The location of the project is a 5.7 acre site off of SE 2nd Avenue. Mr. Mattei and Ehlers have reviewed the budget and proforma and determined the use of TIF aligns with the City/GREDA Business Subsidy Policy as well as the requirements of the TIF Act.

   Motion by Commissioner Hodnik, second by Commissioner Martinetto to adopt resolution 26-08 supporting the creation of a tax increment financing district within Municipal Development District No. 1, establishing TIF District 1-18 therein, the program and TIF Plan; and recommending approval of a TIF Development Agreement between the City of Grand Rapids and Elevation Grand Rapids, LLC. The following voted in favor thereof: Martinetto, Bruns, Blake, Hodnik. Opposed: None, motion passed unanimously.

4. Consider the adoption of a resolution finding parcels located at 900 NW 4th Street are occupied by a structurally substandard building.

   GREDA hired LHB Architects to inspect and complete an analysis for the former Itasca County Farm Co-op building to determine if its condition met the statutory requirements to be designated as a TIF redevelopment or renewal and renovation district. The Architect has determined the building is structurally substandard as defined in TIF statute. A resolution must be adopted by both GREDA and the City documenting that the three parcels identified are occupied by a structurally substandard building.

   Motion by Commissioner Bruns, second by Commissioner Martinetto to adopt resolution 26-09 finding parcels located at 900 NW 4th Street are occupied by a structurally substandard building. The following voted in favor there of: Martinetto, Blake, Bruns, Hodnik. Opposed: None, motion passed unanimously.

5. Consider authorizing a solicitation requesting quotations for the removal of fertilizers and related, residual, stored products at 900 NW 4th St.

   The Minnesota Department of Agriculture conducted a site visit at the former Itasca County Farm Co-op building to determine what additional testing is required to determine the extent of contamination caused by the storage of fertilizers and other agricultural products and materials. prior to testing the MDA has required that the materials be removed and properly disposed of.

Motion by Commissioner Hodnik, second by Commissioner Martinetto to authorize solicitati of quotes for the removal of fertilizers and related, residual, stored products at 900 NW 4th Street. The following voted in favor thereof: Hodnik, Bruns, Blake, Martinetto. Opposed: None, motion passed unanimously.

6. Consider entering into a professional services agreement with Lane Design Group for the preparation of a Downtown Pedestrian Wayfinding Plan.

   The Grand Rapids Downtown Plan addresses public realm and streetscape strategies. A specific action that is recommended in the Downtown Plan and also incorporated into GREDA's grant from the Blandin Foundation is the planning, design and installation of pedestrian wayfinding. Staff along with the Grand Rapids Downtown Alliance selected the firm of Lane Design Group to prepare a plan and design for pedestrian wayfinding. Their proposal for this scope of work is a fee not to exceed $51,840.

   Motion by Commissioner Bruns, second by Commissioner Martinetto to approve entering into a professional services agreement with Lane Design Group for the preparation of a Downtown Pedestrian Wayfinding Plan. The following voted in favor thereof: Martinetto, Blake, Bruns, Hodnik. Opposed: None, motion passed unanimously.

7. Consider approval of an amendment to the professional services agreement with Pierson Henry LLC

   The original proposal had a monthly fee of $4,200 for assistance in supporting implementation of the communications plan, providing benchmarks and support to the new Executive Director. After the completion of the first phase, Pierson Henry and the Alliance have determined a reduction in scope for the second phase is advisable. The amendment proposes an hourly not to exceed monthly fee of $500 for as need consulting services.

   Motion by Commissioner Martinetto, second by Commissioner Hodnik to approve an amendment to the professional services agreement with Pierson Henry LLC. The following voted in favor thereof: Hodnik, Bruns, Blake, Martinetto. Opposed: None, motion passed unanimously.

8. Consider adopting a resolution approving the acquisition of certain property owned by Glenna and John Kellin and approving the purchase agreement.

   The property purchase price is $150,000 with the contingency GREDA is able to purchase an adjacent strip of land to the north. The owner has received an assurance letter from the MPCA, to protect the future owner from any liability and will also seal the well.

   Motion by Commissioner Martinetto, second by Commissioner Bruns to adopt resolution 26-10 approving the acquisition of certain property owned by Glenna and John Kellin and approving the purchase agreement. The following voted in favor thereof: Hodnik, Bruns, Blake, Martinetto. Opposed: None, motion passed unanimously.

9. Consider adopting a resolution authorizing internal loan for advance of certain costs in connection with a tax increment financing district for property located at 533 NW 4th St.

   The draft resolution states should the city incur costs related to a possible future TIF district up to $175,000 of those costs will be financed through a temporary interfund loan from the City's General Reserves or the GREDA's Capital Projects Fund.

Motion by Commissioner Bruns, second by Commissioner Martinetto to adopt resolution 26- authorizing an internal loan for advance of certain costs in connection with a tax increment financing district for property located at 533 NW 4th Street. The following voted in favor thereof: Martinetto, Blake, Bruns, Hodnik. Opposed: None, motion passed unanimously.

10. Review and consider budget recommendations for 2027 GREDA Operating Budget and levy for Capital Projects Fund.

Community Development Director Mattei provided a worksheet showing line item expenditures for 2024-2025 as well as the adopted 2026 budget. Mr. Mattei is recommending adopting the proposed 2027 Operating Budget and a levy request of $125,000 to be transferred to the Capital Projects Fund.

Motion by Commissioner Hodnik, second by Commissioner Bruns to approved the recommended 2027 Operating Budget and levy request of $125,000 to be transferred to the Capital Projects Fund. The following voted in favor thereof: Martinetto, Blake, Bruns, Hodnik. Opposed: None, motion passed unanimously.

UPDATES

ADJOURN

There being no further business the meeting adjourned at 4:48 p.m.

<u>MEMBERS & TERMS</u>
Molly MacGregor - 12/31/2026 Council Representative
Tom Sutherland - 12/31/2026 Council Representative
Wayne Bruns - 3/1/31
Sholom Blake - 3/1/31
Al Hodnik - 3/1/27
Bill Martinetto - 3/1/29
Jean MacDonell - 3/1/30

GRAND RAPIDS EDA BILL LIST - AUGUST 13, 2026
DEPARTMENT SUMMARY REPORT

EDA

BRAUN INTERTEC	$	1,709.00
TNT CONSTRUCTION	$	126,823.90
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:	**$**	**128,532.90**

REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: August 13, 2026

STATEMENT OF ISSUE: Consider approval of a quote from TNT Construction for the removal of fertilizers and related, residual, stored products at 900 NW 4th St.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

At the July 23rd meeting, GREDA authorized a request for quotations for the removal of fertilizers and other materials left in the former Itasca County Farm Service building. As you will recall, the removal and disposal of these materials is necessary prior to conducting additional sub-surface sampling required by the MN Dept. of Agriculture.

Two quotes were received in the following lump sum amounts:

TNT Construction	$29,500
Twin Ports Environmental Construction	$46,480

RECOMMENDATION:

REQUIRED ACTION: Make a motion to approve a quote of $29,500 from TNT Construction for the removal of fertilizers and related, residual, stored products at 900 NW 4th St.

REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: August 13, 2026

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

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

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

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

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

RECOMMENDATION:

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

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _________

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

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

Section 1. Recitals.

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

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

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

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

Section 2. Purchase of Property Approved; Further Proceedings.

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

2.02. The Board hereby authorizes the President and Executive Director, in their discretion and at such time, if any, as they may deem appropriate, to execute the Conveyance Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the Authority's obligations thereunder when all conditions precedent thereto have been satisfied provided that the closing statement and closing documents may be signed solely by the Executive Director. The Conveyance Documents shall be in substantially the form on file with the Authority and the approval hereby given to the Conveyance Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom, and additions thereto as may be necessary and appropriate and approved by legal counsel to the Authority and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the Authority. The execution of any instrument by the appropriate officers of the Authority herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This resolution shall not constitute an offer and the Conveyance Documents shall not be effective until the date of execution thereof as provided herein.

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

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

President

ATTEST:

Secretary

EXHIBIT A

Legal Description of Property

PID: #91-420-1950

Legal Description:

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

PURCHASE AGREEMENT

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

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

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

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

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

b. **TERMS:**

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

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

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

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

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

i. Building and zoning laws, ordinances, state and federal regulations;

ii. Reservation of minerals or mineral rights to the State of Minnesota, if any;

iii. The lien of real estate taxes and special assessments not yet due and payable;

iv. Public utility and drainage easements of record which will not interfere with Buyer's intended use of the Property;

v. Other matters created by or acceptable to or waived by Buyer pursuant to Section 8 below.

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

a. An affidavit from Seller sufficient to remove any exception in Buyer's policy of title insurance for mechanics' and materialmens' liens arising due to the act or omission of Seller and rights of parties in possession;

b. A "bring-down" certificate, certifying that all of the warranties made by Seller in this Agreement remain true as of the Closing Date;

c. Affidavit of Seller confirming that Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code;

d. A statement that the Seller does not know of any wells on the Property;

e. Any notices, certificates, and affidavits regarding any private sewage systems, underground storage tanks, and environmental conditions as may be required by state or federal statutes, rules or regulations; and

f. Any other documents reasonably required by Buyer's title insurance company or attorney to evidence that title to the Property is marketable and that Seller has complied with the terms of this Agreement.

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

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

b. Buyer shall have confirmed satisfactory condition of title;

c. Buyer shall have received a satisfactory ALTA/ACSM survey of the Property and improvements, if any (at Buyer's sole cost and expense);

d. Buyer shall have received satisfactory environmental reports including, but not limited to, a Phase I report and all necessary closure and no association letters from respective government agencies, if applicable (at Buyer's sole cost and expense) and is satisfied with the condition of the Property;

e. Buyer shall have confirmed that the geotechnical characteristics of the Property are satisfactory, based on soil borings to be taken and analyzed by Buyer's geotechnical consultant (at Buyer's sole cost and expense);

f. Buyer's ability to contemporaneously purchase the property located 533 NW 4th Street adjacent to the Property (the "Adjacent Property") in the City of Grand Rapids;

g. Buyer's determination of marketable title pursuant to Section 8 of this Agreement.

7. **DUE DILIGENCE**.

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

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

c. **Seller's Due Diligence Deliverables.** The Seller shall provide the Buyer with the following, to the extent available and in Seller's possession or control: (1) any existing surveys; (2) any existing property condition assessments, (3) any existing Phase I and Phase II environmental assessments; (4) information regarding any underground or above ground storage tanks on the Property; and (5) any title commitments previously obtained by the Seller for the Property (collectively defined as the "Deliverables"). The Seller shall deliver the requested Deliverables to the Buyer within five business days of mutual execution of this Agreement. Buyer hereby acknowledges that, except as expressly set forth in this Agreement, Seller has not made nor makes any warranty or representation regarding the truth, accuracy or completeness of the Deliverables or the source(s) thereof. Seller expressly disclaims any and all liability for representations or warranties, express or implied, statements of fact and other matters contained in such Deliverables, except for statements of fraud or misrepresentations expressly made by Seller in such Deliverables. Buyer shall rely solely upon its own investigation with respect to the Property, including, without limitation, the Property's physical, environmental or economic condition, compliance or lack of compliance with any ordinance, order, permit or regulation or any other attribute or matter relating thereto. Seller has not undertaken any independent investigation as to the truth, accuracy or completeness of the Deliverables and is providing the Deliverables solely as an accommodation to Buyer.

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

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

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

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

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

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

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

12. **POSSESSION/UTILITIES.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SELLER:	Cargill & Steffenson Properties, LLC ___________ ___________ Email: ___________ With a copy to: ___________ ___________ ___________ Email: ___________
BUYER:	Grand Rapids Economic Development Authority Attn: Rob Mattei 402 N. Pokegama Ave. Grand Rapids, MN 55744 With a copy to: Kutak Rock LLP Attn: Gina Fiorini, Esq. 60 South Sixth Street Suite 3400 Minneapolis, MN 55402

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

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

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

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

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

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

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

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

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

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

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

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

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

(The remainder of this page intentionally left blank.)

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

Buyer:	Seller:
Grand Rapids Economic Development Authority	Cargill & Steffenson Properties, LLC
By: ______________________________ Its: President	By: ______________________________
	Name: ____________________________
By: ______________________________ Its: Executive Director	Its: ______________________________

EXHIBIT A

Legal Description of Property

PID: #91-420-1950

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

EXHIBIT B

DEPICTION OF CROSS ACCESS EASEMENTS

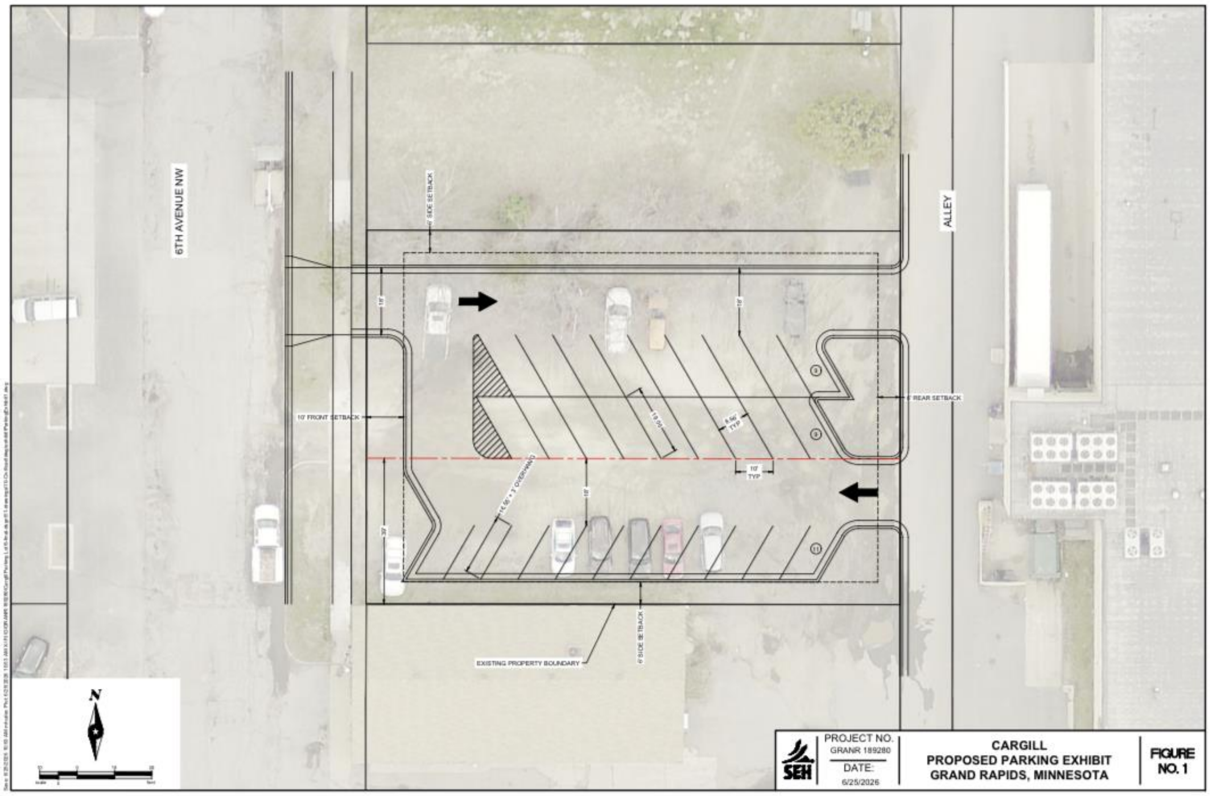

EXHIBIT D

[LIST ENVIRONMENTAL REPORT]

EXHIBIT E

Cross Access Easement Map

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

REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: August 13, 2026

STATEMENT OF ISSUE: Consider adopting a resolution authorizing internal loan for advance of certain costs in connection with a tax increment financing district for property located at 533 NW 4th St (Cargill Purchase).

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

Minnesota Statute 469.178, subdivision 7 of the TIF Act authorizes the City or GREDA 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 incur costs related to a possible future TIF district up to an amount of $70,000, that those costs will be financed on a temporary basis through an interfund loan from the City's General Reserves or the EDA's Capital Projects Fund. This interloan fund will then be reimbursed through tax increments from the property within the possible future TIF District.

RECOMMENDATION:

REQUIRED ACTION: Make a motion to adopt a resolution authorizing internal loan for advance of certain costs in connection with a tax increment financing district for property located at 533 NW 4th St. (Cargill Purchase)

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____________

AUTHORIZING INTERNAL LOAN FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH A TAX INCREMENT FINANCING DISTRICT FOR CARGILL & STEFFENSON PROPERTY

WHEREAS, the City of Grand Rapids, Minnesota (the “City”) and the Grand Rapids Economic Development Authority (the “Authority”) are considering establishing a tax increment financing district in the City (the “TIF District”), pursuant to Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the “TIF Act”); and

WHEREAS, the City and the Authority may incur certain costs related to the TIF District which costs may be financed on a temporary basis from available City or Authority funds; and

WHEREAS, pursuant to Section 469.178, subdivision 7 of the TIF Act, the City and the Authority are authorized to advance or loan money from any 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 and the Authority have determined to pay for certain costs of the proposed TIF District including acquisition of property from Cargill & Steffenson Properties, LLC(the “Cost Advances”) which costs may be financed on a temporary basis from any City or Authority funds available for such purposes as an interfund loan pursuant to Section 469.178, subdivision 7 of the TIF Act; and

WHEREAS, the Authority hereby designates the Cost Advances as an interfund loan in accordance with the terms of this resolution and the TIF Act; and

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

1. The Authority will reimburse itself or the City for the Costs Advances described herein in an aggregate amount not to exceed the greater of $70,000 or the adopted and, if applicable, Tax Increment Financing Plan budget for the TIF District (the “Interfund Loan”) together with interest at the rate stated below. 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 or 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 7.0% and will not fluctuate.

2. Principal and interest (the “Payments”) on the Interfund Loan shall be paid semiannually on each February 1 and August 1 (each a “Payment Date”), commencing on the first Payment Date on which the City or the Authority has received Available Tax Increment (defined below), or on any other dates determined by the Director of Finance of the City, through the date of last receipt of tax increment from the TIF District (the “Maturity Date”).

3. Payments on the Interfund Loan will be made solely from the tax increment from the TIF District received by the Authority or the City from Itasca County, Minnesota in the 6-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 Director of Finance. 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 Director of Finance. 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 this resolution is pre-payable in whole or in part at any time by the Authority without premium or penalty.

5. This resolution is evidence of an internal borrowing by the Authority or 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 Authority or 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. Neither the Authority nor the City shall have any 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 Authority or the City, as applicable, may at any time decide to forgive the outstanding principal amount and accrued interest on the Interfund Loan, in whole or in part, on any date from time to time, to the extent permissible under law.

7. The Authority 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.

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

____
President

ATTEST:

____
Executive Director