



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

CITY COUNCIL MEETING AGENDA

Monday, July 27, 2026

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, July 27, 2026 at 5:00 PM in City Hall Council Chambers, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL:

POSITIVE HAPPENINGS IN THE CITY:

PUBLIC FORUM:

COUNCIL REPORTS:

APPROVAL OF MINUTES:

1. Approve Council minutes for Monday, July 13, 2026 Regular meeting and Monday, July 20, 2026 Special meeting.

VERIFIED CLAIMS:

2. Approve the verified claims for the period June 7, 2026 to July 20, 2026 in the total amount of \$2,482,946.57.

ACKNOWLEDGE MINUTES FOR BOARDS AND COMMISSIONS:

3. Acknowledge the following minutes for Boards & Commissions Meetings:

- ~ January 6, 2026 Arts & Culture Commission
- ~ May 7, 2026 Planning Commission
- ~ May 13, 2026 Library Board
- ~ May 19, 2026 Golf Board
- ~ May 21, 2026 PCA Board
- ~ May 27, 2026 Human Rights Commission
- ~ May 28, 2026 GREDA
- ~ June 10, 2026 Library Board

CONSENT AGENDA:

4. Consider awarding a quote to Polar Insulating, LLC for roof repair at the Grand Rapids – Itasca County Airport.

- [5.](#) Consider adopting a resolution approving LG230 Application for Off-Site Gambling for Confidence Learning Center
- [6.](#) Consider accepting the Grand Rapids Economic Development Authority Annual Report for 2025.
- [7.](#) Consider approval of a resolution authorizing a grant request to MN IRRR Culture and Tourism Grant Program for the Pokegama Golf Course Bunker Rehabilitation Project.
- [8.](#) Consider the approval of a lease agreement with Rapids Brewing Company.
- [9.](#) Consider the adoption of a resolution finding parcels located at 900 NW 4th Street are occupied by a structurally substandard building.
- [10.](#) Consider entering into a **Joint** Powers Agreement between the State of Minnesota, acting through its Commissioner of Public Safety on behalf of the State Fire Marshal and the City of Grand Rapids to conduct all hotel inspections in the City of Grand Rapids.
- [11.](#) Consider the purchase of new tee markers
- [12.](#) Consider hiring Taylor Ruppelius Klopp as seasonal hire at Pokegama Golf Course.
- [13.](#) Consider approving temporary liquor license for American Legion Post 476 for Itasca County Fair Beer Garden

SET REGULAR AGENDA:

ADMINISTRATION:

- [14.](#) Consider appointment of Kaden Oldham as Police Officer with the Grand Rapids Police Department.

FIRE:

- [15.](#) Consider allowing the Grand Rapids Fire Department to purchase a replacement RDC Water Rescue Craft from Oceanid and accessories.

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

- [16.](#) Conduct a Public hearing to consider the establishment of TIF District 1-18, Elevation Apartment Project.

COMMUNITY DEVELOPMENT:

- [17.](#) Consider the adoption of a resolution approving the establishment of TIF District 1-18, Elevation Apartments Project and a TIF Plan therefore.
- [18.](#) Consider the adoption of a resolution approving a TIF Development Agreement and awarding the sale of, and providing the form, terms, covenants and directions for the issuance of it TIF revenue note to Elevation Grand Rapids, LLC.

- [19.](#) Consider the adoption of a resolution authorizing interfund loan for advance of certain costs in connection with Tax Increment Financing District No. 1-18: Elevation Apartments Project

ADJOURNMENT:

NEXT REGULAR MEETING IS SCHEDULED FOR AUGUST 10, 2026 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



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CITY COUNCIL MEETING MINUTES

Monday, July 13, 2026

5:00 PM

Mayor Connelly called the meeting to order at 5:00 pm.

PRESENT: Mayor Tasha Connelly, Councilor Molly MacGregor, Councilor Tom Sutherland, Councilor Rick Blake, Councilor Dan Mertes

STAFF: Tom Pagel, Kim Gibeau, Chad Sterle, Andy Morgan, Will Richter, Carl Babich, Matt Wegwerth

POSITIVE HAPPENINGS IN THE CITY:

Notified of MN DNR Grant awarding \$500,000 towards the Blandin Park renovation project. Blandin Foundation has also awarded \$350,000 and IRRRB Demo grant help move this project along.

Itasca County received a grant for composting site.

PUBLIC FORUM:

No one from the public addressed the Council.

COUNCIL REPORTS:

Councilor Blake provided updates on meetings attended including Data Center presentation.

Councilor MacGregor provided overview of Trail Town event held at Tioga Beach and updated Council on Library funds, which have now surpassed the \$200,000 goal.

APPROVAL OF MINUTES:

1. Approve Council minutes for Monday, June 22, 2026 Worksession and Regular meetings.

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

VERIFIED CLAIMS:

2. Approve the verified claims for the period June 16, 2026 to July 6, 2026 in the total amount of \$3,288,586.23.

Motion made by Councilor MacGregor, Seconded by Councilor Mertes to approve the verified claims as presented. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

CONSENT AGENDA:

3. Consider adopting a resolution accepting a bench donation in memory of Manuel and Judy Jasso.

Adopted Resolution 26-49

4. Consider approving the School Resource Officer Agreement for the 2026-2027 school year with Independent School District #318
5. Consider adopting a resolution to accept \$454 donation for the Grand Rapids Police Reserve Unit, for volunteer services at 2026 U of M NCROC Visitors Day event.

Adopted Resolution 26-50

6. Consider Voiding Lost Accounts Payable Check and Issue Replacement Check.
7. Authorization to Enter into an Agreement with GovWell for Building Permit Software
8. Consider approval of a Janitorial Services Agreement with Willow Leaf Commercial Cleaning.
9. Consider allowing the Grand Rapids Fire department to obtain quotes for the purchase of a RDC, chainsaws, a skid unit for our side x side and miscellaneous firefighting equipment.

Motion made by Councilor Blake, Seconded by Councilor MacGregor to approve the Consent agenda as presented. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

SET REGULAR AGENDA:

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

ENGINEERING PUBLIC WORKS:

10. Consider approving the purchase of a front-end loader for public works

Mr. Wegwerth detailed purchase, including this is replacement for 2011 machine and is budgeted as part of the Capital Improvement Plan.

Motion made by Councilor MacGregor, Seconded by Councilor Mertes to approve purchase of front-end loader for PW as presented. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

FINANCE:

11. Consider approval of reimbursement resolution Water Treatment Renovation Project; and request the City Council issue G.O. bonds to finance related costs.

Motion made by Councilor MacGregor, Seconded by Councilor Blake to **adopt Resolution 26-51**, approving reimbursement for Water Treatment Renovation project and approve issuance of GO bonds to finance related costs. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

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

12. Conduct a Public Hearing to consider the adoption of an Ordinance amending and updating sections of Municipal Code Chapter 30 - Land Development Regulations (30-421 Definitions and 30-512 Table 2A District Development Regulations).

Mayor Connelly stated the purpose for the public hearing. Presentation given by Will Richter.

Motion made by Councilor Mertes, Seconded by Councilor MacGregor to open the public hearing. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

No one from the public wished to speak, therefore the following motion was made.

Motion made by Councilor Blake, Seconded by Councilor Sutherland to close the public hearing. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

COMMUNITY DEVELOPMENT:

13. Consider the recommendation of the Planning Commission regarding the adoption of an Ordinance amending and updating sections of Municipal Code Chapter 30 - Land Development Regulations (30-421 Definitions and 30-512 Table 2A District Development Regulations).

It was confirmed that all required notices have been made and there has been no correspondence received by the Clerk's office.

Motion made by Councilor Blake, Seconded by Councilor Mertes to **adopt City Ordinance 26-07-04**, amending and updating sections of Municipal Code Chapter 30 - Land Development Regulations. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

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

14. Conduct a Public Hearing to consider the rezoning of land from R-3 (Multi-family medium density) and GB (General Business) to R-4 (Multi-family high density).

Mayor Connelly stated the purpose of the hearing. Presentation provided by Will Richter.

Motion made by Councilor Mertes, Seconded by Councilor MacGregor to open the public hearing. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

Lori Chrape, 607 NE11th Ave, expressed overall support for redeveloping the trailer park into a new apartment complex, noting that the property has long been an eyesore despite recent improvements. Ms. Chrape asked for clarification about the proposed rezoning from R-3 to R-4, specifically how it would affect building height and residential density, and raised concerns about increased traffic if the primary entrance were located on 11th Avenue, suggesting instead that access be provided from the commercial side near Slumberland to reduce congestion and noise in the residential neighborhood.

Paula Johnson, 601 NE 11th Avenue, voiced support for redeveloping the former trailer court while emphasizing concerns about neighborhood traffic. She agreed that the primary entrance should be located on the commercial side near Slumberland rather than on 11th Avenue to minimize traffic, noise, and disruption in the residential area. Drawing on her 24 years of living nearby, she recalled that when the trailer court was fully occupied, it generated heavy traffic, frequent litter, and regular police calls. While she appreciates the quieter neighborhood in recent years as the number of trailers has declined, she believes redeveloping the property would eliminate a longstanding eyesore and improve the neighborhood overall.

Motion made by Councilor Blake, Seconded by Councilor Sutherland to close the public hearing. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

COMMUNITY DEVELOPMENT:

15. Consider the recommendation of the Planning Commission regarding adoption of an ordinance, amending the Official Zoning Map, by rezoning land from R-3 (Multi-family medium density) and GB (General Business) to R-4 (Multi-family high density).

It was confirmed that all required notices have been made and there has been no correspondence received by the Clerk's office.

Zoning Administrator, Will Richter, responded to questions from residents by explaining the differences between the proposed R-3 and R-4 zoning districts. Also addressed concerns about traffic access, explaining that no development plan has been submitted yet but acknowledging the residents' suggestion to locate the primary entrance on the commercial side of the property near Slumberland. This recommendation would be shared with any future developer.

Motion made by Councilor Blake, Seconded by Councilor Sutherland to **adopt City Ordinance 26-07-05**, amending official zoning map, rezoning land from R-3 and GB to R-4 as presented. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

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

16. Conduct a Public Hearing to consider the rezoning of land from LB (Limited Business) to GB (General Business).

Mayor Connelly stated the purpose of the public hearing. Will Richter provided presentation for rezone request.

Motion made by Councilor Mertes, Seconded by Councilor MacGregor to open the public hearing. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

No one from the public wished to speak, therefore the following motion was made.

Motion made by Councilor Blake, Seconded by Councilor MacGregor to close the public hearing. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

COMMUNITY DEVELOPMENT:

17. Consider the recommendation of the Planning Commission regarding adoption of an ordinance, amending the Official Zoning Map, by rezoning land from LB (Limited Business) to GB (General Business).

It was confirmed that all required notices have been made and there has been no correspondence received by the Clerk's office.

Motion made by Councilor MacGregor, Seconded by Councilor Mertes to **adopt City Ordinance 26-07-06**, amending official zoning map, rezoning land from LB to GB as presented. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Sutherland, Councilor Blake, Councilor Mertes

There be no further business, the meeting adjourned at 5:48 PM.

Respectfully submitted:



Kimberly Gibeau, City Clerk



CITY OF
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CITY COUNCIL SPECIAL MEETING MINUTES

Monday, July 20, 2026

4:00 PM

Mayor Connelly called the meeting to order at 4:00 PM.

PRESENT: Mayor Tasha Connelly, Councilor Molly MacGregor, Councilor Rick Blake, Councilor Dan Mertes. ABSENT: Councilor Tom Sutherland.

STAFF: Tom Pagel, Carl Babich, Rob Mattei, Andy Morgan, Matt Wegwerth, Dale Anderson, Shawn Graeber, Travis Cole, Laura Pfeifer, Amy Dettmer, Erik Scott, Chery Pierzina

BUSINESS:

1. Consider approving agreements with FM All-Star Band for musical performance at 2026 Tall Timber Days event and authorize payment.

Motion made by Councilor Blake, Seconded by Councilor Mertes to approve the contract with FM All-Star band and authorize payment, to be reimbursed by Tall Timber Days Committee. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Blake, Councilor Mertes

2. Considering allowing the Fire Chief to sign the Minnesota Department of Natural resources Division of Forestry and the Grand Rapids Fire Department Cooperative Fire Protection Agreement.

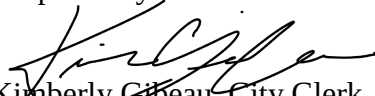
Motion made by Councilor MacGregor, Seconded by Councilor Blake to approve DNR Cooperative Fire Protection Agreement and authorize the Fire Chief to sign. Voting Yea: Mayor Connelly, Councilor MacGregor, Councilor Blake, Councilor Mertes

3. 2027 Budget Planning

Mr. Pagel reviewed proposed budget for 2027, with department heads detailing specific line items. Council directs staff to continue review and return with updated recommendations in August.

There being no further business, the meeting adjourned at 6:00 PM.

Respectfully submitted:


 Kimberly Gibeau, City Clerk

Summary Report

Item 2.

VENDOR NAME/INVOICE #	AMOUNT
3RD DEGREE SCREENING INC	\$ 123.98
ACHESON TIRE INC	\$ 70.00
ANDERSON GLASS	\$ 2,820.00
ASHLEY BRUBAKER	\$ 533.80
BECHER HOPPE ASSOCIATES INC	\$ 4,250.00
BRAUN INTERTEC CORPORATION	\$ 2,900.00
BURGGRAF'S ACE HARDWARE	\$ 360.86
CARQUEST AUTO PARTS	\$ 214.67
CLIFTONLARSONALLEN LLP	\$ 5,512.50
COLE HARDWARE INC	\$ 397.23
COMMERCIAL REFRIGERATION	\$ 671.25
COMPUTERSHARE	\$ 6,703.75
DAKOTA FLUID POWER, INC	\$ 394.13
DAKOTA SUPPLY GROUP	\$ 591.14
DANIEL SKOGLUND	\$ 440.00
DAVIS OIL INC	\$ 1,136.12
DONDELINGER DODGE	\$ 75.94
ECOLAB PEST ELIMINATION	\$ 72.75
EHLERS AND ASSOCIATES INC	\$ 1,843.75
ENVIRONMENTAL EQUIPMENT AND SERVICES, INC.	\$ 455.08
FASTENAL COMPANY	\$ 1,888.68
GARTNER REFRIGERATION CO	\$ 435.00
GRAND PLAZA HOUSING	\$ 17,248.44
GRAND RAPIDS HERALD REVIEW	\$ 176.00
GRAND RAPIDS SAWMILL REDEVELOPMENT LLC	\$ 108,361.41
GRAND RAPIDS STATE BANK	\$ 12,893.29
HAWKINSON CONSTRUCTION CO INC	\$ 3,086.64
HIRSHFIELDS PAINT MANUFACTURING INC	\$ 3,999.97
JESSE DERMODY	\$ 1,000.00
KUTAK ROCK LLP	\$ 177.00
L&M SUPPLY	\$ 168.39
LAKEWOOD HEIGHTS APARTMENTS LLC	\$ 33,014.66
LATVALA LUMBER COMPANY INC.	\$ 36.67
MADDEN GALANTER HANSEN LLP	\$ 1,366.51
MAIN STREET DESIGN INC	\$ 3,885.98
MINUTEMAN PRESS	\$ 90.00
MN FIRE SERV CERTIFICATION BRD	\$ 1,123.00
MN STATE RETIREMENT SYSTEM-GR	\$ 3,681.60
NAPA SUPPLY OF GRAND RAPIDS	\$ 21.89

07/07/26 - 07/20/26

Debt Service Payment - \$502,203.75

CITY OF GRAND RAPIDS BILL LIST - July 27, 2026

Item 2.

Summary Report

NARTEC INC	\$	192.10
NORTHLAND LAWN & SPORT LLC	\$	325.37
NORTHLAND PORTABLES	\$	297.00
PUBLIC UTILITIES COMMISSION	\$	9,651.10
RIVER HILLS OF GR, LLC	\$	52,467.86
ROTH RV & MARINE	\$	107.82
SANDSTROM'S INC	\$	598.85
SE 7TH AVE DISTRIBUTION LLC	\$	188,371.04
SEH - GRAND RAPIDS	\$	12,738.09
SHERWIN-WILLIAMS	\$	267.84
THE PLUM CATALYST LLC	\$	10,000.00
TNT CONSTRUCTION GROUP LLC	\$	15,346.00
TROUT ENTERPRISES INC	\$	720.00
UNIQUE OPPORTUNITIES	\$	34,162.09
US BANK	\$	495,500.00
VESTIS GROUP, INC	\$	307.31
VIKING AUTOMATIC SPRINKLER	\$	678.00
W.W. WALLWORK INC	\$	353.50
YANMAR COMPACT EQUIPMENT NORTH AMERICA	\$	15,024.14

TOTAL UNPAID TO BE APPROVED IN THE SUM OF: \$ 1,059,330.19

CHECKS ISSUED/PRIOR APPROVAL:

AMAZON CAPITAL SERVICES	1467-KCMX-4JJL-L	\$	108.68
AMAZON CAPITAL SERVICES	171W-K7XL-PLGP	\$	85.49
AMAZON CAPITAL SERVICES	1NWH-XXMF-96GL	\$	46.36
AMAZON CAPITAL SERVICES	1KHN-34LK-D7N9-L	\$	51.34
AT&T MOBILITY	27790948	\$	2,533.65
AT&T MOBILITY	27790947	\$	1,629.08
BAILY LAMOUNTAIN	070626-L	\$	50.00
BAILY LAMOUNTAIN	071326-L	\$	50.00
CAITLYN COONS	070626-L	\$	50.00
CAITLYN COONS	071326-L	\$	50.00
CANON FINANCIAL SERVICES, INC	43514762-G	\$	45.48
CANON FINANCIAL SERVICES, INC	43514763	\$	62.01
CENTURYLINK QC	334015245/JUL26	\$	66.00
CENTURYLINK QC	334014654/JUL26	\$	66.00
CENTURYLINK QC	333931501/JUL26	\$	127.00
CIRCLE K/HOLIDAY	113136233	\$	46.70
CITY OF COHASSET	1.00651.02/JUN26	\$	88.21
DLL FINANCE LLC	68667817-G	\$	1,168.90

07/07/26 - 07/20/26

Debt Service Payment - \$502,203.75

CITY OF GRAND RAPIDS BILL LIST - July 27, 2026

Item 2.

Summary Report

DLL FINANCE LLC	70187762-G	\$	1,168.90
EMILY LINDNER	071326-L	\$	175.00
HOME DEPOT CREDIT SERVICES	1091/7143733	\$	147.61
ICTV - Grand Rapids	PB/2NDQTR26/FEES	\$	16,658.16
ISABELLA A PRATTO	071924-L	\$	50.00
ITASCA COUNTY RECORDER	A SMITH CEM DEED	\$	46.00
ITASCA COUNTY RECORDER	L. PENNING CEM DEED	\$	46.00
ITASCA COUNTY RECORDER	254210/A000797941	\$	46.00
ITASCA COUNTY RECORDER	254210/A000797940	\$	46.00
LAKE COUNTRY POWER	8705029400/JUN26	\$	55.76
LOFFLER COMPANIES INC	42463988	\$	447.80
MARCO TECHNOLOGIES, LLC	585818974-L	\$	206.37
MINNESOTA UNEMPLOYMENT COMP FD	07974595 2ND QTR 2026	\$	2,941.33
MN BCA TRAINING	47322	\$	75.00
MN DEPT OF LABOR & INDUSTRY	MN ABR037698X/FIRE H	\$	50.00
MN DEPT OF REVENUE	2/1/2026	\$	408.00
MN DEPT OF REVENUE	3/1/2026	\$	3,967.00
MN DEPT OF REVENUE	4/1/2026	\$	17,047.00
MN DEPT OF REVENUE	5/1/2026	\$	17,080.00
MN STATE RETIREMENT SYSTEM-GR	AUGUST 2026 CLERICAL HCSP	\$	2,088.00
NORTHERN DRUG SCREENING INC	17551	\$	65.00
PAYROLL	6/12/2026	\$	412,904.75
PAYROLL	6/26/2026	\$	432,064.80
PAYROLL	7/10/2026	\$	437,022.91
PUBLIC UTILITIES COMMISSION	KENT PROP JUN26-E	\$	122.94
PUBLIC UTILITIES COMMISSION	JUN/2026/PMT	\$	1,258.91
PUBLIC UTILITIES COMMISSION	ST/LIGHTS/EFT/JUNE26	\$	7,080.85
PUBLIC UTILITIES COMMISSION	DACF/JUN26	\$	702.25
PUBLIC UTILITIES COMMISSION	YANMAR/JUN26	\$	5,295.40
PUBLIC UTILITIES COMMISSION	EDA/JUN26-E	\$	287.39
PUBLIC UTILITIES COMMISSION	CITY HALL/JUN26	\$	2,526.63
PUBLIC UTILITIES COMMISSION	EV CHG/JUN26	\$	61.34
PUBLIC UTILITIES COMMISSION	AIRPORT/JUN26-A	\$	770.02
PUBLIC UTILITIES COMMISSION	LIB/JUN26-L	\$	3,425.40
PUBLIC UTILITIES COMMISSION	FIRE HALL/JUN26	\$	1,061.27
PUBLIC UTILITIES COMMISSION	PW/JUN26	\$	9,780.54
PUBLIC UTILITIES COMMISSION	GOLF/JUN26-G	\$	3,825.46
QUADIENT, INC	71526	\$	1,000.00
VISA	6170/JUN26	\$	88.97
VISA	9403/JUN26	\$	1,549.17
VISIT GRAND RAPIDS INC	LDGTAX/APR26	\$	25,545.50
WEX INC	113368097/PD	\$	7,366.48

07/07/26 - 07/20/26

Debt Service Payment - \$502,203.75

CITY OF GRAND RAPIDS BILL LIST - July 27, 2026

Item 2.

Summary Report

WEX INC	113368097/FD	\$	735.57
TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:		\$	1,423,616.38
TOTAL ALL DEPARTMENTS:		\$	2,482,946.57

07/07/26 - 07/20/26

Debt Service Payment - \$502,203.75



CITY OF
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ARTS & CULTURE COMMISSION
MEETING MINUTES
Tuesday, January 06, 2026
3:45 PM

CALL TO ORDER: Pursuant to due notice and call thereof, the Arts & Culture Commission will hold a regular meeting on Tuesday, January 6th, 2026, at 3:45pm in City Hall Council Chambers at 420 North Pokegama Avenue, Grand Rapids, Minnesota.

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

ROLL CALL:

PRESENT

Commissioner Jennifer Gorman
 Commissioner Myrna Peterson
 Commissioner Aaron Squadroni
 Commissioner Nancy Jacobson
 Commissioner Amanda Lamppa
 City Liaison, City Administrator Tom Pagel
 MacRostie Program Manager, Emily Carlson

ABSENT

Commissioner Angie Miskovich

Motion made by Commissioner Jacobson, Seconded by Commissioner Squadroni to elect Commissioner Gorman as the Chair of the Commission. Voting Yea: Commissioner Peterson, Commissioner Squadroni, Commissioner Jacobson, Commissioner Lamppa. Voting Abstaining: Commissioner Gorman. Motion Passed.

Motion made by Commissioner Gorman, Seconded by Commissioner Jacobson to elect Commissioner Lamppa as the Vice Chair of the Commission. Voting Yea: Commissioner Gorman, Commissioner Peterson, Commissioner Squadroni, Commissioner Jacobson. Voting Abstaining: Commissioner Lamppa. Motion Passed.

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

None.

SETTING THE AGENDA:

The Agenda was approved as written.

CORRESPONDENCE:

None.

APPROVE MINUTES:

1. Approve December 2nd, 2025, Minutes

Motion made by Commissioner Squadroni, Seconded by Commissioner Jacobson to approve the minutes for December 2nd, 2025. Voting Yea: Commissioner Gorman, Commissioner Peterson, Commissioner Squadroni, Commissioner Jacobson, Commissioner Lamma. Motion Passed.

FINANCIALS:

2. No Financials

BUSINESS:

3. Mayor's Art Award Winner & Presentation

There are two more pinecone art awards that the Commission paid for that will be awarded over the next two years.

4. Commissioner Terms & Nominations

The Commission will discuss the terms more in May and there will probably be new Commissioners coming onboard.

5. Brainstorming

The Commission discussed working on grants for art or other opportunities to volunteer at non-profits such as the MacRostie or the Grand Rapids Arts.

6. City Guidance

City Liaison, City Administrator Tom Pagel recapped the Budget cuts throughout the City and the elimination of the budgets for the Arts & Culture Commission and the Human Rights Commission. He stated that due to there being no funding for two to three years, would the Commission want to continue or pause until money was available? The Commissioners discussed their options of meeting quarterly or just a couple times per year as to not dismiss the Commission altogether. They also requested that they get a City Liaison to be at their meetings.

Motion made by Commissioner Peterson, Seconded by Commissioner Squadroni to make a recommendation to continue meeting as a Commission in the months of January, May and October, the first Tuesday of each at 3:45pm. Voting Yea: Commissioner Gorman, Commissioner Peterson, Commissioner Squadroni, Commissioner Jacobson, Commissioner Lamma. Motion Passed.

Motion made by Commissioner Gorman, Seconded by Commissioner Lamppa to let the City Council know that the Commission will meet three times per year until funding is available and they can let new applicants know these changes. Voting Yea: Commissioner Gorman, Commissioner Peterson, Commissioner Squadroni, Commissioner Jacobson, Commissioner Lamppa. Motion Passed.

7. Fountain

City Administrator Tom Pagel said that the Blandin Fountain was gifted to the city and it is in storage. The Commission is interested in looking at it and that it would be a great project to work on for the future.

8. Citizen Group

Commissioner Squadroni reached out to the Citizen Group in Chisholm. He has not heard back from them yet regarding their downtown revitalization project that they worked with a non-profit on the project. He said he will get more information for the May meeting.

UPDATES:

None.

ANNOUNCEMENTS:

None.

SET AGENDA FOR NEXT MEETING:

BUSINESS:

- 3. Commissioner Terms & Nominations
- 4. Brainstorming
- 5. Fountain

UPDATES

- 6. Citizen Group

ADJOURN:

The meeting adjourned at 5:42pm.

Respectfully submitted by Cynthia Lyman



CITY OF
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 IT'S IN MINNESOTA'S NATURE

PLANNING COMMISSION MEETING MINUTES

Thursday, May 07, 2026

4:00 PM

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

CALL OF ROLL:

PRESENT

Commissioner Paul Bignall
 Commissioner David Marquardt
 Commissioner David Kreitzer
 Commissioner Amanda Lamppa
 Commissioner Matt Maves

ABSENT

Commissioner Betsy Johnson
 Commissioner Isaac Meyer

STAFF

Will Richter
 Chad Sterle
 Aurimy Groom

APPROVAL OF MINUTES:

1. Consider approval of minutes from the April 2nd, 2026 regular meeting.

Motion made by Commissioner Kreitzer, Seconded by Commissioner Marquardt to approve the minutes from the April 2nd, 2026 regular meeting. The following voted in favor thereof: Bignall, Marquardt, Kreitzer, Lamppa, Maves. Opposed: None, motion passed unanimously.

PUBLIC HEARINGS:

2. Conduct a public hearing and consider a recommendation to the City Council on an amendment to the Conditional Use Permit granted to Walmart.

Zoning Administrator Richter provided the staff report. LK Architecture, on behalf of Walmart Real Estate Business Trust, has requested a sixth amendment to a Conditional Use Permit originally approved in December 2006. The requested amendment would allow changing exterior paint colors on the building to the new Walmart brand standard of dark gray with blue accent and updating signage.

Motion by Commissioner Kreitzer, second by Commissioner Lamppa to open the public hearing. The following voted in favor thereof: Kreitzer, Maves, Lamppa, Bignall, Marquardt. Opposed: None, motion passed unanimously.

There was no public input.

Motion by Commissioner Kreitzer, second by Commissioner Lamppa to close the public hearing. The following voted in favor thereof: Marquardt, Bignall, Lamppa, Maves, Kreitzer. Opposed: None, motion passed unanimously.

The Commissioners reviewed the considerations for the record:

1. Will not be detrimental to the public health, safety, morals, or general welfare?
Why/Why not? No, updating the color scheme will not affect those.
2. Will not cause undue traffic congestion or hazards and will not result in a parking shortage? Why/Why not? No, there will be no change to parking or traffic patterns.
3. Will not be injurious to the use and enjoyment or result in a decrease in value of other property in the area? Why/Why not? No, it will enhance the area by having an updated facade.
4. Will not impede the orderly development of other property in the area?
Why/Why not? No, it may result in more interest from developers.
5. Will not impose an excessive burden on parks and other public facilities and utilities?
Why/Why not? No, the change will not have an impact on any of those.
6. Is consistent with the Comprehensive Plan?
Why/Why not? Yes, the Comprehensive Plan dictates CUP's and the process for any changes.

Motion by Commissioner Lamppa, second by Commissioner Kreitzer that, based on the findings of fact presented here today, and in the public's best interest, the Planning Commission does hereby recommend that the City Council grant the following amendment to the Conditional Use Permit, approved under City Resolution No. 06-130, to Wal-Mart Stores Inc., for the property legally described as: Lot 1, Block 1, Plat of Wal-Mart Grand Rapids, Itasca County, Minnesota:

- To allow changing exterior paint colors on the building to the new Walmart brand standard of dark gray with blue accent and updating of building signage.

and that the following conditions shall apply:

- That all previously imposed conditions under City Council Resolution No.'s 06-130, 07-08, 08-22, 17-106, 19-99, and 20-27 remain in effect.

The following voted in favor thereof: Kreitzer, Maves, Lamppa, Bignall, Marquardt. Opposed: None, motion passed unanimously.

GENERAL BUSINESS:

3. Consider a recommendation to the City Council on the vacation of a segment of public infrastructure easement within the Crowder Addition to Grand Rapids.

Community Development staff have initiated the process to vacate a portion of public right-of-way easement within the Crowder Addition plat of Grand Rapids. The vacation will help provide clear title for potential future development in the area.

The Commissioners reviewed the considerations for the record:

1. Is the street right-of-way needed for traffic purposes?
No, the area is not in a roadway or sidewalk.
2. Is the street right-of-way needed for pedestrian purposes?
No, there is already existing sidewalk.
3. Is the street right-of-way needed for utility purposes?
No, there is access to utilities elsewhere.
4. Would vacating the street right-of-way place additional land on the tax rolls?
Yes, if developed it would.
5. Would vacating the street right-of-way facilitate economic development in the City?
Yes, vacating the easement may attract a potential developer.

Motion by Commissioner Lamppa, second by Commissioner Maves that, based on the findings of fact presented here today, and in the public's best interest, the Planning Commission does hereby forward to the City Council a recommendation to approve the vacation of public rights-of-way described as:

That portion of the perpetual easement for street, alley and utility purposes established under Document No. 402815 recorded in the Office of the Itasca County, Minnesota Recorder, described as follows:

That part of vacated 12th Street (13th Street as shown in the Plat of Crowder Addition) lying between the southerly extension of the east line of the vacated N/S alley in Block 7 and the southerly extension of the center line of vacated 3rd Avenue SE; AND

The west half of vacated 3rd Avenue SE lying adjacent to Lots 4-6, Block 7, Crowder Addition to Grand Rapids, Itasca County, MN.

The following voted in favor thereof: Marquardt, Bignall, Lamppa, Maves, Kreitzer. Opposed: None, motion passed unanimously.

PUBLIC INPUT:

Individuals may address the Planning Commission about any non-public hearing item or any item not

included on the Regular Meeting Agenda. Speakers are requested to come to the podium, state their name and address for the record and limit their remarks to three (3) minutes.

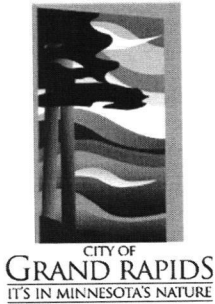
No one from the public wished to speak.

REPORTS/ANNOUNCEMENTS/UPDATES:

Mr. Richter noted the City Council increased the max height in R-4 zoning districts to 60'.

ADJOURNMENT:

There being no further business the meeting adjourned at 4:19 p.m.



GRAND RAPIDS AREA LIBRARY BOARD MEETING MINUTES

Wednesday, May 13, 2026

5:00 PM

CALL TO ORDER: Pursuant to due notice and call thereof, a Regular meeting of the Grand Rapids Area Library Board will be held on Wednesday, May 13, 2026, at 5:00 PM at Grand Rapids Area Library, Meeting Room, 140 NE 2nd Street, Grand Rapids, Minnesota

Chair Martin called the meeting to order at 5:00 PM.

CALL OF ROLL:

PRESENT

Member Cyndy Martin
Member Ellen Teigland
Member Sheena Richards
Member Aaron Squadroni
Member Janelle Dobbs
Member Jennifer Barr
Member Beau Casteel
Member Amanda King

ABSENT

Member Tabbatha Litchke

STAFF: Amy Dettmer, Library Director

APPROVAL OF AGENDA:

Library Director added item to Consent Agenda: Make a motion to approve a contract for payment to leader of book club meetings for school age children.

Motion made by Member Dobbs, Seconded by Member Teigland to approve the agenda with the added item to the Consent Agenda.

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

None.

APPROVAL OF MINUTES:

1. Consider a motion to approve Library Board meeting minutes from 4-8-2026.

Motion made by Member Dobbs, Seconded by Member Richards.

COMMUNICATIONS:

None.

FINANCIAL REPORT & CLAIMS (Roll Call Vote Required):

2. Review financial reports and consider a motion to authorize payment of the Library Bill List.

Motion made by Member Richards, Seconded by Member Casteel.

Voting Yea: Member Martin, Member Teigland, Member Richards, Member Squadroni, Member Dobbs, Member Barr, Member Casteel, Member King

CONSENT AGENDA (Roll Call Vote Required):

3. Consider adopting a resolution accepting donations.
4. Consider approval of 2 contracts for Lego Club programs.

Library Director added a contract for payment to leader of book club meetings for school age children.

Motion made by Member Dobbs, Seconded by Member Squadroni to accept the Consent Agenda.

Voting Yea: Member Martin, Member Teigland, Member Richards, Member Squadroni, Member Dobbs, Member Barr, Member Casteel, Member King

REGULAR AGENDA:

5. Review Animals in the Library policy.

Library Director indicated there is no policy for animals in the library. It will be helpful to have one on the books. At the June meeting members will vote.

6. Review Library Foundation member Volunteer of the Year finalist.

Library Director indicated a Foundation Board member is a finalist for the United Way volunteer of the year. The gala will take place May 21 and the Director will attend.

7. Review grant application.

Library Director applied for a MALF grant on behalf of the Friends. Director indicated the grant has been accepted. The grant is for \$975.00 to purchase large print titles.

UPDATES:

Friends:

Annual meeting to be held June 23. Summer book sale will take place Friday, July 10 and Saturday, July 11 at Community Presbyterian Church.

Foundation:

Next meeting in September 2026. They continue to approve reimbursements to the library.

STAFF REPORTS:

8. Review Library report and statistics.

Library Director reported the following:

Door count numbers are strong.

One Vegetable, One Community display on the main display table. Children's area display is thanking the Loveland's for their monetary contribution which allowed the purchase of 160 books.

Kris Curnow, Public Services Clerk I, celebrated her first anniversary of employment on May 1.

Envisionware printing/copying service to be installed on June 25.

New water bottle filler/fountain to be installed in children's soon.

Library Director attended a Arrowhead Library System (ALS) technology meeting. ALS is in the early stages of looking at automatic renewals for physical items. Mandatory inventory for libraries between July 1, 2026 and December 31, 2027. ALS can provide a team to do the inventory.

April was National Volunteer Month. Volunteer Coordinator Nicole provided each board member with a thank you notecard which is made out of wildflower seeds and can be planted in the ground.

True North Salon provides an in house magazine for its clients. The Feb./March/April edition included an article about the library's 2026 situation and the Grand Rapids Area Library Fund held at the Community Foundation.

The apartment building across the street is 90%. The developers are eyeing another site for another apartment building.

Director is working on selecting graphic novel titles because the Friends received a grant to get more graphic novels.

ADJOURNMENT:

Chair Martin adjourned the meeting at 5:27 PM.

NEXT REGULAR MEETING IS SCHEDULED FOR JUNE 10, 2026, AT 5:00 PM. AT THE GRAND RAPIDS AREA LIBRARY.

ATTEST: Amy Dettmer, Director of Library Services

GRAND RAPIDS PUBLIC LIBRARY BILL LIST - May 13, 2026
DETAILED REPORT**PUBLIC LIBRARY**

APG MEDIA OF MINNESOTA, LLC	134700/2026-L	554.00
ARROWHEAD LIBRARY SYSTEM	00015390-L	100.00
BLACKSTONE PUBLISHING	2230023-L	188.00
BLACKSTONE PUBLISHING	2231780-L	141.00
CENGAGE LEARNING INC	999102654060-L	171.00
CENGAGE LEARNING INC	999102550371-L	100.50
CITY OF GRAND RAPIDS	AR2601000205-L	1,746.67
CITY OF GRAND RAPIDS	AR2602000206-L	1,746.67
CITY OF GRAND RAPIDS	AR2603000207-L	1,746.67
DEMCO INC	7759454-L	118.40
EBSCO SUBSCRIPTION SERVICE	2603903-L	36.30
EBSCO SUBSCRIPTION SERVICE	2603591-L	(7.94)
GARTNER REFRIGERATION CO	109014-L	2,914.48
INGRAM LIBRARY SERVICES LLC	95614716-L	18.46
INGRAM LIBRARY SERVICES LLC	95614717-L	49.31
INGRAM LIBRARY SERVICES LLC	96129422-L	27.47
INGRAM LIBRARY SERVICES LLC	95744086-L	16.86
INGRAM LIBRARY SERVICES LLC	96009369-L	447.86
INGRAM LIBRARY SERVICES LLC	95744087-L	70.85
INGRAM LIBRARY SERVICES LLC	96009370-L	11.46
INGRAM LIBRARY SERVICES LLC	95744088-L	16.32
INGRAM LIBRARY SERVICES LLC	96146936-L	17.47
INGRAM LIBRARY SERVICES LLC	95628546-L	43.72
INGRAM LIBRARY SERVICES LLC	95727491-L	18.67
INGRAM LIBRARY SERVICES LLC	96090821-L	106.97
INGRAM LIBRARY SERVICES LLC	95727492-L	34.65
INGRAM LIBRARY SERVICES LLC	95927302-L	70.86
INGRAM LIBRARY SERVICES LLC	95727493-L	50.64
INGRAM LIBRARY SERVICES LLC	95927303-L	37.15
INGRAM LIBRARY SERVICES LLC	96146938-L	16.89
INGRAM LIBRARY SERVICES LLC	95927304-L	16.46
INGRAM LIBRARY SERVICES LLC	95744089-L	387.36
INGRAM LIBRARY SERVICES LLC	96090822-L	11.76
INGRAM LIBRARY SERVICES LLC	95927305-L	35.15
INGRAM LIBRARY SERVICES LLC	96146939-L	18.46
INGRAM LIBRARY SERVICES LLC	95744090-L	299.28
INGRAM LIBRARY SERVICES LLC	96146940-L	11.77
INGRAM LIBRARY SERVICES LLC	95744091-L	25.80
INGRAM LIBRARY SERVICES LLC	95677736-L	36.69

GRAND RAPIDS PUBLIC LIBRARY BILL LIST - May 13, 2026

DETAILED REPORT

INGRAM LIBRARY SERVICES LLC	95927306-L	15.71
INGRAM LIBRARY SERVICES LLC	95677737-L	13.92
INGRAM LIBRARY SERVICES LLC	95927307-L	68.52
INGRAM LIBRARY SERVICES LLC	95677738-L	9.62
INGRAM LIBRARY SERVICES LLC	95927308-L	851.73
INGRAM LIBRARY SERVICES LLC	95927309-L	16.85
INGRAM LIBRARY SERVICES LLC	96220791-L	25.80
INGRAM LIBRARY SERVICES LLC	96285491-L	48.30
INNOVATIVE OFFICE SOLUTIONS LL	IN5105189-L	482.77
INNOVATIVE OFFICE SOLUTIONS LL	IN5092708-L	12.97
INNOVATIVE OFFICE SOLUTIONS LL	IN5063860-L	103.92
ITASCA COUNTY SHERIFFS DEPT	Alarm 2026/Library	10.00
LEARNING OPPORTUNITIES INC	277711-L	3,002.37
MIDWEST TAPE LLC	508764838-L	121.45
MIDWEST TAPE LLC	508802112-L	91.47
MIDWEST TAPE LLC	508634534-L	171.95
SANDSTROM'S INC	582256-L	179.53
THE TIMBERJAY INC	28381R10/2026-L	72.00
UNIQUE MANAGEMENT SERVICES INC	6152033-L	186.40
UNIQUE MANAGEMENT SERVICES INC	6157604-L	93.20
VESTIS GROUP, INC	2630537533-L	96.19
VESTIS GROUP, INC	2630547212-L	96.19
VESTIS GROUP, INC	2630542141-L	96.19

TOTAL ALL INVOICES: \$ 17,321.14

GRAND RAPIDS PUBLIC LIBRARY BILL LIST - May 13, 2026
DEPARTMENT SUMMARY REPORT

PUBLIC LIBRARY

APG MEDIA OF MINNESOTA, LLC	\$	554.00
ARROWHEAD LIBRARY SYSTEM	\$	100.00
BLACKSTONE PUBLISHING	\$	329.00
CENGAGE LEARNING INC	\$	271.50
CITY OF GRAND RAPIDS	\$	5,240.01
DEMCO INC	\$	118.40
EBSCO SUBSCRIPTION SERVICE	\$	28.36
GARTNER REFRIGERATION CO	\$	2,914.48
INGRAM LIBRARY SERVICES LLC	\$	2,948.79
INNOVATIVE OFFICE SOLUTIONS LL	\$	599.66
ITASCA COUNTY SHERIFFS DEPT	\$	10.00
LEARNING OPPORTUNITIES INC	\$	3,002.37
MIDWEST TAPE LLC	\$	384.87
SANDSTROM'S INC	\$	179.53
THE TIMBERJAY INC	\$	72.00
UNIQUE MANAGEMENT SERVICES INC	\$	279.60
VESTIS GROUP, INC	\$	288.57

TOTAL UNPAID TO BE APPROVED IN THE SUM OF: \$ 17,321.14

CHECKS ISSUED-PRIOR APPROVAL

AT&T	26999304/March	\$	55.23
Amazon	1YRQ-RVCW-DKJ3	\$	37.89
Amazon	19W7-7XPK-C7CL-L	\$	42.48
Amazon	1JYH-TGXX-RNTM	\$	34.18
Diana Magner	3/25/2026-L	\$	125.00
Emily Lindner	3/16/2026-L	\$	175.00
Grand Rapids Payroll	3/20/2026	\$	21,682.59
Grand Rapids Payroll	4/3/2026	\$	22,042.99
Marco Technologies LLC	576930887-L/March	\$	165.65
Marco Technologies LLC	579150012-L/April	\$	165.65
Metropolitan	TS053963310001/Feb26	\$	81.28
Metropolitan	TS053963310001/Mar26	\$	81.28
Metropolitan	TS053963310001/APR26	\$	81.28
MN Energy	0507783569-01/Mar26-L	\$	374.40
MN Revenue	March	\$	66.00
Operating Engineers	February 2026	\$	8,860.00
Operating Engineers	March 2026	\$	9,535.00

GRAND RAPIDS PUBLIC LIBRARY BILL LIST - May 13, 2026

DEPARTMENT SUMMARY REPORT

Operating Engineers	April 2026	\$	9,535.00
Operating Engineers	May 2026	\$	9,535.00
Paul Bunyan	April 2026	\$	248.96
PUC	February 2026	\$	3,093.22
VISA	February 2026	\$	1,195.00
Waste Management	February 2026	\$	145.86
Waste Management	March 2026	\$	145.86

TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF: \$ 87,504.80

TOTAL ALL DEPARTMENTS: \$ 104,825.94

RESOLUTION NO. 2026-05
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:

Catholic Community Foundation of Minnesota – \$2,500 for water fountain/filler station

Vicki Taylor – \$10,000 (unrestricted, deferred to 2027)

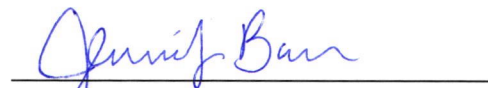
Grand Rapids Area Library Friends - \$5,000 for Envisionware Print and Reservation Service

Grand Rapids Area Library Foundation - \$4,073.85

Town of Wabana - \$1,000 (unrestricted)

Adopted this 13th day of May 2026


Cyndy Martin, President


Jennifer Barr, Secretary



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

POKEGAMA GOLF COURSE BOARD MEETING MINUTES

**Tuesday, May 19, 2026
7:30 AM**

Chair Ryan called the meeting to order at 7:30 AM.

PRESENT: Board Chair John Ryan, Board Member Tom Lagergren, Board Member Deb Godfrey, Board Member Gabrielle Jerulle, Board Member Anea Hedin

STAFF: Tom Beaudry, Cody Alleman, Kimberly Gibeau

No one from the public was present to speak.

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 Board Member Lagergren, Seconded by Board Member Godfrey to approve the agenda as presented. Voting Yea: Board Chair Ryan, Board Member Lagergren, Board Member Godfrey, Board Member Jerulle, Board Member Hedin

APPROVE MINUTES:

1. Approve minutes for Tuesday, April 21, 2026 Golf Board meeting.

Motion made by Board Member Lagergren, Seconded by Board Member Jerulle to approve minutes for April 21, 2026 as presented. Voting Yea: Board Chair Ryan, Board Member Lagergren, Board Member Godfrey, Board Member Jerulle, Board Member Hedin

CLAIMS AND FINANCIAL STATEMENTS:

2. Consider approving the verified claims in the amount of \$109,470.85.

Motion made by Board Member Hedin, Seconded by Board Member Godfrey to approve the verified claims as presented. Voting Yea: Board Chair Ryan, Board Member Lagergren, Board Member Godfrey, Board Member Jerulle, Board Member Hedin

REPORTS:

Maintenance Report: Cody Alleman

The golf course is experiencing one of its driest springs in recent years, but the irrigation system is helping maintain healthy turf conditions. Seasonal staff have returned, allowing regular mowing patterns to be established, while a major bunker renovation project is progressing on nine bunkers, with drainage

work nearly complete and liner installation expected to begin around June 1. Areas where bunkers were reduced or removed have been restored with sod and hydroseeding, and golfer feedback has been positive. The maintenance team has also completed spring fertilization and is actively treating for grubs to help prevent skunk damage, which remains an ongoing challenge. New Toro equipment has been performing well with minimal issues, helping reduce maintenance concerns and support overall course upkeep.

Manager's Report: Tom Beaudry

The golf course is currently about 4% behind last year's revenue, largely due to opening a week later and less favorable spring weather, but management remains optimistic with the busy summer season ahead. Staffing is nearly complete, new uniforms have arrived, and efforts continue to focus on customer service through employee recognition programs tied to positive guest feedback. A new handicap-accessible golf cart project is moving forward with a \$5,000 grant already secured and additional fundraising planned to help cover the \$35,000 cost, providing greater accessibility for golfers with mobility challenges. Acknowledged the maintenance team, particularly Cody, for strong performance and leadership. Reviewed upcoming programs for next month. Additionally, the local Lions Club donated \$4,000 to purchase new junior golf club sets, allowing the course to provide free club use to youth participants and support continued growth of the junior golf program.

BUSINESS:

3. Consider approval or removal of barber poles

Discussed proposal to remove yard marker poles and replace with ground-level yard discs. The change is intended to create a cleaner, less cluttered appearance on the course while improving mowing efficiency and helping maintenance crews stay ahead of golfers during morning operations. Some discussion centered on golfers' ability to see yardage markers from a distance, but it was noted that the new markers will be highly visible, and most golfers now rely on GPS devices or cart systems for yardages. Board members also agreed that removing unnecessary signs and markers contributes to a more polished course presentation and reduces potential interference with play.

Motion made by Board Member Godfrey, Seconded by Board Member Hedin to approve replacement of pole markers with ground level markers. Voting Yea: Board Chair Ryan, Board Member Lagergren, Board Member Godfrey, Board Member Jerulle, Board Member Hedin

There being no further business, the meeting adjourned at 7:57 AM.

Respectfully submitted:

Kimberly Gibeau
Kimberly Gibeau, City Clerk



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

**POLICE COMMUNITY ADVISORY
 BOARD MEETING MINUTES**
Thursday, May 21, 2026
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.

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CALL TO ORDER: Pursuant to due notice and call thereof, the Police Community Advisory Board will hold a regular meeting on Thursday, May 21, 2026, at 4:00 PM in City Hall Council Chambers at 420 North Pokegama Avenue, Grand Rapids.

Meeting called to order at 4:00 PM

ROLL CALL:

Present:

PRESENT

Board Member Dan Butterfield
 Board Chair Stephen Connolly
 Board Member Jessica Malmquist
 Board Member Megan MacDonell
 Board Member Larissa Lawson

ABSENT

Board Member Tom Neustrom
 Board Member Cassey Casteel

PUBLIC INPUT (if anyone wishes to address the Board): This is your opportunity to approach the Police Community Advisory Board and publicly comment and/or share a concern about your specific issue. We ask that you approach the podium and provide your name and address for the record. A timer will be set for 5 minutes of comment. We ask that members of the public not applaud, engage in conversation, or engage in other behavior through words or action that may disrupt the following

proceedings of the board. This is not a dialog, debate, or back and forth with the board but if there is something that needs to be followed up on after the meeting, we and/or City staff will do so and report back to the Police Community Advisory Board if necessary.

None

APPROVE MINUTES:

Approval of March 19, 2026, Minutes

Motion made by Board Member Malmquist,

Seconded by Board Member MacDonell.

Voting Yea:

Board Member Butterfield,

Board Chair Connolly,

Board Member Lawson

1. Approval of the Minutes for March 19, 2026

Approval of the March 19th, 2026, minutes

CORRESPONDENCE:

None

SETTING THE AGENDA:

None

Motion made by Board Chair Connolly,

Seconded by Board Member MacDonell.

Voting Yea:

Board Member Butterfield,

Board Member Malmquist,

Board Member Lawson

BUSINESS:

2. Department Head Report 2025

Chief Andy Morgan went through the Department Head Budget for 2025

UPDATES:

None

ANNOUNCEMENTS:

None

SET AGENDA FOR NEXT MEETING:

Next Police Community Advisory Board meeting will be July 16th, 2026, at 4:00PM in the City Hall Council Chambers at 420 N Pokegama Ave

ADJOURN:

Meeting adjourned at 5:01PM

Respectfully Submitted

Jackie Heinrich, Administrative Assistant

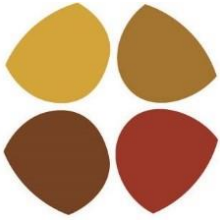
Motion made by Board Chair Connolly,

Seconded by Board Member MacDonell.
Voting Yea:

Board Member Butterfield,

Board Member Malmquist,

Board Member Lawson



CITY OF GRAND RAPIDS HUMAN RIGHTS COMMISSION MEETING MINUTES

Wednesday, May 27, 2026
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 27th, 2026, at 4:00pm in City Hall Council Chambers at 420 North Pokegama Avenue, Grand Rapids, Minnesota.

The meeting was called to order by Commission Chair Miller at 4pm.

ROLL CALL:

PRESENT: Commissioner Doug Learmont, Council Representative Molly MacGregor, Commissioner Janet Miller, Commissioner Stella Leone, Commissioner Renee Ducharme

ABSENT: Commissioner Ronald Grossman, Commissioner Brittany Pope-Sears

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

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 Learmont, Seconded by Commissioner Leone to accept the agenda as written. Voting Yea: Commissioner Learmont, Council Representative MacGregor, Commissioner Miller, Commissioner Leone, Commissioner Ducharme. Motion Passed.

PRESENTATION:

APPROVE MINUTES:

1. Approve April 29th 2026, Minutes

Motion made by Commissioner Learmont, Seconded by Council Representative MacGregor to approve the April 29th Minutes with one change to 2004 under the section with Barb Sanderson. Voting Yea: Commissioner Learmont, Council Representative MacGregor, Commissioner Miller, Commissioner Leone, Commissioner Ducharme. Motion Passed.

FINANCIALS:

None.

BUSINESS:

2. 2026 Workplan

The Commission discussed where they are at on the 2026 Workplan.

3. Grand Rapids Area Human Rights Fund Draft-Community Foundation

The Commission discussed that they were going to talk to the City Administrator and the Community Foundation. City Council Representative MacGregor will set something up so that the Commission can get clarification on a few items such as how the funds would move to the Human Rights Commission and the designation of an advisor.

4. New July Events

- 4 Directions Festival
- ADA Pride Month - July
- Dissolve the Divide

Commissioner Leone discussed the 4 Directions Festival and that she was hoping for a grant. She mentioned many people and connections that she has while working at various festivals and that the Indigenous People's Day could be a 4 Directions Festival.

Commissioner Pope-Sears was not present to talk about the ADA Pride Month therefore this was tabled until the next meeting.

Commissioner Leone also talked about the Dissolve the Divide, and how in the community where she was in Arizona they, the Police and Fire Departments, City and Mayor had an open forum about working together. Commissioner Ducharme mentioned the BridgeBuilder group and that they are getting people together and are having conversations with empathy.

5. Walk for Life-September

The Walk for Life is September 10th. The Commission Chair Miller said that the Keisler House next month is having a walk to raise awareness of suicide. There will be volunteer opportunities at both to give out water like she did for Stomp on Stigma.

UPDATES:

6. City Council Updates

There were no City Council Updates for the Human Rights Commission.

7. Stomp on Stigma

The Stomp on Stigma went well. Commission Chair Miller and Commissioner Ducharme gave out water and found out that there was another race, for ProLife that was actually running at the same time. Water was given to all racers of both races.

8. Itasca Pride

Itasca Pride is June 14th and Commission Chair Miller said that the volunteers would be helping make the breakfast the night before or would be giving out food that Sunday. A notice will be posted in case of a quorum.

9. Workgroups:

- Community Engagement/Education and/or Internal Collaboration: Commission Chair Miller and Council Representative MacGregor
- Interfaith: Commissioner Grossman
- Indigenous People's Day: Commissioners Leone, Ducharme, Pope-Sears and Grossman

Community Engagement/Education and/or Internal Collaboration Workgroup: Commission Chair Miller said that giving out the water at the Stomp on Stigma was one way to build connections within the Community.

Interfaith Workgroup: Commissioner Grossman was absent to give an update.

Indigenous People's Day Workgroup: Discussion on the event on October 12th, this year. Commissioner Leone has many contacts and 30 years of creating/working on Festivals. We, the Commission, need to have direction as to what we want to do. Stated earlier, this could be a 4 Directions Festival (N, S, E & W) to bring the people here and anyone who wants to be involved, she welcomes ideas and input. Also, they want to get the Youth more involved and possibly honor former Councilmember Barb Sanderson and others in the celebration.

CALLS/COMPLAINTS/INQUIRIES:

None.

SET AGENDA FOR NEXT MEETING:

BUSINESS:

2. New Election - Vice Chair
3. 2026 Workplan

UPDATES:

4. Itasca Pride
5. Juneteenth
6. New Events
 - 4 Directions Festival
 - ADA Pride Month July
 - Dissolve the Divide
7. City & Council Updates
 - GR Area Human Rights Fund Draft-Community Foundation

ADJOURN:

The meeting was adjourned at 4:51pm.

Respectfully submitted by Cynthia Lyman



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

**Thursday, May 28, 2026
4:00 PM**

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

PRESENT: President Sholom Blake, Commissioner Al Hodnik, Commissioner Wayne Bruns, Commissioner Bill Martinetto, Commissioner Jean MacDonell

ABSENT: Commissioner Tom Sutherland, Commissioner Molly MacGregor

STAFF: Rob Mattei, Will Richter, Kimberly Gibeau

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 .*

No changes or additions are noted.

APPROVE MINUTES

1. Consider approval of minutes from the May 19, 2026 special meeting.

Motion made by Commissioner MacDonell, Seconded by Commissioner Bruns to approve the May 19, 2026 Special meeting minutes as presented. Voting Yea: Commissioner Hodnik, President Blake, Commissioner Bruns, Commissioner Martinetto, Commissioner MacDonell

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$940.13

Motion made by Commissioner Hodnik, Seconded by Commissioner Bruns to approve the verified claims as presented. Voting Yea: Commissioner Hodnik, President Blake, Commissioner Bruns, Commissioner Martinetto, Commissioner MacDonell

PUBLIC HEARING

3. Conduct a public hearing to consider approval of a Purchase and Development Agreement with and conveyance of property to the Itasca County HRA

The Economic Development Authority (EDA) is considering an agreement to convey the former ISD 318 administration building property, located at 802 Northwest 1st Avenue, to the Itasca County Housing and Redevelopment Authority (HRA). Rob Mattei explained that the EDA entered into a preliminary development agreement with the HRA in March 2025 after the HRA expressed interest in purchasing the site for residential development. The HRA plans to build on the success of its Community Land Trust model, which has already been used to develop affordable owner-occupied homes in the Forest Lake Addition. The former school

administration property has been subdivided into Crystal Lake Estates, creating eight new single-family residential lots. Under the proposed agreement, the HRA would purchase the eight lots for \$80,000, a price intended to recover most of GREDA's acquisition costs while helping keep the future homes affordable. The conveyance is expected to close no later than August 10, 2026. Project leaders emphasized that the development will help address the community's housing needs, support a growing workforce, and expand the city's tax base.

President Blake noted purpose of the public hearing and confirmed all required notices have been made.

Motion made by Commissioner Bruns, Seconded by Commissioner Martinetto to open the public hearing. Voting Yea: Commissioner Hodnik, President Blake, Commissioner Bruns, Commissioner Martinetto, Commissioner MacDonell

There was no one from the public present and wishing to speak, therefore the following motion was made.

Motion made by Commissioner Hodnik, Seconded by Commissioner Martinetto to close the public hearing. Voting Yea: Commissioner Hodnik, President Blake, Commissioner Bruns, Commissioner Martinetto, Commissioner MacDonell

Motion made by Commissioner Hodnik, Seconded by Commissioner Bruns to approve the purchase and development agreement as presented, and adopt Resolution 26-04. Voting Yea: Commissioner Hodnik, President Blake, Commissioner Bruns, Commissioner Martinetto, Commissioner MacDonell

BUSINESS

4. Consider adopting a resolution accepting low bid and entering into a contract with TNT Construction Group for the Crystal Lake Estates Second Addition Demolition and Utility Project in the amount of \$583,800.

Rob explained that the project is directly tied to the previously approved purchase and development agreement for the Crystal Lake Estates housing development. The work includes demolition of the former ISD 318 administration building and installation of sewer, water, and electrical utilities needed to serve eight proposed single-family homes. Bids were opened on May 19, and TNT Construction Group submitted the lowest of six bids received, with proposals ranging from \$583,800 to more than \$878,000. The winning bid came in significantly below the engineer's estimate of \$778,305, resulting in substantial cost savings and reducing the financial contribution required from both the city and the Public Utilities Commission (PUC). Funding for the project will come from several sources, including a recently approved \$350,000 grant from the IRRRB, \$180,000 from the city's state affordable housing allocation, \$80,000 in lot sale proceeds from the Itasca County HRA, and \$135,000 from the Blandin Foundation through a grant awarded the previous year.

Motion made by Commissioner Bruns, Seconded by Commissioner Martinetto to adopt Resolution 26-05, accepting low bid and entering into a contract with TNT Construction Group as presented. Voting Yea: Commissioner Hodnik, President Blake, Commissioner Bruns, Commissioner Martinetto, Commissioner MacDonell

5. Consider approval of a proposal from LHB for TIF analysis of the buildings at 533 and 900 NW 4th St.

Rob explained that the focus is on conducting building inspections to preserve future redevelopment options along a key corridor. Staff explained that while there are currently no specific development plans for the sites in question, completing inspections now would establish the necessary record to qualify the properties for a Tax Increment Financing (TIF) redevelopment district if the buildings are demolished in the future. Without the inspections, the city could lose the ability to use redevelopment TIF for those sites. At this stage, only the inspection portion would be completed; the more extensive redevelopment report would only be prepared if a future project required TIF assistance.

Motion made by Commissioner Hodnik, Seconded by Commissioner MacDonell to approve proposal from LHB for TIF analysis as presented. Voting Yea: Commissioner Hodnik, President Blake, Commissioner Bruns, Commissioner Martinetto, Commissioner MacDonell

6. Consider approval of a general engineering professional services agreement with Short Elliot Hendrickson (SEH) for 2026

Rob reviewed renewing a general services agreement that had proven valuable during the previous year by allowing quick response to project needs without requiring separate board approval for every small task. The agreement enables staff to obtain professional services such as cost estimates, conceptual sketches, and preliminary project evaluations on short notice, which is particularly helpful when negotiating potential development opportunities or responding to time-sensitive issues. It was noted that the agreement has already been useful for preparing sketches and other planning materials that support ongoing economic development efforts. While the previous agreement authorized up to \$30,000 in services, the proposed agreement reduces the maximum amount to \$20,000 because staff anticipates lower usage and expenses this year.

Motion made by Commissioner Bruns, Seconded by Commissioner Hodnik to approve general engineering professional services agreement with SEH for 2026 as presented. Voting Yea: Commissioner Hodnik, President Blake, Commissioner Bruns, Commissioner Martinetto, Commissioner MacDonell

7. Consider a request from Eclipse Building Partners for a temporary forbearance of loan payments.

Reviewed request from Eclipse Building Partners for a three-month forbearance on two loans issued in 2024: a \$200,000 Commercial Building Improvement Loan and a \$105,000 Redevelopment Loan. Rob noted that the EDA had previously granted similar forbearances during the COVID-19 pandemic, though those circumstances included suspension of interest accrual. Board members generally supported providing temporary payment relief but favored allowing interest to continue accruing during the forbearance period.

Commissioner Bruns stated his intent to abstain due to financial dealings with Eclipse Building Partners.

Motion made by Commissioner Hodnik, Seconded by Commissioner MacDonell to approve forbearance request for Eclipse Building Partners, while interest continues to accrue. Voting Yea: Commissioner Hodnik, President Blake, Commissioner Martinetto, Commissioner MacDonell; Voting Abstaining: Commissioner Bruns

UPDATES

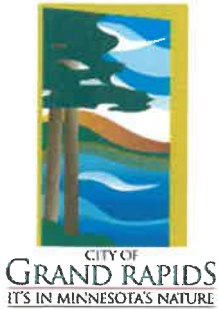
Rob provided updates on several housing and redevelopment initiatives. Union Opportunities is planning a new 99-unit apartment project on a 5.7-acre site in the southeast part of town, with rezoning and TIF assistance anticipated and a goal of beginning construction later this year. The developer's current Block 21 apartment project is nearly complete and approximately 90% leased. Staff also reported that the HRA will resubmit its 56-unit Waters Edge housing project for Low-Income Housing Tax Credit funding, while another developer is pursuing a separate 48-unit tax credit project near Golf Course Road. Also discussed the recent approval process for a taxable revenue bond intended to support redevelopment along Highway 2 West, expressing optimism that multiple development tools are helping move important projects forward.

There being no further business, the meeting adjourned at 4:27 PM.

Respectfully submitted:



Kimberly Gibeau, City Clerk



GRAND RAPIDS AREA LIBRARY BOARD MEETING MINUTES

**Wednesday, June 10, 2026
5:00 PM**

CALL TO ORDER: Pursuant to due notice and call thereof, a Regular meeting of the Grand Rapids Area Library Board will be held on Wednesday, June 10, 2026 at 5:00 PM at Grand Rapids Area Library, Program Room, 140 NE 2nd Street, Grand Rapids, Minnesota

The meeting was called to order by Chair Martin at 5:00 PM.

CALL OF ROLL:

PRESENT

Member Cyndy Martin
Member Sheena Richards
Member Aaron Squadroni
Member Janelle Dobbs
Member Jennifer Barr
Member Amanda King
Member Tabbatha Litchke

ABSENT

Member Beau Casteel
Member Ellen Teigland

STAFF

Amy Dettmer, Library Director

APPROVAL OF AGENDA:

Motion made by Member Richards, seconded by Dobbs to approve the agenda.

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

None.

APPROVAL OF MINUTES:

1. Consider a motion to approve Library Board meeting minutes from the 5-13-2026 meeting.

Motion made by Member Dobbs, seconded by Member King.

COMMUNICATIONS:

None.

FINANCIAL REPORT & CLAIMS (Roll Call Vote Required):

2. Review Bill List and consider a motion to authorize payment of bills.

Motion to authorize payment of bills made by Dobbs, seconded by Richards.

Voting Yea: Member Martin, Member Richards, Member Squadroni, Member Dobbs, Member Barr, Member King, Member Litchke.

CONSENT AGENDA (Roll Call Vote Required):

3. Consider adopting a resolution accepting donations.

Motion to adopt a resolution accepting donations made by Dobbs, seconded by Litchke .

Voting Yea: Member Martin, Member Richards, Member Squadroni, Member Dobbs, Member Barr, Member Litchke

REGULAR AGENDA:

4. Review Animals in the Library policy.

Members reviewed the policy and accepted it with the 2 minor changes. It will be added to the library policies document.

5. Update on GRACF Supporting our Library Fund.

Library Director Dettmer reported there is \$81,395 in the fund. Another \$10,000 donation will be coming soon. Numbers have to be crunched working closely with the City Administrator to determine open days in 2027.

UPDATES:

Friends

Foundation

Director Dettmer reported the Friends annual meeting will take place on June 23rd at the United Methodist Church. The Friends annual book sale will take place Friday, July 10 and Saturday, July 11 at Community Presbyterian Church. It is the same weekend as the Downtown Macroctie Art Fair.

Foundation: Member Barr reported the Foundation continues to approve reimbursements for the library. The next meeting will be in September.

STAFF REPORTS:

6. Review library reports and statistics.

Library Director Dettmer reported:

Foundation member Jennifer Raushel was named Volunteer of the Year through the United Way.

Displays in the library include National Audiobook Month at the main display table, Authors We Love in YA, and Plant a Seed, Read in Children's.

Summer Reading started Monday, June 8. A reptile program was held on June 9th with 111 in attendance. Teen Tuesday is held every Tuesday in the YA area. The children's area has scavenger hunts each week. When patrons complete a hunt they receive a brag tag.

In April, staff member Tracy spoke to the Community Presbyterian Church congregation. The congregation donated \$2,870.38 to be used for materials in the Children's area.

Staff member Michelle attended a cataloging workshop at the Arrowhead Library System headquarters.

Mollie Stanford, Arrowhead Library System Director, will attend our July 8 Board meeting. Mollie is visiting with boards at libraries to talk about ALS and answer any questions members might have.

City Councilor Molly MacGregor is hosting a community meeting at the library on Wednesday June 24 at 1pm to talk about library funding.

ADJOURNMENT:

Chair Martin adjourned the meeting at 5:20 PM.

NEXT REGULAR MEETING IS SCHEDULED FOR JULY 8, 2026, AT 5:00 PM IN THE PROGRAM ROOM AT THE GRAND RAPIDS AREA LIBRARY, 140 NE 2ND ST., GRAND RAPIDS, MINNESOTA.

ATTEST: Amy Dettmer, Director of Library Services

**GRAND RAPIDS AREA LIBRARY BILL LIST - June 10, 2026
DEPARTMENT SUMMARY REPORT**

Item 3.

PUBLIC LIBRARY

ARROWHEAD LIBRARY SYSTEM	47.40
BLACKSTONE PUBLISHING	94.00
Burggraf's Ace Hardware	89.98
CENGAGE LEARNING INC	271.50
CITY OF GRAND RAPIDS	3,493.34
COLE HARDWARE INC	35.96
FERGUSON WOLSELEY IND GROUP	1,969.09
GARTNER REFRIGERATION CO	2,633.73
INGRAM LIBRARY SERVICES LLC	2,790.79
ITASCA AREA SCHOOLS COLLABORATIVE	3,200.00
MIDWEST TAPE LLC	197.92
RAPIDS PLUMBING & HEATING INC	169.00
STAR TRIBUNE	829.30
UNIQUE MANAGEMENT SERVICES INC	221.35
VESTIS GROUP, INC	198.43

TOTAL UNPAID TO BE APPROVED IN THE SUM OF: \$ 16,241.79

CHECKS ISSUED PRIOR APPROVAL

AT&T	27192180/April	55.23
AT&T	27376417/May	55.21
Amazon	1YNT-R4TD-4WN4	39.83
Amazon	1DMK-QN9J-4P7W	39.97
Amazon	1N9N-F1RQ-GJ36	130.74
Diana Magner	4/29/2026	125.00
Emily Lindner	4/13/2026	175.00
Emily Lindner	5/4/2026	175.00
Grand Rapids Payroll	4/17/2026	22,035.10
Grand Rapids Payroll	5/1/2026	22,042.99
Grand Rapids Payroll	5/15/2026	22,037.86
Grand Rapids Payroll	5/29/2026	17,280.33
Marco	581353299-L/May	165.65
Metropolitan	TS053963310001/MAY26	84.04
Metropolitan	TS053963310001/JUN26	84.04
Michelle Johnson	032626	107.45
MN Energy	0507783569-01/Apr26-L	200.02
MN Revenue	April	67.00
Mutual of Omaha	002089122061	29.97
Mutual of Omaha	002106251992	29.97
Operating Engineers	June 26 Health	9,535.00
Operating Engineers	July26 Health	9,535.00
Paul Bunyan	4026700/May26-L	248.64
PUC	3/30/2026	2,927.46
PUC	4/30/2026	2,691.22
Tracy Kampa	032026	97.00
Tracy Kampa	052026-L	114.55
Waste Management	013399-2808-0 4/30/2026	145.86

TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF: \$ 110,255.13

TOTAL ALL DEPARTMENTS: \$ 126,496.92

RESOLUTION NO. 2026-06
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 Friends - \$456.30 for BookPage subscription

Grand Rapids Area Library Foundation - \$796.91

Adopted this 10th day of June 2026


Cyndy Martin, President
Jennifer Barr, Secretary



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27th, 2026

AGENDA ITEM: Consider awarding a quote to Polar Insulating, LLC for roof repair at the Grand Rapids – Itasca County Airport.

PREPARED BY: Matt Wegwerth

BACKGROUND:

The airport owned hangar, currently leased by Airways Aviation, needs roof repairs to eliminate water intrusion. If these repairs are not performed, the building may need to be permanently closed which would significantly affect Airways Aviation's business.

Two quotes were received, and they are shown below:

Contractor	Bid
Polar Insulating, LLC	\$89,760.00
Gareri Bros.	\$94,486.00

Staff are recommending moving ahead with the project. Project will be funded by Airport fund balance

REQUESTED COUNCIL ACTION:

Make a motion authorizing quotes and awarding the project to Polar Insulating, LLC for roof repairs in the amount of \$89,760.00

Jon Peterson

From: joseph gareri <josephr1@live.com>
Sent: Thursday, July 16, 2026 8:01 AM
To: Jon Peterson
Subject: 2026 airport hanger reroofing Grand Rapids MN.

Attn: John Peterson, City of Grand Rapids, MN.....07-16-2026

The following proposal is for repair and recoating the hanger building at the Grand Rapids, MN airport.

1. Pressure wash the entire roof surface.
2. Remove improperly installed foam and acrylic coating and properly dispose.
3. Spray install new roof foam on apx. 550 sq ft.
4. Spray install new black roof primer to existing cleaned roof surface. Allow 10 to 14 days to cure and vent moisture in the existing roof foam.
5. Spray install new silicone roof coating at the rate of 1.5 gallons/ 100 sq ft. Add granuals as the coating is being installed. Allow to dry completely.
6. Spray install top coat at the rate of 1.0 per 100 sq ft.
7. Clean up all construction debri and properly dispose.

Note: This installation is weather sensitive. Do not attempt to to install this system after the 15th of September. Also the installation creates a danger of overspray, plan accordingly.

Terms: 94,486.00....cash, standard billing on completion.

Thank you for contacting Gareri Bros.

Respectfully,
Joseph Gareri

Gareri Bros. Inc.
1122 county road 440
Bovey, MN 55709
218-244-2103

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**PROPOSAL
POLAR INSULATING LLC
51041 STATE HWY 46
SQUAW LAKE, MN 56681
218 659 4351 OFFICE
218 244 1297 CELL
6/17/26**

City of Grand Rapids
420 N Pokegama Ave
Grand Rapids, MN 55744
218-910-0991 John Peterson

Bid # 2978

jpeterson@grandrapidsmn.gov

Job: City of Grand Rapids Airport 1500 7th Ave, Grand Rapids, MN

Wash roof deck

Scarf old coating acrylic roof coating in 550 sq ft area

Respray 3lb roof foam in repair area

Apply black primer to entire roof area (primer will need to dry roof area for 2 weeks)

Apply 2 coats of silicon 1st coat with granules 2nd top coat over granules

Total \$ 89,760.00

*Notes: this needs to be done in hot weather after august the weather is too cool.



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider adopting a resolution approving LG230 Application for Off-Site Gambling for Confidence Learning Center

PREPARED BY: Kimberly Gibeau

BACKGROUND:

Confidence Learning Center has submitted an application to conduct off-site gambling at the Grand Rapids Eagles club, located at 1776 South Pokegama Avenue. Minnesota State Gambling Board requires adoption of a Resolution by the City Council prior to issuing permit. Confidence Learning Center meets all required conditions for requested permit.

REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution approving LG230 Application for Off-Site Gambling for Confidence Learning Center.

LG230 Application to Conduct Off-Site Gambling**No Fee****ORGANIZATION INFORMATION**

Organization Name: CONFIDENCE LEARNING CENTER License Number: 00691

Address: 1620 Mary Fawcett Memorial Dr City: EAST GULL LAKE, MN Zip: 56401-7538

Chief Executive Officer (CEO) Name: TRAVIS GROSSMAN Daytime Phone: 218-828-2344

Gambling Manager Name: MICHAEL VOELTZ Daytime Phone: 218-414-0121

GAMBLING ACTIVITY

Twelve off-site events are allowed each calendar year not to exceed a total of 36 days.

From 8 / 31 / 2026 to 8 / 31 / 2026

Check the type of games that will be conducted:



Raffle



Pull-Tabs



Bingo



Tipboards



Paddlewheel

GAMBLING PREMISES

Name of location where gambling activity will be conducted: GRAND RAPIDS FRATERNAL ORDER OF EAGLES

Street address and City (or township): 1776 S Pokegama Ave, Grand Rapids Zip: 55744 County: itasca

- Do not use a post office box.
- If no street address, write in road designations (example: 3 miles east of Hwy. 63 on County Road 42).

Does your organization own the gambling premises?



Yes If yes, a lease is not required.



No If no, the lease agreement below must be completed, and signed by the lessor.

LEASE AGREEMENT FOR OFF-SITE ACTIVITY (a lease agreement is not required for raffles)

Rent to be paid for the leased area: \$0 (if none, write "0")

All obligations and agreements between the organization and the lessor are listed below or attached.

- Any attachments must be dated and signed by both the lessor and lessee.
- This lease and any attachments is the total and only agreement between the lessor and the organization conducting lawful gambling activities.
- Other terms, if any:

Lessor's Signature: Steven Oleheiser Steve Oleheiser Date: 7/17/2026

Print Lessor's Name: Steven Oleheiser

CONTINUE TO PAGE 2

LG230 Application to Conduct Off-Site Gambling

10/24 Page 2 of 2

Acknowledgment by Local Unit of Government: Approval by Resolution

CITY APPROVAL for a gambling premises located within city limits	COUNTY APPROVAL for a gambling premises located in a township
City Name: _____	County Name: _____
Date Approved by City Council: _____	Date Approved by County Board: _____
Resolution Number: _____ (If none, attach meeting minutes.)	Resolution Number: _____ (If none, attach meeting minutes.)
Signature of City Personnel: _____	Signature of County Personnel: _____
Title: _____ Date Signed: _____	Title: _____ Date Signed: _____
Local unit of government must sign.	TOWNSHIP NAME: _____
	Complete below only if required by the county. On behalf of the township, I acknowledge that the organization is applying to conduct gambling activity within the township limits. (A township has no statutory authority to approve or deny an application, per Minnesota Statutes 349.213, Subd. 2.)
	Print Township Name: _____
	Signature of Township Officer: _____
	Title: _____ Date Signed: _____

CHIEF EXECUTIVE OFFICER (CEO) ACKNOWLEDGMENT

The person signing this application must be your organization's CEO and have their name on file with the Gambling Control Board. If the CEO has changed and the current CEO has not filed a LG200B Organization Officers Affidavit with the Gambling Control Board, he or she must do so at this time.

I have read this application, and all information is true, accurate, and complete and, if applicable, agree to the lease terms as stated in this application.



Signature of CEO (must be CEO's signature; designee may not sign)

7/28/2026
Date

Mail or fax to:

Minnesota Gambling Control Board
Suite 300 South
1711 West County Road B
Roseville, MN 55113
Fax: 651-639-4032

No attachments required.

Questions? Contact a Licensing Specialist at 651-539-1900.

This publication will be made available in alternative format (i.e. large print, braille) upon request.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process your organization's application.

Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public.

If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public.

Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor; national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

Councilor _____ introduced the following resolution and moved for its adoption:

RESOLUTION NO. 26-_____

RESOLUTION APPROVING CONFIDENCE LEARNING CENTER OF MINNESOTA
LG230 APPLICATION TO CONDUCT OFF-SITE GAMBLING

WHEREAS, Confidence Learning Center has presented the City Council of Grand Rapids a LG230 Application to Conduct Off-Site Gambling application to conduct gambling at the Grand Rapids Fraternal Order of Eagles Aerie 2469, 1776 Pokegama Avenue South, Grand Rapids, Minnesota; and

WHEREAS, the Gambling Control board may not issue a Off-Site Gambling without City Council approval.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Grand Rapids approves the LG230 Application to Conduct Off-Site Gambling for Confidence Learning Center to conduct gambling at the Grand Rapids Fraternal Order of Eagles Aerie 2469, 1776 Pokegama Avenue South, Grand Rapids, Minnesota on August 31, 2026.

Adopted by the City Council this 27th day of July, 2026.

Tasha Connelly, Mayor

ATTEST:

Kimberly Gibeau, City Clerk

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



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider accepting the Grand Rapids Economic Development Authority Annual Report for 2025.

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

The Bylaws of the Grand Rapids Economic Development Authority establish that: "GREDA shall prepare an annual report describing its activities and providing an accurate statement of its financial condition, together with additional matters and recommendations it deems advisable for the economic development of the City of Grand Rapids".

REQUESTED COUNCIL ACTION:

Make a motion to accept Grand Rapids Economic Development Authority Annual Report for 2025.

Grand Rapids Economic Development Authority

2025 Annual Report



Prepared by:

Rob Mattei
Director of Community Development
GREDA Executive Director

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Mission

The Mission of the Grand Rapids Economic Development Authority (GEDA) is to advance the growth of our local economy through efforts focused on business recruitment, retention, and expansion.

As the City of Grand Rapids' economic development agent, GEDA strives to provide a high level of service, to encourage economic investment and prosperity in the City and surrounding region. GEDA works closely with businesses to identify creative solutions to challenging problems, generate enhanced opportunities for growth, and help them achieve their short and long-term goals.

Governance

The Grand Rapids Economic Development Authority is a public body governed by Minnesota Statute chapter 469, and Enabling Resolutions enacted by the City Council of the City of Grand Rapids.

The management of all the affairs, property and business of GEDA is vested in a Board of Commissioners consisting of 7 members, 2 of which must be members of the City Council. GEDA annually elects its President, Vice President, and Secretary/Treasurer. Staff support is provided to GEDA primarily through the Community Development Department, with the Director of Community Development acting as the GEDA Executive Director, and with the Community Development Administrative Assistant acting as the Recorder.

The GEDA Board of Commissioners includes the following volunteers:

Member	Position	Affiliation/Occupation	Term Expires
Sholom Blake	President	Business Owner/CPA	3/1/31
Tom Sutherland	Commissioner	City Council/Conservation Officer	12/31/26 Concurrent with Council Term
Wayne Bruns	Commissioner	Banking Executive	3/1/31
Al Hodnik	Vice President	Ret. Business Executive	3/1/27
Bill Martinetto	Commissioner	Business Owner	3/1/29
Jean MacDonell	Commissioner	Grand Itasca Clinic & Hospital CEO	3/1/30
Molly MacGregor	Commissioner	City Council/Retired DNR	12/31/26 Concurrent with Council Term

*The Director of City Finance serves as the Asst. Treasurer

Also providing valued service to the GEDA during 2025 was City Council Members Dan Mertes and Rick Blake.

Article VII, Section 1, of the Bylaws of the Grand Rapids Economic Development Authority establishes that: "GEDA shall prepare an annual report describing its activities and providing an accurate statement of its financial condition, together with additional matters and recommendations it deems advisable for the economic development of the City of Grand Rapids."

This report summarizes GEDA's activities and financial condition for the year ending December 31, 2025.

Respectfully submitted,



Sholom Blake, Grand Rapids EDA President



Development Property and Leasable Assets

Beginning in 1969, GREDA and its predecessor organization, the Grand Rapids Industrial Park Commission, have invested in the creation of four industrial park areas in Grand Rapids. Those industrial parks have become the home for 24 businesses, providing over 1,000 jobs in our community.

The attraction of industrial business to our community is pursued by GREDA within a competitive environment. Communities in the Arrowhead Region, including Grand Rapids, have had to counterbalance weaknesses, such as our distance from major market areas, by providing incentives to businesses for locating in our community. A primary means of providing that incentive involves providing development sites for business at a competitive rate, most often below actual cost.

GREDA has also actively pursued the development of underutilized properties in the Downtown and Mississippi Riverfront areas. As examples, the GREDA has sold land, which led to the development of the Glorvigen office building, KAXE Northern Public Radio station, the Rapids Brewing project and the Riverview apartments. GREDA also exercised their authority to purchase and sell lands in support of the private redevelopment of Block 37, located at the corner of TH 2 and TH 169. GREDA also owns and markets for sale and development the former North Country Recycling property, a site referred to as the Block 5 Site and the former VFW/Rose properties within Block 18 downtown.

Land Inventory Summary:

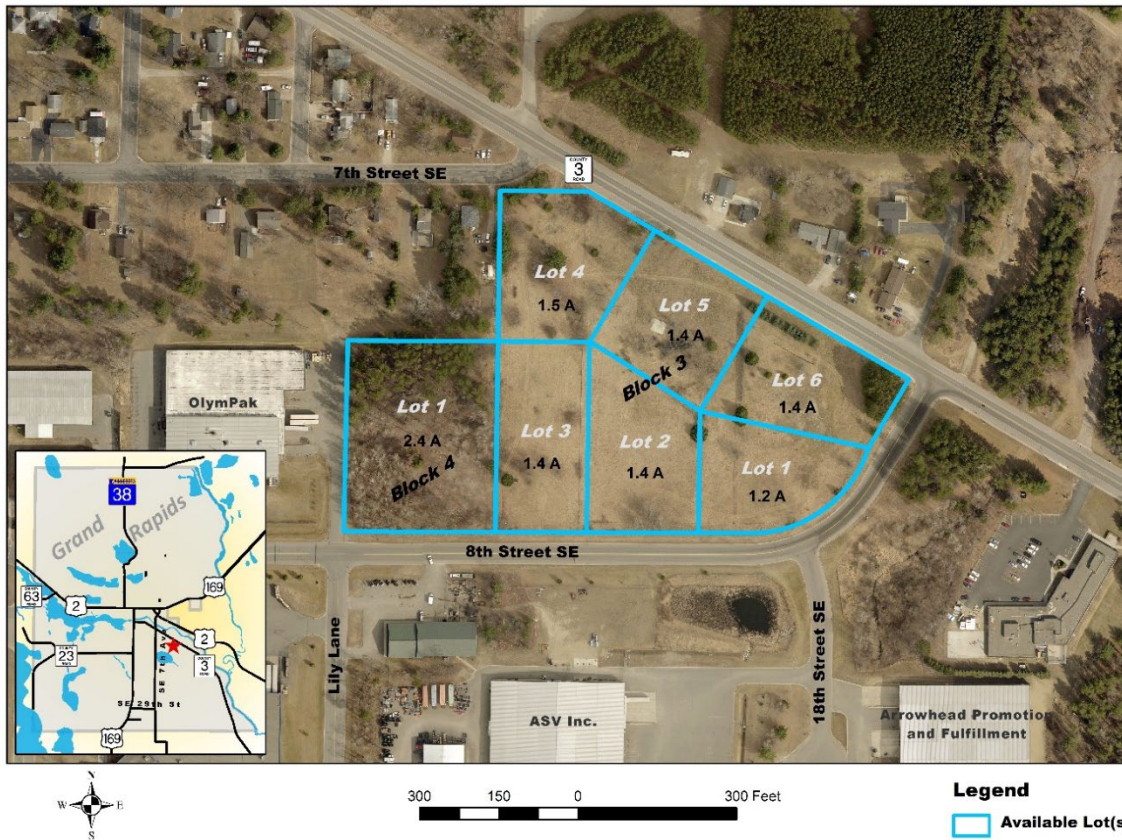
Site Description	Number of Developable Lots (GREDA Owned)	Acreage Total
Industrial Park Two	1	2.4
Industrial Park East	6	8.3
Airport South Industrial Park — Phase 1 & 2	7	11.0
Airport Property (unplatted)	1	35.0
Block 5 Riverfront Dev. Site	1	1.8
Block 23 — Third Division Commercial Site	1	0.6
Block 18 — Downtown Site	1	0.2
Forest Lake Addition — SF Residential	3	0.8
Great River Acres — SF Residential	7	2.0
Totals:	28	62.1

Central School:

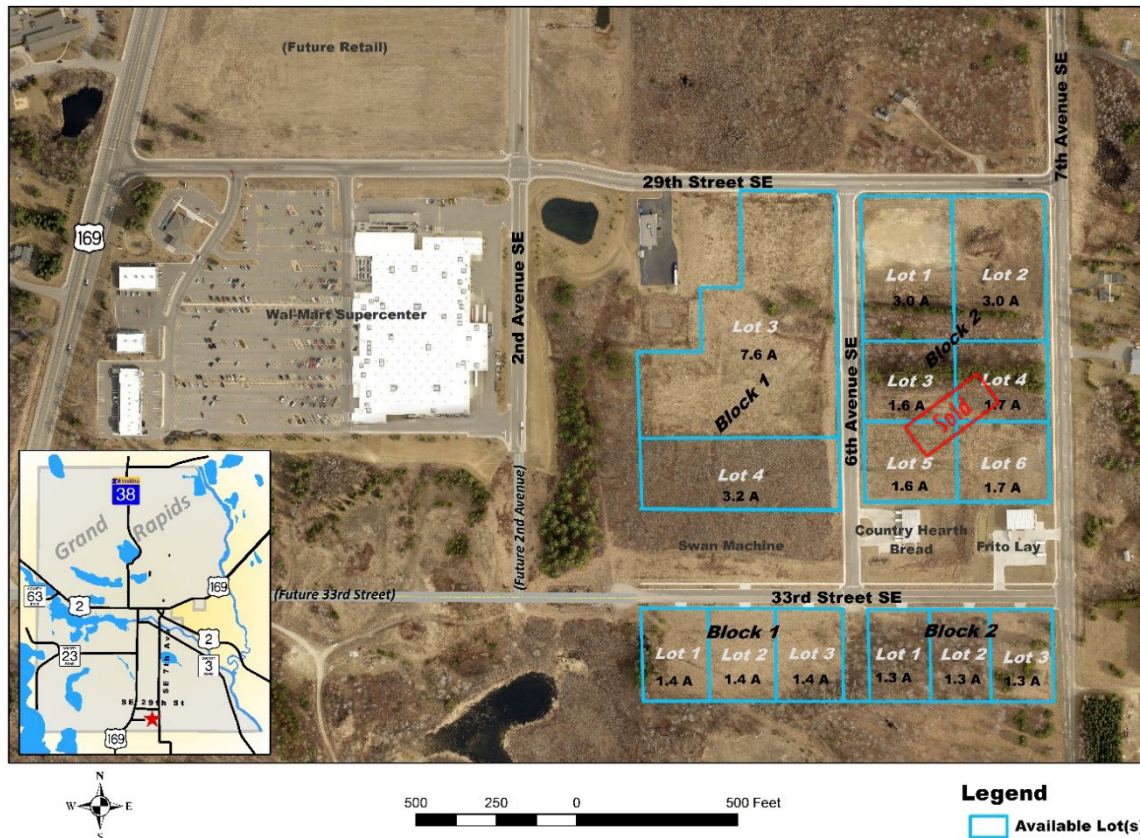
The City redeveloped Central School in 1983 and has since operated it as a multi-tenant leased space for a mixture of commercial retail and office uses. Central School contains 15 suites totaling 10,250 square feet of leasable space. In 2014, the City Council tasked GREDA with the management of leasing. At the time of this report, 100% of the Central School space is occupied.



Grand Rapids Industrial Park East

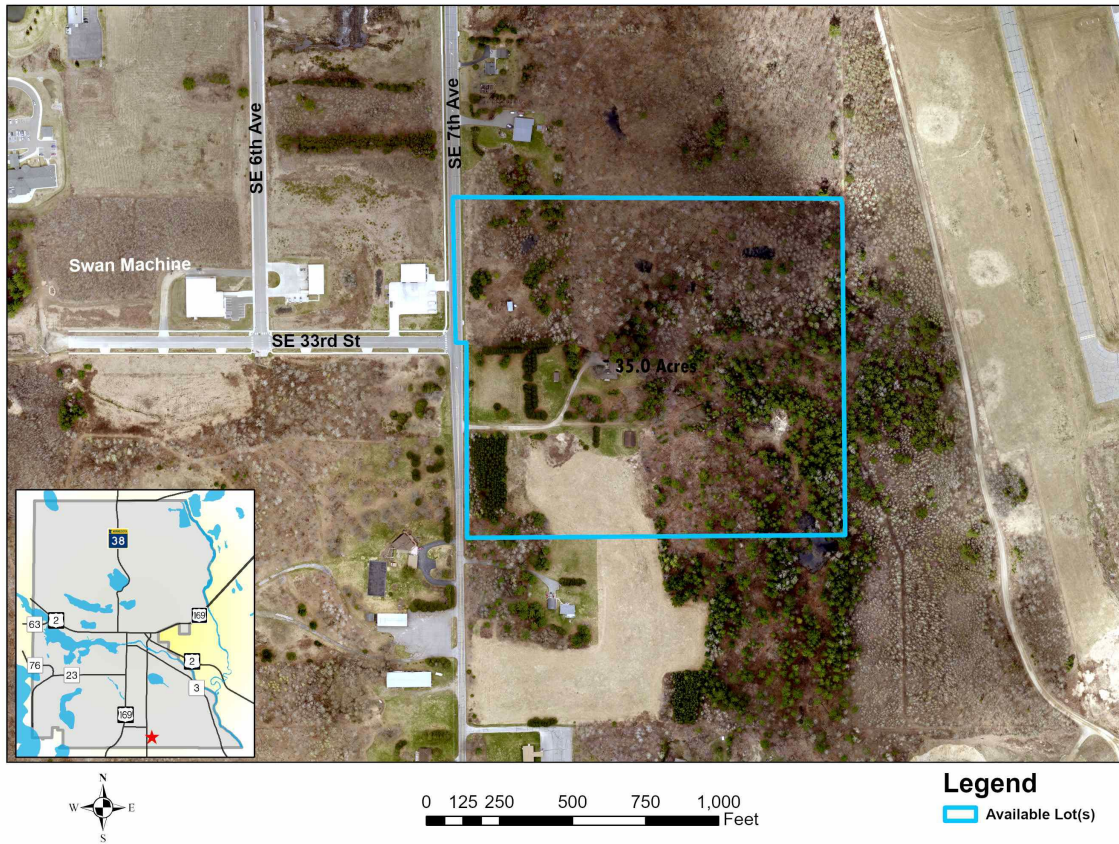


Grand Rapids Airport South Industrial Park: Phases I & II

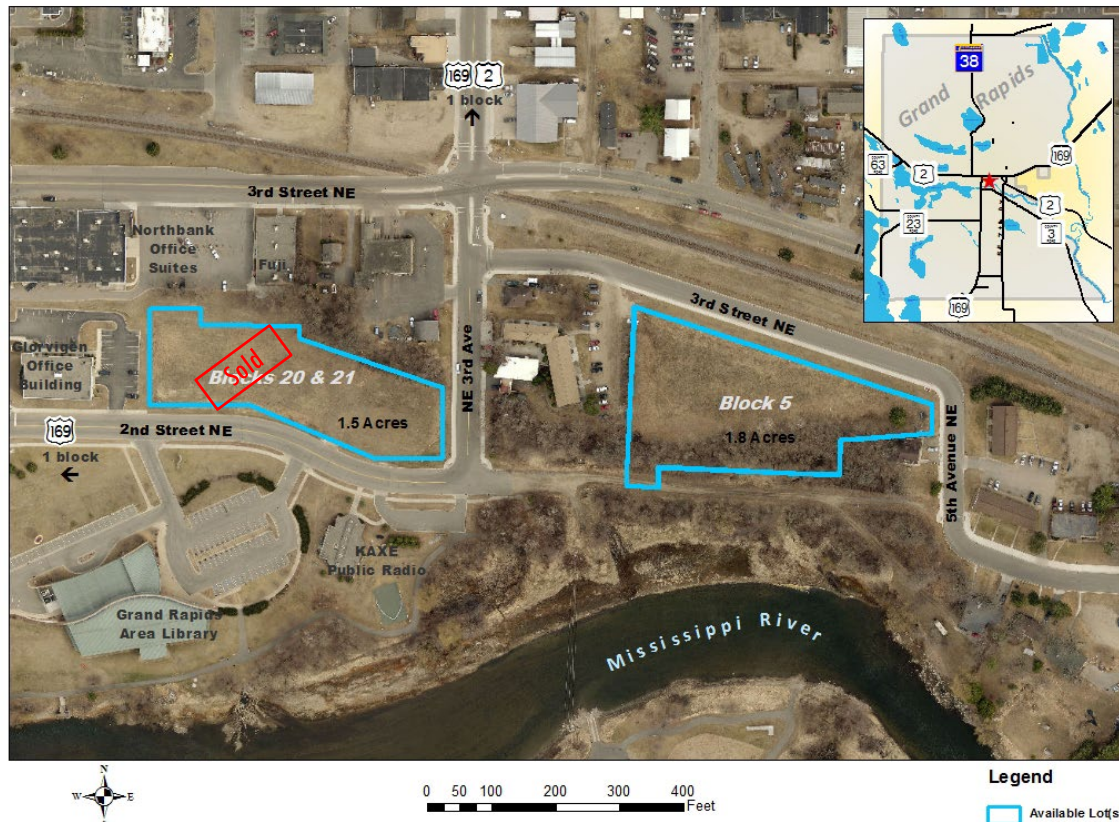


Grand Rapids Airport Property (unplatted)

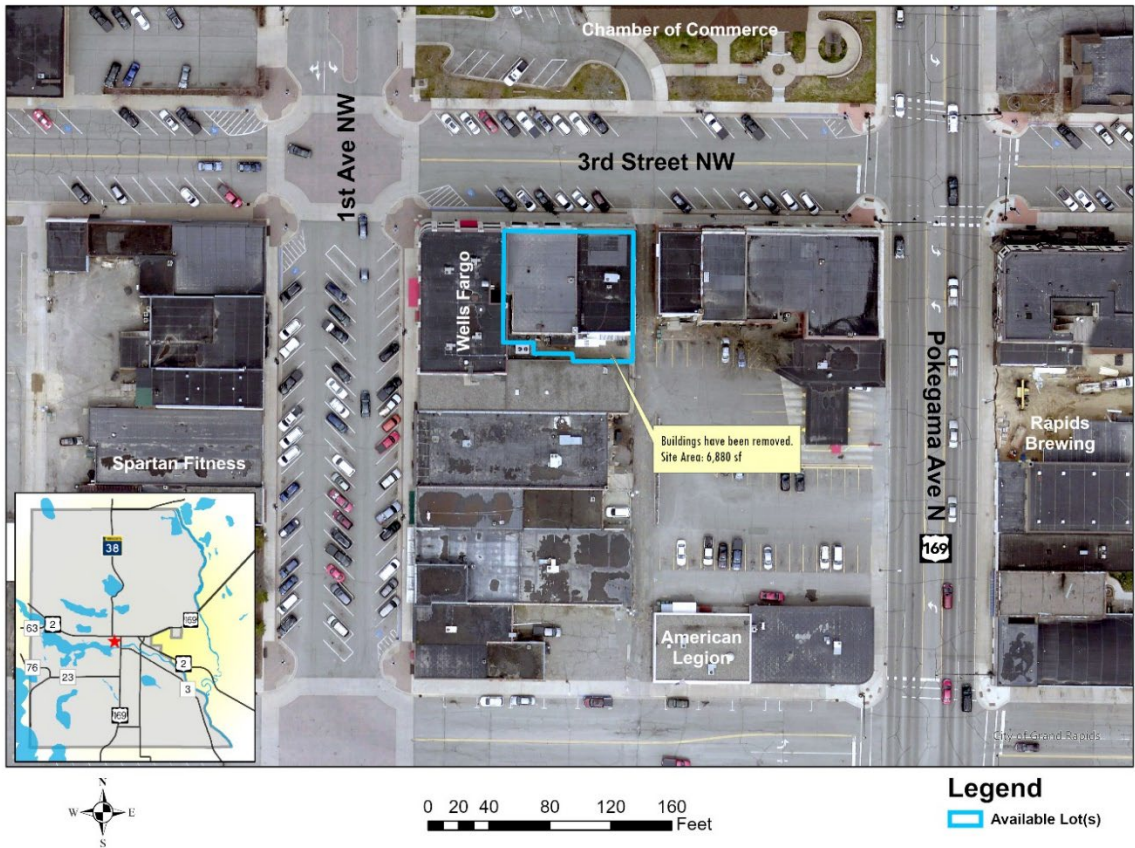
Item 6.



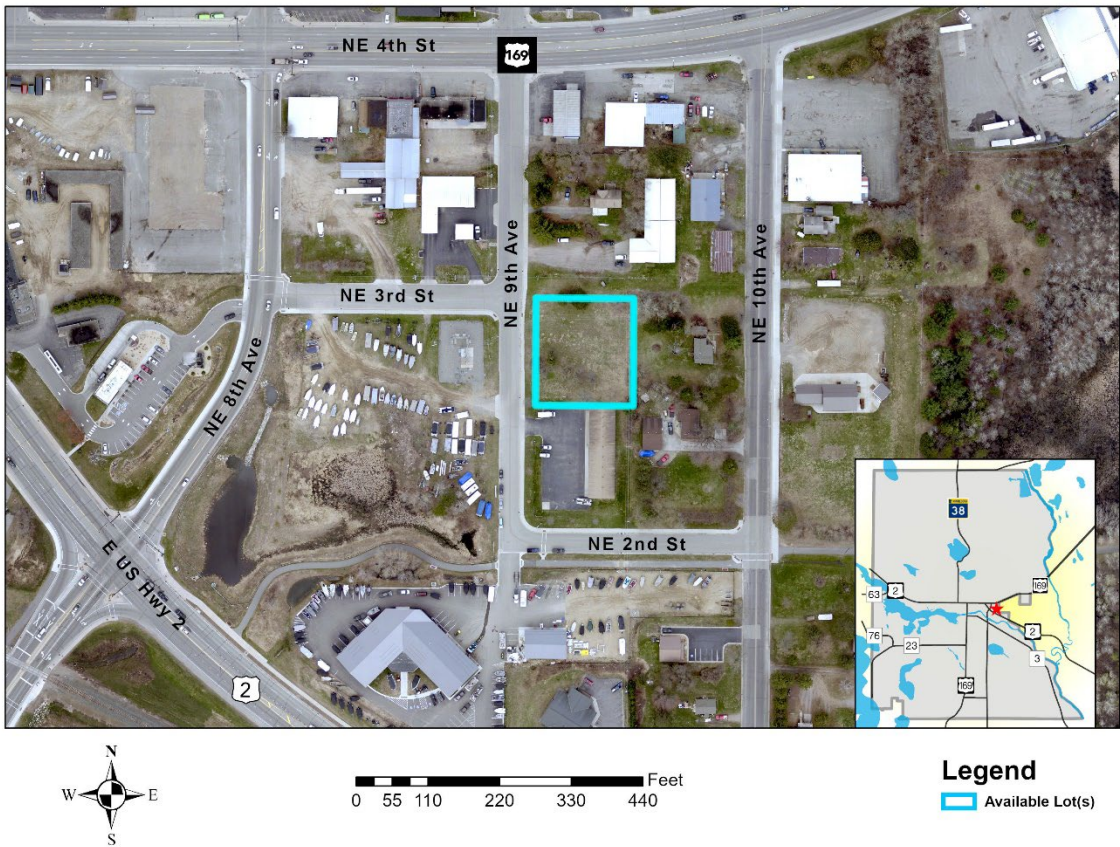
Grand Rapids "Blocks 20 & 21" and "Block 5" Commercial Sites



Grand Rapids "Downtown Block 18"



Block 23 Third Division



To advance their economic development goals, GREDA pools their resources together with those of other local, state and federal economic development agencies. Examples of those business assistance programs are listed in the following table:

Source	Program
Federal EDA	- Public Works Grant - Economic Adjustment Grant - Economic Development Planning Grant
Iron Range Resources and Rehabilitation Board	- Commercial Redevelopment Program - Development Infrastructure Program - Business Financing
Department of Employment and Economic Development (DEED)	- Business Development Public Infrastructure Grant - Minnesota Investment Fund - Small Cities Development Program - Job Creation Fund - Redevelopment Grant Program - Contamination Investigation and Cleanup - Job Skills Partnership Program
Itasca Economic Development Corporation (IEDC)	Building Development Loan Program
City of Grand Rapids	- Tax Increment Financing - Tax Abatement

Commercial Building Improvement Loan (CBIL) Program - In certain situations, the underwriting standards used by private financial institutions would constrain their willingness or ability to provide a complete, attractive, financing package to a small business seeking to invest in property improvements. GREDA has created and maintains a revolving loan fund, named the Commercial Building Improvement Loan (CBIL) Program, which is intended to leverage private sector investment. The GREDA CBIL Program fills this capital market void by providing below market rate financing to eligible commercial enterprises within the City of Grand Rapids.

The CBIL is intended primarily to help building owners and tenants improve the appearance and function of their existing buildings. Secondary benefits of the CBIL program include: the removal of blight, increased competitiveness, strengthening of the tax base and improved viability of small businesses in the Grand Rapids commercial districts.

Eligible improvements to any retail/commercial building or site are qualified for consideration under the CBIL, within the following business zones: (LB, GB, CBD, SGB, SLB, I-1, SI-1). Program funds may be used for: building construction and expansion, building renovation and remodeling, landscaping and parking lot improvements and signage.

The Commercial Building Improvement Loan Program funds may finance up to 75% of the project cost, or \$40,000, which ever may be less. The interest rate for improvement loans is currently set at two percent (2%), with a maximum term of 5 years. Loans are amortized over a twenty-year period with a balloon payment due at the end of the term, and no penalty for early repayment.

There currently is a portfolio of twenty loans with a combined principal loan amount of \$777,754.



Downtown Mandated Building Improvement Loan (MBIL) Program — With a grant provided by the Blandin Foundation in 2023, GREDA has established a loan program to assist entrepreneurs with funds for additional improvements mandated by the Minnesota State Building Code. These additional required improvements, such as to address handicapped accessibility, are more common in older buildings. The costs of these improvements are often unanticipated by entrepreneurs and tend to limit or stifle investment in and new uses of these buildings. Downtown MBIL Program funds may finance up to \$50,000 of these costs. The interest rate for MBIL loans is currently set at one percent (1%), with a term of 10 years.

Repayment of principal and interest is deferred during the 10-year term, with 10% of the principal balance forgiven each year the building owner maintains ownership.

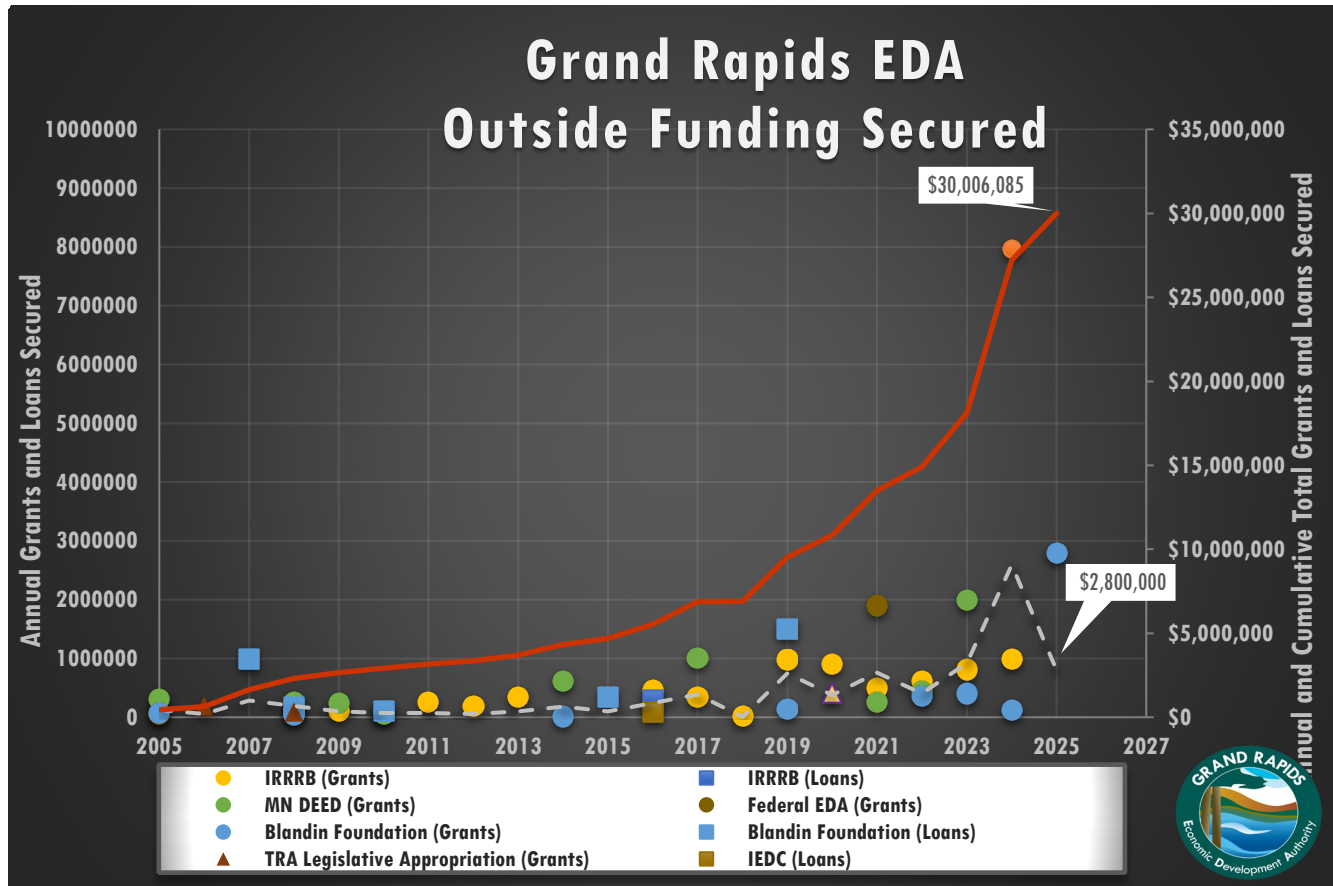
There currently is a portfolio of four loans with a total principal loan amount of \$200,000.



Additional Project Funding

Item 6.

The following chart provides a twenty-year history of the outside funding secured by GREDA:



Summary of 2025 Funding Represented Above

Source	Project	Grant/Loan	Amount
Blandin Foundation	Multi-Project Comprehensive Grant	Grant	\$2,800,000
Total:			\$2,800,000

2005-2025 Outside Funding Summary

Source	Loan	Grant	Amount
TRA Legislative Appropriation		X	\$282,000
Minnesota IRRR		X	\$6,656,486
Minnesota IRRR	X		\$293,000
Minnesota DEED		X	\$5,181,697
Federal EDA		X	\$1,960,607
Federal COVID Relief		X	\$411,000
Blandin Foundation		X	\$4,042,295
Blandin Foundation	X		\$3,125,000
Minnesota Housing		X	\$7,964,000
IEDC	X		\$90,000
Total:			\$30,006,085



Industrial Advancement/Support

Amazon Delivery Station

- GREDA closed on sale of 4 lots in Airport South Industrial Park to Amazon for their development of a 41,000 sq. ft. delivery station.
- Construction started in April 2025
- Building is complete
- Anticipated opening this Spring 2026.



HWY 35 Cannabis Grow/Manufacturing Facility

- The 60,000 sq. ft. buildout of the first phase consists of a cannabis cultivation and manufacturing of infused products.
- The cultivation has been operational since the fall of 2025.
- The manufacturing buildout is complete and is scheduled to be operating this spring.



Redevelopment and Downtown

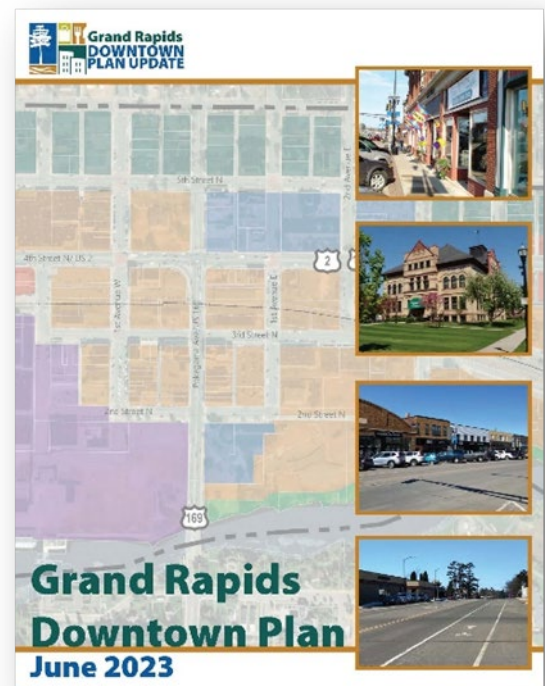
Blandin Foundation Grant

- GREDA was awarded a \$2.8M Grant to support their work that aligns with the Blandin Foundation's strategic focus on Community Wealth Building, Rural Placemaking and Small Communities, including the following:
 - Grand Rapids Downtown Plan Implementation:
 - Downtown Alliance Startup
 - Downtown Pedestrian Wayfinding (planning and development)
 - Downtown Branding Implementation
 - Block 19 Parking Lot Improvements
 - American Legion Park Plan & Economic Impact Analysis
 - Blandin Beach Park Renovation
 - Affordable Single-Family Housing (GREDA/ICHRA former ISD 318 Admin. Building Site)
 - Capitalization of a Dedicated GREDA Strategic Site Acquisition Revolving Fund
 - Development of an effective workforce recruitment strategy/campaign
 - Enhanced GREDA Communications (planning and implementation)



Downtown Plan Initiatives and Projects

- Grand Rapids Downtown Alliance
 - GREDA hired Economic Development Services to assist downtown stakeholders with the startup of a new non-profit downtown organization.
 - Filing of articles of incorp., posting and filling ED position, recruitment of initial board and committees, etc.
 - GREDA hired Pierson/Henry to assist the Downtown Alliance with branding and strategic communications, fundraising plans.
 - GREDA approved a Subgrant Agreement with the Downtown Alliance to advance GREDA's Blandin Foundation grant to support of initial operating costs.
 - The response from the downtown business community has been very positive.
- New Business Openings
 - We saw the grand openings of three new businesses in the downtown that GREDA and IRRR provided loan and grant assistance to: Ledger and Ladle, The Tied and The Pines.



Highway 2 West Corridor

- Secured a \$175,000 IRRR Commercial Redevelopment grant for a portion of the demolition and cleanup of former Farm Co-op
- Submitted applications to MPCA and Minnesota Dept. of Agric. for approval of contaminant remediation during demo
- Applied to MN DEED for a \$420,000 Demolition Loan.



Housing

Multi-Family Housing

- Oppidan Development Mill & Miss Apartment workforce housing project, 132 units, \$33.2M
 - Groundbreaking — August 2025
 - Spring 2027 anticipated opening



Multi-Family Housing

- Unique Opportunities Riverview Apartments project, 63 units, \$10.2M
 - Groundbreaking — June 2025
 - June 1, 2026, anticipated opening



Single Family Housing

- Forest Lake Addition
 - All 16 of the ICHRA homes have been sold or are under contract to be sold.
 - The last of 3 Itasca County Habitat for Humanity Homes is under construction.
- Crystal Lake Estates Second Addition
 - Funding for demolition and utility services has been secured. Early summer construction.
 - Eight lots for single-family homes were platted by GREDA for homes to be developed in partnership with the ICHRA.
- Great River Acres
 - GREDA sold two single family home lots and executed an option with Premier Custom Homes
 - One home under construction.



CITY OF GRAND RAPIDS
ECONOMIC DEVELOPMENT AUTHORITY
COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025
With Comparative Totals for the Period Ending December 31, 2024

Preliminary	2024 ACTUAL TO 12/31/24	YTD ACTUAL TO 12/31/25	2025 ANNUAL BUDGET	
Fund Balance 1/1/XX:	\$ 25,287	\$ 16,525	\$ 16,525	
REVENUES:				
Taxes	-	30,000	30,000	0%
Supplemental Aid	-	-	-	0%
Miscellaneous	-	-	-	0%
Interest - Investments	250	64	100	64%
Interest - Loans	-	-	-	0%
Mortgage Payment	-	-	-	0%
Fund Balance Usage	-	-	-	0%
TOTAL REVENUES	250	30,064	30,100	100%
EXPENDITURES:				
Supplies/Materials	20	-	150	0%
Other Services/Charges	8,993	4,391	16,200	27%
TOTAL EXPENDITURES	9,012	4,391	16,350	27%
REVENUES > EXPENDITURES	(8,762)	25,673	13,750	
FUND BALANCE				
Fund Balance Usage	(8,762)	25,673	-	
FUND BALANCE 12/31/XX	\$ 16,525	\$ 42,198	\$30,275	



CITY OF GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY CAPITAL PROJECTS FUND

*Schedule of Changes in Revenue, Expenditures, and Fund Balance
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2025*

Preliminary

FUND BALANCE 1/1/25 \$ 892,812

REVENUES:

Taxes	84,028
Supplemental Aid	5,169
ST/MN-IRRRB Grant	-
ST/MN Affordable Hsg Aid	34,160
ST/MN DEED-ASV Holdings	88,573
Blandin Foundation Grant	331,977
Interest-Investments	7,373
Net Change Fair Value Investments	14,122
Interest-Loans	13,000
Nat'l Gas CIAC Fee	1,603
Rent-EDA House	25,942
Miscellaneous	1,643
Principal-CBIL Payments	53,311
Principal-EWCL Payments	116,400
Loan Repayments-KAXE	4,018
Sale of Land Held in Inventory	175,992

TOTAL REVENUES 957,312

EXPENDITURES:

Annual Single Audit Fee	-
Miscellaneous	5,654
No Project	84,763
Downtown Mandated Building Improvement Loan Program	100,000
Blandin Foundation PRI Loan	2,610
Commercial Building Improvement Loan Program	92,477
Downtown Entertainment Loan	75,000
Blandin Foundation Loan Repayment	113,185
Airport South Industrial Parks	40,597
Downtown Plan Project	197
Great River Acres	2,322
Block 36 Downtown Redevelopment	1,800
Forest Lake School Redevelopment	69
Hwy 2 Corridor Study	40,828
ASV-Yanmar Parts Distribution Center	88,573
Farm Service Redevelopment	31,060
ISD #318 Adm Redevelopment	29,571
Downtown Alliance Start Up	38,911
Dedicated Strategic Site Acquisition Fund	407
Enhanced Communications Planning & Implementation	12,099
Legion Park Plan-Economic Impact Analysis	40,647

TOTAL EXPENDITURES 800,768

2025 REVENUES > EXPENDITURES 156,543

FUND BALANCE 12/31/25 1,049,356



Work Plan – Overview of Process

The GREDA Board of Commissioners recently completed the development of their 2025 Work Plan. The work plan development process first involved a review of the unfinished business from the 2024 Work Plan, and a review of the goals stated within the Economic Development Element of the Comprehensive Plan. From that exercise, the GREDA Commissioners identified a list of potential objectives for 2025. Those potential objectives were examined and ranked by the individual GREDA members, and, through additional group discussion, GREDA approved a list of priorities and a work approach for the issues they will take a lead role in completing and those that they will partner with others on.

In developing the list of priority issues, the GREDA considered the following criteria:

Community impact: If the goal is achieved, will the impact be substantial in the community?

Chances of success: Is the objective reasonably attainable?

Resource availability: Does EDA/City of Grand Rapids possess adequate resources to achieve this goal?

EDA ownership: But for the EDA, will any other entity, commission or department achieve this objective?

The resulting work plan is shown on the following four pages of this report.





Grand Rapids Economic Development Authority 2026 Work Plan

* Results of Issue Identification and Ranking			* Desired Outcomes/Work Approach/Schedule			
Issue/Task/Work Item	Role	Term (years) Short 1-2 Med. 3-5 Long 6+	Q1	Q2	Q3	Q4
Industry Advancement/Support						
Ensure an adequate inventory of industrial sites and facilities exist to accommodate full industrial, warehousing & distribution business expansion and relocation potential.	Lead	S	- Complete as needed due diligence to ensure sites are "shovel-ready". - Scope out development costs for future industrial park expansion.	Continue efforts to secure land for expansion of the Airport South Industrial Park.	●————→	————→
Continue to work with HWY 35 on current and future development opportunities.	Lead	S	- Collaborate with HWY 35 on efforts focused on workforce attraction. - Work with spinoff developments/businesses interested in a Grand Rapids location. - Work with HWY 35 to develop a plan for development of the undeveloped portion of their site. - Investigate opportunities for the development of a spec industrial building with support from IRRR.	Collaborate with GRPUC on the possible expansion of the adjacent Tioga electrical sub-station.	●————→	————→



* Results of Issue Identification and Ranking			* Desired Outcomes/Work Approach/Schedule			
Issue/Task/Work Item	Role	Term (years) Short 1-2 Med. 3-5 Long 6+	Q1	Q2	Q3	Q4
Industry Advancement/Support						
Pursue strategic property acquisitions in key commercial, industrial, and residential areas.	Lead	S	In addition to the strategic acquisition of commercial and industrial sites, review the current inventory of land available for hosing and determine if there is a need for GREDA to secure a site or sites.	●————→		
Take proactive steps to ensure that Grand Rapids can both position itself to attract new, emerging industries and sustain its current industries	Lead	S	Continue work to re-establish 48C Tax Credit eligibility for the Grand Rapids industrial parks.	Collaborate with and advocate for the GRPUC's development of competitive industrial utility rates and make that information readily available to prospective industries.	- Meet with existing large industrial employers to discuss potential impacts of the impending Boswell Energy decommissioning. - Support efforts to revise sulfate standards.	
Support business retention and attraction by leading and partnering in efforts focused on workforce recruitment, workforce development and childcare availability.	Lead & Partner	S	Participate in the Iron Range working group assembled to explore use of the recently expanded Federal Child and Dependent Care Tax Credit program, Section 45F.	- Interview major employers to document challenges experienced in recruiting workforce. - Issue an RFP seeking professional assistance with specific expertise in developing a workforce recruitment plans/strategies for like positioned rural communities. - Begin and implement of the plan.	●————→	



* Results of Issue Identification and Ranking			* Desired Outcomes/Work Approach/Schedule			
Issue/Task/Work Item	Role	Term (years) Short 1-2 Med. 3-5 Long 6+	Q1	Q2	Q3	Q4
Industry Advancement/Support						
Lead and partner in initiatives addressing housing shortages.	Lead & Partner	S	- Advance the redevelopment of the former ISD 318 Admin. building site in collaboration with the Itasca County HRA. - Support local development interest in the development of a multi-family cooperative housing development.	- Work with housing developers, area employers, MN IRRR, MHFA, GMHF and Blandin Foundation to incentivize and remove financial barriers for projects. - Support 2026 applications to MHFA Housing Tax Credit program for Grand Rapids projects.	●————→	
Provide as needed support for wood product industries.	Lead	S	Continue ongoing regular communications with Blandin Paper management regarding as needed assistance.	●————→		
Transportation/Logistics						
Continue to advocate for highway transportation route improvements to improve linkages between Grand Rapids and the interstate and the Duluth Port.	Lead	L		- Meet with Yanmar, Blandin, L&M and other major employers that use this transportation corridor to understand their current and future needs. - Continue to explore funding/opportunities for a transportation study to document need for improvements.	●————→	



* Results of Issue Identification and Ranking			* Desired Outcomes/Work Approach/Schedule			
Issue/Task/Work Item	Role	Term (years) Short 1-2 Med. 3-5 Long 6+	Q1	Q2	Q3	Q4
Redevelopment & Downtown						
Continue implementation of the Downtown Plan	Lead	S	- Provide continued support to the newly established Downtown Alliance. - Utilize the Blandin Foundation grant funds to help the Alliance achieve two significant goals in their three-year plan. Those being the planning and implementation of pedestrian wayfinding and the implementation of Downtown branding.	- Assist with the redevelopment of downtown sites, specifically the Plumers Building, GREDA lots and Block 36 (Free Range Food Co-op) - Continue to market the Downtown Mandated Building Improvement Loan and the Commercial Building Improvement Loan programs.	●————→	
Continue implementation of the Hwy. 2 Land Use and Development Study	Lead	S	Secure funds and complete the demolition of the former Farm Service Cooperative building and market the site for development.	- Continue to pursue the acquisition of other key redevelopment sites along the corridor. - Support private redevelopment efforts.	●————→	





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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider approval of a resolution authorizing a grant request to MN IRRR Culture and Tourism Grant Program for the Pokegama Golf Course Bunker Rehabilitation Project.

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

The project to rehabilitate the 22 sand bunkers at Pokegama Golf Course began this spring. The second phase of the project will occur in 2027. Much of the funds for the project have already been raised, however with costs exceeding the original estimates addition sources of funding are being pursued.

The project qualifies for an IRRR Culture and Tourism grant program. The application will request the maximum grant amount of \$30,000.

REQUESTED COUNCIL ACTION:

Make a motion to approve a resolution authorizing a grant request to MN IRRR Culture and Tourism Grant Program for the Pokegama Golf Course Bunker Rehabilitation Project.

Councilor _____ introduced the following resolution and moved for its adoption:

**City of Grand Rapids, Minnesota
RESOLUTION NO. 26-__**

**RESOLUTION AUTHORIZING THE CITY OF GRAND RAPIDS TO MAKE APPLICATION TO AND
ACCEPT FUNDS FROM THE MINNESOTA DEPARTMENT OF IRRR CULTURE AND TOURISM
GRANT PROGRAM**

WHEREAS THE authorizing authority approves of the attached application for the City of Grand Rapids, Minnesota for costs associated with sand bunker rehabilitation project at the Pokegama Golf Course, Grand Rapids, MN 55744; and

WHEREAS THE authorizing authority hereby agrees to accept funding for the underlying project if approved by the IRRRB.

NOW THEREFORE BE IT RESOLVED that the authorizing authority of the City of Grand Rapids, Minnesota, does hereby adopt this resolution.

Adopted by the Council this 27th day of July 2026.

Tasha Connelly, Mayor

ATTEST:

Kimberly Gibeau, City Clerk

Councilor _____ 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.



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider the approval of a lease agreement with Rapids Brewing Company.

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

In November of 2022, the City approved a lease agreement with Rapids Brewing for an area at the northeast corner of the public parking lot on the west half of the block behind Rapids Brewing and the Pokegama Hotel building. The original lease, which was for the purpose of locating a dumpster enclosure, has expired.

Rapids Brewing would like to renew that lease. The lease agreement is similar to the original lease in terms of rental cost. The proposed lease will commence retroactively to June 1, 2025 and remain in effect until May 31, 2028.

REQUESTED COUNCIL ACTION:

Make a motion to approve a lease agreement with Rapids Brewing Company.

LEASE AGREEMENT

This Lease Agreement is made this 27th day of July, 2026, by and between the City of Grand Rapids, a Minnesota municipal corporation with its principal offices at 420 North Pokegama Avenue, Grand Rapids, Minnesota (hereinafter “City”) and Rapids Brewing Company, a Minnesota limited liability company duly organized under the laws of the State of Minnesota, with its principal office at 214 North Pokegama Avenue, Grand Rapids, Minnesota (hereinafter “Lessee”).

RECITALS

WHEREAS, the City is a municipality and the owner of property located within the City, the legal description of which is set forth on Exhibit “A” attached hereto (the “Premises”); and

WHEREAS, Lessee is a Minnesota company that wishes to build, operate and maintain a shared garbage/dumpster enclosure (Built Improvements) on the Premises owned by City; and

WHEREAS, the Built Improvements will allow businesses nearby the Premises to make better use of their property and present a more appealing rear facing storefront by moving garbage containers to an enclosed structure that is separated from their storefronts.

NOW, THEREFORE, in consideration of the covenants, terms and conditions of this agreement the parties agree as follows:

1. **Premises:** City shall lease to Lessee the Premises described on Exhibit “A” attached hereto. The parties acknowledge and agree that Lessee intends to design, build, operate and maintain in good condition the Built Improvements pursuant to the terms of this lease. The site will only be used for purposes reasonably related to the operation of the described Built Improvements.

2. **Term:** This Lease will commence on June 1, 2025, and remain in effect through May 31, 2028. At the expiration of the term of the Lease, Lessee shall have the option to enter into a new agreement leasing the Premises for 3 years upon terms and conditions mutually agreeable to both parties; provided the terms of the new agreement must be mutually agreed upon by the parties within thirty (30) days from expiration of the term, or this Lease shall terminate automatically without notice and Lessee’s rights and interest in the use and occupancy of the Premises shall be null and void. Upon termination or expiration of this Lease without renewal, Lessee shall remove the Built Improvements pursuant to paragraph 17 below and vacate the Premises.

3. **Rent:** The Lessee shall pay to the City rental payments, due on the 1st day June of each year, in the amount of \$600.00; payments will be mailed to the City of Grand Rapids, Attn: Finance Department, 420 North Pokegama Avenue, Grand Rapids, MN 55744.

4. **Site Improvements and Construction:** Lessee shall make all necessary site improvements to the property and shall be responsible for all permitting, material and labor costs

associated with said site improvements, subject to the removal provisions of paragraph 16 below at either termination or expiration of this lease. Lessee will also be responsible for the design, permitting, material and labor costs associated with constructing said Improvements, including, but not limited to, obtaining planning board approval. Lessees shall utilize an underground location service to determine the underground infrastructure prior to any underground work performed. Lessee also further agrees that it shall not permit liens to attach or remain on upon the leased premises for labor or material furnished in connection with said construction.

The Lessee agrees that the Built Improvements including fences, landscaping, etc. be approved by the City Community Development Director and shall be done in a manner that is aesthetically appealing.

5. **Utilities:** In the event Lessee requires any additional utilities or related equipment, the installation and maintenance thereof shall be the Lessee's sole obligation, provided that such installation shall be subject to prior written consent of the City.

6. **Use of Leased Premises:** The Lessee shall use the leased premises only for the purpose of operating and maintaining a shared garbage/dumpster enclosure. Said use shall be maintained by the Lessee in a neat and clean condition.

7. **Snow/Ice Removal:** Lessee shall provide snow removal services on an as-needed basis in addition to sand and/or salt applications to ensure that the CNG station fuel island lanes are safe for passage of vehicles and drivers.

8. **Maintenance:** Lessee agrees to maintain the leased premises in good condition. Lessee shall not permit the leased premises to be overloaded, damaged, stripped, defaced, nor to suffer any waste. Lessee shall not be permitted to erect any sign on the premises.

9. **Premises Subleasing:** Lessee shall not assign or sublet the whole, or any part of, the leased premises without City's prior written consent. Notwithstanding such consent, Lessee shall remain liable to the City for the payment of rent and the full performance of the covenants and conditions of this Lease.

10. **City's Access:** The City and its authorized representatives shall have the right to enter the premises at all times for any of the following purposes:

A. To determine whether the premises are in good condition and whether the Lessee is complying with its obligations under this agreement;

B. To do any necessary emergency maintenance or to make any restoration to the premises.

11. **Compliance with Laws:** Lessee shall pay for, at its sole cost and expense, and maintain during the term, and any extension thereof, all applicable permits, licenses, approvals, tariffs, tolls and fees and shall comply with all laws, ordinances, rules, standards, orders and/or regulations of any government entity or agency in conjunction with the performance of this Lease.

The City assumes no liability or responsibility whatsoever with respect to Lessee's operations at the premises or the facility.

12. **Insurance:** Lessee shall maintain at its own cost and expenses general liability insurance required herein. All insurance coverage is subject to approval of the City and shall be maintained by Lessee at all times this Agreement is in effect. Lessee further agrees that to protect themselves as well as the City of Grand Rapids under the indemnity provisions set forth below, the Lessee shall at all times during the term of the Agreement have and keep in force insurance protection as specified by Minn. Stat. Cpt. 466.04, subd. 1, as may be modified from time to time by the State Legislature and Lessee shall name the City as an additional insured on said policy. Throughout the term of this Lease Agreement, Lessee shall provide Lessor with evidence that Lessee has obtained the insurance required herein and that City is an additional insured under said policies of insurance.

13. **Indemnity:** Lessee hereby agrees to release, defense, to indemnify, and to save harmless City and its officers, agents, and employees from and against any and all loss of, or damage to, property, or injuries to, or death of, any person or persons, as well as from and against any and all claims, damages, suits, costs, expense, liability, actions or proceedings of any kind or nature whatsoever, of or by anyone whomever, in matters resulting from, or arising out of, or alleged to have resulted from or to have arisen out of, directly or indirectly, Lessee's operations or activities under or in connection with this Lease or Lessee's use and occupancy of any portion of the Premises, and including, without limiting the generality of the foregoing, acts and omissions of Lessee's officers, employees, representatives, suppliers, invitees, contractors or agents. Provided, however, Lessee shall not be liable for any loss occasioned by the negligence or willful misconduct of City, its respective officers, agents and employees. City covenants to give Lessee prompt notice of any claims. This indemnify provision shall survive the termination and/or expiration of this Lease for a period of ten (10) years.

14. **Damage and Vandalism by Third Parties:** Lessee will promptly notify the City of damage to the Built Improvements due to acts of God or vandalism by third parties. Lessee will undertake any necessary repairs or emergency work as soon as possible. Lessee will be responsible for all costs and expenses associated with any repairs or other work to restore the Built Improvements as a result of such damage to the extent not covered by insurance proceeds.

15. **Termination:** The term and this Lease shall immediately terminate without further notice upon the occurrence of any of the following events (Termination Events):

A. Lessee breaches any of its obligations under this Lease and fails to cure such breach within thirty (30) days after the City delivers written notice of such breach to Lessee, except in the case of Lessee's failure to maintain insurance as required in Section 12 hereof, termination shall be immediate upon expiration of insurance. However, if the City chooses to pay any unpaid or overdue insurance costs, Lessee shall have ten (10) business days to repay those costs and reactive this Lease.

B. Lessee commences a voluntary case under federal bankruptcy laws, or shall apply for, consent to or acquiesce in the appointment of, or taking possession by, a trustee,

receiver, custodian or similar official or agent for itself or any substantial part of its property.

C. A trustee, receiver, custodian or similar official or agent is appointed by an outside party for the Lessee or any substantial part of its property.

D. Lessee is the subject of an involuntary case brought pursuant to federal bankruptcy laws, or a petition or action seeking Lessee's reorganization, readjustment, arrangement, composition, dissolution, or other similar relief, whether under federal or state law, is brought against it and remains undismissed for a period of sixty (60) days.

E. Any purported lien or attachment against the premises or Lessee's property therein, is claimed, filed, recorded or asserted and the same is not fully released, discharged or abated within a period of ninety (90) days.

F. Lessee attempts to assign or purportedly assigns this Lease without City's written prior consent.

G. The City and/or the Grand Rapids Economic Authority have entered into an agreement involving the sale or redevelopment of the premises.

H. The City has determined it is necessary to improve the premises and that improvement requires the use of the premises.

Lessee hereby warrants that none of the foregoing termination events is occurring or has occurred as of the date of inception of this Lease. Further, Lessee shall pay City all costs and expenses incurred by City in connection with the termination of the Lease and eviction of the Lessee.

16. **Removal of Built Improvements by Lessee:** Unless otherwise agreed to by the parties in writing, upon termination or expiration of this lease, Lessee shall be obligated to remove all improvements constructed by Lessee to the leased Premises (including any and all of Lessee's merchandise, equipment, furnishings, fixtures, machinery and tools relating to said alterations and improvements from the Premises). The Premises must be restored in all material respects to its original condition as it existed upon the effective date of this Lease. Lessee shall use its best efforts to complete such removal within thirty (30) days but in no event in excess of sixty (60) days after termination or expiration of this Lease. In the event the removal causes damage to the Premises that is not repaired by Lessee, Lessee shall reimburse City for the repair and restoration by Lessee of the Premises to a condition substantially as good as the condition of the Premises prior to occupancy by Lessee

17. **Dispute Resolution:** City and Lessee agree that any and all disputes shall be resolved pursuant to the terms and conditions of this paragraph.

A. City and Lessee agree to negotiate in good faith all disputes arising from or relating to this Lease or the termination thereof between them for a period of thirty (30)

days from the date of notice before exercising their dispute resolution rights under this paragraph.

B. If the dispute cannot be settled through negotiation, the parties agree to endeavor in good faith to settle the dispute in an amicable manner by mediation before resorting to litigation.

C. If mediation is unsuccessful in resolving a dispute, the parties irrevocably submit to the jurisdiction and venue of the Itasca County District Court, Minnesota, for the resolution of such dispute.

18. **Notice:** Correspondence and/or other communications regarding this Lease shall be addressed to the following individuals, postpaid by registered or certified mail or via email, return receipt requested, to:

City:
City of Grand Rapids
Attn: City Administrator
420 No. Pokegama Ave.
Grand Rapids, MN 55744

Lessee:
Rapids Brewing Co., LLC
Attn: Bill Martinetto
214 No. Pokegama Ave.
Grand Rapids, MN 55744

19. **Entire Agreement:** This Lease agreement supersedes, terminates, and merges all prior, collateral, contemporaneous agreements, written or oral, between the parties relating to the subject matter hereof.

20. **General:**

A. No promises, agreements, representations, or warranties shall be binding upon either party unless the same is evidenced by a signed writing and made part of this Lease agreement.

B. Any consent, express or implied, by the city to any breach by Lessee of any term or condition of this Lease shall not constitute a waiver by the City of any prior or succeeding breach by Lessee of the same or any other term or condition of this Lease. Acceptance by the City of rent or other payment with knowledge of a breach or of default under any term hereof by Lessee shall not constitute a waiver by the City of such breach or default.

C. In the event any terms, covenants, conditions or provisions of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other term, covenant, condition or provision hereof.

D. Lessee shall perform duties herein as an independent contractor. Nothing contained herein shall be considered to create the relationship of employer and employee, partnership,

joint venture or other association between the parties, except as principal and independent contractor agent.

E. If any action at law or equity is commenced concerning this Lease or to enforce its terms, the prevailing party in such matter shall be entitled to the payment of reasonable attorney's fees and costs as determined by the court, in addition to any other relief which may be awarded to that party.

LESSOR:
CITY OF GRAND RAPIDS

LESSEE:
RAPIDS BREWING CO., LLC

By: _____
Its: Mayor

By: _____
Its: Manager

By: _____
Its: City Administrator

By: _____
Its: _____

EXHIBIT "A"

The Premises shall consist of a tract of land in Grand Rapids, Itasca County, Minnesota described as follows:

Beginning at the Northeast corner of Block 19 of the original plat of Grand Rapids, thence South, along the East line of said Block 19, a distance of 13 feet, thence West, parallel to the north line of said Block 19, a distance of 2 feet to the Point of Beginning.

From the Point of Beginning thence South, parallel to the East line of said Block 19 a distance of 20 feet, thence West, parallel to the North line of said Block 19, a distance of 10 feet, thence North, parallel to said East line of Block 19, a distanced of 20 feet, thence East a distance of 10 feet to the Point of Beginning and there terminating.



REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

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

PREPARED BY: Rob Mattei, Director of Community Development.

BACKGROUND:

GREDA previously authorized the inspection of the former Itasca County Farm Co-op building for the purpose of determining if its condition met the statutory requirements to be designated as a TIF redevelopment or renewal and renovation district.

The inspection and the findings of it must be documented prior to the demolition of the structure to preserve the potential for establishment of this type of TIF district, should it be necessary to facility a TBD private redevelopment in the future.

On June 11, LHB Architects completed the inspection and their Analysis Findings, which is attached, has determined that it is structurally substandard as defined in TIF statute.

The attached resolution, which must be adopted by both GREDA and the City, finds that the three parcels identified in the Exhibit, at 900 NW 4th Street are occupied by a structurally substandard building.

REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution finding parcels located at 900 NW 4th Street are occupied by a structurally substandard building.

CITY OF GRAND RAPIDS, MINNESOTA

RESOLUTION NO. _____

**RESOLUTION FINDING PARCELS LOCATED AT 900 NW 4TH
STREET IN THE CITY OF GRAND RAPIDS ARE OCCUPIED
BY STRUCTURALLY SUBSTANDARD BUILDING**

WHEREAS, it has been proposed that the City of Grand Rapids, Minnesota (the “City”) or the Grand Rapids Economic Development Authority (the “Authority”) create one or more tax increment financing districts within the City to be designated as redevelopment districts or renewal and renovation districts as defined in Minnesota Statutes, Section 469.174, subd. 10 and subd. 10a (the “TIF District”); and

WHEREAS, in order to create this type of TIF District, the City and the Authority must make a determination that before the demolition or removal of any substandard building, certain conditions existed; and

WHEREAS, under Minnesota Statutes, Section 469.174, subd. 10(d), the City and the Authority are authorized to deem parcels as occupied by structurally substandard buildings despite prior demolition or removal of the buildings, subject to certain terms and conditions as described in this resolution; and

WHEREAS, in order to deem a parcel as being occupied by a structurally substandard building, the City or the Authority must first pass a resolution before the demolition or removal that the parcel was occupied by one or more structurally substandard buildings and that after demolition and clearance the City or the Authority intended to include the parcel within the proposed tax increment financing district; and

WHEREAS, there exists in the City on the parcels located at 900 NW 4th Street (MN Hwy 2) described in EXHIBIT A attached hereto (the “Parcels”) one structurally substandard building to be demolished or removed (the “Substandard Building Condition”); and

WHEREAS, a parcel is deemed to be occupied by a structurally substandard building if the Substandard Building Condition is met within 3 years of the filing of the request for certification of the parcel as part of the tax increment financing district with the county auditor, and if certain other conditions are met; and

WHEREAS, the Authority intends to cause demolition of the building located on the Parcels, and the City or the Authority may in the future include the Parcels in a redevelopment or renewal and renovation tax increment financing district; and

NOW, THEREFORE, BE IT RESOLVED By the City Council of the City of Grand Rapids, Minnesota as follows:

1. The City Council has received the TIF Analysis Findings for 900 NW 4th Street, dated July 16, 2026 (the “Inspection Report”), from LHB, Inc., finding that, based on an inspection of the building located on the Parcels, such building was determined to be substandard under the definition set forth in the Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the “TIF Act”). Based on the Inspection Report and other information available to the City Council, the City Council finds that the building on the Parcels is structurally substandard to a degree requiring substantial renovation or

clearance and at least 15% of the area of each the Parcels identified on EXHIBIT A attached hereto is occupied within the meaning of Section 469.174, subd. 10 of the TIF Act.

2. After the date of approval of this resolution, the building on the Parcels may be demolished or removed by the City or the Authority, or such demolition or removal may be financed by the City and the Authority, or may be undertaken by a developer under a development agreement with the City or the Authority.

3. The City and the Authority intend to include the Parcels in a TIF District, and to file the request for certification of such district with the Itasca County Auditor/Treasurer (the “County Auditor”) within 3 years after the date of demolition of the building on the Parcels.

4. Upon filing the request for certification of a new TIF District, the City or the Authority will notify the County Auditor that the original tax capacity of the Parcels must be adjusted to reflect the greater of (a) the current net tax capacity of the parcels; or (b) the estimated market value of the Parcels for the year in which the building was demolished or removed, but applying class rates for the current year, all in accordance with Section 469.174, subd. 10(d) of the TIF Act.

5. City and Authority staff and consultants are authorized to take any actions necessary to carry out the intent of this resolution.

6. The City authorizes expenditure of available tax increments and other available funds to pay the costs of such demolition or removal, in such amounts as determined necessary for such purpose by the City’s Finance Director.

Approved by the City Council of the City of Grand Rapids, Minnesota this 27th day of July, 2026.

Mayor

ATTEST:

City Clerk

EXHIBIT A

PARCELS

Parcel A: PID 91.420.2610

Parcel B: PID 91.420.2511

Parcel C: PID 91.420.2510

July 16, 2026

Rob Mattei
 Director of Community Development
 City of Grand Rapids
 420 North Pokegama Avenue
 Grand Rapids, MN 55744

TIF ANALYSIS FINDINGS FOR 900 NW 4TH STREET

LHB was hired to inspect one building on three parcels in Grand Rapids, Minnesota, to determine if it meets the definition of "Substandard" as defined by *Minnesota Statutes, Section 469.174, subdivision 10*. The building parcels may potentially be part of a future Redevelopment TIF District, so they will need to be compliant with all the statutes pertaining to a Redevelopment District.

The building is located at 900 NW 4th Street (Parcel A in Diagram 1).

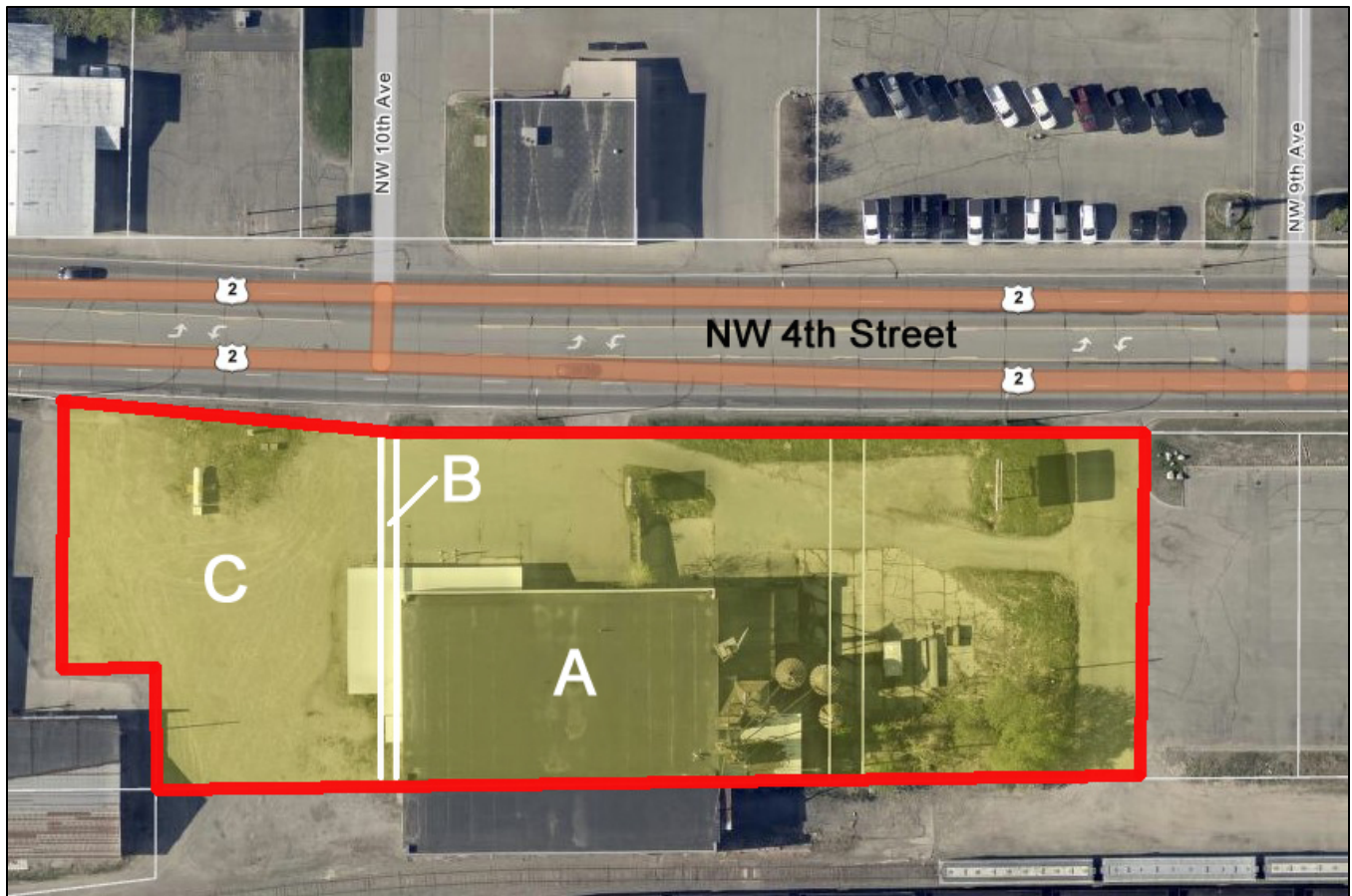


Diagram 1

CONCLUSION

After evaluating the condition of the building on June 12, 2026 and applying current statutory criteria for a Redevelopment District under *Minnesota Statutes, Section 469.174, Subdivision 10*, it is our professional opinion that the building qualifies as substandard.

The remainder of this letter and attachments describe our process and findings in detail.

MINNESOTA STATUTE 469.174, SUBDIVISION 10 REQUIREMENTS

The properties were inspected in accordance with the following requirements under *Minnesota Statutes, Section 469.174, Subdivision 10(c)*, which states:

INTERIOR INSPECTION

"The municipality may not make such determination [that the building is structurally substandard] without an interior inspection of the property..."

EXTERIOR INSPECTION AND OTHER MEANS

"An interior inspection of the property is not required, if the municipality finds that

(1) the municipality or authority is unable to gain access to the property after using its best efforts to obtain permission from the party that owns or controls the property; and

(2) the evidence otherwise supports a reasonable conclusion that the building is structurally substandard."

DOCUMENTATION

"Written documentation of the findings and reasons why an interior inspection was not conducted must be made and retained under section 469.175, subdivision 3, clause (1)."

QUALIFICATION REQUIREMENTS

Minnesota Statutes, Section 469.174, Subdivision 10 (a) (1) requires two tests for occupied parcels:

1. Coverage Test

"...parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, or paved or gravel parking lots..."

The coverage required by the parcel to be considered occupied is defined under *Minnesota Statutes, Section 469.174, Subdivision 10(e)*, which states:

"For purposes of this subdivision, a parcel is not occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures unless 15 percent of the area of the parcel contains buildings, streets, utilities, paved or gravel parking lots, or other similar structures."

The LHB team reviewed the following parcels:

Parcel A - ID Number 91.420.2610

- The parcel is approximately 46,192 sf (including a portion of City ROW) and is 96 percent covered by buildings, parking lots or other improvements.

Parcel B - ID Number 91.420.2511

- The parcel is approximately 745 sf and is 100 percent covered by buildings, parking lots or other improvements.

Parcel C - ID Number 91.420.2510

- The parcel is approximately 19,171 sf and is 100 percent covered by buildings, parking lots or other improvements.

Findings

Three out of three parcels are covered by buildings, parking lots or other improvements, exceeding the 15 percent parcel requirement.

2. Condition of Buildings Test

Minnesota Statutes, Section 469.174, Subdivision 10(a) states:

"...and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance;"

Structurally substandard is defined under Minnesota Statutes, Section 469.174, Subdivision 10(b), which states:

"For purposes of this subdivision, 'structurally substandard' shall mean containing defects in structural elements or a combination of deficiencies in essential utilities and facilities, light and ventilation, fire protection including adequate egress, layout and condition of interior partitions, or similar factors, which defects or deficiencies are of sufficient total significance to justify substantial renovation or clearance."

We do not count energy code deficiencies toward the thresholds required by *Minnesota Statutes, Section 469.174, Subdivision 10(b)* defined as "structurally substandard", due to concerns expressed by the State of Minnesota Court of Appeals in the *Walser Auto Sales, Inc. vs. City of Richfield* case filed November 13, 2001.

Findings

The building exceeds the criteria required to be determined a substandard building (see the attached Building Code, Condition Deficiency and Context Analysis Reports).

Buildings are not eligible to be considered structurally substandard unless they meet certain additional criteria, as set forth in *Subdivision 10(c)* which states:

"A building is not structurally substandard if it follows the building code applicable to new buildings or could be modified to satisfy the building code at a cost of less than 15 percent of the cost of constructing a new structure of the same square footage and type on the site. The municipality may find that a building is not disqualified as structurally substandard under the preceding sentence based on reasonably available evidence, such as the size, type, and age of the building, the average cost of plumbing, electrical, or structural repairs, or other similar reliable evidence."

"Items of evidence that support such a conclusion [that the building is not disqualified] include recent fire or police inspections, on-site property tax appraisals or housing inspections, exterior evidence of deterioration, or other similar reliable evidence."

LHB counts energy code deficiencies toward the 15 percent code threshold required by *Minnesota Statutes, Section 469.174, Subdivision 10(c)* for the following reasons:

- The Minnesota energy code is one of ten building code areas highlighted by the Minnesota Department of Labor and Industry website where minimum construction standards are required by law.
- Chapter 13 of the *2015 Minnesota Building Code* states, "Buildings shall be designed and constructed in accordance with the International Energy Conservation Code." Furthermore, *Minnesota Rules, Chapter 1305.0021 Subpart 9* states, "References to the International Energy Conservation Code in this code mean the Minnesota Energy Code..."
- Chapter 11 of the *2015 Minnesota Residential Code* incorporates *Minnesota Rules, Chapters, 1322 and 1323 Minnesota Energy Code*.
- The Senior Building Code Representative for the Construction Codes and Licensing Division of the Minnesota Department of Labor and Industry confirmed that the Minnesota Energy Code is being enforced throughout the State of Minnesota.
- In a January 2002 report to the Minnesota Legislature, the Management Analysis Division of the Minnesota Department of Administration confirmed that the construction cost of new buildings complying with the Minnesota Energy Code is higher than buildings built prior to the enactment of the code.

Proper TIF analysis requires a comparison between the replacement value of a new building built under current code standards with the repairs that would be necessary to bring the existing building up to current code standards. For an equal comparison to be made, all applicable code chapters should be applied to both scenarios. Since current construction estimating software automatically applies the construction cost of complying with the Minnesota Energy Code, energy code deficiencies should also be identified in the existing structures.

Findings

The building has code deficiencies exceeding the 15 percent building code deficiency criteria required to be determined substandard (see the attached Building Code, Condition Deficiency and Context Analysis Reports).

TEAM CREDENTIALS

MICHAEL A. FISCHER, AIA, LEED AP - PROJECT PRINCIPAL / TIF ANALYST

Michael has 39 years of experience as project principal, project manager, project designer and project architect on planning, urban design, educational, commercial, and governmental projects. He has become an expert on Tax Increment Finance District analysis assisting over 140 cities with strategic planning for TIF Districts. He is an Architectural Principal and Vice President at LHB.

Michael completed a two-year Bush Fellowship, studying at MIT and Harvard in 1999, earning master's degrees in City Planning and Real Estate Development from MIT. He has served on more than 50 committees, boards, and community task forces, including City Council President in Superior, Wisconsin, Chair of the Duluth/Superior Metropolitan Planning Organization, and Chair of the Edina, Minnesota Planning Commission. Most recently, he served as a member of the Edina city council and Secretary of the Edina HRA. Michael has also managed and designed several award-winning architectural projects and was one of four architects in the Country to receive the AIA Young Architects Citation in 1997.

PHIL FISHER – INSPECTOR

For 35 years, Phil Fisher worked in the field of Building Operations in Minnesota including White Bear Lake Area Schools. At the University of Minnesota, he earned his Bachelor of Science in Industrial Technology. He is a Certified Playground Safety Inspector, Certified Plant Engineer, and is trained in Minnesota Enterprise Real Properties (MERP) Facility Condition Assessment (FCA). His FCA training was recently applied to the Minnesota Department of Natural Resources Facilities Condition Assessment project involving over 2,000 buildings.

ATTACHMENTS

We have attached a Building Code, Condition Deficiency and Context Analysis Report, Replacement Cost Report, Code Deficiency Report, and thumbnail photo sheets of the building.

Please contact me at (612) 752-6920 if you have any questions.

LHB, INC.



MICHAEL A. FISCHER, AIA, LEED AP

c: LHB Project No.260330.00

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900 NW 4th Street Redevelopment TIF District

Building Code, Condition Deficiency and Context Analysis Report

Parcel A

Former Co-Op

Address:	900 Northwest 4 th Street, Grand Rapids, Minnesota. 55744
Parcel ID:	91-420-2610
Inspection Date(s) & Time(s):	June 12, 2026, 10:30 am
Inspection Type:	Interior and Exterior
Summary of Deficiencies:	It is our professional opinion that this building is Substandard because: - Substantial renovation is required to correct Conditions found. - Building Code deficiencies total more than 15% of replacement cost, NOT including energy code deficiencies.

Estimated Replacement Cost:	\$2,800,417
Estimated Cost to Correct Building Code Deficiencies:	\$970,504
Percentage of Replacement Cost for Building Code Deficiencies:	34.7%

DEFECTS IN STRUCTURAL ELEMENTS

1. Exterior concrete block walls are showing signs of differential settlement which should be corrected per code.
2. Steel columns should be protected from rusting per code.

COMBINATION OF DEFICIENCIES

1. Essential Utilities and Facilities
 - a. There is no code required accessible parking.
 - b. Transaction counters do not comply with accessibility code.
 - c. There is no code required drinking fountain.
 - d. Install a code required accessible restroom.
2. Light and Ventilation
 - a. The electrical system does not comply with code.
 - b. The lighting system does not comply with code.
 - c. The mechanical systems do not comply with code.
3. Fire Protection/Adequate Egress
 - a. Sidewalks are damaged, creating an impediment to emergency egress which is contrary to code.
 - b. Thresholds do not comply with code for maximum height.
 - c. Flooring materials are damaged, creating an impediment to emergency egress which is contrary to code.
 - d. Door hardware does not comply with code.
 - e. Stairs do not comply with code.

- f. Damaged/missing ceilings should be replaced to comply with code.
 - g. There are no code required smoke detectors.
 - h. Code-compliant emergency exit signs should be installed.
 - i. Code-compliant emergency lighting should be installed.
 - j. A code required emergency notification system should be installed.
 - k. A code required building fire suppression system should be installed.
4. Layout and Condition of Interior Partitions/Materials
- a. Graffiti should be removed from the interior walls.
 - b. Interior walls should be repaired and repainted.
 - c. Mold is present throughout the building.
5. Exterior Construction
- a. Exterior concrete block walls are damaged/missing, allowing for water intrusion which is contrary to code.
 - b. Exterior graffiti should be removed to comply with city code.
 - c. The loading dock is deteriorating and should be repaired.
 - d. Failed roofing materials should be replaced to prevent water intrusion which is contrary to code.

DESCRIPTION OF CODE DEFICIENCIES

1. Correct differential settlement, per code which is noticeable by cracked linear mortar joints on southeast corner.
2. Protect steel columns from rusting per code.
3. Create a code required accessible parking area.
4. Modify transaction counters to comply with code.
5. Install a code required drinking fountain.
6. Install a code compliant accessible restroom.
7. Modify electrical wiring to comply with code.
8. Install a code compliant lighting system.
9. Install code compliant mechanical systems.
10. Repair damaged sidewalks to comply with code for an unimpeded means for emergency egress.
11. Modify thresholds to comply with code for maximum height.
12. Repair damaged flooring to create a code required unimpeded means for emergency egress.
13. Install code compliant door hardware.
14. Modify stairs to comply with code.
15. Replace missing ceiling tile to comply with code.
16. Install code required smoke detectors.
17. Install code compliant emergency exit signs.
18. Install code compliant emergency lighting.
19. Install a code required emergency notification system.
20. Install a code required building fire suppression system.
21. Repair damaged/cracked block and mortar to prevent water intrusion per code.

22. Remove graffiti to comply with city code.
23. Replace failed roofing materials to prevent water intrusion per code.

OVERVIEW OF DEFICIENCIES

The building exhibits a broad combination of code issues including structural, accessibility, life-safety, interior, exterior, and building-system deficiencies. Exterior concrete block walls show signs of differential settlement and damaged or missing block and mortar, and steel columns require protection from rusting as required by code. Accessibility deficiencies include the absence of code-required accessible parking, non-compliant transaction counters, and the need for an accessible restroom. Building systems, including electrical, lighting, and mechanical systems, do not comply with code. Several conditions impede safe emergency egress, including damaged sidewalks, excessive threshold heights, damaged flooring, noncompliant door hardware, noncompliant stairs, and damaged or missing ceilings, all required by code. The building also lacks code required smoke detectors, emergency exit signs, emergency lighting, an emergency notification system, and a fire suppression system. Interior conditions include graffiti, walls in need of repair and repainting, and mold throughout the building. Exterior code deficiencies include exterior graffiti, a deteriorating loading dock, and failed roofing materials, all of which should be corrected to prevent continued deterioration and water intrusion.

ENERGY CODE DEFICIENCIES

In addition to the building code deficiencies listed above, the existing building does not comply with the current energy code. These deficiencies are not included in the estimated costs to correct code deficiencies and are not considered in determining whether the building is substandard.

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900 NW 4th Street Redevelopment TIF District

Replacement Cost Report

RSMeans data from GORDIAN	Square Foot Cost Estimate Report	Date:	6/16/2026
Estimate Name:	900 NW 4th St		
Building Type:	Concrete Block / Wood Joists		
Location:	GRAND RAPIDS, MN		
Story Count:	2		
Story Height (L.F.):	14.00		
Floor Area (S.F.):	18900		
Labor Type:	OPN		
Basement Included:	No		
Data Release:	Year 2026 Quarter 2		
Cost Per Square Foot:	\$148.17		
Building Cost:	\$2,800,417.33		

Costs are derived from a building model with basic components.
Scope differences and market conditions can cause costs to vary significantly.

		Quantity	% of Total	Cost Per S.F.	Cost
A	Substructure		6.60%	\$8.50	\$160,704.78
A1010	Standard Foundations			\$5.03	\$95,012.25
A10101051520	Foundation wall, CIP, 4' wall height, direct chute, .099 CY/LF, 4.8 PLF, 8" thick	624		\$2.82	\$53,292.41
A10101102700	Strip footing, concrete, reinforced, load 11.1 KLF, soil bearing capacity 6 KSF, 12" deep x 24" wide	624		\$1.76	\$33,296.33
A10102107200	Spread footings, 3000 PSI concrete, load 50K, soil bearing capacity 6 KSF, 3' - 0" square x 12" deep	28.35		\$0.34	\$6,401.29
A10102107300	Spread footings, 3000 PSI concrete, load 75K, soil bearing capacity 6 KSF, 4' - 0" square x 12" deep	5.67		\$0.11	\$2,022.22
A1030	Slab on Grade			\$3.35	\$63,395.23
A10301202240	Slab on grade, 4" thick, non industrial, reinforced	9450		\$3.35	\$63,395.23
A2010	Basement Excavation			\$0.12	\$2,297.30
A20101105740	Excavate and fill, 30,000 SF, 4' deep, sand, gravel, or common earth, on site storage	9450		\$0.12	\$2,297.30
B	Shell		28.37%	\$36.55	\$690,825.92
B1010	Floor Construction			\$0.03	\$595.35
B10102102250	Wood column, 6" x 6", 15' x 15' bay, 10' unsupported height, 133 BF/MSF, 140 PSF total allowable load	850.5		\$0.03	\$595.35
B1020	Roof Construction			\$11.28	\$213,102.13
B10201024500	Wood roof, flat rafter, 2" x 14", 12" O.C.	9450		\$7.45	\$140,805.00
B10207703152	Roof deck, douglas fir, 3" thick, 8' span	9733.5		\$3.83	\$72,297.13
B2010	Exterior Walls			\$18.57	\$351,041.42
B20101115430	Concrete block (CMU) wall, regular weight, hollow, 8 x 8 x 16, 2000 PSI, reinforced, vertical #5@32", grouted	15724.8		\$13.31	\$251,561.42
B20101463000	Metal siding, steel, corrugated or ribbed, 29 ga, .0135" thick galvanized	12000		\$5.26	\$99,480.00
B2030	Exterior Doors			\$0.49	\$9,207.30
B20302102900	Door, wood, overhead, panels, heavy duty, manual operation, 10'-0" x 10'-0" opening	1.89		\$0.26	\$4,831.77
B20302204400	Door, steel 24 gauge, overhead, sectional, manual operation, 10'-0" x 10'-0" opening	0.94		\$0.23	\$4,375.53
B3010	Roof Coverings			\$6.18	\$116,879.72
B30101200300	Drip edge, aluminum .016" thick, 5" girth, mill finish	9450		\$0.04	\$712.25
B30101401850	Metal roofing, steel, colors, 3" min slope, 26 gauge, 1.0 PSF	9733.5		\$4.00	\$75,531.96
B30103201750	Insulation, rigid, roof deck, polyisocyanurate, 2#/CF, 3.5" thick	9733.5		\$2.15	\$40,635.51
C	Interiors		23.59%	\$30.39	\$574,415.38
C1010	Partitions			\$2.40	\$45,358.94
C10101045500	Concrete block (CMU) partition, light weight, hollow, 6" thick, no finish	3780		\$2.40	\$45,358.94
C1020	Interior Doors			\$3.03	\$57,282.69
C10201022600	Door, single leaf, kd steel frame, hollow metal, commercial quality, flush, 3'-0" x 7'-0" x 1-3/8"	37.8		\$3.03	\$57,282.69
C1030	Fittings			\$0.54	\$10,192.40
C10301100460	Toilet partitions, cubicles, ceiling hung, stainless steel	4		\$0.54	\$10,192.40

C3010	Wall Finishes			\$4.75	\$89,775.87
C30102202000	2 coats paint on masonry with block filler	15724.8		\$4.22	\$79,784.65
C30102300320	Painting, masonry or concrete, latex, brushwork, primer & 2 coats	3780		\$0.53	\$9,991.22
C3020	Floor Finishes			\$16.66	\$314,952.47
C30204102140	Maple strip, sanded and finished, maximum	17010		\$11.31	\$213,745.96
C30204102260	Add for sleepers on concrete, treated, 24" OC, 1"x2"	17010		\$5.24	\$98,980.51
C30204109200	Vinyl, composition tile, 12" x 12" x 1/8" thick, recycled content	600		\$0.12	\$2,226.00
C3030	Ceiling Finishes			\$3.01	\$56,853.01
C30302107400	Acoustic ceilings, 3/4" mineral fiber, 12" x 12" tile, concealed 2" bar & channel grid, suspended support	2835		\$3.01	\$56,853.01
D	Services		41.44%	\$53.40	\$1,009,199.42
D2010	Plumbing Fixtures			\$6.96	\$131,489.02
D20101102080	Water closet, vitreous china, bowl only with flush valve, wall hung	25.7		\$4.21	\$79,526.89
D20102102000	Urinal, vitreous china, wall hung	3.21		\$0.35	\$6,649.46
D20103102080	Lavatory w/trim, wall hung, PE on CI, 19" x 17"	9.64		\$0.98	\$18,494.16
D20104404340	Service sink w/trim, PE on CI, wall hung w/rim guard, 24" x 20"	1.61		\$0.60	\$11,420.85
D20108201880	Water cooler, electric, wall hung, dual height, 14.3 GPH	3.21		\$0.81	\$15,397.66
D2020	Domestic Water Distribution			\$7.93	\$149,925.49
D20202502260	Gas fired water heater, commercial, 100< F rise, 600 MBH input, 576 GPH	3.21		\$7.93	\$149,925.49
D3050	Terminal & Package Units			\$14.58	\$275,614.92
D30501501760	Rooftop, single zone, air conditioner, banks or libraries, 10,000 SF, 41.67 ton	18900		\$14.58	\$275,614.92
D4010	Sprinklers			\$4.29	\$81,155.47
D40104100620	Wet pipe sprinkler systems, steel, light hazard, 1 floor, 10,000 SF	18900		\$4.29	\$81,155.47
D4020	Standpipes			\$1.74	\$32,907.74
D40203101580	Wet standpipe risers, class III, steel, black, sch 40, 6" diam pipe, 1 floor	0.94		\$1.25	\$23,640.12
D40203101600	Wet standpipe risers, class III, steel, black, sch 40, 6" diam pipe, additional floors	1.42		\$0.49	\$9,267.62
D5010	Electrical Service/Distribution			\$1.61	\$30,414.03
D50101200320	Overhead service installation, includes breakers, metering, 20' conduit & wire, 3 phase, 4 wire, 120/208 V, 400 A	1		\$0.41	\$7,800.30
D50102300320	Feeder installation 600 V, including RGS conduit and XHHW wire, 400 A	50		\$0.34	\$6,505.58
D50102400200	Switchgear installation, incl switchboard, panels & circuit breaker, 120/208 V, 3 phase, 400 A	1		\$0.85	\$16,108.15
D5020	Lighting and Branch Wiring			\$12.59	\$237,888.40
D50201100440	Receptacles incl plate, box, conduit, wire, 8 per 1000 SF, .9 watts per SF	18900		\$3.28	\$62,070.44
D50201300200	Wall switches, 1.0 per 1000 SF	18900		\$0.35	\$6,532.60
D50201350280	Miscellaneous power, 1 watt	20790		\$0.38	\$7,174.01
D50201400280	Central air conditioning power, 4 watts	18900		\$0.79	\$14,871.84
D50202100520	Fluorescent fixtures recess mounted in ceiling, 1.6 watt per SF, 40 FC, 10 fixtures @32watt per 1000 SF	18900		\$7.79	\$147,239.51
D5030	Communications and Security			\$3.69	\$69,804.35
D50309100220	Communication and alarm systems, includes outlets, boxes, conduit and wire, sound systems, 12 outlets	1.12		\$1.59	\$30,126.99
D50309100452	Communication and alarm systems, fire detection, addressable, 25 detectors, includes outlets, boxes, conduit and wire	0.94		\$1.24	\$23,508.86
D50309100462	Fire alarm command center, addressable with voice, excl.wire & conduit	1		\$0.86	\$16,168.50
E	Equipment & Furnishings		0.00%	\$0.00	\$0.00
E1090	Other Equipment			\$0.00	\$0.00
F	Special Construction		0.00%	\$0.00	\$0.00
G	Building Sitework		0.00%	\$0.00	\$0.00
SubTotal			100%	\$128.84	\$2,435,145.50
Contractor Fees (General Conditions,Overhead,Profit)			15.0%	\$19.33	\$365,271.83
Architectural Fees			0.0%	\$0.00	\$0.00
User Fees			0.0%	\$0.00	\$0.00
Total Building Cost				\$148.17	\$2,800,417.33

900 NW 4th Street Redevelopment TIF District

Code Deficiency Cost Report

Parcel A - 900 Northwest 4th Street, Grand Rapids, Minnesota 55744

Parcel ID 91-420-2610

Building Name or Type

Former Co-Op

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Accessibility Items					
	Parking				
	Create a code required accessible parking area	\$ 100.00	Lump	1	\$ 100.00
	Transaction Counter				
	Modify transaction counters to comply with accessibility code	\$1,500.00	Lump	1	\$ 1,500.00
	Restrooms				
	Modify restrooms to comply with code	\$ 5.54	SF	18,900	\$ 104,706.00
	Drinking Fountain				
	Install a code required drinking fountain	\$ 0.81	SF	18,900	\$ 15,309.00
Structural Elements					
	Differential Settlement				
	Correct differential settlement issue to comply with code	\$5,000.00	Lump	1	\$ 5,000.00
	Steel Columns				
	Protect steel columns from rusting per code	\$1,000.00	Lump	1	\$ 1,000.00
Exiting					
	Sidewalks				
	Repair damaged sidewalks to create a code required unimpeded means for emergency egress	\$ 3.35	SF	1,000	\$ 3,350.00
	Thresholds				
	Modify thresholds to comply with code for maximum height	\$ 500.00	Lump	1	\$ 500.00
	Flooring Materials				
	Repair damaged flooring materials to create a code required unimpeded means for emergency egress	\$ 1.50	SF	8,000	\$ 12,000.00
	Door Hardware				
	Install code compliant door hardware	\$1,500.00	Lump	1	\$ 1,500.00
	Stairs				
	Modify stairs to comply with code	\$5,000.00	Lump	1	\$ 5,000.00
	Emergency Exit Signs				
	Install code compliant emergency exit signs	\$ 0.35	SF	18,900	\$ 6,615.00
	Emergency Lighting System				
	Install a code compliant emergency lighting system	\$ 0.75	SF	18,900	\$ 14,175.00
	Emergency Notification System				
	Install a code compliant emergency notification system	\$ 0.86	SF	18,900	\$ 16,254.00

Code	Related Cost Items	Unit Cost	Units	Unit Quantity	Total
Fire Protection					
	Ceiling Tile	\$ 3.01	SF	8,000	\$ 24,080.00
	Replace missing/damaged ceiling tile to comply with code				
	Smoke Detectors	\$ 1.59	SF	18,900	\$ 30,051.00
	Install code required smoke detectors				
	Building Fire Suppression System	\$ 6.03	SF	18,900	\$ 113,967.00
	Install a code required building fire suppression system				
Exterior Construction					
	Exterior Concrete Block Walls	\$ 13.31	SF	1,000	\$ 13,310.00
	Repair damaged concrete block walls to prevent water intrusion per code				
	Graffiti	\$ 500.00	Lump	1	\$ 500.00
	Remove graffiti per city code				
Roof Construction					
	Roofing Materials	\$ 6.18	SF	18,900	\$ 116,802.00
	Replace failed roofing materials to prevent water intrusion per code				
Mechanical - Electrical					
	Mechanical	\$ 14.58	SF	18,900	\$ 275,562.00
	Modify mechanical systems to comply with code				
	Electrical	\$ 3.28	SF	18,900	\$ 61,992.00
	Install a code compliant wiring system	\$ 7.79	SF	18,900	\$ 147,231.00
	Install a code compliant lighting system				
Total Code Improvements					\$ 970,504

900 NW 4th Street Redevelopment TIF District | Parcel A



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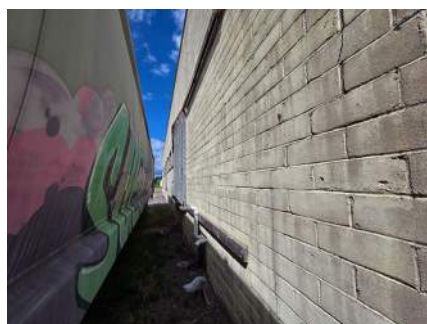
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900 NW 4th Street Redevelopment TIF District | Parcel A



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900 NW 4th Street Redevelopment TIF District | Parcel A



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900 NW 4th Street Redevelopment TIF District | Parcel A



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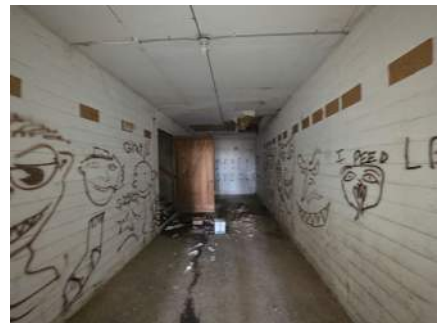
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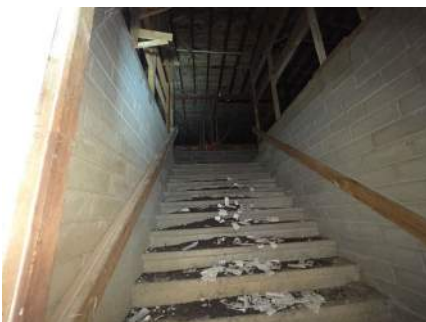
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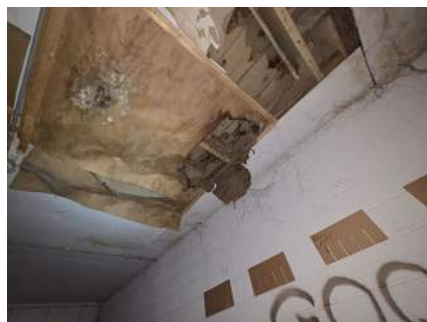
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900 NW 4th Street Redevelopment TIF District | Parcel A



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900 NW 4th Street Redevelopment TIF District | Parcel A



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900 NW 4th Street Redevelopment TIF District | Parcel A



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider entering into a **Joint** Powers Agreement between the State of Minnesota, acting through its Commissioner of Public Safety on behalf of the State Fire Marshal and the City of Grand Rapids to conduct all hotel inspections in the City of Grand Rapids.

PREPARED BY: Travis Cole-Fire Chief

BACKGROUND:

Before being hired back to the City of Grand Rapids as full time Fire Chief, I (Travis Cole) was employed with the State of MN as a Deputy State Fire Marshal on the Residential Care and Lodging team. Our primary job task was inspecting all Board and lodging establishments (hotels/motels) with 6 or more guest rooms throughout the state. I covered 9 counties in the NE part of MN. Minnesota statutes require these facilities to be inspected once, every 3 years with a fee applying to all establishments with 35 or more guest rooms. At the May 8, 2023 council meeting, City Council authorized renewing our **Joint** Powers Agreement with the State of MN to conduct all hotel inspections within our Governmental Units jurisdiction in accordance with Minnesota Statutes 299F.46 and to assure uniform enforcement throughout the State of Minnesota. This agreement was for 3 years and must now be renewed. The new JPA will be effective from July 1, 2026, with an expiration date of June 30th, 2029.

REQUESTED COUNCIL ACTION:

Make a motion entering into an agreement and authorize the Fire Chief to sign the attached **Joint** Powers Agreement between the State of Minnesota, acting through its Commissioner of Public Safety on behalf of the State Fire Marshal and the City of Grand Rapids



State of Minnesota Joint Powers Agreement Hotel Inspection

SWIFT Contract Number: 293988

This Agreement is between the State of Minnesota, acting through its Commissioner of Public Safety on behalf of the State Fire Marshal division ("State") the City of Grand Rapids, acting on behalf of the City of Grand Rapids Fire Department 104 SE 11th St. Grand Rapids, MN 55744 ("Governmental Unit"). The State and Governmental Unit may be referred to jointly as "Parties".

Recitals

Under Minnesota Statute § 471.59, subd. 10, the State is empowered to engage such assistance as deemed necessary and the State is empowered Under Minnesota Statute § 299F.46, subdivision 2 to enter into an agreement with any county, two or more contiguous counties, or city or other municipality to perform fire code inspections for hotels.

Agreement

1. Term of Agreement

- 1.1 Effective Date: July 1, 2026, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later.
- 1.2 Expiration Date: June 30, 2029, or until all obligations have been satisfactorily fulfilled, whichever occurs first.

2. Agreement between the Parties

- 2.1 The Fire Chief of the Governmental Unit agrees that a representative of the city's fire Department of Public Safety will conduct all hotel inspections within the Governmental Unit's jurisdiction in accordance with the Minnesota Statute § 299F.46 to assure uniform enforcement throughout the State of Minnesota.
- 2.2 All hotels within the Governmental Unit's jurisdiction will be inspected by the Governmental Unit no less than once during this Agreement.
- 2.3 All hotels within the Governmental Unit's jurisdiction will be inspected and enforced in accordance with the requirements of the Minnesota State Fire Code ("MSFC") and MSFC interpretations of the State Fire Marshal. MSFC interpretations are available to the Governmental Unit on the State's web page, <https://dps.mn.gov/divisions/sfm/fire-code/Pages/interpretations.aspx>.
- 2.4 All Governmental Unit inspectors employed for the purpose of this Agreement are required to:

- 2.4.1 Obtain and maintain a "Fire Inspector 1" certification issued by the Minnesota Fire Service Certification Board or similar nationally-recognized certifying organization during the "Term of Agreement."
- 2.4.2 Attend the State Fire Marshal Hotel Inspection training program prior to conducting hotel inspections and not less than once for every agreement period thereafter.
- 2.4.3 Attend the State Fire Marshal Code update training program following adoption of each new code.
- 2.5 The State Fire Marshal will provide the required and necessary training for the Governmental Unit's fire department personnel to conduct the hotel inspections with the exception of training for inspectors to pass the Fire Inspector Certification test.
- 2.6 Copies of the hotel inspection reports completed by the Governmental Unit, including required follow-up inspection reports, must be submitted to the State Fire Marshal within thirty (30) calendar days following any inspection. Submission of the reports by the Governmental Unit will be made in PDF format to the following State Fire Marshal electronic mailbox: fm.city.inspections@state.mn.us
- 2.7 Any variances to the fire code orders must be approved in writing by the State Fire Marshal.
- 2.8 Provide in writing/email to the State the names and credentials of Governmental Unit inspectors conducting inspections pursuant to this Agreement prior to conducting inspections.
- 2.9 The State's Authorized Representative shall have final authority for acceptance of the Governmental Unit's services and if such services are satisfactory.

3. Authorized Representatives

The State's Authorized Representative is the person below, or their successor:

Name: Tony Clifton, Deputy State Fire Marshal supervisor,
 Address: 445 Minnesota Street Suite, Suite 145
 Saint Paul, MN 55101-5145,
 Telephone: 218-206-1864
 Email: tony.clifton@state.mn.us

The Governmental Unit's Authorized Representative is the person below, or their successor:

Name: Travis Cole, Fire Chief, City of Grand Rapids
 Address: 104 SE 11th St.
 Grand Rapids, MN 55744
 Telephone: 218-360-9702
 Email: tcollection@grandrapidsmn.gov

4. Assignment, Amendments, Waiver, and Contract Complete.

- 4.1 Assignment. The Governmental Unit may neither assign nor transfer any rights or obligations under this Agreement without the prior consent of the State and a fully executed assignment agreement, executed and approved by the authorized parties or their successors.

4.2 Amendments. Any amendment to this Agreement must be in writing and will not be effective until it has been executed and approved by the authorized parties or their successors.

4.3 Waiver. If the State fails to enforce any provision of this Agreement, that failure does not waive the provision or its right to enforce it.

4.4 Agreement Complete. This Agreement contains all negotiations and agreements between the State and the Contractor. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

5. Indemnification.

The State and Designated Agent agree each party will be responsible for its own acts and behavior and the results thereof to the extent authorized by law and shall not be responsible or liable for the acts of any others and the results thereof. The State's liability shall be governed by provisions of the Minnesota Tort Claims Act, Minnesota Statutes § 3.736, and other applicable law. The Designated Agent's liability shall be governed by provisions of the Municipal Tort Claims Act, Minnesota Statutes Chapter 466, and other applicable law.

Pursuant to Minn. Stat. § 299F.46, subdivision 2(e) this Agreement shall not be effective to transfer any tort liability attributable to any inspection or lack of inspection from the State to the Designated Agent.

6. State Audits.

Under Minn. Stat. § 16C.05, subd. 5, the Governmental Unit's books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by the State, the State Auditor, or Legislative Auditor, as appropriate, for a minimum of six years from the expiration or termination of this Agreement.

7. Government Data Practices.

The Governmental Unit and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Governmental Unit under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. Ch. 13, by either the Governmental Unit or the State.

If the Governmental Unit receives a request to release the data referred to in this clause, the Governmental Unit must immediately notify and consult with the State's Authorized Representative as to how the Governmental Unit should respond to the request. The Governmental Unit's response to the request shall comply with applicable law.

8. Venue

Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

9. Termination

The State or the Governmental Unit may terminate this agreement at any time, with or without cause, upon 30 days' written notice to the other party.

1. Governmental Unit
With delegated authority

Print Name: Travis Cole
Signature: _____
Title: Fire Chief Date: _____

2. Department of Public Safety; State Fire Marshal
With delegated authority

Print Name: _____
Signature: _____
Title: _____ Date: _____

3. Commissioner of Administration
As delegated to The Office of State Procurement

Print Name: _____
Signature: _____
Title: _____ Date: _____
Admin ID: _____



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: 7/27/2026

AGENDA ITEM: Consider the purchase of new tee markers

PREPARED BY: Tom Beaudry

BACKGROUND:

The golf course has had the same tee markers for over 20 years. We would like to upgrade the markers to enhance the guest experience. There is only one supplier that makes the tee marker we are looking to upgrade to and is the reason for one quote. The attached quote from Prestwick Golf Group is in the amount of \$7,600.

REQUESTED COUNCIL ACTION:

Make a motion to approve the purchase of new tee markers from Prestwick Golf Group in the amount of \$7,600.

WHAT CAN YOU EXPECT NEXT?

DOWN PAYMENT

If a down payment is required, our Accounting team will send you an invoice within 3-5 business days of approving your order confirmation. You will need to make any necessary payments at that time. Prompt response and payment will help ensure timely completion of your order. Down payments are typically required when

- You're A New Customer
- You're An Existing Customer That Has Not Ordered in 5 Years
- The Terms Are Not Net 30
- The Order is Over \$5,000

RELEASED TO PRODUCTION

Your order will be added to our production schedule after approvals are final, including payment, if terms apply. Status updates are available upon request throughout the production process.

Revisions or cancellations made after final approval must be submitted in writing, and additional fees may apply.

DISCUSSING THE DETAILS

Please reach out to your Sales Rep or Customer Success Specialist to clarify shipping terms or best determine your location's delivery needs.

If shipping via your own logistics or chosen carrier, please provide contact information for our Shipping team to coordinate with. Orders must be scheduled for pickup within 4 business days of initial contact. We reserve the right to ship Best Way or to a local warehouse for storage until we receive response. Incurred fees may be billed separately.

SHIPPED WITH CARE

Freight is routinely delivered on a 53' long trailer. Urban areas, residential neighborhoods, or schools typically require transferring to a smaller delivery truck for final delivery. Depending upon the size of your order and the capabilities of your receiving location, different delivery options may be necessary. Limited Access \$75

- Volume shipments are typically contact-less, wherein you are responsibly for removing your products from the truck.
- LTL (less than truckload) shipments are typically offloaded by the driver.

All shipping methods may experience unplanned delays (weather, local/government events, acts of god). The Prestwick Group will try to account for possible delays, but cannot provide guarantees and are not responsible for late deliveries.

SCHEDULING DELIVERY

Our third-party carriers will call to confirm their estimated delivery window. If you require a specific date and time for delivery, please notify your Sales Rep or Customer Success Specialist. **If a delivery appointment or phone notification is NOT needed, please specify receiving hours.**

- Call Ahead - Included at No Charge
- Delivery Appointment - \$75
- Liftgate (motorized platform on the back of the truck) - \$100
- Driver Assistance (includes liftgate and driver offload) - \$190

**Additional services, such as inside delivery, unpackaging, placement, etc., may be available for an additional premium.*

SHIPMENT & NOTIFICATION

Once your items are ready for shipment, we will provide you with tracking information. All items are dispatched from our headquarters in Sussex, WI. The estimated transit time is approximately 2-4 days, depending on the destination.

Please note any rips, holes, or damages to the packaging on the carrier's paperwork when signing for the shipment. **Report shipping damage within 48 hours** of accepting delivery to your Customer Success Team or Sales Rep.

- Postponing expressed on-site requests may result in storage fees.
- Returned orders will have associated shipping fees assessed upon reshipment.
- Addition of services after shipment or inability to reach noted contact may result in storage fees with the carrier and delayed receipt.



Scan or go to prestwick-companies.com/faq for answers to frequently asked questions, care & maintenance recommendations, and brief shipping info. Please reach out to our Customer Success team for assistance. We're always happy to help!



QUOTE: 93237 - Pokegama Golf Club -MN - Tee Markers 2026 (216059)

Account Name		Pokegama Golf Club - MN	Ship Via		*Prepaid & Add	Rep		Golf 4
Contact Name		Cody Alleman	Terms		PrePaid	Created By		Nick Henke
Phone		+12183261000	PO Number		-	Created Date		4/27/26
Email		calleman@grandrapidsmn.gov	Tracking Email		-	Expiration Date		5/27/26
Bill To: tbeaudry@grandrapidsmn.gov, calleman@grandrapidsmn.gov Pokegama Golf Club -MN 3910 Golf Course Road Grand Rapids, Minnesota 55744 United States			Ship To: Pokegama Golf Club -MN 3910 Golf Course Road Grand Rapids, Minnesota 55744 United States			Shipping Contact Information: Full Name Cody Alleman Phone Number 2183261000		
Qty.	Product	Short Description – Full details outlined on product spec sheets when applicable					Unit Price	Line Total
40	TEE MARKER	[220539] TEE MARKER - WEDGE - VERTICAL - BLUE					\$38.00	\$1,520.00
40	TEE MARKER	[220540] TEE MARKER - WEDGE - VERTICAL - WHITE					\$38.00	\$1,520.00
40	TEE MARKER	[220541] TEE MARKER - WEDGE - VERTICAL - YELLOW					\$38.00	\$1,520.00
40	TEE MARKER	[220542] TEE MARKER - WEDGE - VERTICAL - GREEN					\$38.00	\$1,520.00
40	TEE MARKER	[220543] TEE MARKER - WEDGE - VERTICAL - RED					\$38.00	\$1,520.00
Subtotal							\$7,600.00	
S/H-TBD		SHIPPING AND HANDLING TO BE BILLED AT TIME OF SHIPMENT					\$0.00	
Grand Total							\$7,600.00	

Per US tax law, we're required to collect sales tax in the majority of states. If applicable, sales tax will be applied upon invoice.

My signature on this quote verifies that I have approved this order and all information is accurate.

SIGNATURE

DATE

Company Address

W248N5499 Executive Drive
Sussex, Wisconsin 53089
USA

Phone

(800) 505-7926

Organization (Fax)

888-868-7184



Spec Sheet For Wedge Tee Marker 22

Item 11.

Pokegama Golf Club -MN | Qty: 40 | \$38.00 Each | \$1,520.00 Total

Marker Style	Wedge
Shape	Vertical
Material	All Plastic
Color	Blue
Logo/Symbol	Single Sided
Logo/Symbol Description	CLUB LOGO



Spec Sheet For Wedge Tee Marker 22

Item 11.

Pokegama Golf Club -MN | Qty: 40 | \$38.00 Each | \$1,520.00 Total

Marker Style	Wedge
Shape	Vertical
Material	All Plastic
Color	White
Logo/Symbol	Single Sided
Logo/Symbol Description	CLUB LOGO



Spec Sheet For Wedge Tee Marker 22

Item 11.

Pokegama Golf Club -MN | Qty: 40 | \$38.00 Each | \$1,520.00 Total

Marker Style	Wedge
Shape	Vertical
Material	All Plastic
Color	Yellow
Logo/Symbol	Single Sided
Logo/Symbol Description	CLUB LOGO



Spec Sheet For Wedge Tee Marker 22

Item 11.

Pokegama Golf Club -MN | Qty: 40 | \$38.00 Each | \$1,520.00 Total

Marker Style	Wedge
Shape	Vertical
Material	All Plastic
Color	Green
Logo/Symbol	Single Sided
Logo/Symbol Description	CLUB LOGO



Spec Sheet For Wedge Tee Marker 22

Item 11.

Pokegama Golf Club -MN | Qty: 40 | \$38.00 Each | \$1,520.00 Total

Marker Style	Wedge
Shape	Vertical
Material	All Plastic
Color	Red
Logo/Symbol	Single Sided
Logo/Symbol Description	CLUB LOGO

1. General Product Use and Performance

All products manufactured and sold by The Prestwick Companies and its brands, including Sister Bay Furniture, are designed for use in commercial, municipal, and hospitality settings under normal conditions, with proper installation and care. While we take great pride in our craftsmanship, no product is guaranteed to be free from failure due to misuse, improper application, or unforeseen environmental or structural conditions.

2. Custom Products and Design Modifications

Custom-built products—including furniture, furnishings, or accessories that vary from our standard specifications in size, material, structural elements, finishes, or integrated features—are created based on input provided by the customer and/or the sales representative. Due to the one-off and often experimental nature of custom units:

- There is an inherently increased risk of product failure or unexpected performance limitations.
- The customer assumes responsibility for reviewing and approving all drawings, materials, and design elements prior to production.
- Sales representatives are expected to clearly communicate to the customer that any deviation from a standard offering may impact product durability, structural integrity, or compatibility with installation and usage environments.
- The Prestwick Companies and Sister Bay Furniture are not liable for failure, aesthetic variations, or performance issues that result from customer-requested design modifications, deviations from standard use, or environmental conditions outside of our testing scope.



NEED HELP? [Check our FAQ](https://prestwick-companies.com/faq)
(prestwick-companies.com/faq)

3. Standard Products

Products listed in our catalogs or quoted as standard offerings are tested and validated for performance within typical commercial use. However, all products—standard or custom—are subject to limitations and should not be used outside of their intended design purpose. Failures may occur due to, but not limited to:

- Overloading
- Excessive exposure to moisture, UV, or chemicals
- Vandalism or improper handling
- Failure to follow care and maintenance guidelines
- Incorrect or incomplete installation

4. Acknowledgement of Terms

By accepting a quote or placing an order, you acknowledge that:

- You have reviewed and approved the design specifications provided
- You understand the limitations and care requirements associated with your product(s)
- You accept responsibility for product performance when based on requested customizations or installation outside standard conditions

5. Warranty Limitations

Our limited warranty does not cover:

- Product failures caused by customer-directed design changes
- Improper installation or handling by a third party
- Normal wear and tear or cosmetic aging
- Use in conditions not appropriate for the materials selected
- Damage from misuse, neglect, or non-compliance with care instructions



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider hiring Taylor Ruppelius Klopp as seasonal hire at Pokegama Golf Course.

PREPARED BY: Chery Pierzina, Human Resources Officer

BACKGROUND:

Pokegama Golf Course hires seasonal workers for the Spring/Summer golf season.

We are recommending **hiring** the following seasonal golf staff:

SEASONAL SHOP ASSISTANT

Taylor Ruppelius Klopp as a Seasonal Shop Assistant with a rate of pay of \$15.00 per hour, starting on July 28, 2026, with an end date of no later than November 30, 2026.

This position is budgeted for 2026.

REQUESTED COUNCIL ACTION:

Make a motion to approve hiring Taylor Ruppelius Klopp as a Seasonal Shop Assistant at Pokegama Golf Course, with rate of pay of \$15.00 per hour, starting on July 28, 2026, with an end date of no later than November 30, 2026.



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider approving temporary liquor license for American Legion Post 476 for Itasca County Fair Beer Garden

PREPARED BY: Kimberly Gibeau

BACKGROUND:

American Legion obtains a license to operate the beer garden at the Itasca County Fair each year. They have submitted the application and are requesting approval.

REQUESTED COUNCIL ACTION:

Make a motion to approve temporary liquor license for American Legion Post 476 for 2026 Itasca County Fair Beer Garden contingent upon receipt of liquor liability insurance.



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider appointment of Kaden Oldham as Police Officer with the Grand Rapids Police Department.

PREPARED BY: Chery Pierzina, Human Resources Officer

BACKGROUND:

On July 8 and 9, 2026, the Grand Rapids Police Department conducted first-round interviews for the vacant Police Officer position. Eight candidates were interviewed by a hiring panel consisting of four members of the Grand Rapids Police Department, Police Department leadership, and Human Resources Officer Chery Pierzina.

Following the initial interviews, three candidates were selected to advance to second-round interviews, which were conducted on July 13, 2026. Upon completion of the second interviews, both interview panels met to evaluate the candidates and determine the applicant who best demonstrated the qualifications, experience, and competencies needed for the position.

The panel evaluated each candidate's qualifications, experience, interview performance, and overall ability to successfully serve the Grand Rapids community. The hiring panel recommends the appointment of Kaden Oldham to the position of Police Officer, contingent upon the successful completion of all pre-employment requirements, including a comprehensive background investigation, pre-employment drug screening, physical examination, psychological evaluation, and all other conditions of employment.

Mr. Oldham is currently employed as a Police Officer with the Moorhead Police Department. He holds an Associate of Applied Science Degree in Law Enforcement from Alexandria Technical and Community College and brings six (6) years of law enforcement experience. During his tenure with the Moorhead Police Department, he has served as a Field Training Officer (FTO), demonstrating his ability to mentor and train newly hired officers while upholding departmental standards and best practices.

Throughout the interview process, Mr. Oldham demonstrated exceptional communication and interpersonal skills, sound judgment, professionalism, and a strong commitment to public service. His training and experience include active shooter response, firearms instruction, defensive tactics, Taser deployment, crisis intervention, and other specialized law enforcement disciplines. The hiring panel believes his experience, leadership abilities, and commitment to community policing will make him a valuable addition to the Grand Rapids Police Department.

In accordance with the current Law Enforcement Labor Services (LELS) Collective Bargaining Agreement, Mr. Oldham will receive credit for six years of prior qualifying law enforcement experience. He will be placed at Step 7 of the Police Officer wage schedule with an hourly wage of \$41.01. He will also receive six years of service credit for Paid Time Off (PTO) placement and will begin accruing 8.0745 hours of PTO per 84-hour pay period, consistent with the seventh-year accrual schedule.

REQUESTED COUNCIL ACTION:

Make a motion to appoint Kaden Oldham to the position of Police Officer, subject to successful completion of all pre-employment requirements, including a comprehensive background investigation, pre-employment drug screening, physical examination, psychological evaluation, and all other conditions of employment as stated in his offer letter.

Kaden D. Oldham



Chief Morgan
Grand Rapids Police Department
420 N Pokegama Ave, Grand Rapids, MN 55744
May 27th, 2026

Dear Chief Morgan,

As an applicant with almost 6 years of prior law enforcement experience, I am extremely interested in the full-time police officer position with the Grand Rapids Police Department that was posted on MN POST Board. After reviewing your departments qualifications for this position, I believe that I am a perfect fit. I have heard great things about your department and community, and I would love to be a part of it.

I graduated from [REDACTED] on [REDACTED], with an associate degree in law enforcement. I have almost 6 years of prior law enforcement experience with the Moorhead Police Department along with 3 years of experience being a Field Training Officer. I possess the skills needed to be a successful police officer.

I would like to request an interview with you so that we can discuss my qualifications and why I would be a great fit for your department. My phone number is [REDACTED]. I look forward to hearing from you. I appreciate you taking the time to look over my cover letter and resume. Thank you for your considerations.

Sincerely,

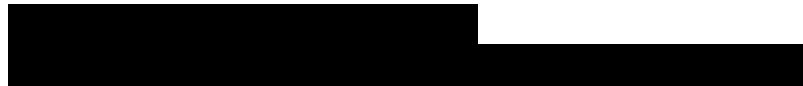
Kaden Oldham

Kaden D. Oldham**Objective**

Highly motivated, skilled, and dependable candidate seeking a full-time police officer position with the Grand Rapids Police Department. Offers almost 6 years of law enforcement experience along with 3 years of other work experience.

Skills

- Motivated
- Dependable
- Hard Working
- Multitasking
- Creative
- Problem solving
- Teamwork Skills

Education**Employment History**

Moorhead Police Department – Moorhead, MN



Patrol Officer

- Field training officer
- DMT certified
- Respond to calls for service
- Proactive policing
- Community-oriented policing
- Community service / Volunteering

Fargo Public Schools – Fargo, ND



Grounds Department

- Moved school property between buildings
- Brought dirt and grass seed to schools
- Delivered packages to schools
- Brought old / broken property to the landfill

Fargo Public Schools – Fargo, ND

Grounds Department

- Moved school property between buildings
- Delivered packages to schools
- Painted football and soccer fields
- Brought new wood chips to school playgrounds

Cash Wise – West Fargo, ND

Grocery Clerk

- Assisted customers
- Organized and restocked Shelves
- Pushed carts and cashiered
- Helped train new employee's

Languages

- English
- Basic understanding of Survival Spanish acquired through my schooling at

Certifications and Technological Skills

- Data Master Transportable Certified, May 2024
- Certified as an Emergency Medical Responder through the Minnesota Emergency Medical Services Regulatory Board, December 2018

Leadership Skills

- 3 Years as a Field Training Officer with the Moorhead Police Department
- 3 years of Air Force Junior Reserve Officer Training Corps (AFJROTC)

Community and Professional Engagement

- Cops vs. Kids Hockey
 - February 2023 & February 2024
- Sheriff Bergquist Memorial Service Security
 - August 2022
- Pitch, Hit, and Run Baseball
 - July 2022
- Hope Inc. Sled Hockey
 - March 2022 & February 2023
- Law enforcement club at Alexandria Technical and Community College
 - Member, August 2019 – May 2020



420 N. Pokegama Ave
Grand Rapids, MN 55744
(218)326-7606
(218)326-7608 Fax
www.cityofgrandrapidsmn.com

Employment Application

An Equal Opportunity Employer

Please complete by printing in ink or typing. Application must be signed for employment consideration.

Thank you for considering employment with the City of Grand Rapids. We welcome you as an applicant and look forward to reviewing your application information. It is the City's policy to provide equal opportunity in employment. The City will not discriminate on the basis of race, color, creed, age, religion, national origin, marital status, disability, sex, sexual orientation, familial status, status with regard to public assistance, local human rights commission activity or any other basis protected by law.

Please furnish complete information on the application form, so we may accurately and completely assess your qualifications. You may attach any other information that provides additional detail about your qualifications for employment in the position you seek. Please refer to the Applicant Data Practices Advisory for guidance regarding how your application information will be used, the consequences of providing or not providing information, and more.

The City of Grand Rapids accommodates qualified persons with disabilities in all aspects of employment, including the application process. If you believe you need a reasonable accommodation to complete the application process, please contact Human Resources at 218-326-7606.

PERSONAL INFORMATION

NAME Last	First	Middle	POSITION APPLIED FOR: Full-Time Police Officer	
[Redacted]			TODAY'S DATE: 05/27/26	DATE AVAILABLE TO WORK: 07/01/26
			STATUS DESIRED: ☒ Full-time ☐ Part-time ☐ Seasonal	
			EMAIL ADDRESS: [Redacted]	
			Do you have a valid driver's license? (For driving positions only) YES ☒ NO ☐ Are you <u>under</u> 18 years of age? ☐ ☒	
Proof of age and/or eligibility to work may be requested. ☐ ☐ Will your continued employment require employer sponsorship? ☐ ☒				

EDUCATIONAL INFORMATION

School Name, City and State		Major Area of Study
High School: [REDACTED]	Diploma ☒ YES ☐ NO GED ☐ YES ☐ NO	
College: [REDACTED]	Degree Completed: ☒ YES ☒ Associates ☐ Bachelors ☐ Masters ☐ Other ☐ NO # of years completed _____ Semester/Credit hours earned _____	Law Enforcement
Graduate School:	Degree Completed: ☐ YES ☐ Associates ☐ Bachelors ☐ Masters ☐ Other ☐ NO # of years completed _____ Semester/Credit hours earned _____	
Technical or Vocational Programs:	(indicate type of certificate earned)	

List any other courses, seminars, workshops, or training you have that may provide you with skills related to this position:

During my current employment with the Moorhead Police Department, I have attended multiple trainings in a variety of different fields. This includes EVOC, DMT, firearms, defensive tactics, tazer, crisis intervention, autism awareness, implicit bias, and active shooter trainings.

List any current licenses or certificates you possess which may be related to this position:

I possess a MN POST license and I am Data Master Transportable (DMT) certified.

List any current registration(s) or membership(s) related to the position for which you are applying:

EMPLOYMENT EXPERIENCE

CURRENT EMPLOYMENT INFORMATION			
EMPLOYER City of Moorhead	DATES EMPLOYED FROM TO		JOB TITLE: Full-Time Police Officer
ADDRESS 911 11th St N	06/20	06/26	NAME OF LAST SUPERVISOR: Jonathan Hanson
CITY, STATE, ZIP Moorhead, MN 56560	DESCRIBE YOUR WORK IN THIS JOB: I am currently a patrol officer with the Moorhead Police Department. I possess almost 6 years of law enforcement experience. Within those 6 years I have spent the past 3 years as a field training officer. As a police officer, I respond to calls for service, investigate reported crimes, conduct proactive policing to deter crime, and work to build community relationships.		
TELEPHONE Area Code + Number [REDACTED]			
May we contact this employer? ☒ Yes ☐ No			
☒ Full-time ☐ Part-time ☐ Other			
REASON FOR LEAVING: Relocating			

PREVIOUS EMPLOYMENT INFORMATION			
List all positions held including full-time, part-time, military, summer, volunteer work and any periods of unemployment. Explain any period of unemployment. Attach additional sheet if necessary.			
EMPLOYER Fargo Public Schools	DATES EMPLOYED FROM TO		JOB TITLE: Grounds Department
ADDRESS	06/18	08/19	NAME OF LAST SUPERVISOR: Kevin Heggeness
CITY, STATE, ZIP Fargo, ND 58103	DESCRIBE YOUR WORK IN THIS JOB: While employed with the Fargo Public Schools, I worked in the Grounds Department during the summer of 2018 and 2019 in between school years. I completed a variety of tasks in this position such as moving school property between buildings, transported dirt and grass seed to schools, delivered packages from the operations center to schools, brought old / broken property to the landfill, painted football and soccer fields, and brought woodchips to school playgrounds.		
TELEPHONE Area Code + Number 7014461000			
May we contact this employer? ☒ Yes ☐ No			
☐ Full-time ☒ Part-time ☐ Other			
REASON FOR LEAVING: Summer position			

EMPLOYER Cash Wise Grocery Store	DATES EMPLOYED FROM TO		JOB TITLE: Grocery Clerk / Meat Department
ADDRESS 755 33rd Ave E	08/16	11/17	NAME OF LAST SUPERVISOR: Stu Jerger
CITY, STATE, ZIP West Fargo, ND 58078	DESCRIBE YOUR WORK IN THIS JOB: While employed with Cash Wise, I would assist customers, organize and restock shelves, retrieve shopping carts from the parking lot, and help train new employees.		
TELEPHONE Area Code + Number 7012816002			
May we contact this employer? ☒ Yes ☐ No			
☐ Full-time ☒ Part-time ☐ Other			
REASON FOR LEAVING: High School Job			

PREVIOUS EMPLOYMENT INFORMATION CONTINUED

List all positions held including full-time, part-time, military, summer, volunteer work and any periods of unemployment. Explain any period of unemployment. Attach additional sheet if necessary.

EMPLOYER	DATES EMPLOYED		JOB TITLE:
	FROM	TO	
ADDRESS			NAME OF LAST SUPERVISOR:
CITY, STATE, ZIP	DESCRIBE YOUR WORK IN THIS JOB:		
TELEPHONE Area Code + Number			
May we contact this employer? ☐ Yes ☐ No			
☐ Full-time ☐ Part-time ☐ Other			
REASON FOR LEAVING:			

EMPLOYER	DATES EMPLOYED		JOB TITLE:
	FROM	TO	
ADDRESS			NAME OF LAST SUPERVISOR:
CITY, STATE, ZIP	DESCRIBE YOUR WORK IN THIS JOB:		
TELEPHONE Area Code + Number			
May we contact this employer? ☐ Yes ☐ No			
☐ Full-time ☐ Part-time ☐ Other			
REASON FOR LEAVING:			

EMPLOYER	DATES EMPLOYED		JOB TITLE:
	FROM	TO	
ADDRESS			NAME OF LAST SUPERVISOR:
CITY, STATE, ZIP	DESCRIBE YOUR WORK IN THIS JOB:		
TELEPHONE Area Code + Number			
May we contact this employer? ☐ Yes ☐ No			
☐ Full-time ☐ Part-time ☐ Other			
REASON FOR LEAVING:			

UNPAID EXPERIENCE

Describe any unpaid or volunteer experience relevant to the position for which you are applying (you may include, if you wish, information which would reveal race, sex, religion, age, disability, or other protected status).

MILITARY EXPERIENCE

Did you serve in the U.S. Armed Forces? ☐ Yes ☒ No

Describe your duties:

Do you wish to apply for Veteran's Preference points: ☐ Yes ☐ No

If you answered "yes," you must complete the enclosed application for Veterans' Preference Points, and submit the application and required documentation to the City of Grand Rapids by the application deadline of the position for which you are applying.

AUTHORIZATION***PLEASE READ CAREFULLY BEFORE SIGNING***

I certify that all information I have provided in this application for employment is true and complete to the best of my knowledge. Any misrepresentation or omission of any fact in my application, resume or any other materials, or during any interviews, can be justification for refusal of employment, or if employed, will be grounds for dismissal, regardless of length of employment or when the misrepresentation or omission is discovered.

I understand that submission of an application does not guarantee employment. I acknowledge that I have received a copy of the job description summary for the position/s for which I am applying. I further acknowledge my understanding that employment with the City of Grand Rapids is "at will," and that employment may be terminated by either the City of Grand Rapids or me at any time, with or without notice. I understand that none of the documents, policies, procedures, actions, statements of the City of Grand Rapids or its representatives used during the employment process is deemed a contract of employment, real or implied. I further understand that this "at will" employment relationship may not be changed by any written document or by conduct unless such change is specifically acknowledged in writing by an authorized executive of the City of Grand Rapids. In consideration for employment, if employed, I agree to conform to the rules, regulations, policies, and procedures of the City of Grand Rapids at all times and understand that such obedience is a condition of employment.

I understand that if offered a position with the City of Grand Rapids, I may be required to submit to a pre-employment medical and psychological examination, drug screening and background check as a condition of employment. I understand that unsatisfactory results from, refusal to cooperate with, or any attempt to affect the results of these pre-employment tests and checks will result in withdrawal of any employment offer or termination of employment if already offered.

With my signature below, I am providing the City of Grand Rapids authorization to verify all information I provided within this application packet, including contacting current or previous employers. However, I understand that if, in the Employment Experience section I have answered "No" to the question, "May we contact your current employer?," contact with my current employer will not be made without my specific authorization.

I have read the included Applicant Data Practices Advisory, and I further understand that criminal history checks may be conducted (after I have been selected for an interview, in the case of non-public safety positions) and that a conviction of a crime related to this position may result in my being rejected for this job opening. I also understand it is my responsibility to notify the City of Grand Rapids in writing of any changes to information reported in this application for employment.

Kaden Oldham

05/27/2026

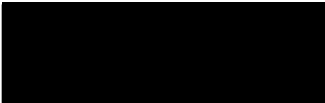
Signature

Date

Name and number of person completing this form if other than applicant: _____



July 13, 2026

Mr. Kaden Oldham


Dear Kaden,

Please consider this letter as a conditional offer of employment for the position of Police Officer for the City of Grand Rapids Police Department. Following is an outline of the terms and conditions of your pending employment.

Your appointment to the position of Police Officer will be presented to the City Council at their City Council Meeting on July 27, 2026, and is subject to the successful completion and passing of a background check, pre-employment medical exam, psychological exam, and drug screening.

Should you accept this conditional offer, the starting date of your employment is to be determined (TBD), based on the length of time necessary to successfully complete and pass the background check and all other conditions of employment. You will be given six (6) previous years of experience and will start on the 7th year on the Police Officer salary range, with a salary of \$41.01 per hour, based on the current LELS Agreement

- You will need to successfully complete and pass a *Driver's License Check*. Please sign and return the Authorization for Driver's License Check form to me.
- You will need to successfully complete and pass a medical examination with Occupational Medicine at Grand Itasca Clinic and Hospital, located at 1601 Golf Course Road. To schedule an appointment, please call (218) 326-7344. If you happen to reach the main switchboard at Grand Itasca, please request to be transferred to Occupational Medicine.
- You will need to successfully complete and pass a psychological evaluation. Your psychological evaluation will be scheduled virtually with Dr. Michael Keller, out of Cambridge, MN. I will reach out to you regarding his availability. Please allow two (2) hours for the evaluation.

- You will need to successfully complete and pass drug screening at Northern Drug Screening. Please stop by Northern Drug Screening located at 111 NE 10th Avenue in Grand Rapids, MN for a pre-employment drug screening. They are open Monday through Friday from 8:00 a.m. to 4:00 p.m. Please let them know you need a pre-employment drug screening for the City of Grand Rapids.
- Your hourly rate of pay will be \$41.01, and your official start date will be determined upon successful completion and passing of the above-mentioned items.

I will be scheduling some time for a meeting with you to discuss your transition to the City and look forward to talking with you. Detailed information about your benefits and the City will be provided to you during this meeting.

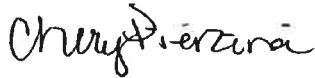
<i>Start Date:</i>	Your first date of employment will be subject to the successful completion of the above conditions.
<i>Compensation:</i>	Based on the current LELS Agreement and Memorandum of Understanding, your beginning hourly wage will be \$41.01 per hour or \$89,565.84 annually.
<i>Representation:</i>	Law Enforcement Labor Services (LELS) – See attached Bargaining Agreement.
<i>Benefits:</i>	See attached copy of our current Benefit Summary.
<i>Health Insurance:</i>	The City of Grand Rapids pays 100% of the premium for family coverage. Your coverage will begin on the 1 st of the month following 30 days of employment.
<i>Flexible Time Off:</i>	Upon employment, you will be given six (6) years credit for placement on the Paid Time Off (PTO) table, based on the City PTO schedule. You will be starting on the 7 th year of the PTO schedule, earning 8.0745 hours per 84-hour pay period. You will also receive a one-time deposit of 40 hours of PTO into your PTO account on your first day of employment.
<i>Extended Medical Benefit:</i>	Upon employment, you will earn 2.4616 hours of EMB per 84-hour pay period. You will receive a one-time deposit of 84 hours of EMB into your EMB account on your first day of employment.

On behalf of the City of Grand Rapids, welcome and congratulations! We look forward to working with you.

If you have any questions, feel free to give me a call at (218) 326-7606 or (218) 256-8747.

Please sign below to indicate agreement with the terms and conditions of employment. Please provide me with a signed copy of this offer letter by no later than Wednesday, July 15 2026, by 12:00 noon.

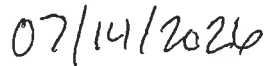
Sincerely,



Chery Pierzina
Human Resources Officer

cc: Personnel File
Payroll

Your signature below will indicate agreement with the terms and conditions of employment and your employment with the Grand Rapids Police Department is subject to the successful completion and passing of a background check, pre-employment medical exam, psychological exam, and drug screening.



Kaden D. Oldham

Date



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider allowing the Grand Rapids Fire Department to purchase a replacement RDC Water Rescue Craft from Oceanid and accessories.

PREPARED BY: Travis Cole-Fire Chief

BACKGROUND:

The Fire Department recently responded to a grass fire that required access using the department's Rapid Deployment Craft (RDC), an inflatable rescue craft utilized for ice, swift water, and other water rescue operations. During deployment, several tears were discovered in the craft, requiring temporary repairs with duct tape to safely complete the incident.

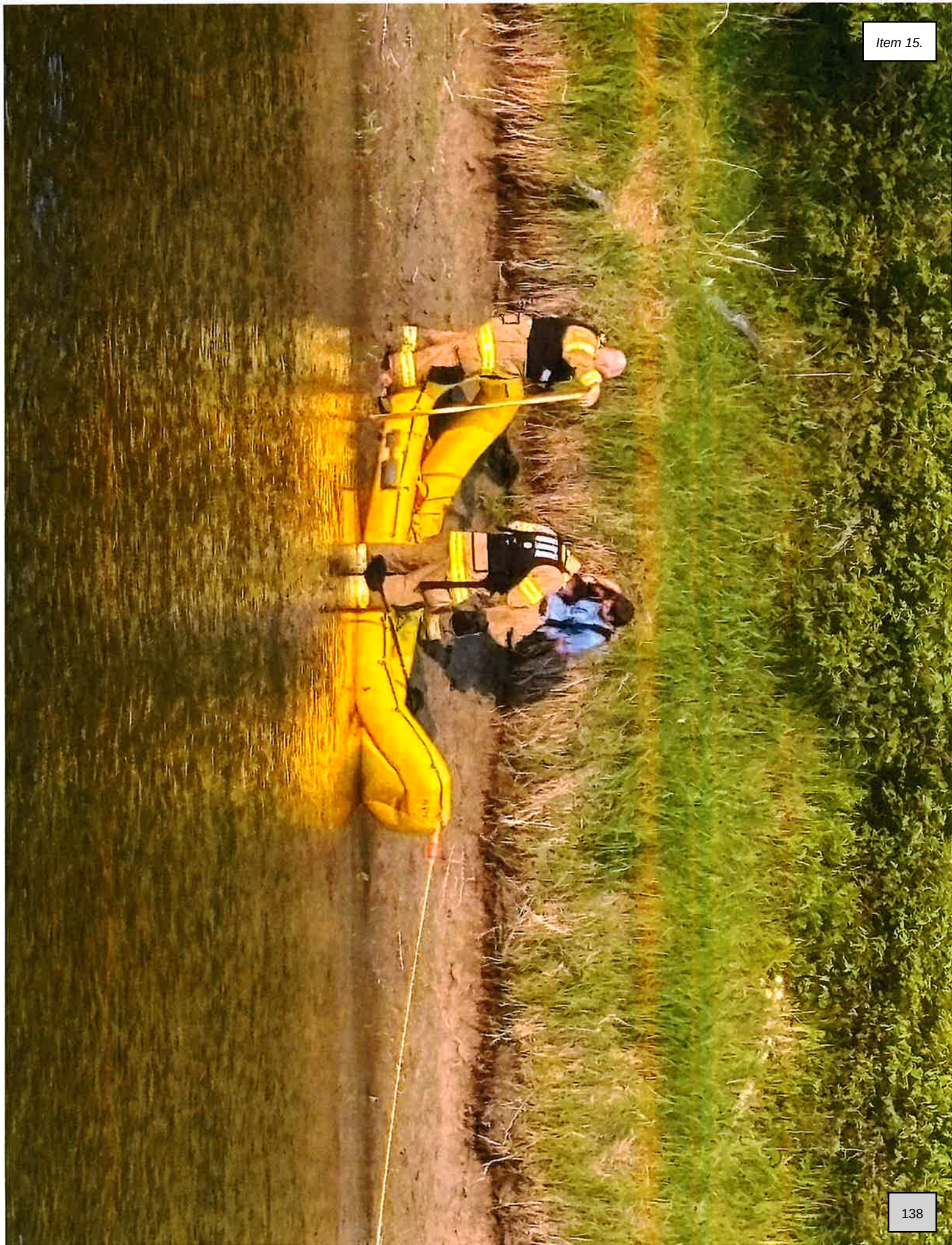
Following the response, department personnel conducted a thorough inspection and attempted permanent repairs. However, numerous additional tears and areas of deterioration were identified, making the craft no longer serviceable or safe for emergency operations. The RDC has been in service for more than 20 years and has reached the end of its useful life.

The Fire Department contacted three vendors to obtain pricing for a replacement RDC of the same manufacturer. Each vendor advised that the product is only available through direct purchase from the manufacturer. Replacing the craft with the same brand will ensure compatibility with the department's existing accessories and rescue equipment.

The purchase is not included in the 2026 Fire Department budget. However, the replacement will be fully funded using surplus reimbursement funds received from the Stewart and Flanders fire responses. As a result, there will be no financial impact to the City of Grand Rapids General Fund.

REQUESTED COUNCIL ACTION:

Make a motion to allow the Grand Rapids Fire Department to purchase a replacement RDC Water Rescue Craft from Oceanid and accessories for a total purchase price of \$5,500 plus and shipping costs using surplus reimbursement funds from the Stewart and Flanders fire responses.



RDC SPECIFICATIONS AND PRICING:

Oceanid RDC 12 Year Warranty (docs/OceanidWarranty01-01-2021.pdf)

Download our Product Sheet (docs/RDC_brochure.pdf) | Register your RDC (RDC-Registration-Page.php)

SPECIFICATIONS:

Length	15'4"
Width	48"
Tube Diameter	12"
Floor Length	8'
Access Holes	22"x40"
Weight	50 lbs.
No. of Air Chambers	3
Buoyancy	>2000+ lbs.
Fabric	35oz. PU/PVC
Warranty, with registration	12 years

View Warranty Information (docs/OceanidWarranty01-01-2021.pdf)

PRICING:

Item 15.



(images/RDC-Shop.png)

RDC Water Rescue Craft

US\$4900

Includes Carrying Bag, Floor Top Carpet, 2 Paddles, Paddle Bag, Tow Strap Assembly, Air Fill Manifold and Repair Kit

**ORDER NOW (ORDER-
NOW.PHP)**

Accessories



(images/parts/DSC_4043.JPG)

Tow Shield - Heavy Duty for PWC towing applications

US\$600

HOW TO INSTALL
(DOCS/OCEANIDTOWSHIELDASSEMBLY.PDF)



(images/parts/DSC_6198.JPG)

PRICING:



(images/parts/DSCF1076.JPG)

Tow Hardware - PWC

US\$600



(images/parts/DSCF1081.JPG)

Tow Hardware - Snowmobile, ATV, UTV

US\$600

Motor Mount - 6hp Max with Tank Mount

US\$800

HOW TO INSTALL
(DOCS/OCEANIDMOTORMOUNTSTRAPASSEMBLY.PDF)

(images/parts/DSCF6954.JPG)



(images/parts/DSCF6914.JPG)

Replacement / Repair Parts



(images/parts/DSCF0610.JPG)

Paddle - 3 piece take apart

US\$240

Air Fill Manifold

US\$160

(images/parts/DSCF0590.JPG)

Tow Strap Assembly

call for
pricing

HOW TO INSTALL
(DOCS/OCEANIDTOWSTRAPASSEMBLY.PDF)

(images/parts/DSCF0605.JPG)

PRICING:



(images/parts/DSCF1095.JPG)

RDC Carrying Bag

US\$160

(images/parts/DSCF1092.JPG)



(images/parts/DSC_5936.JPG)

Paddle Bag

US\$120

Floor Top Carpet

US\$120

HOW TO INSTALL
(DOCS/OCEANIDFLOORTOPCARPET.PDF)



(images/parts/DSCF1090.JPG)

Air Floor Replacement

US\$160



(images/parts/DSCF0618.JPG)

Motor Mount Straps 3 (each - 2 x 6', 1 x 4')

US\$40

(images/parts/DSCF0595.JPG)

SS SCBA Adapter

US\$120

SS SCUBA Adapter

US\$120

(images/parts/DSCF0592.JPG)

PRICING:

Item 15.

Valve - Air Fill

US\$30

(images/parts/DSCF1102.JPG)

Valve - Pressure Relief

US\$30

(images/parts/DSCF1097.JPG)

Valve Wrench

US\$20

(images/parts/DSCF1103.JPG)

Valve Adapter

US\$10

(images/parts/DSCF0603.JPG)

* ANY QUOTES CURRENTLY OUTSTANDING WILL BE HONORED FOR 90 DAYS.

Warranty Information (docs/OceanidWarranty01-01-2021.pdf) | Download our Product Sheet (docs/RDC-brochure.doc) | Register your RDC (RDC-Registration-Page.php)

Oceanid is a water rescue equipment design company. We take pride in our boats and design them to take the kind of punishment that many years of rescue and commercial usage will incur. We work closely with Fire, Sheriff and Search and Rescue organizations for ideas and prototype testing.

TERMS & CONDITIONS ([terms-conditions.html](#)) | [PRIVACY POLICY \(privacy-policy.html\)](#)

Oceanid Water Rescue Craft

1801 Chuckanut Ridge Drive
Bow, WA 98232 USA
Phone: (208) 322-3600

[ABOUT US \(about.html\)](#)

[REQUEST MORE INFO \(CONTACT.PHP\)](#)



REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Conduct a Public hearing to consider the establishment of TIF District 1-18, Elevation Apartment Project.

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:

Conduct a Public hearing to consider the establishment of TIF District 1-18, Elevation Apartment Project.



Public Hearing Tax Increment Financing (TIF) Housing District 1-18

**Elevation Grand Rapids LLC/Unique
Opportunities**

**Elevation Apartment Project
1250 SE 2nd Ave.**

July 27, 2026



Project Background

- **Unique Opportunities Grand Rapids, LLC of Alexandria, MN (Developer) filed an application for TIF Business Assistance on May 11th of this year requesting Tax Increment Financing (TIF) in the amount of \$2,167,000. This will be the third housing development by Unique in the City of Grand Rapids.**
- **Project Scope – The Developer’s application detailed a proposal for the development of a 99-unit 4-story apartment, with underground parking, community room, fitness room, outdoor playground and pickleball court. The unit mix will consist of 11 Studio, 12-Alcove 1 bdrm., 16-1 bdrm., 44-2 bdrm., 8-3 bdrm. and 8-4 bdrm.**
- **Project Timeline and Cost - The project is proposed to begin either this fall or spring of 2027, with a projected completion in the summer of 2028. The estimated total development cost is approximately \$20,169,081.**
- **Project Location – The project is proposed to be located on an undeveloped, privately held 5.7-acre site with a future address of 1250 SE 2nd Ave, for which Unique Opportunities has secured a purchase agreement.**



Project Background

Map of City Development District





Project Background

TIF District 1-18



Map Community Maps Contributors, MN Dept Natural Resources, © OpenStreetMap, Microsoft, Esri, Terracon, Garmin, SafeGraph, GeoInformation Systems, Inc., METVNA, USGS, BIA, NPS, US Fish & Wildlife Service, USDA, USFWS



Project Background





Project Background





Project Background



Exterior Rendering
Grand Rapids, MN



Project Background

Project Sources and Uses:

Sources/Revenue:		Uses/Development Costs:	
First Mortgage	\$10,052,081	Site Acquisition	\$600,000
Equity	\$7,950,000	Construction Costs	\$15,625,000
TIF Note	\$2,167,000	Professional Services/Fees	\$1,000,000
		Financing Costs	\$680,000
		Development Fee	\$1,250,000
		Cash Accounts/Escrows/Reserves	\$14,081
Total:	\$20,169,081	Total:	\$20,169,081



Project Background

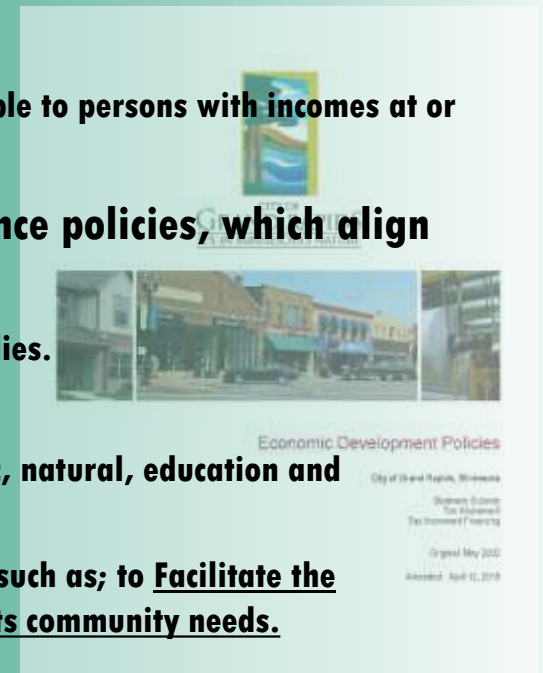
Current and Future Assessed Value Estimate:

	Current (Itasca County Assessor)	Future Estimate (Itasca County Assessor)
Land Value (5.7 acres)	\$351,500	\$351,500
Building Value	\$0	\$12,771,200
Total Value	\$351,500	\$13,122,700
Annual Property Taxes (Pay 2026 Rate)	\$11,962	\$218,501



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 Facilitate the development of a vibrant, varied and interconnected housing stock that meets community needs.
- **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.)





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:**

$$\begin{array}{|c|} \hline \text{Total Tax Capacity} \\ \text{(Post Development)} \\ \hline \end{array} - \begin{array}{|c|} \hline \text{Original Tax Capacity} \\ \text{(Pre Development)} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Captured Tax Capacity} \\ \hline \end{array}$$

$$\begin{array}{|c|} \hline \text{Captured Tax Capacity} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Local Tax Rate} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Tax Increment} \\ \hline \end{array}$$

- It's important to note that the current property taxes collected from this parcel will continue to be collected by the local taxing entities. Only the new Captured Tax Capacity generated by the improvements will contribute to the project.
- 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

- **TIF Need Analysis** – 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, yield on cost, development costs, operating costs, development fees and revenues, debt terms and rent revenue.
 - 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 requested amount is required to achieve an average expected average cash-on-cash ROI of 11.3% over the maximum 26-year term, should it be needed to return the full principal and interest of the assistance.
 - Based on that same analysis, the projected cash-on-cash ROI is 5.2% at stabilization in Year 3 and 9.2% in Year 10.
 - The year 10 Internal Rate of Return is approximately 10.4%. The Project’s financial performance is acceptable and does not exceed typical return expectations for this type of project and should make it perform well enough to secure commercial financing.



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 6.5%, will be fully funded in over the maximum term.**
- **In accordance with statutory requirements, 20% of the units (20 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 July 23rd meeting, GREDA reviewed the TIF application and considered adoption of a resolution supporting the creation of a TIF district within Municipal Development District No. 1, establishing TIF District 1-18, the program and TIF Plan; and recommending approval of a TIF Development Agreement between the City of Grand Rapids and Elevation Grand Rapids, LLC.

Following the Public Hearing, the following items will be considered by the Council:

- 1. Adoption of a resolution approving the establishment of TIF District No. 1-16 and approving the TIF Plan for the District; and**
- 2. Adoption of a resolution approving the TIF Development Agreement between the City and Elevation 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; and**
- 3. Adoption of a resolution approving an interfund loan in connection with the TIF District.**



Questions?



MEMORANDUM

TO: Rob Mattei, Community Development Director
FROM: Schane Rudlang and Rebecca Kurtz, Ehlers
DATE: July 9, 2026
SUBJECT: Elevation Apartments – Proforma Review and Assistance Need

The City of Grand Rapids (“City”) received a request for public assistance from Elevation Grand Rapids LLC/Unique Opportunities (“Developer”) for a 99-unit mixed-income multifamily rental housing development (“Project”). The Project is proposed to qualify as a housing tax increment financing district, with 20 residential units (20%) reserved for households at or below 50% of area median income. This memo summarizes Ehlers’ review of the Developer’s financial request, the proforma assumptions, and the recommended assistance structure.

Project Background

The Project includes 79 market-rate units and 20 income-restricted units affordable to households at or below 50% of area median income. Construction is expected to commence by December 31, 2026, with substantial completion by December 31, 2028.

Unit Type	Units	Size (SqFt)
Studio	11	350
Alcove 1 Bed	12	450
1 Bed Large	16	550
2 Bed	44	650
3 Bed	8	1,000
4 Bed	8	1,100
Total	99	

Sources and Uses

The Project would be financed through first mortgage debt, pay-as-you-go TIF, deferred fees, and private equity. The TIF is included in the value of the first mortgage. The Project’s sources and uses are detailed in the table below.

SOURCES			
	Amount	Pct.	Per Unit
First Mortgage	10,052,081	50%	101,536
TIF Note	2,167,000	11%	21,889
Equity	7,950,000	39%	80,303
TOTAL SOURCES	20,169,081	100%	203,728



USES			
	Amount	Pct.	Per Unit
Acquisition Costs	600,000	3%	6,061
Construction Costs	16,625,000	82%	167,929
Contractor Fee	700,000	3%	7,071
Professional Services	300,000	1%	3,030
Financing Costs	680,000	3%	6,869
Developer Fee	1,250,000	6%	12,626
Cash Accounts/Escrows/Reserve	14,081	0%	142
TOTAL USES	20,169,081	100%	203,728

Proforma Review and Assistance Need

The Developer submitted financial information (“proforma”) to the City. Ehlers entered this information into its financial model, evaluated the assumptions against comparable projects and relevant market data, and calculated the TIF the Project is expected to generate using assessor data.

Projects should perform well enough to secure financing and provide a reasonable market return on equity. But, public assistance should not result in above-market profits. Based on the review, the Project will require \$2,167,000 in TIF assistance to perform adequately.

Total Development Cost: Total development costs are estimated at approximately \$20,169,081, or approximately \$203,728 per unit and \$318 per rentable square foot. These costs are within the typical range for comparable multifamily projects reviewed by Ehlers.

Rent, Revenue, and Operating Expenses: The proforma includes both market-rate and affordable rents. Market rents average approximately \$2.51 per square foot, while affordable rents average approximately \$1.62 per square foot. Stabilized residential vacancy is assumed at 5%. Annual operating expenses before taxes, management fees, and replacement reserves are \$3,403 per unit, resulting in an expense ratio of approximately 39.8%. These assumptions are within expected ranges.

Debt and Equity: Equity is the consideration, usually cash, that a Developer or investor provides as a down payment on total development cost. Private equity, deferred fees, deferred profit, and related contributions total approximately \$7,950,000, or 39.4% of total development cost. The proforma reflects an estimated first mortgage value of approximately \$10,052,081 and a TIF Note of \$2,167,000.

Financial Performance

Ehlers reviewed three standard financial performance metrics: Yield on Cost, Cash on Cash, and Internal Rate of Return. Based on Ehlers’ adjusted analysis, stabilized Yield on Cost is approximately 6.5%, average annual Cash on Cash return during the assistance term is approximately 11.3%, and the Year 10 Internal Rate of Return is approximately 10.4%. With the recommended assistance and Ehlers’ proforma adjustments, the Project’s financial performance is acceptable and does not exceed typical return expectations for this type of project.



Summary and Recommendation

Based on the review, the Project would not reasonably be expected to proceed without TIF assistance. Ehlers recommends the following terms be included in a development agreement and TIF Note:

1. **TIF Note Principal:** \$2,167,000, financed at 6.5% or the permanent financing rate, whichever is less.
2. **Term:** Up to 26 years.
3. **Annual Share:** 90% of gross TIF.
4. **Pay-as-you-go:** TIF commitment is payable only from tax increment generated by the Project.
5. **Affordability:** 20% of units, or 20 of 99 units, affordable to households at or below 50% of AMI, with annual compliance certification.
6. **Property Tax Class:** Development restricted from seeking a 4d(1) class rate for affordable units.
7. **Construction Start:** December 31, 2026.
8. **Construction Completion:** December 31, 2028.



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider the adoption of a resolution approving the establishment of TIF District 1-18, Elevation Apartments Project and a TIF Plan therefore.

PREPARED BY: Rob Mattei, Director of Community Development

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 the establishment of TIF District 1-18, Elevation Apartments Project and a 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. 1-18: ELEVATION APARTMENTS
PROJECT (A HOUSING DISTRICT) 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, both 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. 1-18: Elevation Apartments (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 Elevation Grand Rapids LLC, 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 July 23, 2026, 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 in support of 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 development proposed in the TIF Plan is a housing district that meets the City's objectives for development and redevelopment. 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; and help develop an underutilized site in the City. In addition, the proposed development described in the TIF Plan will increase the taxable market valuation in the City. The TIF Plan also helps the City meet their goal of providing more housing options 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 vacant site in the City, and increase 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 27th day of July, 2026 by the City Council of the City of Grand Rapids, Minnesota.

Mayor

Attest:

City Clerk

Adoption Date: July 27, 2026

City of Grand Rapids Itasca County, Minnesota

MODIFICATION TO THE DEVELOPMENT PROGRAM Municipal Development District No. 1

&

Tax Increment Financing (TIF) Plan Establishment of Tax Increment Financing District No. 1-18: Elevation Apartments (a housing district)



Prepared by:

Ehlers
3001 Broadway Street, Suite 320
Minneapolis, Minnesota 55413

BUILDING COMMUNITIES. IT'S WHAT WE DO.

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Modification to the Development Program for Municipal Development District No. 1

FOREWORD

The following text represents a Modification to the Development Program for Municipal Development District No. 1. This modification represents a continuation of the goals and objectives set forth in the Development Program for Municipal Development District No. 1. Generally, the substantive changes include the establishment of Tax Increment Financing District No. 1-18: Elevation Apartments.

For further information, a review of the Development Program for Municipal Development District No. 1, is recommended. It is available from the Community Development Director at the City of Grand Rapids. Other relevant information is contained in the tax increment financing plans for the tax increment financing districts located within Municipal Development District No. 1.

Tax Increment Financing Plan for Tax Increment Financing District No. 1-18: Elevation Apartments

FOREWORD

The City of Grand Rapids (the "City"), staff and consultants have prepared the following information to expedite the Establishment of Tax Increment Financing District No. 1-18: Elevation Apartments (the "District"), a housing tax increment financing district, located in Municipal Development District No. 1.

STATUTORY AUTHORITY

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the City has certain statutory powers pursuant to *Minnesota Statutes ("M.S.")*, Sections 469.124 - 469.133, inclusive, as amended, and *M.S.*, Sections 469.174 to 469.1794, inclusive, as amended (the "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for Municipal Development District No. 1.

STATEMENT OF OBJECTIVES

The District currently consists of one parcel of land and adjacent roads and internal rights-of-way. The District is being created to facilitate the development of an anticipated 99 units of multi-family housing in the City. The City has designated Unique Opportunities LLC as the developer. Development is anticipated to begin in the Fall 2026. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Municipal Development District No. 1.

The activities contemplated in the Modification to the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Municipal Development District No. 1 and the District.

DEVELOPMENT PROGRAM OVERVIEW

Pursuant to the Development Program and authorizing state statutes, the City is authorized to undertake the following activities in the District:

1. Property to be Acquired - Selected property located within the District may be acquired by the City and is further described in this TIF Plan.
2. Relocation - Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.
3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, the City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.
4. The City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

DESCRIPTION OF PROPERTY IN THE DISTRICT AND PROPERTY TO BE ACQUIRED

The District encompasses all property and adjacent roads rights-of-way and abutting roadways identified by the parcels listed below.

Parcel number	Address	Owner
91-653-0210	Unassigned	Voradnesoto

Please also see the map in Appendix B for further information on the location of the District.

The City may acquire any parcel within the District including interior and adjacent street rights of way. Any properties identified for acquisition will be acquired by the City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan. The City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

DISTRICT CLASSIFICATION

The City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, finds that the District, to be established, is a housing district pursuant to *M.S., Section 469.174, Subd. 11* and *M.S., Section 469.1761*.

- The District consists of one parcel.
- The development will consist of 99 units of multi-family rental housing.
- 20% of the units will be occupied by person with incomes less than 50% of area median income.
- No more that 20% of the square footage of the building that is receiving assistance from tax increment consists of commercial, retail or other non-residential uses.

Pursuant to *M.S., Section 469.176, Subd. 7*, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111, 273.112, or 273.114* or *Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

DURATION & FIRST YEAR OF DISTRICT'S TAX INCREMENT

Pursuant to *M.S., Section 469.175, Subd. 1*, and *Section 469.176, Subd. 1*, the duration and first year of tax increment of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.*, the duration of the District will be 25 years after receipt of the first increment by the City (a total of 26 years of tax increment). The City elects to receive the first tax increment in 2028, which is no later than four years following the year of approval of the District.

Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2053, or when the TIF Plan is satisfied. The City reserves the right to decertify the District prior to the legally required date.

ORIGINAL TAX CAPACITY, TAX RATE & ESTIMATED CAPTURED NET TAX CAPACITY VALUE/INCREMENT & NOTIFICATION OF PRIOR PLANNED IMPROVEMENTS

Pursuant to *M.S., Section 469.174, Subd. 7* and *M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2026 for taxes payable 2027, which were unavaialble at the time the TIF Plan was prepared.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2028) the amount by which the original value has increased or decreased as a result of:

1. Change in tax exempt status of property;
2. Reduction or enlargement of the geographic boundaries of the District;
3. Change due to adjustments, negotiated or court-ordered abatements;
4. Change in the use of the property and classification;
5. Change in state law governing class rates; or
6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to the City.

The original local tax rate for the District will be the local tax rate for taxes payable 2027, assuming the request for certification is made before June 30, 2027. The rates for 2027 were not available at the time the District was established. The ONTC and the Original Local Tax Rate for the District appear in the table below.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Municipal Development District No. 1, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. The City requests 100% of the available increase in tax capacity be used for repayment of the obligations of the City and current expenditures, beginning in the tax year payable 2028. The Project Tax Capacity listed is an estimate of values when the projects within the District are completed.

Project Tax Capacity	
Estimated Development Tax Capacity upon completion	263,838
Less: Original Net Tax Capacity (ONTC)	4,394
Less: Fiscal Disparities	<u>0</u>
Estimated Captured Tax Capacity (CTC)	259,444
Original Local Tax Rate	<u>133.2050%</u> Pay 2026
Estimated Annual Tax Increment	\$345,593
Percent Retained by the City	100%

Note: Tax capacity includes a 2% inflation factor for the duration of the District. The tax capacity included in this chart is the estimated tax capacity of the District in year 26. The tax capacity of the District in year one is estimated to be \$41,008.

Pursuant to *M.S., Section 469.177, Subd. 4*, the City shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3*. The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

The City has reviewed the area to be included in the District and determined no building permits have been issued during the 18 months immediately preceding approval of the TIF Plan by the City.

SOURCES OF REVENUE/BONDS TO BE ISSUED

The total estimated tax increment revenues for the District are shown in the table below:

SOURCES	
Tax Increment	\$6,876,269
Interest	687,627
TOTAL	\$7,563,896

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. The City reserves the right to issue bonds (as defined in the TIF Act) or incur other indebtedness as a result of the TIF Plan. As presently proposed, the projects within the District will be financed by pay-as-you-go notes and interfund loans. Any refunding amounts will be deemed a budgeted cost without a formal modification to this TIF Plan. This provision does not obligate the City to incur debt. The City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

The City may issue bonds secured in whole or in part with tax increments from the District in a maximum principal amount of \$4,491,474. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

USES OF FUNDS

Currently under consideration for the District is a proposal to facilitate the development of an anticipated 99 units of multi-family housing. The City has determined that it will be necessary to provide assistance to the project for certain District costs, as described herein.

The City has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

USES	
Land/Building Acquisition	\$ -
Site Improvements/Preparation	2,000,000
Affordable Housing	-
Utilities	-
Other Qualifying Improvements	1,803,847
Administrative Costs (up to 10%)	687,627
PROJECT COSTS TOTAL	\$4,491,474
Interest	3,072,422
PROJECT AND INTEREST COSTS TOTAL	\$7,563,896

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in the Sources of Revenue section.

Estimated costs associated with the District are subject to change among categories without a modification to the TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. The City may expend funds for qualified housing activities outside of the District boundaries.

ESTIMATED IMPACT ON OTHER TAXING JURISDICTIONS

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, the City has determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is

\$0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

Estimated Impact on Tax Base			
Entity	2025/Pay 2026 Total NTC	CTC upon completion	Percent of CTC to Entity Total
Itasca County	94,511,745	259,444	0.2745%
City of Grand Rapids	12,908,831	259,444	2.0098%
I.S.D. No. 318 (Itasca County)	65,649,442	259,444	0.3952%

Estimated Impact on Taxes				
Entity	Pay 2026 Extension Rate	Percent of Total	CTC	Potential Taxes
Itasca County	46.1710%	34.66%	259,444	\$119,788
City of Grand Rapids	69.0420%	51.83%	259,444	179,125
I.S.D. No. 318 (Itasca County)	17.7900%	13.36%	259,444	46,155
Other	0.2020%	0.15%	259,444	524
	133.2050%	100.00%		\$345,593

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the Pay 2026 rate. The total net capacity for the entities listed above are based on Pay 2026 figures. The District will be certified under the Pay 2027 rates, which were unavailable at the time this TIF Plan was prepared.

Pursuant to *M.S., Section 469.175 Subd. 2(b)*:

- (1) Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$6,876,269;
- (2) Probable impact of the District on city provided services and ability to issue debt. An impact of the District on police protection is expected. With any addition of new residents or businesses, police calls for service will be increased. New developments add an increase in traffic, and additional overall demands to the call load. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The probable impact of the District on fire protection is not expected to be significant. Typically, new buildings generate few calls, if any, and are of superior construction. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The impact of the District on public infrastructure is expected to be minimal. The development is not expected to significantly impact any traffic movements in the area. The current infrastructure for sanitary sewer, storm sewer and water will be able to handle the additional volume generated from the proposed development. Based on the development plans, there are no additional costs associated with street maintenance, sweeping, plowing, lighting and sidewalks.

The probable impact of the issuance of any general obligation tax increment bonds payable from tax increment revenues from the District on the City's ability to issue debt for general fund purposes is expected to be minimal. It is not anticipated that there will be any general obligation debt issued in relation to this project, therefore there will be no impact on the City's ability to issue future debt or on the City's debt limit.

- (3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$918,350;
- (4) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$2,383,426;
- (5) Additional information requested by the county or school district. The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S., Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed development for the District have been received.

COUNTY ROAD COSTS

Pursuant to *M.S., Section 469.175, Subd. 1a*, the County Board may require the City to pay for all or part of the cost of county road improvements if the proposed development to be assisted by tax increment will, in the judgment of the County, substantially increase the use of county roads requiring construction of road improvements or other road costs and if the road improvements are not scheduled within the next five years under a capital improvement plan or another county plan.

If the County elects to use increments to improve county roads, it must notify the City within 45 days of receipt of this TIF Plan. In the opinion of the City and consultants, the proposed development outlined in this TIF Plan will have little or no impact upon county roads, therefore the TIF Plan was not forwarded to the county 45 days prior to the public hearing. The City is aware that the County could claim that tax increment should be used for county roads, even after the public hearing.

ADMINISTRATIVE EXPENSES

In accordance with *M.S., Section 469.174, Subd. 14*, administrative expenses means all expenditures of the City, including but not limited to:

- (1) amounts paid for services provided by bond counsel, fiscal consultants, and economic development consultants; allocated expenses and staff time of the authority or municipality for administering a project, including but not limited to preparing the tax increment financing plan, negotiating and preparing agreements, accounting for segregated funds of the district, preparing and submitting required reporting for the district, and reviewing and monitoring compliance with *M.S. Sections 469.174 to 469.1794*;
- (2) allocated expenses and staff time of the authority or municipality for administering a project, including but not limited to preparing the tax increment financing plan, negotiating and preparing agreements, accounting for segregated funds of the district, preparing and submitting required reporting for the district, and reviewing and monitoring compliance with *M.S. Sections 469.174 to 469.1794*;
- (3) amounts paid to publish annual disclosures and provide notices under section *M.S. Section 469.175*;
- (4) amounts to provide for the usual and customary maintenance and operation of properties purchased with tax increments, including

necessary reserves for repairs and the cost of any insurance;

- (5) amounts allocated or paid to prepare a development action response plan for a soils condition district or hazardous substance subdistrict; and
- (6) amounts used to pay bonds, interfund loans, or other financial obligations to the extent those obligations were used to finance costs described in clauses (1) to (5).

Administrative expenses and administrative costs do not include:

- (1) amounts paid for the purchase of land or buildings;
- (2) amounts paid to contractors or others providing materials and services directly connected with the physical development of the real property in the project, including architectural and engineering services and materials and services for demolition, soil correction, and the construction or installation of public improvements;
- (3) relocation benefits paid to or services provided for persons residing or businesses located in the project;
- (4) amounts paid for property taxes or payments in lieu of taxes; and
- (5) amounts used to pay principal or interest on, fund a reserve for, or sell at a discount bonds issued pursuant to *M.S. Section 469.178* or other financial obligations to the extent those obligations were used to finance costs described in clauses (1) to (4).

This definition does not apply to administrative expenses or administrative costs referenced under *M.S. Section 469.176, Subd. 4h*.

Tax increments may be used to pay for the County's actual administrative expenses. The County may require payment of those expenses by February 15 of the year after the year in which the expenses are incurred. The amount of these payments is not required to be set forth in the tax increment financing plan for the project. To obtain payment for actual administrative costs, the County Auditor must submit to the authority a record of costs incurred by the county auditor related to administration of the authority's tax increment financing districts.

The County Treasurer shall deduct an amount (currently 0.36 percent) of any increment distributed to the City, and the County Treasurer shall pay the amount deducted to the State Treasurer for deposit in the State General Fund

to be appropriated to the State Auditor for the cost of financial reporting of tax increment financing information and the cost of examining and auditing authorities' use of tax increment financing. This amount may be adjusted annually by the Commissioner of Revenue.

ANNUAL DISCLOSURE REQUIREMENTS

The City must undertake financial reporting for all tax increment financing districts to the Office of the State Auditor, County Board and County Auditor on or before August 1 of each year. An annual statement shall be published in a newspaper of general circulation in the City on or before August 15.

If the City fails to make a disclosure or submit a report, the Office of the State Auditor (OSA) will direct the County Auditor to withhold the distribution of tax increment from the TIF District.

SUPPORTING DOCUMENTATION

Pursuant to *M.S., Section 469.175, Subd. 1 (a), clause 7* this TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S., Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District.

- (i) In making said determination, reliance has been placed upon (1) written representation made by the Developer to such effects, (2) review of the Developer's proforma; and (3) City staff awareness of the feasibility of developing the project site within the District, which is further outlined in the City Council resolution approving the establishment of the District and Appendix C. Following is a list of reports and studies on file at the City that support the findings:

- a. TIF Application dated May 2026.

- (ii) A comparative analysis of estimated market value both with and without establishment of the District and the use of tax increments has been performed. Such analysis is included with the cashflow in Appendix B and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.

DISTRICT ADMINISTRATION

Administration of the District will be handled by the Community Development Director.

Appendix A: Project Description and Legal Description

Tax Increment Financing District No. 1-18: Elevation Apartments is being created to assist with the development of an anticipated 99 units of mixed income rental housing in the City of Grand Rapids. The development will have at least 20% of the units available to persons at or below 50% of area median income for the duration of the District.

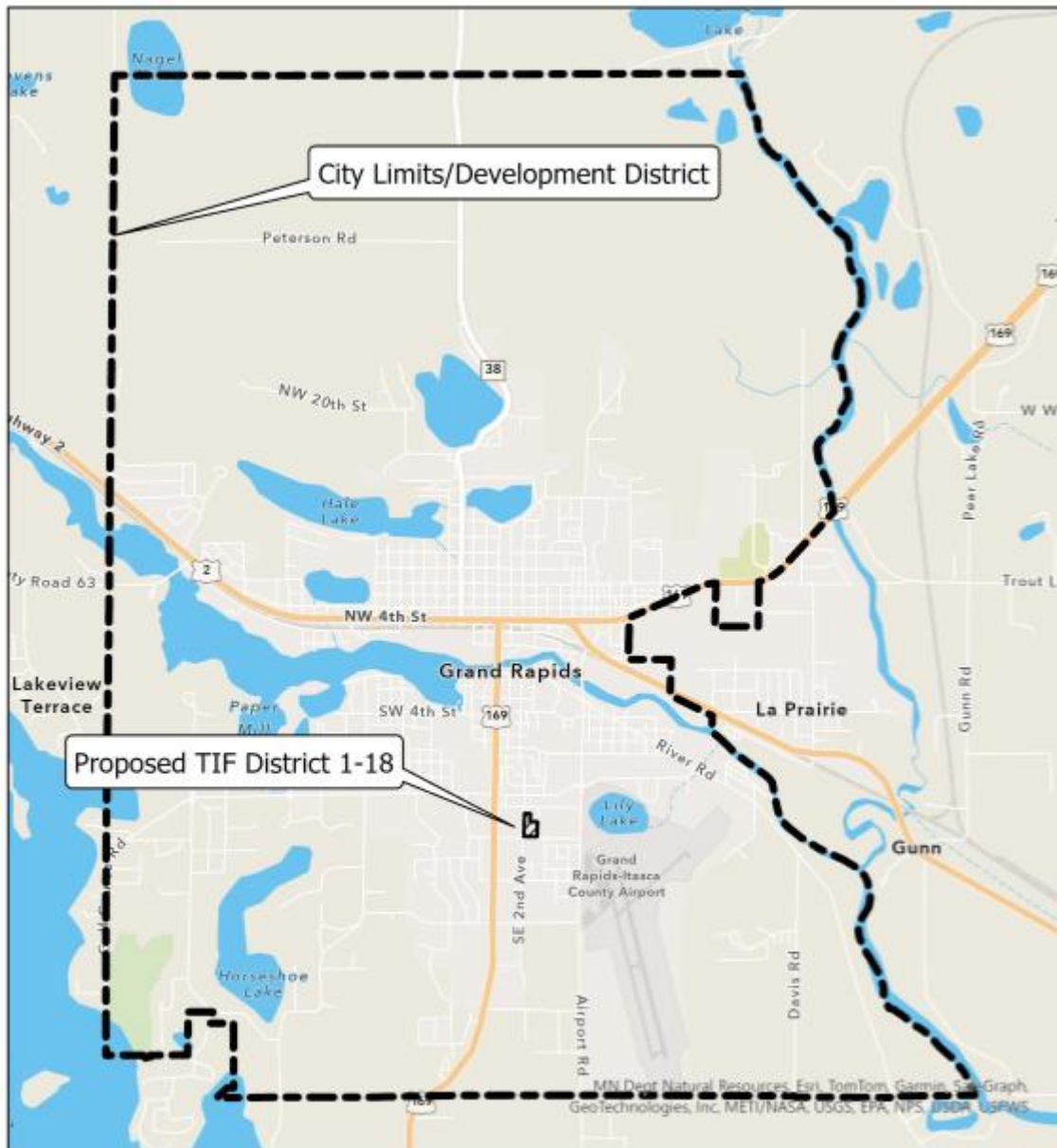
Development is anticipated to begin in the Fall 2026. The EDA anticipates issuing a pay-as-you-go note for the assistance.

Appendix B: Map of Municipal Development District No. 1 and the TIF District

Tax Increment Financing District No. 1-18: Elevation Apartments

Municipal Development District No. 1 City of Grand Rapids, MN

The boundaries of Municipal Development District No. 1 are coterminous with the City limits.



Appendix C: Estimated Cash Flow for the District

Unique Opportunities: Elevation Apartments. 2% Inflation

City of Grand Rapids, MN

99 unit apartment development



ASSUMPTIONS AND RATES

DistrictType:	Housing	Tax Rates
District Name/Number:	TIF 1-18	
County District #:		
First Year Construction or Inflation on Value	2026	Exempt Class Rate (Exempt) 0.00%
Existing District - Specify No. Years Remaining		Commercial Industrial Preferred Class Rate (C/I Pref.)
Inflation Rate - Every Year:	2.00%	First \$150,000 1.50%
Interest Rate:	5.00%	Over \$150,000 2.00%
Present Value Date:	1-Aug-27	Commercial Industrial Class Rate (C/I) 2.00%
First Period Ending	1-Feb-28	Rental Housing Class Rate (Rental) 1.25%
Tax Year District was Certified:	Pay 2027	Affordable Rental Housing Class Rate (Aff. Rental)
Cashflow Assumes First Tax Increment For Development:	2028	First \$100,000 0.25%
Years of Tax Increment	26	Over \$100,000 0.25%
Assumes Last Year of Tax Increment	2053	Non-Homestead Residential (Non-H Res. 1 Unit)
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	NA	First \$500,000 1.00%
Incremental or Total Fiscal Disparities	Incremental	Over \$500,000 1.25%
Fiscal Disparities Contribution Ratio		Homestead Residential Class Rate (Hmstd. Res.)
Fiscal Disparities Metro-Wide Tax Rate		First \$500,000 1.00%
Maximum/Frozen Local Tax Rate:	133.205% Pay 2026	Over \$500,000 1.25%
Current Local Tax Rate: (Use lesser of Current or Max.)	133.205% Pay 2026	Agricultural Non-Homestead 1.00%
State-wide Tax Rate (Comm./Ind. only used for total taxes)	28.3130% Pay 2026	
Market Value Tax Rate (Used for total taxes)	0.08175% Pay 2026	

BASE VALUE INFORMATION (Original Tax Capacity)														
Map ID	PID	Owner	Address	Land Market Value	Building Market Value	Total Market Value	Percentage Of Value Used for District	Original Market Value	Tax Year Original Market Value	Property Tax Class	Current Original Tax Capacity	Class After Conversion	After Conversion Orig. Tax Cap.	Area/ Phase
1	91-653-0210	Voradnesoto	Unassigned	351,500	0	351,500	100%	351,500	Pay 2026	C/I Pref.	6,280	Rental	4,394	1
				351,500	0	351,500		351,500			6,280		4,394	

Note:
1. Base values are for pay 2026 based on review of County website on May 29, 2026.
2. Located in ISD #318.

Unique Opportunities: Elevation Apartments. 2% Inflation

City of Grand Rapids, MN
99 unit apartment development



PROJECT INFORMATION (Project Tax Capacity)													
Area/Phase	New Use	Estimated Market Value Per Sq. Ft./Unit	Taxable Market Value Per Sq. Ft./Unit	Total Sq. Ft./Units	Total Taxable Market Value	Property Tax Class	Project Tax Capacity	Project Tax Capacity/Unit	Percentage Completed 2026	Percentage Completed 2027	Percentage Completed 2028	Percentage Completed 2029	First Year Full Taxes Payable
	Apartments	132,553	132,553	99	13,122,700	Rental	164,034	1,657	25%	100%	100%	100%	2029
TOTAL					13,122,700		164,034						
Subtotal Residential				99	13,122,700		164,034						
Subtotal Commercial/Ind.				0	0		0						

Note:

1. Market values are based upon estimated value for Grand Rapids Apartments LLC.

TAX CALCULATIONS									
New Use	Total Tax Capacity	Fiscal Disparities Tax Capacity	Local Tax Capacity	Local Property Taxes	Fiscal Disparities Taxes	State-wide Property Taxes	Market Value Taxes	Total Taxes	Taxes Per Sq. Ft./Unit
Apartments	164,034	0	164,034	218,501	0	0	10,728	229,229	2,315.44
TOTAL	164,034	0	164,034	218,501	0	0	10,728	229,229	

Note:

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?	
Total Property Taxes	229,229
less State-wide Taxes	0
less Fiscal Disp. Adj.	0
less Market Value Taxes	(10,728)
less Base Value Taxes	<u>(5,853)</u>
Annual Gross TIF	212,648



Unique Opportunities: Elevation Apartments. 2% Inflation

City of Grand Rapids, MN

99 unit apartment development

TAX INCREMENT CASH FLOW														
% of OTC	Project Tax Capacity	Original Tax Capacity	Fiscal Disparities Incremental	Captured Tax Capacity	Local Tax Rate	Annual Gross Tax Increment	Semi-Annual Gross Tax Increment	State Auditor 0.36%	Admin. at 10%	Semi-Annual Net Tax Increment	Semi-Annual Present Value	PERIOD ENDING Yrs.	Tax Year	Payment Date
100%	41,008	(4,394)	-	36,615	133.205%	48,773	24,386	(88)	(2,430)	21,869	20,815	0.5	2028	02/01/28
100%	164,034	(4,394)	-	159,640	133.205%	212,648	24,386	(88)	(2,430)	21,869	41,122	1	2028	02/01/29
100%	167,314	(4,394)	-	162,921	133.205%	217,018	106,324	(383)	(10,594)	95,347	127,502	1.5	2029	08/01/29
100%	170,661	(4,394)	-	166,267	133.205%	221,476	106,324	(383)	(10,594)	95,347	211,775	2	2029	02/01/30
100%	174,074	(4,394)	-	169,680	133.205%	226,022	108,509	(391)	(10,812)	97,307	295,683	2.5	2030	08/01/30
100%	177,555	(4,394)	-	173,162	133.205%	230,660	108,509	(391)	(10,812)	97,307	377,543	3	2030	02/01/31
100%	181,107	(4,394)	-	176,713	133.205%	235,390	110,738	(399)	(11,034)	99,305	459,048	3.5	2031	08/01/31
100%	184,729	(4,394)	-	180,335	133.205%	240,215	110,738	(399)	(11,034)	99,305	538,564	4	2031	02/01/32
100%	188,423	(4,394)	-	184,029	133.205%	245,136	113,011	(407)	(11,260)	101,344	617,734	4.5	2032	08/01/32
100%	192,192	(4,394)	-	187,798	133.205%	250,156	113,011	(407)	(11,260)	101,344	694,973	5	2032	02/01/33
100%	196,036	(4,394)	-	191,642	133.205%	255,276	115,330	(415)	(11,491)	103,423	771,874	5.5	2033	08/01/33
100%	199,956	(4,394)	-	195,562	133.205%	260,499	115,330	(415)	(11,491)	103,423	846,899	6	2033	02/01/34
100%	203,955	(4,394)	-	199,562	133.205%	265,826	117,695	(424)	(11,727)	105,544	921,596	6.5	2034	08/01/34
100%	208,034	(4,394)	-	203,641	133.205%	271,260	117,695	(424)	(11,727)	105,544	994,471	7	2034	02/01/35
100%	212,195	(4,394)	-	207,801	133.205%	276,802	120,108	(432)	(11,968)	107,708	1,067,025	7.5	2035	08/01/35
100%	216,439	(4,394)	-	212,045	133.205%	282,455	120,108	(432)	(11,968)	107,708	1,137,810	8	2035	02/01/36
100%	220,768	(4,394)	-	216,374	133.205%	288,221	122,568	(441)	(12,213)	109,914	1,208,283	8.5	2036	08/01/36
100%	225,183	(4,394)	-	220,789	133.205%	294,103	122,568	(441)	(12,213)	109,914	1,277,038	9	2036	02/01/37
100%	229,687	(4,394)	-	225,293	133.205%	300,102	125,078	(450)	(12,463)	112,165	1,345,489	9.5	2037	08/01/37
100%	234,281	(4,394)	-	229,887	133.205%	306,221	125,078	(450)	(12,463)	112,165	1,412,270	10	2037	02/01/38
100%	238,966	(4,394)	-	234,572	133.205%	312,462	127,638	(459)	(12,718)	114,461	1,478,757	10.5	2038	08/01/38
100%	243,746	(4,394)	-	239,352	133.205%	318,829	127,638	(459)	(12,718)	114,461	1,543,621	11	2038	02/01/39
100%	248,620	(4,394)	-	244,227	133.205%	325,322	130,249	(469)	(12,978)	116,803	1,608,199	11.5	2039	08/01/39
100%	253,593	(4,394)	-	249,199	133.205%	331,946	130,249	(469)	(12,978)	116,803	1,671,201	12	2039	02/01/40
100%	258,665	(4,394)	-	254,271	133.205%	338,702	132,913	(478)	(13,243)	119,191	1,733,923	12.5	2040	08/01/40
100%	263,838	(4,394)	-	259,444	133.205%	345,593	132,913	(478)	(13,243)	119,191	1,795,116	13	2040	02/01/41
100%							135,630	(488)	(13,514)	121,627	1,856,036	13.5	2041	08/01/41
100%							135,630	(488)	(13,514)	121,627	1,915,471	14	2041	02/01/42
100%							138,401	(498)	(13,790)	124,112	1,974,641	14.5	2042	08/01/42
100%							138,401	(498)	(13,790)	124,112	2,032,367	15	2042	02/01/43
100%							141,227	(508)	(14,072)	126,647	2,089,836	15.5	2043	08/01/43
100%							141,227	(508)	(14,072)	126,647	2,145,903	16	2043	02/01/44
100%							144,111	(519)	(14,359)	129,233	2,201,719	16.5	2044	08/01/44
100%							144,111	(519)	(14,359)	129,233	2,256,174	17	2044	02/01/45
100%							147,051	(529)	(14,652)	131,870	2,310,385	17.5	2045	08/01/45
100%							147,051	(529)	(14,652)	131,870	2,363,274	18	2045	02/01/46
100%							150,051	(540)	(14,951)	134,560	2,415,925	18.5	2046	08/01/46
100%							150,051	(540)	(14,951)	134,560	2,467,292	19	2046	02/01/47
100%							153,110	(551)	(15,256)	137,303	2,518,428	19.5	2047	08/01/47
100%							153,110	(551)	(15,256)	137,303	2,568,316	20	2047	02/01/48
100%							156,231	(562)	(15,567)	140,102	2,617,980	20.5	2048	08/01/48
100%							156,231	(562)	(15,567)	140,102	2,666,433	21	2048	02/01/49
100%							159,414	(574)	(15,884)	142,956	2,714,667	21.5	2049	08/01/49
100%							159,414	(574)	(15,884)	142,956	2,761,724	22	2049	02/01/50
100%							162,661	(586)	(16,208)	145,868	2,808,569	22.5	2050	08/01/50
100%							162,661	(586)	(16,208)	145,868	2,854,272	23	2050	02/01/51
100%							165,973	(598)	(16,538)	148,838	2,899,767	23.5	2051	08/01/51
100%							165,973	(598)	(16,538)	148,838	2,944,153	24	2051	02/01/52
100%							169,351	(610)	(16,874)	151,867	2,988,337	24.5	2052	08/01/52
100%							169,351	(610)	(16,874)	151,867	3,031,444	25	2052	02/01/53
100%							172,796	(622)	(17,217)	154,957	3,074,355	25.5	2053	08/01/53
100%							172,796	(622)	(17,217)	154,957	3,116,220	26	2053	02/01/54
Total							6,901,113	(24,844)	(687,627)	6,188,642				
Present Value From 08/01/2027							3,474,976	(12,510)	(346,247)	3,116,220				

Appendix D: Findings Including But/For Qualifications

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan for Tax Increment Financing District No. 1-18: Elevation Apartments, as required pursuant to *Minnesota Statutes, (M.S.) Section 469.175, Subdivision 3* are as follows:

1. *Finding that Tax Increment Financing District No. 1-18: Elevation Apartments is a housing district as defined in M.S., Section 469.174, Subd. 11.*

Tax Increment Financing District No. 1-18: Elevation Apartments consists of one parcel. The development will consist of the development of an anticipated 99 units of multi-family housing, all or a portion of which will receive tax increment assistance and will meet income restrictions described in *M.S. Section 469.1761*. At least 20% of the units receiving assistance will be occupied by individuals and families whose incomes are at or below 50% of area median income.

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future.*

The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the development proposed in the TIF Plan is a housing district that meets the City's objectives for development and redevelopment. The cost of 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 increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan: This finding is justified on the grounds that

the cost of site and public improvements, utilities and construction of affordable housing add to the total development cost. Historically, the costs of site and public improvements as well as reduced rents required for affordable workforce housing in the City have made development infeasible 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. *Finding that the TIF Plan for Tax Increment Financing District No. 1-18: Elevation Apartments conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The City Council reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the TIF Plan for Tax Increment Financing District No. 1-18: Elevation Apartments will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Municipal Development District No. 1 by private enterprise.*

Through the implementation of the TIF Plan, the City 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. The TIF Plan also helps Grand Rapids meet their goal of providing more affordable housing options in the City.



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider the adoption of a resolution approving a TIF Development Agreement and awarding the sale of, and providing the form, terms, covenants and directions for the issuance of it TIF revenue note to Elevation Grand Rapids, LLC.

PREPARED BY: Rob Mattei, Director of Community Development

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 a TIF Development Agreement and awarding the sale of, and providing the form, terms, covenants and directions for the issuance of it TIF revenue note to Elevation Grand Rapids, LLC.

CITY OF GRAND RAPIDS, MINNESOTA

RESOLUTION NO. _____

**APPROVING A TIF DEVELOPMENT AGREEMENT, AND AWARDING
THE SALE OF, AND PROVIDING THE FORM, TERMS, COVENANTS
AND DIRECTIONS FOR THE ISSUANCE OF ITS TAX INCREMENT
REVENUE NOTE (ELEVATION APARTMENTS PROJECT) TO
ELEVATION GRAND RAPIDS LLC**

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 Tax Increment Financing District No. 1-18: Elevation Apartments Project (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 and Elevation Grand Rapids LLC, a Minnesota limited liability company, or an affiliate thereof or party related thereto (the “Developer”), have negotiated a TIF Development Agreement (the “Agreement”) which provides for issuance by the City of its Tax Increment Revenue Note, Series 2026 (Elevation Apartments Project) (the “Note”) to the Developer to acquire certain real property located in the City (the “Development Property”) and to construct and equip an approximately 99-unit multifamily rental housing facility 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”).

1.02. Approval of Agreement.

(a) The Council approves the Agreement in substantially the form on file with the City, 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 forms 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 \$2,167,000 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 set forth in the Agreement 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 3.1 of the Agreement. The Note is secured by Available Tax Increment, as further described in the form of the Note set forth in SCHEDULE A 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 27th day of July, 2026, by the City Council of the City of Grand Rapids, Minnesota.

Mayor

ATTEST:

City Clerk

SCHEDULE A

FORM OF TIF NOTE

UNITED STATES OF AMERICA
STATE OF MINNESOTA
COUNTY OF ITASCA
CITY OF GRAND RAPIDS

No. R-1

\$ _____

TAX INCREMENT REVENUE NOTE
SERIES 2026
(ELEVATION APARTMENTS PROJECT)

RateDate of Original Issue

6.50%

_____, 20__

The City of Grand Rapids, Minnesota (the “City”) for value received, certifies that it is indebted and hereby promises to pay to Elevation Grand Rapids LLC, a Minnesota limited liability company, or its registered assigns (the “Owner”), the principal sum of \$_____ and to pay interest thereon at the rate of ____% per annum, solely from the sources and to the extent set forth herein. Capitalized terms shall have the meanings provided in the TIF Development Agreement, dated as of _____, 2026 (the “Agreement”), between the City and the Owner, unless the context requires otherwise.

1. Payments. Principal and interest (the “Payments”) shall be paid on August 1, 2028 and each August 1 and February 1 thereafter (the “Payment Dates”) to and including the earliest of (i) February 1, 2054, (ii) such date (if any) as the City 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 \$2,167,000, 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 July 27, 2026, 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 3.2(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

Elevation Grand Rapids LLC
Federal Tax I.D. No.:

TIF DEVELOPMENT AGREEMENT
by and between
CITY OF GRAND RAPIDS, MINNESOTA,
and
ELEVATION GRAND RAPIDS LLC

Dated: _____, 2026

Drafted by:
Kutak Rock LLP
60 South Sixth Street, Suite 3400
Minneapolis, MN 55402

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TIF DEVELOPMENT AGREEMENT

THIS TIF DEVELOPMENT AGREEMENT, made on or as of the ___ day of September, 2026 (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”) and ELEVATION GRAND RAPIDS LLC, 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. 1-18: Elevation Apartments (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 Developer proposes to acquire, construct and equip an approximately 99-unit multifamily rental housing facility 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 believes that the 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 the best interests of the City, 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:

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 3.3.

“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 or possession, directly or indirectly, of the power to direct or cause the direction of management policies of such entity, whether through ownership of voting securities or by contract or otherwise.

“Agreement” means this TIF Development Agreement, as the same may be from time to time modified, amended, or supplemented.

“Authorizing Resolution” means the resolution of the City, substantially in the form set forth in EXHIBIT E 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.

“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 4.4 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, Sections 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, 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 Elevation Grand Rapids LLC, 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.

“Event of Default” has the meaning provided in Section 9.1 hereof.

“Holder” means the owner of a Mortgage.

“Indemnified Parties” has the meaning provided in Section 8.3 hereof.

“Minimum Improvements” means the acquisition of the Development Property and the construction and equipping thereon of an approximately 99-unit multifamily rental housing facility 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 2026 (Elevation Apartments Project), 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 3.1 hereof, and as described in EXHIBIT C attached hereto.

“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 and are permitted to be retained by 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. 1-18: Elevation Apartments, 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 July 27, 2026, 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 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.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1. 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 Development Property is properly zoned for construction and operation of the Minimum Improvements.

(f) The City will act in a timely manner, consistent with statutory and the City’s procedural requirements, with regard to all approvals required under this Agreement.

(g) The City has approved execution of this Agreement. The individuals executing this Agreement and related agreements and documents on behalf of the City have the authority to do so and to bind the City by their actions.

Section 2.2. 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 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 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 has 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 or other officer of the City has either a direct or indirect financial interest in this Agreement, nor will any member of the City Council or other officer of the City 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 or the City 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 is 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 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 City, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by 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 \$_____ and the sources of revenue to pay such costs are approximately \$_____, 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.

(q) The Developer owns fee title to the Development Property.

ARTICLE III

TAX INCREMENT FINANCING AND REIMBURSEMENT

Section 3.1. 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 C attached hereto. The total principal amount of Public Development Costs subject to reimbursement will not exceed \$2,167,000. The Developer anticipates that the Public Development Costs will be at least \$2,167,000. Public Development Costs in excess of the aggregate total are the responsibility of the Developer.

Section 3.2. 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 \$2,167,000 to pay for Public Development Costs associated with 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 has 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 3.3 hereof; and

(vi) no Event of Default regarding the Developer exists which has not been cured under of this Agreement 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 E 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 simple interest at an interest rate equal to 6.50%.

(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 whether 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 on any Payment Date or on any date thereafter shall be conditioned upon the requirement that (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 9.2, and (C) all conditions set forth in Section 3.2(a) have been satisfied as of such date.

Section 3.3. Developer to Pay City's Fees and Expenses. The Developer will pay all of the reasonable Administrative Costs (as defined below) of the City and must pay such costs to the City within 30 days after receipt of a written invoice from the City 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 together with third-party consultant (including reasonable legal, financial advisor, etc.) costs of the City, 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. 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 acknowledges 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, 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, as applicable, written request. Any unused amount of such deposit shall be returned to the Developer.

Section 3.4. 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 3.2 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 3.5. 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 3.6. 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 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. The City shall have no obligation to operate or maintain the Minimum Improvements.

Section 4.2. Construction Plans.

(a) Before commencing construction of the Minimum Improvements, the Developer shall submit to the City Construction Plans for the Minimum Improvements. The Construction Plans shall provide for the construction of the Minimum Improvements and shall be in conformity with the Development Program, this Agreement, and all applicable State and local laws and regulations. The City Representative will approve the Construction Plans in writing if: (i) the Construction Plans substantially conform in all material respects to the terms and conditions of this Agreement; (ii) the Construction Plans substantially conform in all material respects to the goals and objectives of the Development Program; (iii) the Construction Plans substantially conform in all material respects 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; (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 (vi) no Event of Default of Developer has occurred and remains uncured. 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 in accordance therewith. No approval by the City Representative shall constitute a waiver of an Event of Default that 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 adequate detail the specific 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 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 adequate detail the specific 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, conditioned or delayed.

Section 4.3. Commencement and Completion of Construction. Subject to the terms and conditions of this Agreement and to Unavoidable Delays, the Developer shall commence the construction of the Minimum Improvements by December 31, 2026 and substantially complete construction of the Minimum Improvements by December 31, 2028. 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 as provided herein, 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. Certificate of Completion.

(a) Promptly after substantial completion of the Minimum Improvements in accordance with those provisions of this Agreement relating solely to the obligations of the Developer to construct the Minimum 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 with respect to the obligations of the Developer, and its successors and assigns, to construct the Minimum 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 4.4, the City Representative shall, within thirty (30) days after written request by the Developer, provide the Developer with a written statement, indicating in adequate and specific detail in what respects the Developer has failed to complete the Minimum 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 on the first day that any physical construction work is performed on the Development Property; and shall be deemed to be substantially complete upon issuance of a certificate of occupancy by the City.

Section 4.5. 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, commencing on the date a certificate of occupancy is received from the City and 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 residential units of the Minimum Improvements (20 units) will be reserved for persons or families with incomes at or less than fifty percent (50%) of areawide median income, as adjusted for family size.

(b) On or before April 1 of each year for the duration of the TIF District, commencing after the date a certificate of occupancy is received from the City, the Developer shall submit evidence in substantially the form set forth in EXHIBIT D 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 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 an All Risk Broad Form Basis Insurance Policy and, from time to time during that period, at the request of the City, furnish 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 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 City shall be protected in accordance with a clause in form and content satisfactory to the City;

(ii) comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, and contractual liability insurance) 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 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 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 as an additional insured; 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 a certificate or certificates 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 and the City 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 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) Notwithstanding the foregoing or anything in this Agreement apparently to the contrary, 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 and the City 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 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.

(d) It will not apply for or obtain designation of the Development Property as low income rental property classified as “4d(1)” under Minnesota Statutes, Section 273.13, subdivision 25.

ARTICLE VII

MORTGAGE FINANCING

Section 7.1. Financing. Before commencement of construction of the Minimum Improvements, the Developer shall submit to the City 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'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 with copies of any notice of default received by the Developer from the holder of such Mortgage. Thereafter, the City 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 prior to issuance of the Certificate of Completion, the City 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 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 City, and in form recordable among the land records, shall, for itself and its successors and assigns, and expressly for the benefit of 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 City) deprive 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 City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Development Property and Minimum Improvements that the City would have had, had there been no such transfer or change. In the absence of specific written agreement by

and the City to the contrary, no such transfer or approval 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 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 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 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 or the City 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 an Event of 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. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City or the 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 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 9.4. 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 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, 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; City Representatives Not Individually Liable. The City and the Developer, to the best of their respective knowledge, represent and agree that no member, official, or employee of 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 City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by 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 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. 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 10.5. 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 3155 Pioneer Road SE, Alexandria, MN 56308, Attn: Samuel Herzog; and

(b) 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 10.6. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 10.7. 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 10.8. 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 10.9. Amendment. This Agreement may be amended only by written agreement approved by the City 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 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 10.10. 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 10.11. 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 10.12. Estoppel Certificates. The City agrees that it will, from time to time, upon request by Developer and at the Developer's 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 have been modifications, that the same are in full force and effect as so modified), (ii) that there are no defaults hereunder (or specifying any claimed 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.

Section 10.13. 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 10.14. Government Data. The Developer has been required to provide certain data to the City or its 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 its consultants is government data within the meaning of Minnesota Statutes, Chapter 13 (the "MGDPA"). The parties recognize that some of the data provided by the Developer to the City or its consultants may be nonpublic data as defined by the MGDPA. The parties acknowledge that the City is 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 and the Developer have caused this TIF 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 _____, 2026 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 _____, 2026 by Tom Pagel, the City Administrator of the City of Grand Rapids, Minnesota, on behalf of the City.

Notary Public

Execution page of the Developer to the TIF Development Agreement, dated the date and year first written above.

ELEVATION GRAND RAPIDS LLC

By _____

Its _____

STATE OF MINNESOTA)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____day of _____, 2026 by _____, the _____ of Elevation Grand Rapids LLC, 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:

[INSERT LEGAL DESCRIPTION]

EXHIBIT B**CERTIFICATE OF COMPLETION**

The undersigned hereby certifies that Elevation Grand Rapids LLC (the “Developer”) has fully complied with its obligations under Articles III and IV of the TIF Development Agreement (the “Agreement”), dated _____, 2026, between the City of Grand Rapids, Minnesota (the “City”) and the Developer, with respect to construction of the Minimum 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 under Articles III and IV of the Agreement.

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 _____, 2026 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 _____, 2026 by Tom Pagel, the City Administrator of the City of Grand Rapids, Minnesota, on behalf of the City.

Notary Public

This document was drafted by:
Kutak Rock LLP
60 South Sixth Street, Suite 3400
Minneapolis, MN 55402

EXHIBIT C
PUBLIC DEVELOPMENT COSTS

EXHIBIT D**COMPLIANCE CERTIFICATE**

The undersigned officer of Elevation Grand Rapids LLC (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 or families whose income is fifty percent (50%) or less of the area median gross income, as adjusted for family size. 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 4.5 of the TIF Development Agreement, dated _____, 2026, between the City of Grand Rapids, Minnesota and the Developer.

Dated this ____ day of _____, 20__.

ELEVATION GRAND RAPIDS LLC

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	
<u>Family Size</u>	<u>Income</u>
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 TIF Development Agreement between the City of Grand Rapids and Elevation Grand Rapids LLC dated as of _____, 2026, at least 20 of the 99 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 Elevation Grand Rapids LLC

By _____

Date _____

EXHIBIT E

AUTHORIZING RESOLUTION

CITY OF GRAND RAPIDS, MINNESOTA

RESOLUTION NO. _____

APPROVING A TIF DEVELOPMENT AGREEMENT, AND AWARDING THE SALE OF, AND PROVIDING THE FORM, TERMS, COVENANTS AND DIRECTIONS FOR THE ISSUANCE OF ITS TAX INCREMENT REVENUE NOTE (ELEVATION APARTMENTS PROJECT) TO ELEVATION GRAND RAPIDS LLC

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. 1-18: Elevation Apartments Project, 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 and Elevation Grand Rapids LLC, a Minnesota limited liability company, or an affiliate thereof or party related thereto (the “Developer”), have negotiated a TIF Development Agreement (the “Agreement”) which provides for the issuance by the City of its Tax Increment Revenue Note, Series 2026 (Elevation Apartments Project) (the “Note”) to the Developer to acquire certain real property located in the City (the “Development Property”) and to construct and equip an approximately 99-unit multifamily rental housing facility 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”).

1.02. Approval of Agreement.

(a) The Council approves the Agreement in substantially the form presented, 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 \$2,167,000 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 set forth in the Agreement 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 3.1 of the Agreement. The Note is secured by Available Tax Increment, as further described in the form of the Note set forth in SCHEDULE A 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 A 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 _____, 2026, by the City Council of the City of Grand Rapids, Minnesota.

Mayor

ATTEST:

City Clerk

SCHEDULE B**FORM OF TIF NOTE**

UNITED STATES OF AMERICA
 STATE OF MINNESOTA
 COUNTY OF ITASCA
 CITY OF GRAND RAPIDS

No. R-1

\$ _____

TAX INCREMENT REVENUE NOTE
 SERIES 2026
 (ELEVATION APARTMENTS PROJECT)

RateDate of Original Issue

6.50%

_____, 20__

The City of Grand Rapids, Minnesota (the “City”) for value received, certifies that it is indebted and hereby promises to pay to Elevation Grand Rapids LLC, a Minnesota limited liability company, or its registered assigns (the “Owner”), the principal sum of \$_____ and to pay interest thereon at the rate of ____% per annum, solely from the sources and to the extent set forth herein. Capitalized terms shall have the meanings provided in the TIF Development Agreement, dated as of _____, 2026 (the “Agreement”), between the City and the Owner, unless the context requires otherwise.

1. Payments. Principal and interest (the “Payments”) shall be paid on August 1, 2028 and each August 1 and February 1 thereafter (the “Payment Dates”) to and including the earliest of (i) February 1, 2054, (ii) such date (if any) as the City 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 \$2,167,000, 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 July 27, 2026, 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 3.2(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

Elevation Grand Rapids LLC
Federal Tax I.D. No.:



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

REQUEST FOR COUNCIL ACTION

AGENDA DATE: July 27, 2026

AGENDA ITEM: Consider the adoption of a resolution authorizing interfund loan for advance of certain costs in connection with Tax Increment Financing District No. 1-18: Elevation Apartments Project

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 1-18 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. 1-18: Elevation Apartments Project.

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. 1-18: ELEVATION
APARTMENTS PROJECT (A HOUSING DISTRICT)**

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. 1-18: Elevation Apartments Project (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, both 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 7.00% 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 27th day of July, 2026, by the City Council of the City of Grand Rapids, Minnesota.

Mayor

ATTEST:

City Clerk