



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

Thursday, March 27, 2025
4:00 PM

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, March 27, 2025 at 4:00 PM.

CALL OF ROLL

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

APPROVE MINUTES

1. Consider approval of minutes from the March 13, 2025 regular meeting.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$14,011.08.

BUSINESS

3. Hwy 2 West Land Use and Development Study Update - Bolton & Menk
4. Consider the adoption of a resolution approving a Preliminary Development Agreement between GREDA and the Itasca County HRA.
5. Consider approval of a lease with Itasca Pride for Suite 1 of Central School
6. Consider approval of a short-term lease with Free Range Food Co-op for Suite 209 of Central School

UPDATES

ADJOURN

MEMBERS & TERMS

Dan Mertes - 12/31/2025 Council Representative

Rick Blake - 12/31/2025 Council Representative

Wayne Bruns - 3/1/31

Sholom Blake - 3/1/31

Al Hodnik - 3/1/27

Bill Martinetto - 3/1/29

Malissa Bahr - 3/1/30



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

Thursday, March 13, 2025
4:00 PM

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, March 13, 2025 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

PRESENT

President Sholom Blake
Commissioner Wayne Bruns
Commissioner Bill Martinetto
Council Representative Rick Blake
Council Representative Dan Mertes

ABSENT

Commissioner Al Hodnik
Commissioner Malissa Bahr

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

Approved with addition:

Consider the termination of a lease with Megan Brekke, Suite 102 Central School.

APPROVE MINUTES

1. Consider approval of the February 13, 2025 regular meeting minutes.

Motion by Commissioner Bruns, second by Commissioner Mertes to approve the minutes from the February 13, 2025 regular meeting. The following voted in favor thereof: R. Blake, Martinetto, S. Blake, Mertes, Bruns. Opposed: None, motion passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$70,240.84.

Motion by Commissioner R. Blake, second by Commissioner Martinetto to approve claims in the amount of \$70,240.84. The following voted in favor thereof: Bruns, Mertes, S. Blake, Martinetto, R. Blake. Opposed: None, motion passed unanimously.

3. UMN Natural Resources Research Institute (NRRI) Update - Rolf Weberg, Executive Director

Rolf Weberg of UMN Natural Resources Research Institute provided a power point on Green Steel.

4. Consider approval of a Commercial Building Improvement Loan with Alexander L'Amie for improvements to 611 NW 4th St.

Mr. Alexander L'Amie has applied for a \$17,798.00 loan for his building located at 611 NW 4th Street. The project consists of exterior painting, new flooring and exterior signage. Commissioner Bruns and Mertes met with Community Development Director Mattei and reviewed the application. The Commissioners are recommending approval.

Motion by Commissioner Martinetto, second by Commissioner Mertes to approve a Commercial Building Improvement Loan with Alexander L'Amie for improvements to 611 NW 4th Street. The following voted in favor thereof: R. Blake, Martinetto, S. Blake, Mertes, Bruns. Opposed: None, motion passed unanimously.

5. Consider adoption of a resolution approving conveyance of certain lots owned by the Economic Development Authority and Purchase and Development Agreement including an option to purchase certain property with Premier Custom Homes, Inc.

Premier Custom Homes of Elk River, MN has provided a LOI to purchase and develop single family homes on lots owned by GREDA in the plat of Great River Acres. They would like to initially purchase and develop a spec single-family home on Lot 2, Block 2. They would also like to have an option six other lots within the Great River Acres plat. A discussion ensued as to whether GREDA wanted to encumber those lots for that period of time.

Motion by Commissioner R. Blake, second by Commissioner Martinetto to adopt a resolution approving conveyance of certain lots owned by the Economic Development Authority and Purchase and Development Agreement including an option to purchase certain property with Premier Custom Homes, Inc. The following voted in favor thereof: Bruns, Mertes, S. Blake, Martinetto, R. Blake. Opposed: None, motion passed unanimously.

6. Consider the adoption of a resolution approving a Right of Entry Agreement with Ryan Companies US, Inc.

In order avoid potential impacts to the Northern Long Eared Bat, a species protected under the Endangered Species Act, the clearing of trees on the lot Ryan Companies intends to develop must be conducted during the winter months. Therefore, the Developer has requested access to the GREDA property to conduct tree clearing prior to closing on the property.

Motion by Commissioner Martinetto, second by Commissioner Bruns to adopt a resolution approving a Right of Entry Agreement with Ryan Companies US, Inc. The following voted in favor thereof: R. Blake, Martinetto, S. Blake, Mertes, Bruns. Opposed: None, motion passed unanimously.

7. Consider approval of disbursement agreements and escrow agreements for the previously approved Commercial Building Improvement Loan and the Downtown Mandated Building

Improvement Loan for renovation of commercial buildings at 16 NE 3rd St. and 210 N. Pokegama Ave.

The recipient of the loans has formed a new entity called 323 NE, LLC and would like the loan proceeds advanced to Midland Title for disbursement.

Motion by Commissioner Bruns, second by Commissioner Mertes to approve disbursement agreements and escrow agreements for the previously approved Commercial Building Improvement Loan and Downtown Mandated Building Improvement Loan for renovation of commercial buildings at 16 NE 3rd St. and 210 N. Pokegama Ave. The following voted in favor thereof: R. Blake, Mertes, Bruns. Opposed: None, S. Blake and Martinetto abstained.

Consider the termination of a lease with Megan Brekke for Suite 102, Central School.

Motion by Commissioner Mertes, second by Commissioner Bruns to terminate the lease with Megan Brekke for Suite 102, Central School. The following voted in favor thereof: Bruns, Mertes, S. Blake, Martinetto, R. Blake. Opposed: None, motion passed unanimously.

UPDATES

The former ISD 318 Admin Building- Staff has been working on development costs for 8 residential lots and will be applying for an IRRRB Demolition Grant in July of this year.

ADJOURN

There being no further business the meeting adjourned at 5:16 p.m.

MEMBERS & TERMS

- Dan Mertes - 12/31/2025 Council Representative
- Rick Blake - 12/31/2025 Council Representative
- Wayne Bruns - 3/1/31
- Sholom Blake - 3/1/31
- Al Hodnik - 3/1/27
- Bill Martinetto - 3/1/29
- Malissa Bahr - 3/1/30

DATE: 03/20/2025
 TIME: 16:14:45
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 03/27/2025

VENDOR #	NAME	AMOUNT DUE

EDA - CAPITAL PROJECTS		
HWY 2 CORRIDOR STUDY		
0215460	BOLTON & MENK, INC	9,162.00
TOTAL HWY 2 CORRIDOR STUDY		9,162.00
ISD 318 ADM REDEVELOPMENT		
1900225	SEH	4,317.66
TOTAL ISD 318 ADM REDEVELOPMENT		4,317.66
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:		\$13,479.66
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
0201354	L. PFEIFER-PETTY CASH FUND	11.69
0920055	ITASCA COUNTY RECORDER	92.00
1301250	ROBERT MATTEI	93.80
1621130	P.U.C.	333.93
TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:		\$531.42
TOTAL ALL DEPARTMENTS		\$14,011.08



HIGHWAY 2 LAND USE AND DEVELOPMENT STUDY

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

Economic Development Authority Meeting
Thursday, March 27, 2025



supported in part by



Blandin Foundation
STRENGTHENING RURAL MINNESOTA

PROJECT TIMELINE

Event or Deliverable	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Task 0: Project Management Monthly City Staff Meetings	Kickoff 10/7									
Task 1: Engagement and Outreach										
Website	Go Live						Update			
Communication materials	Prepare									
Walking tour		11/21								
Surveys (2)		11/1 to 12/15								
Key Stakeholder Meetings (6)		11/21 Walking Tours								
Business Focus Groups (2)		11/21 Pop Up								
Community meetings/events (3)		11/21 Kickoff								
EDA worksessions (2)						3/27		3/27		
Task 2: Existing Conditions Assessment		Draft		Done						
Task 3: Concept Alternatives										
Task 4: Preferred Alternatives and Implementation										
Development										
Connectivity										
Public Realm										
Task 5: Final Plan								EDA	City Council	



HIGHWAY 2 LAND USE AND DEVELOPMENT STUDY

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY



REDEVELOPMENT POTENTIAL LAYERED ANALYSIS + ADDITIONAL IDENTIFIED SITES

Redevelopment potential was determined by layering the following indicators to the one block on both sides of the corridor:


- Building Value < 50% Land Value
- Lot Coverage
- Taxes Paid on a Per-Acre Basis
- Vacant Properties

Sites with multiple indicators were then “sorted” into Tiers based on the number of layered indicators for a given parcel. Additional review and analysis will determine sites redevelopment priority regarding Near Term, Medium Term, and Long Term.




Additional analysis was conducted to identify sites that did not have 2 or more indicators. This analysis considered:

- Site ownership
- Building vacancy
- Exterior building condition
- Adjacency to other identified tiered sites
- Anticipated redevelopment interest by the owner

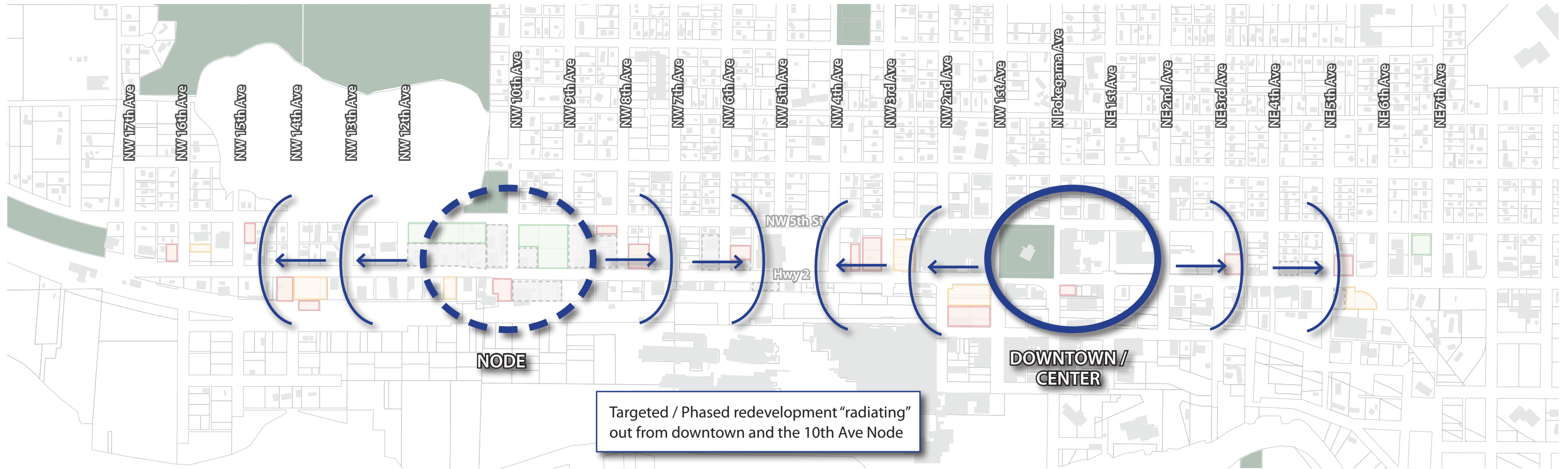



 Additional sites that did not have 2+ indicators, but were identified as redevelopment opportunities due to ownership, building vacancy, exterior building condition, adjacency to other priority locations, or expressed desire by owner to redevelop

TIERS




-  4 indicators
-  3 indicators
-  2 indicators



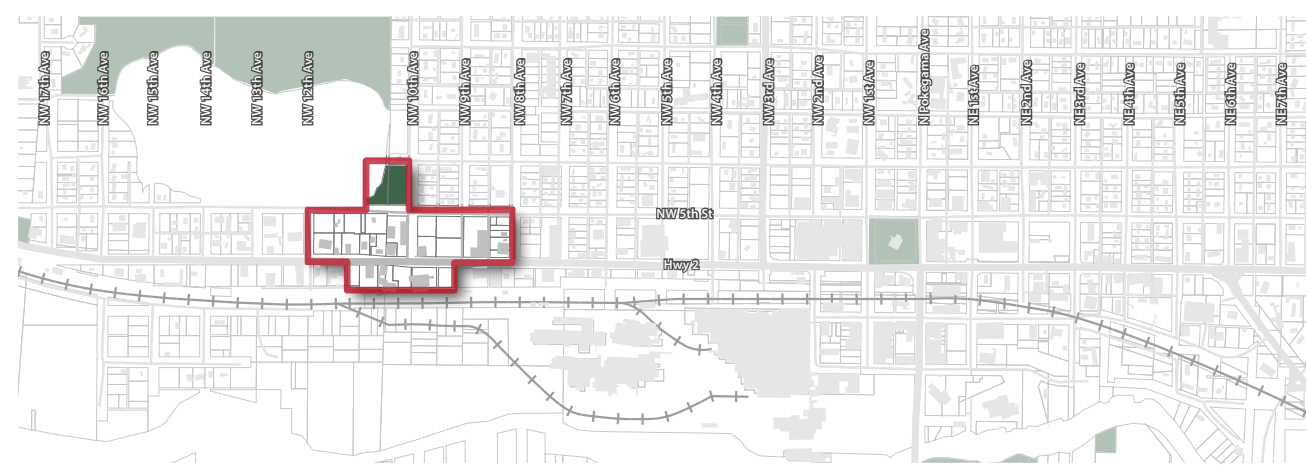


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TIERS

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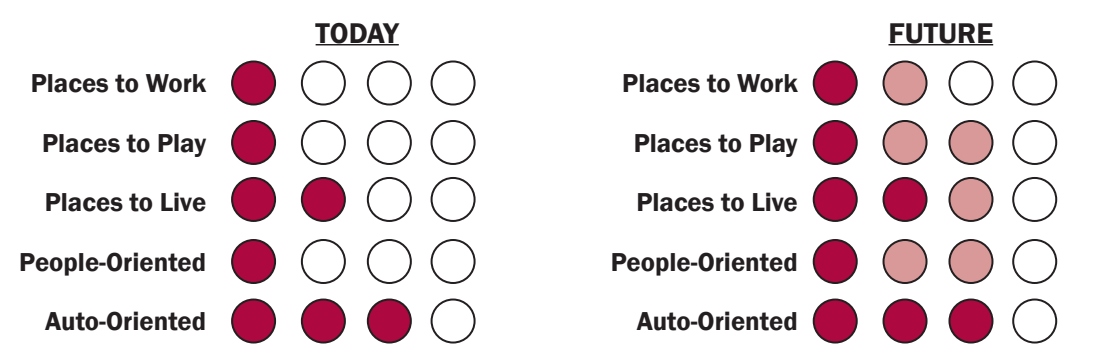
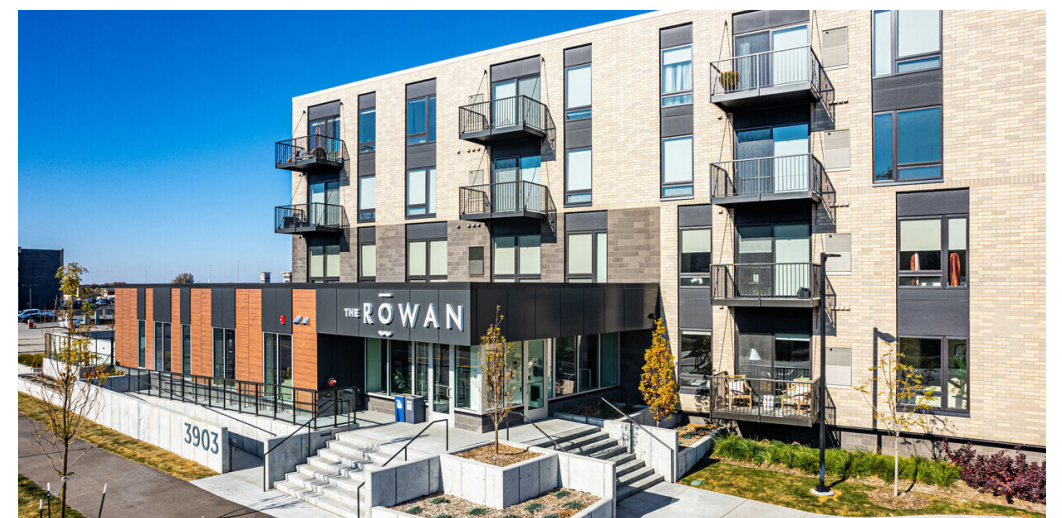
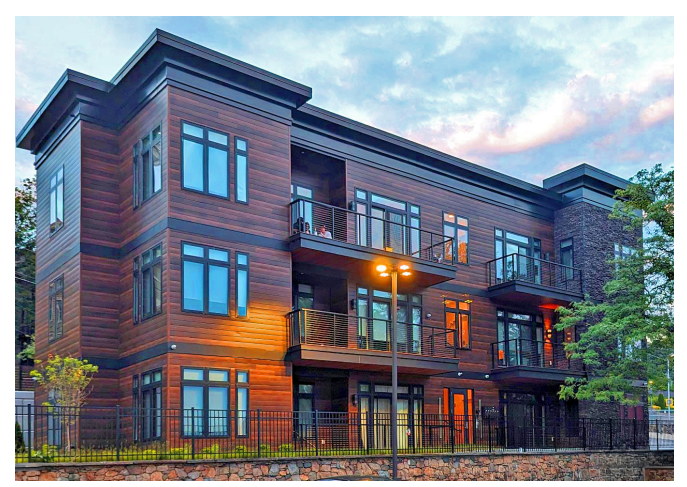
HIGHWAY 2 & 10TH AVENUE NODE



CHARACTER

The intersection of Highway 2 and 10th Avenue will be a mix of uses anchoring the western entrance to the city. The space will be welcoming and accessible with ample sidewalks, trees and plants, benches, signage, lighting, and an appropriate level of parking. A key component of the crossing will be making Blandin Park and Forest Lake more visible and accessible to residents and visitors. Development of this area will complement the existing Downtown, through neighborhood-scale land uses, safe and pleasant connections, and a consistently designed public realm.

- Types of development**
- Medium density housing such as townhouses, row houses, condominiums, senior housing, or apartments
 - Boutique hotel or conference center
 - Neighborhood-scale shops and restaurants
 - Seasonal/tourist attractions



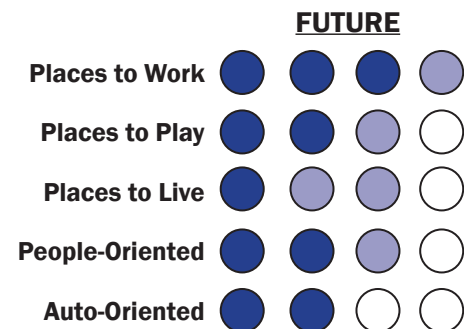
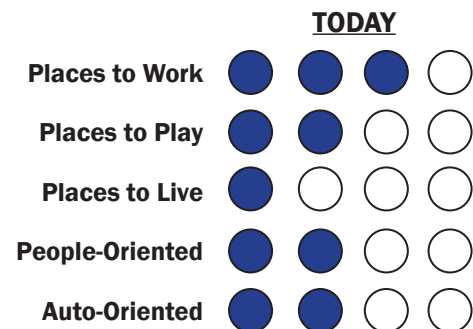


CHARACTER

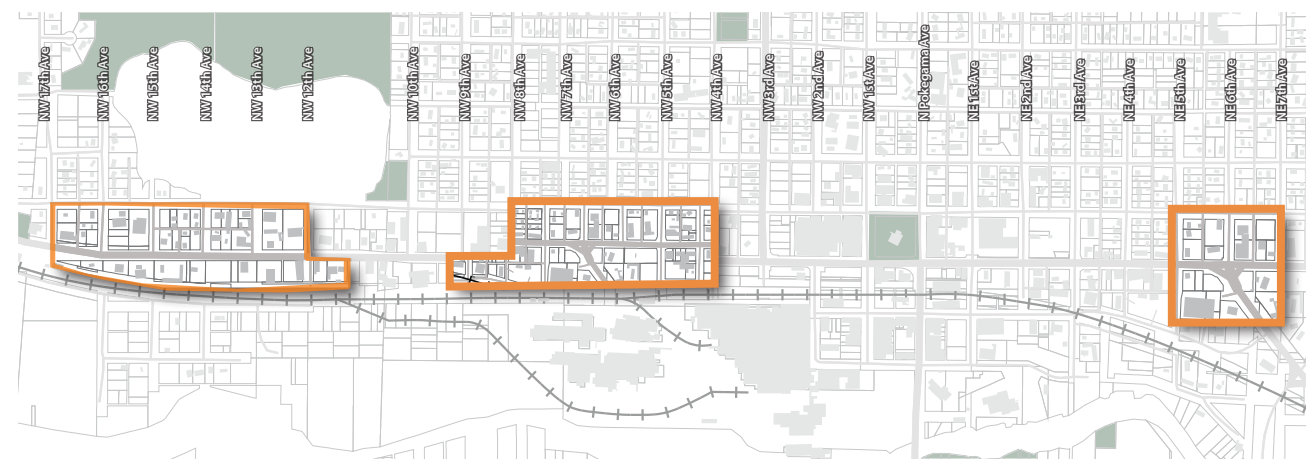
Downtown Grand Rapids will continue to be a thriving, mixed-use area of commercial, residential, institutional and office buildings. People seek out Downtown for shopping, dining, working, healthcare, gathering, and public and professional services. Underutilized sites in Downtown may be redeveloped to provide a mix of uses including higher density housing which would provide workers with a place to live and create more activity outside of peak business hours. To promote access, economic development, and cultural vitality, transportation needs to be more balanced for all residents and visitors, including walking, biking, rolling, and driving. These will be supported by an enhanced public realm that is uniquely Downtown Grand Rapids.

Types of development

- Medium- and high-density multifamily housing such as condominiums or apartments over commercial space
- Neighborhood-scale shops and restaurants
- Entertainment venues and recreational spaces
- Professional offices and services
- Civic and institutional offices



GOODS & SERVICES SEGMENTS



CHARACTER

Outside downtown and the 10th Avenue Crossing, Highway 2 will continue to function as a regional commercial corridor. Industrial and manufacturing uses will likely transition to less intense uses such as drive-through restaurants, repair services, larger-scale sales and other auto-oriented designs and uses. However, the public realm should be improved to make it more welcoming, attractive and accessible. Redevelopment of this area will complement the existing Downtown, through redevelopment and infill development, safe and pleasant connections, and a consistently designed public realm.

- Types of development**
- Regional-serving retail and dining such as drive-through restaurants
 - Regional-serving office and commercial such as banks
 - Home goods and services
 - Small- and medium-scale implement dealers and repair
 - Automotive repair



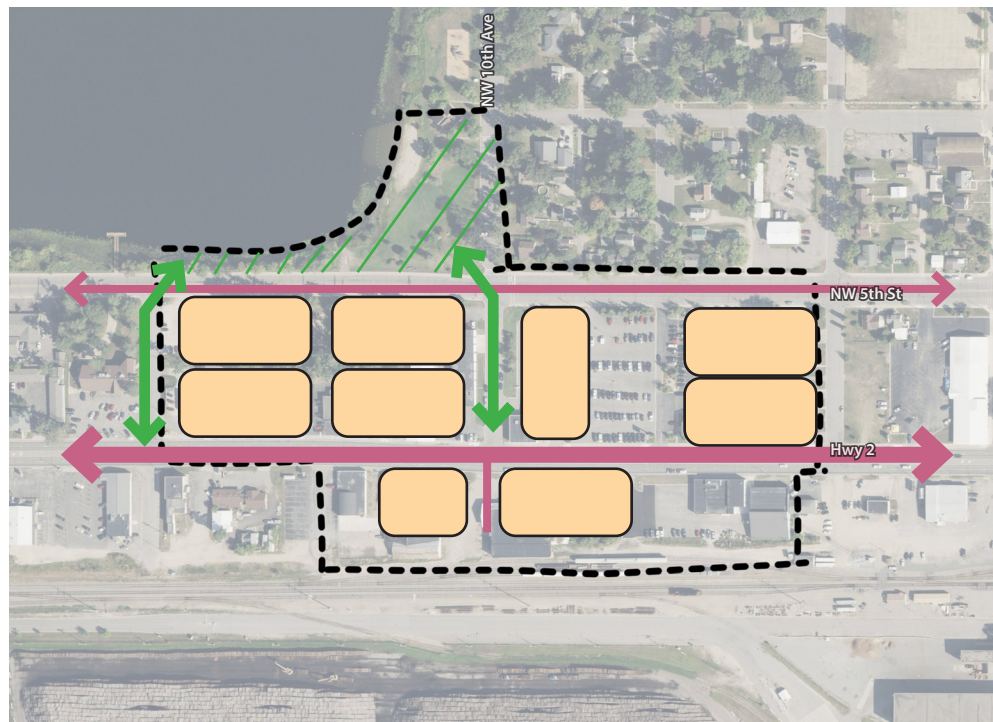
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People-Oriented	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
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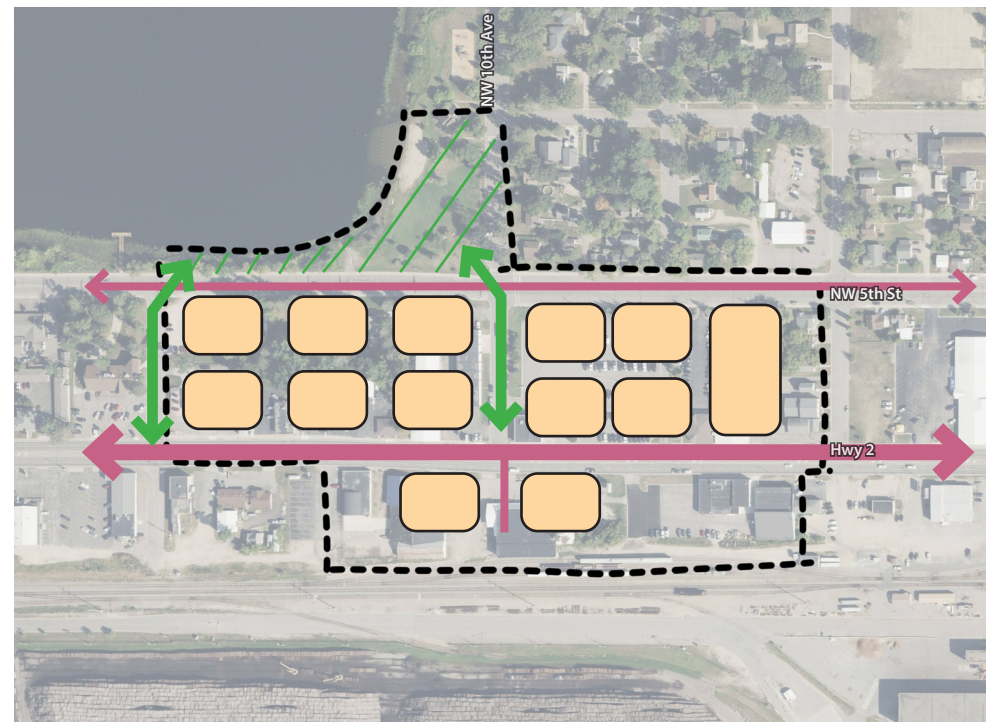
HIGHWAY 2 & 10TH AVENUE NODE

DEVELOPMENT SCENARIO FRAMEWORKS

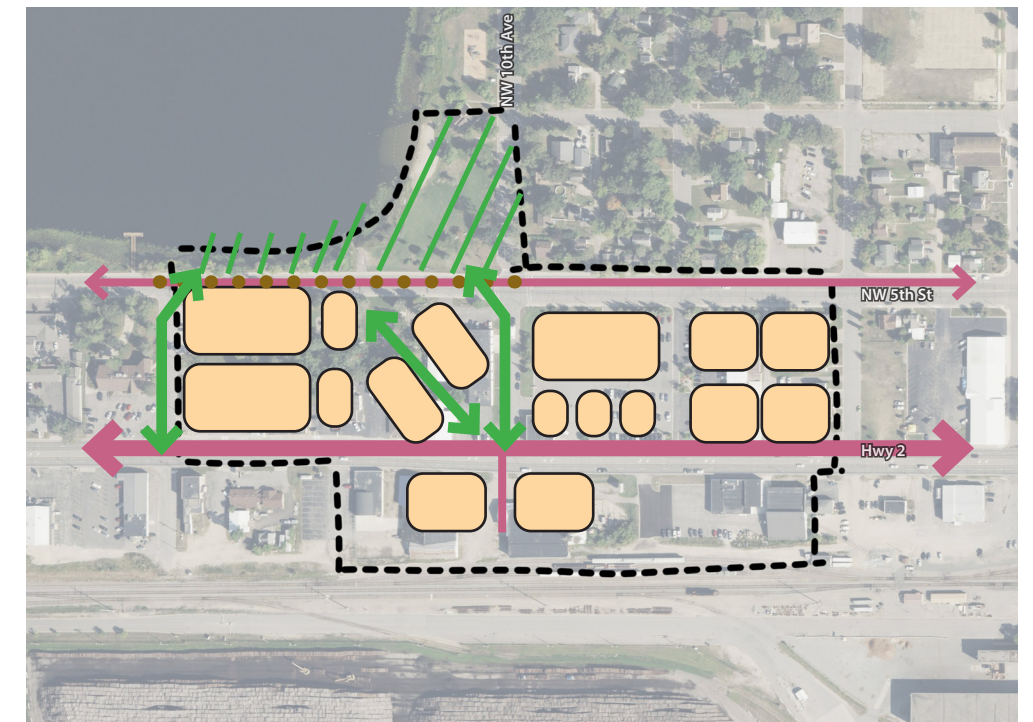
“Urban Node”







“Urban Village”



“All Eyes to the Lakefront”



-  Park Area
-  Park Connection Routes
-  Major Streets
-  Development Area



- Commercial
- Multi-Family Residential
- Hotel

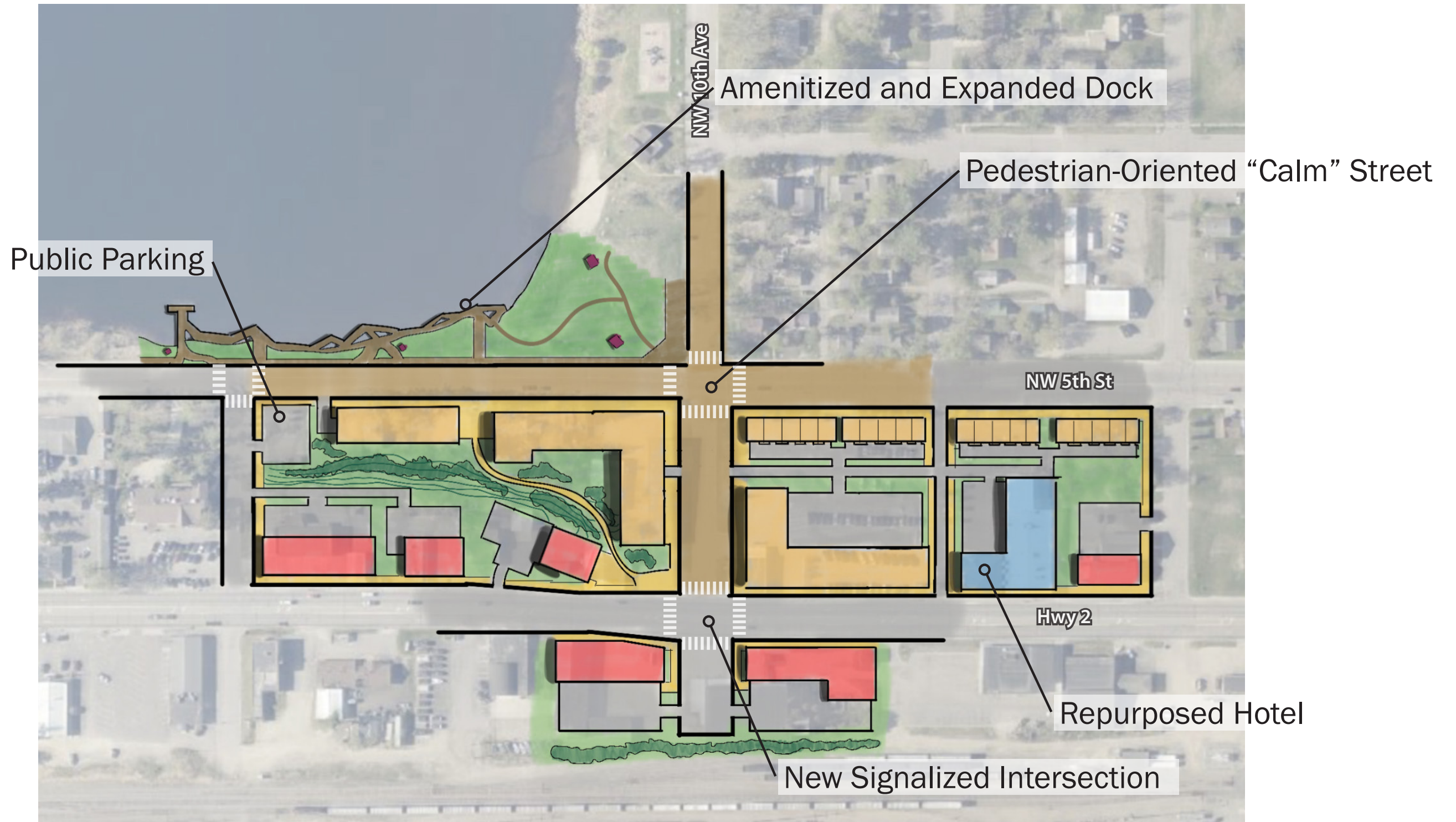




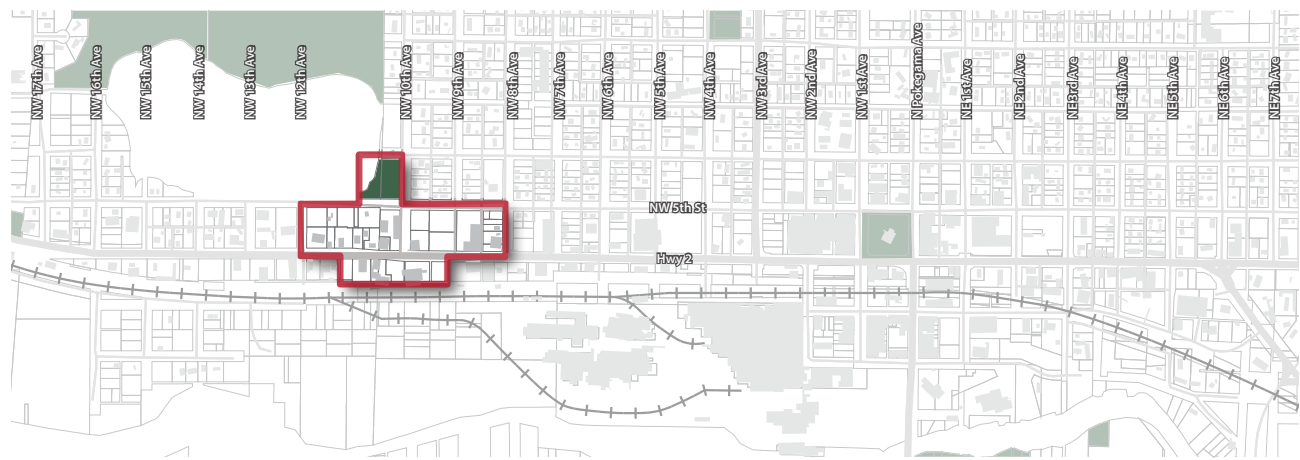
- Commercial
- Multi-Family Residential
- Hotel



ALL EYES ON THE LAKE FRONT SCENARIO



HIGHWAY 2 & 10TH AVENUE NODE



DEVELOPMENT SCENARIOS

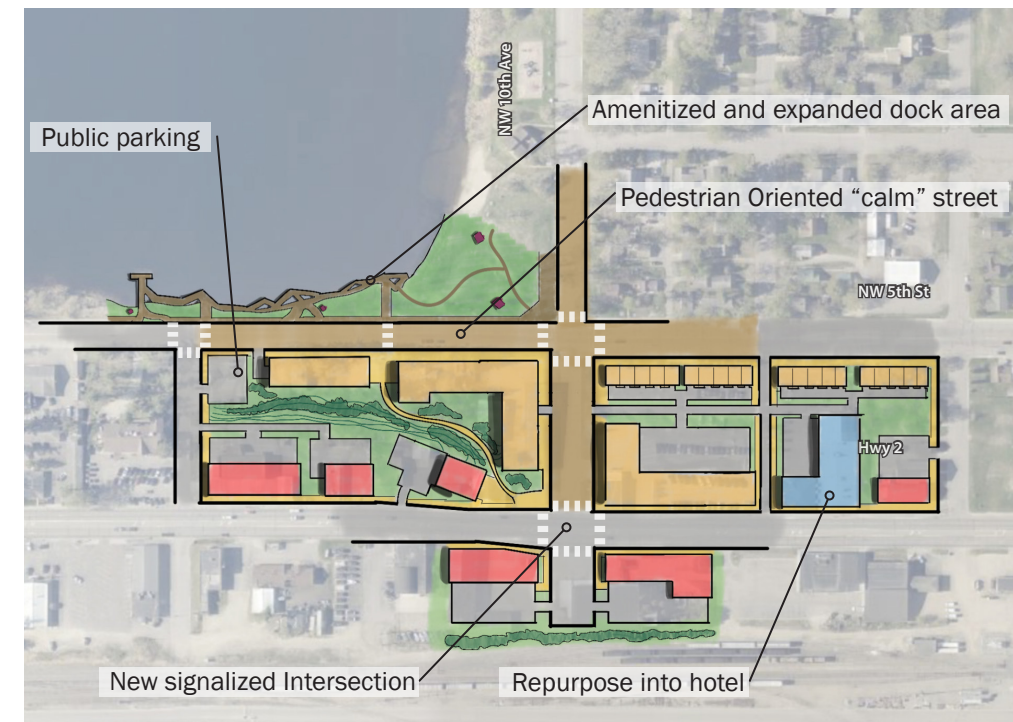
“Urban Node”



“Urban Village”



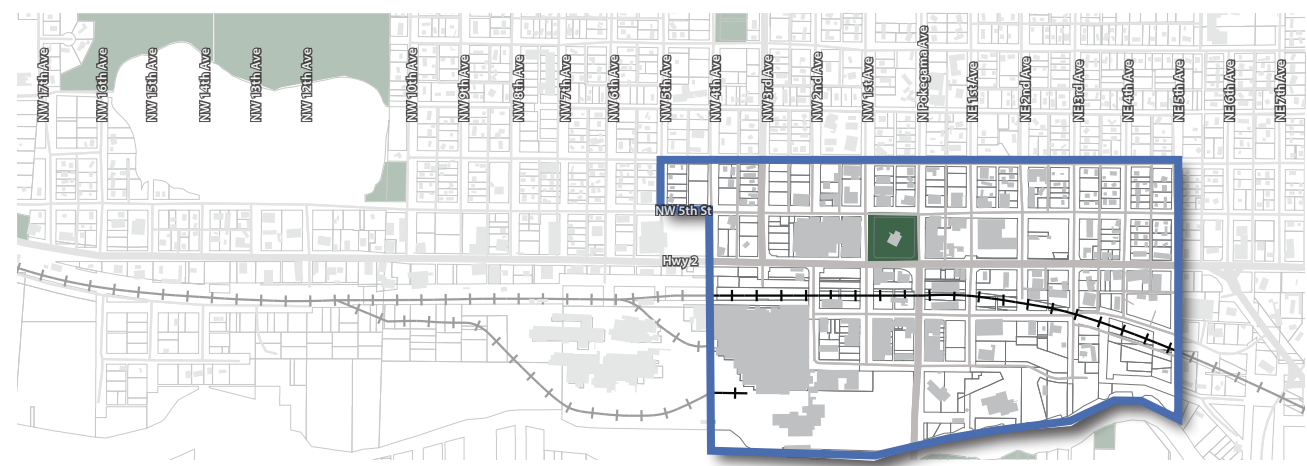
“All Eyes to the Lakefront”



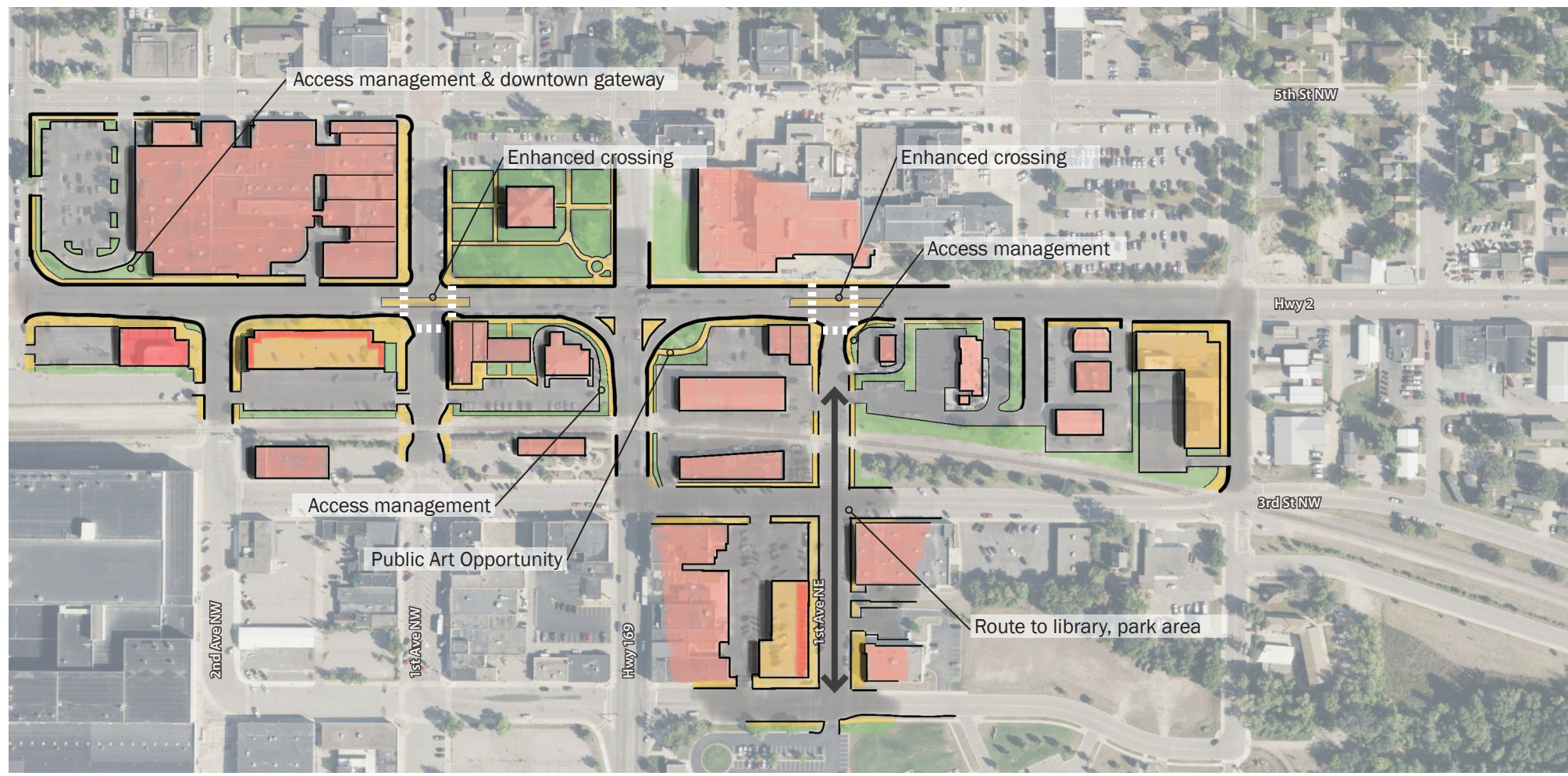
- Commercial
- Multi-Family Residential
- Hotel



DOWNTOWN



DEVELOPMENT SCENARIO



- Existing Bldg
- Commercial
- Multi-Family Residential
- Hotel

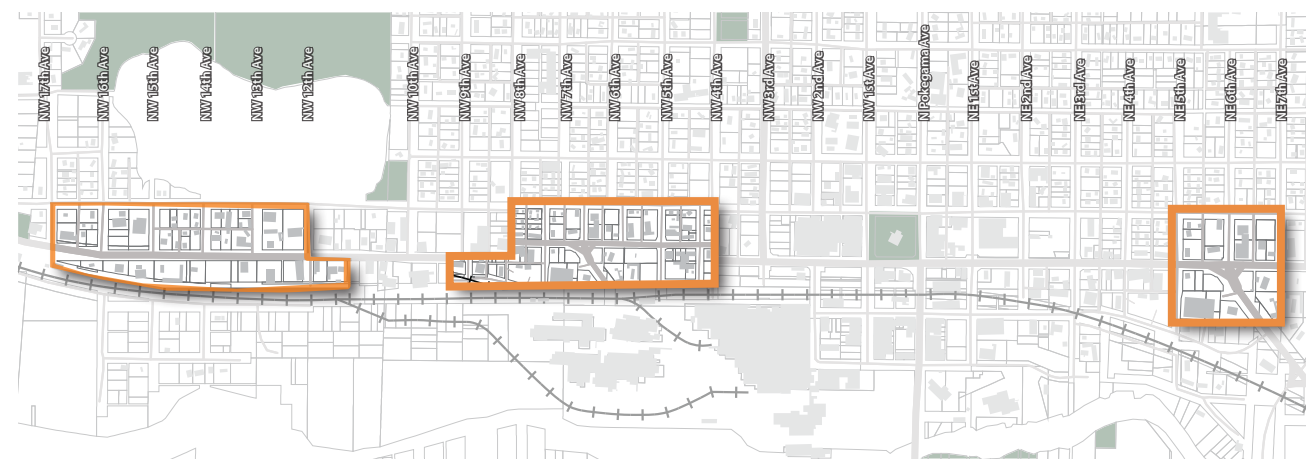


HIGHWAY 2 LAND USE AND DEVELOPMENT STUDY

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY



GOODS & SERVICES SEGMENTS



SITE LANDSCAPING



MODEST SETBACKS



ACCESS AND CIRCULATION





REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: March 27, 2025

STATEMENT OF ISSUE: Consider the adoption of a resolution approving a Preliminary Development Agreement between GREDA and the Itasca County HRA.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

The Itasca County HRA will be applying to the Minnesota Housing Finance Agency for additional assistance with continuing their development of single-family owner-occupied homes. This application will be for the development of 8 single-family homes on the GREDA owned former site of the ISD #318 Administration Building.

To demonstrate within that application to MHFA that an interest in the site is secured, the HRA would like to enter into a Preliminary Development Agreement (PDA). This Agreement follows a format that GREDA has used with many projects prior to the anticipated future step of a Purchase and Development Agreement. The PDA established the HRA as the sole developer of the property for 180 days, allowing them an opportunity to secure funding commitments.

REQUIRED ACTION: Make a motion to adopt a resolution approving a Preliminary Development Agreement between GREDA and the Itasca County HRA.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

**APPROVING PRELIMINARY DEVELOPMENT AGREEMENT
BETWEEN THE GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
AND ITASCA COUNTY HOUSING AND REDEVELOPMENT AUTHORITY**

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

1. Background.

1.01. The Authority owns certain property (the “Property”) in the City of Grand Rapids, Minnesota (the “City”).

1.02. The Authority and the Housing and Redevelopment Authority of Itasca County, MN, a public body corporate and politic under the laws of Minnesota (the “Developer”) have determined to enter into a preliminary development agreement (the “PDA”), providing for the negotiation of a definitive purchase and development agreement that will address (among other things) the sale of the Property by the Authority to the Developer and the construction by the Developer of an affordable single-family housing development on the Property.

1.03. The Board of Commissioners has reviewed the PDA and has determined that it is in the best interests of the Authority to approve and execute the PDA.

2. Approval of PDA.

2.01. The Authority approves the PDA and authorizes and directs the President and Executive Director to execute the PDA in substantially the form on file, subject to modifications that do not alter the substance of the transaction and are approved by the President and Executive Director, provided that execution of the PDA by such officials will be conclusive evidence of their approval.

2.02. Authority officials and consultants are authorized to take any other actions necessary to carry out the Authority’s obligations under the PDA, and to bring a proposed definitive development contract before the Authority.

Approved this 27th day of March, 2025, by the Board of Commissioners of the Grand Rapids Economic Development Authority.

President

ATTEST:

Secretary

PRELIMINARY DEVELOPMENT AGREEMENT

THIS AGREEMENT, made and entered into this [] day of March, 2025, between the CITY OF GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic under the laws of the State of Minnesota (“Authority”), and the ITASCA COUNTY HOUSING AND REDEVELOPMENT AUTHORITY, a public body corporate and politic under the laws of the State of Minnesota (“HRA”):

RECITALS

WHEREAS, the Authority owns certain property within the City of Grand Rapids, Minnesota (the “City”), legally described in Exhibit A attached hereto (the “Property”); and

WHEREAS, the HRA has submitted a proposal to acquire the Property and develop eight owner-occupied, affordable single family homes (the “Development”); and

WHEREAS, the Authority intends to work to find funding for demolition of existing structures on the site and the construction of sanitary sewer and water extensions to the Property; and

WHEREAS, the Authority has determined that it is in its best interest that the HRA be designated sole developer of the Property during the term of this Agreement; and

WHEREAS, the Authority and the HRA are willing and desirous to undertake the Development if (i) satisfactory mortgage and equity financing, or adequate cash resources for the Development can be secured by the HRA; (ii) a satisfactory agreement can be reached regarding the Authority’s commitment for any public assistance that may be necessary for the Development; and (iii) satisfactory resolution of zoning, land use, site design, and engineering issues, and other necessary preconditions have been determined to the satisfaction of the parties; and

WHEREAS, the Authority is willing to evaluate the Development and work toward all necessary agreements with the HRA.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and obligations set forth herein, the parties agree as follows:

Section 1. Intention of Parties. It is the intention of the parties that this Agreement: (a) documents the present understanding and commitments of the parties; and (b) will lead to negotiation and execution of a mutually satisfactory Purchase and Development Agreement (together, the “Contract”) prior to the termination date of this Agreement. The Contract (together with any other agreements entered into between the parties hereto contemporaneously therewith) when executed, will supersede all obligations of the parties hereunder. If the following conditions can be fulfilled to the satisfaction of the Authority and the HRA, the parties will proceed to formulate a Contract:

- (a) a satisfactory agreement can be reached regarding the purchase price to be paid by the HRA for the Property;
- (b) funding for demolition of existing structures on the site and the construction of sanitary sewer and water extensions to the Property can be secured;
- (c) satisfactory financing for the Development can be secured;
- (d) the completion of all undertakings required by this Agreement in a satisfactory and timely manner;
- (e) the satisfaction of all zoning and use requirements of the City including replatting the Property; and
- (f) the satisfaction of such other conditions as are determined to be necessary by either party.

The Contract (together with any other agreements entered into between the parties hereto contemporaneously therewith) when executed will supersede all understandings and obligations of the parties hereunder.

Section 2. Preliminary Nature of Agreement. The Authority and HRA agree that this Agreement is intended to be preliminary in nature. Before the Authority and HRA can decide on whether to proceed with the Development, it will be necessary to assemble and consider information relative to the uses, design, economics and other aspects of the Development. The purpose of this Agreement is to allow the HRA and Authority an opportunity to assemble such necessary information, to refine the concept for the Development, and to negotiate the execution of the Contract which, if executed, will set forth the rights and responsibilities of the Authority and the HRA with respect to the Development.

Section 3. HRA's Obligations. During the term of this Agreement, the HRA shall:

- (a) Submit to the Authority a design proposal to be approved by the Authority showing the location, size, and nature of the proposed Development.
- (b) Submit a time schedule for all phases of the Development.
- (c) Submit zoning, land use, platting and subdivision applications for the Development, as appropriate.
- (d) Undertake and obtain such other preliminary economic feasibility studies, income and expense projections, and such other economic information as the HRA may desire to further confirm the economic feasibility and soundness of the Development.
- (e) Provide any other information that the Authority may request.

All of the information described above shall be prepared or collected at the sole expense of the HRA.

Section 4. Authority's Obligations. During the term of this Agreement, the Authority agrees to:

- (a) Use its best efforts to secure funding for demolition of existing structures on the site and the construction of sanitary sewer and water extensions to the Property.
- (b) Review zoning, planning and subdivision implications of the Development, as appropriate.
- (c) Determine the amount and type of public financial assistance, if any, needed and authorized under the laws of the State of Minnesota. If any such financial assistance is actually provided in connection with the Development, the amount, timing and terms of such assistance will be subject to approval in accordance with applicable law, including without limitation a public hearing as required by law and a final "but for" analysis, and will be set forth in the Contract. No commitment is being made in this Agreement at this time that any such assistance will be provided to the Development.

Section 5. Contingencies. It is expressly understood that execution and implementation of the Contract shall be subject to:

- (a) A determination by the HRA that the Development is feasible and in the best interests of the HRA.
- (b) A determination by the City Council of the City and the Board of Commissioners of the Authority that the Development is in the best interests of the City and the Authority.
- (c) A determination by the City and the Authority, in their sole discretion, that any public financial assistance for the Development is feasible based on the projected sources available, and that financial assistance is warranted. If the use of tax increment financing is considered, a determination by the City and the Authority, in their sole discretion, that the Development meets the requirements of Sections 469.174 through 469.1794, as amended (the "TIF Act").

Section 6. Reimbursement of Costs. Each party shall be solely responsible for all of its own costs including attorneys fees in connection with the negotiation and preparation of this Agreement.

Section 7. Designation As Sole Developer of Property. The Authority hereby agrees that for the term of this Agreement it will not negotiate or contract with any other party concerning the sale or development of the Property.

During such period the HRA shall have the exclusive right to work with the Authority in negotiating a definitive Contract for the Property. The HRA may not assign its rights or obligations under this Agreement to any person or entity without prior written approval by the Authority.

Section 8 **Term of Agreement.** This Agreement is effective for [one hundred and eighty (180)] days from the date hereof provided. After such date, neither party shall have any obligation hereunder except as expressly set forth to the contrary herein.

This Agreement may also be terminated upon ten (10) days written notice by the Authority to the HRA if:

- (a) an essential precondition to the execution of a Contract cannot be met; or
- (b) if, in the sole discretion of the Authority, an impasse has been reached in the negotiation or implementation of any material term or condition of this Agreement or the Contract.

Section 9. **Remedies.** In the event that the HRA, its heirs, successors or assigns, fail to comply with any of the provisions of this Agreement, the Authority may proceed to enforce this Agreement by appropriate legal or equitable proceedings, or other similar proceedings, and the HRA, its heirs, successors or assigns, agree to pay all costs of such enforcement, including reasonable attorneys' fees.

Section 10. **Severability.** If any portion of this Agreement is held invalid by a court of competent jurisdiction, such decision shall not affect the validity of any remaining portion of the Agreement.

Section 11. **Amendment and Waiver.** In the event any covenant contained in this Agreement should be breached by one party and subsequently waived by another 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. This Agreement may not be amended nor any of its terms modified except by a writing authorized and executed by all parties hereto.

Section 12. **Notice.** Notice or demand or other communication between or among the parties shall be sufficiently given if sent by mail, postage prepaid, return receipt requested or delivered personally:

- (a) As to the HRA: Itasca County Housing and Redevelopment Authority
1115 NW 4th Street
Grand Rapids, MN 55744
- (b) As to the Authority: Grand Rapids Economic Development Authority
420 N Pokegama Ave
Grand Rapids, MN 55744
Attn: Executive Director

Section 13. **Counterparts.** This Agreement may be executed simultaneously in any number of counterparts, all of which shall constitute one and the same instrument.

Section 14. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out

of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

Section 15. Indemnification. The Developer hereby agrees to protect, defend and hold the City and its officers, elected and appointed officials, employees, administrators, commissioners, agents, and representatives harmless from and indemnified against any and all loss, cost, fines, charges, damage and expenses, including, without limitation, reasonable attorneys fees, consultant and expert witness fees, and travel associated therewith, due to claims or demands of any kind whatsoever arising by reason of the execution of this Agreement or the performance of this Agreement. The Developer, and the Developer's successors or assigns, agree to protect, defend and save the City, and its officers, agents, and employees, harmless from all such claims, demands, damages, and causes of action and the costs, disbursements, and expenses of defending the same, including but not limited to, attorneys fees, consulting engineering services, and other technical, administrative or professional assistance. This indemnity shall be continuing and shall survive the performance, termination or cancellation of this Agreement. Nothing in this Agreement shall be construed as a limitation of or waiver by the City of any immunities, defenses, or other limitations on liability to which the City is entitled by law, including but not limited to the maximum monetary limits on liability established by Minnesota Statutes, Chapter 466.

Section 16. Assignment. The HRA shall not assign or transfer its rights or obligations under this Agreement in full or in part, or enter into any subcontract to perform any of its obligations hereunder, without the prior written consent of the Authority.

Section 17. Effect of Approvals. No approval given by the Authority hereunder or in connection herewith shall be deemed to constitute an approval of the Development for any purpose other than as stated herein and the process outlined in this Agreement shall not be deemed to supersede any concept review, conditional use permit, vacation, subdivision, or other zoning or planning approval process of the Authority or the City relative to the development of real estate.

Section 18. Nonbinding. The HRA acknowledges that, except for Section 7 and the indemnification provisions of Section 15 above which shall all be binding upon the HRA, this Agreement shall not be deemed conclusive or legally binding upon either the HRA or the Authority, and neither the HRA nor the Authority shall have any obligations regarding the Property, the Development or any public assistance described herein, unless and until a Contract is approved by the Board and executed by both the HRA and the Authority.

Section 19. Data Practices. This Agreement is subject to the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13.

IN WITNESS WHEREOF, the Authority has caused this Agreement to be duly executed in its name and behalf and its seal to be duly affixed hereto, and the HRA has caused this Agreement to be duly executed as of the day and year first above written.

ITASCA COUNTY HOUSING AND
REDEVELOPMENT AUTHORITY

By _____
Its: _____

CITY OF GRAND RAPIDS ECONOMIC
DEVELOPMENT AUTHORITY

By _____
Its President

By _____
Its Executive Director

EXHIBIT A

Description of Property

The property located in the City of Grand Rapids, Itasca County, Minnesota legally described as:

Block 29 of Kearney's 1st Addition to Grand Rapids, less the South 140 feet, County of Itasca, State of Minnesota.

Parcel Number: 91-585-2910



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: March 27, 2025

STATEMENT OF ISSUE: Consider approval of a lease with Itasca Pride for Suite 1 of Central School

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

Itasca Pride, a Minnesota non-profit corporation wishes to lease Suite 1 on the Garden Level (SE Corner) of Central School to be used as an office.

All aspects of this proposed lease are consistent with the standard lease used by GREDA, including the rental rates for Garden floor spaces. This lease will commence on April 1, 2025 and will conclude at the end of 2025 with all other leases.

RECOMMENDATION:

REQUIRED ACTION: Make a motion to approve a lease with Itasca Pride for Suite 1 of Central School.

LEASE AGREEMENT

This Lease Agreement, by and between the City of Grand Rapids, Minnesota, through its agent the Grand Rapids Economic Development Authority, hereinafter referred to as "Lessor" and **Itasca Pride a Minnesota Non-profit Corporation**, jointly hereinafter referred to as "Lessee", entered into this **27th day of March 2025**.

ARTICLE 1 - LEASED PREMISES

1.1 In consideration of and subject to the mutual covenants, condition and obligations of this Lease Agreement to be kept and performed, the Lessor does hereby lease and demise to Lessee the premises identified in Exhibit "A" attached hereto, comprising approximately **755 square feet** together with the right to use in common with other lessees of the Central School their invitees, customer and employees, the elevators, stairways, halls, toilets and sanitary facilities, and all other general common facilities contained in the Central School, as well as the sidewalks, delivery areas, and appurtenances thereto, to be used by Lessee for the purposes generally described in Exhibit "B" attached hereto, in the Central School, Grand Rapids, Minnesota.

This Lease Agreement will also include two parking passes for the Lessee's use in the Central School lot at no additional cost to the Lessee. The Lessee will be provided one parking pass that must be displayed conspicuously by the Lessee. The Lessee will be able to park in any location within the parking lot of Central School. There will not be a designated parking spot. If the lot is full, the Lessee will utilize off street parking. This pass only applies to the Central School lot. If the pass is lost, stolen or needs to be replaced for any reason, there will be a \$25 plus tax replacement fee.

ARTICLE 2 - TERM

2.1 The Term of this Lease Agreement shall commence on **April 1, 2025**, and shall continue through **December 31, 2025**, unless earlier terminated in accordance with the provisions of this Lease Agreement.

ARTICLE 3 -RENT

3.1 Lessee shall pay to Lessor as rent for the leased premises the sums hereinafter provided in this Article 3.

The term "operating costs for the Central School Building" as used in this Article 3 shall exclude all costs related to the exterior grounds except signs promoting tenants but shall otherwise include all those direct costs of operation and maintenance to be incurred by Lessor, including by way of illustration but not limitation, (1) all utility charges (sewer, water, electricity, heat, garbage collection, elevator service) except telephone and other communications equipment; (2) maintenance, insurance, repairs, parts and supplies, equipment and tools, and electrical maps, tubes, starters and ballasts; (3) the annual costs for a custodian and/or manager; and (4) promotion costs; and (5) a capital reserve equal to 5% of the total projected operation costs, excluding the capital reserve. The term "operating costs for the Central School Building" shall not include the original capital investment or associated debt service.

The term "rented square footage in the Central School Building" as used in the Article 3 shall exclude common areas, exterior grounds and space not rented.

3.2 The base rent for the lease term shall be in the amount of **\$7.42** per square foot annually, payable in equal monthly installments beginning on the **1ST** day of **April 2025** and continuing on the first day of each month thereafter through **December 31, 2025**. Additionally, tenant is solely responsible for paying any, and all, property taxes associated with the rental space.

3.3 Lessee shall pay as additional rent a late charge in the amount of 1.5% of the monthly rental payment in the event that the monthly rental payment is received after the fifth day of the month due. This late charge shall be exclusive of any other remedy which Lessor may have for Lessee's failure to timely pay rent.

3.4 At the commencement of the term of this Lease Agreement, Lessee shall furnish to Lessor a surety bond, letter of credit or cash deposit in an amount equivalent to one month's rent, to assure compliance with the provisions of this Lease Agreement. If Lessee fails to comply with the provisions of this Lease Agreement, Lessor shall be entitled, without further notice to Lessee, to call upon said surety bond, letter of credit or cash deposit to satisfy Lessee's obligation hereunder. Lessor's right to call upon the surety bond, letter of credit or cash deposit shall be exclusive of any other remedy which Lessor may have for Lessee's failure to comply with the provisions of this Lease

Agreement. The surety bond or letter of credit furnished by Lessee shall be maintained in effect for the term of this Lease Agreement and during any period of holding over. If Lessee furnishes a cash deposit pursuant to this Paragraph, said cash deposit shall be held by Lessor for the term of this Lease Agreement unless earlier called upon by Lessor to satisfy Lessee's obligations hereunder. Said cash deposit shall be invested by Lessor and any interest earned shall be paid annually to Lessee.

3.5 Rental payments shall be made to the order of the City of Grand Rapids and mailed or delivered to: **City Finance Director, 420 N. Pokegama Avenue, Grand Rapids, MN 55744.**

3.6 Lessee shall timely pay when due any personal property or real property tax on the leasehold estate.

ARTICLE 4 - IMPROVEMENTS

4.1 In taking possession of the leased premises, Lessee acknowledges that same were on the date of occupancy in good, clean and tenable condition, subject only to the repairs or improvements which Lessor has agreed to make at Lessor's expense and which are set forth on Exhibit "C" attached hereto, if there are any.

4.2 Lessee agrees to make at its own expense all alterations and improvements to the leased premises except as otherwise indicated to be the obligation of Lessor under this Lease Agreement. All such improvements and alterations made by Lessee shall be undertaken only upon advance approval of Lessor, shall be made under the supervision, direction and control of Lessor's architect, shall be made in good and workmanlike manner according to the terms, conditions and requirements set by Lessor and its architect, and shall be in keeping with the historical character of the building. All alterations and improvements performed on the leased premises by Lessee shall be performed by competent contractors and subcontractors approved by Lessor, which approval shall not unreasonably be withheld. Lessee shall pay for all architectural, engineering and other services and all costs incurred by Lessor in connection with Lessee's improvement or alteration of the leased premises, including the work, if any, of Lessor's engineer, architect and other agents connected therewith. Prior to undertaking any alterations or improvements to the leased premises, Lessee shall obtain and deliver to Lessor a valid waiver and release of mechanic's liens by each party who will furnish labor, materials or services to the lease premises.

4.3 At the expiration or termination of the term of this Lease Agreement, all improvements and alterations made to the leased premises by Lessee shall remain with the leased premises and shall be the property of Lessor. Lessee shall, at its expense, remove Lessee's goods and effects, including trade fixtures, machinery, and equipment, and quit and deliver up the leased premises to Lessor, peaceably and quietly in as good order and condition as same were in on the original date of occupancy, reasonable wear and tear excepted. Any property left in the leased premises at the expiration or termination of this term of this lease shall be deemed to have been abandoned and shall become the property of Lessor to be disposed of as Lessor deems expedient, with all costs of cleanup and disposal of goods abandoned at the leased premises to be paid by Lessee. Lessee shall not permit any mechanic's or materialmen's liens to stand against the leased premises or against the Central School and Lessor may require appropriate assurances by way of bond, deposit or other reasonable procedure to protect against such liens and may, should such liens arise out of Lessee's acts hereunder, pay and discharge same and such amounts shall become due and payable to Lessor from Lessee with interest at the rate of eight percent (8%), or such greater amount as shall then be permitted by law, per annum.

ARTICLE 5 - MAINTENANCE, REPAIRS

5.1 Lessee shall at all times be responsible for maintaining at its own expense the leased premises in a clean, orderly and safety condition, except as hereinafter provided. Lessee shall be responsible, at its own expense, to clean and maintain all trade fixtures, machinery and equipment furnished by Lessee within the leased premises. Lessee shall be responsible to deposit normal office waste and rubbish at a location at the Central School as designated by Lessor.

5.2 Lessee shall be responsible to perform all repairs the need for which is caused by Lessee's use of the premises except that Lessor shall be responsible to perform major repairs of a structural nature. Lessor shall be responsible to arrange for removal of waste and rubbish from the location designated as the deposit location for lessees. All costs incurred by Lessor pursuant to the obligations of this Paragraph shall be included within "operating costs".

5.3 Lessor shall provide custodian services for the common areas of Central School. Costs incurred by Lessor in providing such custodian services shall be included within "operating costs".

ARTICLE 6 - UTILITIES

6.1 Lessor shall furnish such heat, water, sewer, electricity, elevator services, central air conditioning and garbage removal in and about the leased premises as shall be necessary, in Lessor's judgment, for comfortable occupancy of the leased premises, under normal business conditions. Lessor's obligation to provide electricity to the leased premises shall include only electricity for standard building lighting and office use. Any electricity supplied to the leased premises for extraordinary purposes, such as kitchen equipment, refrigeration equipment and air conditioning units, shall be paid by the Lessee upon Lessor's billing of same.

It is understood and agreed that Lessee shall be responsible to pay to Lessor, as additional rent, the cost of separately-metered-electricity supplied to the leased premises. Lessee shall also be responsible for the construction of insulation of a separate electrical meter when required.

6.2 Lessee shall conserve heat, water and electricity and shall not neglect or misuse water, fixtures, electrical lights, or other equipment or facilities furnished in conjunction with Lessor's provisions of utilities pursuant to this Article.

6.3 In the event energy use restrictions are established by Federal or State authorities or that an energy supply emergency is declared by Federal or State authorities, Lessor may reduce the quantity or quality of any utilities or other services to be provided under this Article as may be necessary to comply with directives and regulations promulgated by said authorities.

6.4 Lessor shall be responsible to provide light, heat and other utility services to the common areas of the Central School as, in Lessor's discretion, is appropriate. The cost of providing such heat, lighting and other utilities shall be included within "operating costs".

ARTICLE 7 - BUILDING USE, REGULATIONS, SECURITY

7.1 Lessee shall use the leased premises only for the purpose of purposes generally described in Exhibit "B". Lessee shall keep the leased premises in a clean, orderly and safe condition and shall not permit any hazardous or dangerous activity thereon or any activity which will increase insurance risks or premiums on the leased premises. Lessee shall at all times comply with all statutes, ordinances, codes, and regulations of any governmental authority concerning the use and

maintenance of the leased premises and the Central School. Lessee shall not overload the floors in the leased premises.

7.2 Lessee shall use the leased premises and the common areas of the Central School in accordance with such reasonable rules and regulations as may from time to time be promulgated by Lessor for the general safety, comfort and convenience of Lessor and Lessees of the Central School and their invitees and Lessee shall cause its clients, employees and invitees to abide by such rules and regulations. The Lessor will allow the Lessee to utilize up to 12 square feet of floor space in the common areas adjacent to the Lessee's business for display purposes only. Storage of equipment, recycling, or anything deemed not to be display items, is prohibited. The items placed in this space must not be affixed permanently to the floor or wall in any way. The usage of a table, shelf, or rack is acceptable. The Lessee will adhere to all fire and building access codes.

If the Lessee wishes to use more than 12 square feet of floor space, a written letter to the Lessor with the Lessee's intent is required. The Lessee cannot proceed with their plans until the Lessor has granted the request in writing.

The Lessee is required to supply the Lessor with documentation from the Lessee's insurance company that the Lessee's property is covered while in the common areas of Central School.

7.3 As much as possible, Lessee shall keep the leased premises open to the public during such days and hours of operation of the Central School as may from time to time be determined by Lessor. The Lessee is permitted to utilize the leased premises outside of normal hours of operation of the Central School, excluding between the hours of 11:00pm and 6:00am.

7.4 Lessee shall be responsible for securing the leased premises by locking doors and windows providing direct access to the leased premises. Lessor covenants that other Lessees within the Central School will have similar responsibilities to those required of Lessee under this Paragraph.

7.5 Lessee shall pay to Lessor on demand for any damage done to the Central School or the leased premises, including broke glass, caused by Lessee, Lessee's agents or employees, or Lessee's invitees.

7.6 Lessee shall not conduct or permit to be conducted on the leased premises any business or permit any act which is contrary to or in violation of the laws, ordinances or regulations of any governmental unit, federal, state or local.

ARTICLE 8 - COMMON AREAS, EXTERNAL GROUNDS

8.1 Lessee's use of the common areas and external grounds of Central School shall be in compliance with rules and regulations which may be promulgated from time by Lessor.

8.2 Lessee shall place nothing in the common areas of the Central School, including displays, advertising, merchandise, or other items of any sort whatsoever, without the advance written approval of the Grand Rapids Economic Development Authority.

8.3 Lessee shall place no signs which will be visible outside the leased premises, including no signs which may be visible through a window and no signs which may be visible within the common areas of the Central School or from the external grounds of the Central School or beyond, without the advance written approval of Lessor. Lessor shall provide signs, of a number, style and quality as deemed appropriate in Lessor's exclusive judgment, to be placed on the external grounds of the Central School, which signs will identify the lessees within Central School. Cost incurred by Lessor in providing said signs shall be included within "operating costs". Signs within the interior common areas of Central School shall be approved in advance by Lessor and, if provided by Lessor, the expense thereof shall be included within "operating costs".

ARTICLE 9 - INSURANCE

9.1 Lessor shall maintain general liability, fire and extended coverage insurance on the Central School, including common areas and exterior grounds, and Lessor's fixtures and equipment and Lessor shall cause Lessee to be named as an additional insured. Lessee shall insure its own personal property on the premises as it sees fit. All personal property placed upon or in the leased premises or common areas or external grounds shall be at the risk of Lessee or the owner of the personal property and Lessor shall not be liable to Lessee or any other party for any damage or destruction of said personal property arising from any cause whatsoever. Lessee shall maintain at its own cost and expenses general liability insurance required herein. All insurance coverage is subject to

approval of the City of Grand Rapids 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 Contract set forth above, 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 Lessor 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 by this Article and that Lessor is an additional insured under said policies of insurance. All costs incurred by Lessor in maintaining insurance coverage pursuant to this Article shall be included within "operating costs".

9.2 Notwithstanding anything in this Lease Agreement to the contrary, Lessor shall not be liable to Lessee and Lessee shall not be liable to Lessor for any damage to or destruction of the Central School Building by fire or other perils or for any claim or cause of action arising out of any death, injury or damage to property in, on or about the leased premises or the common areas or exterior grounds of Central School. Lessor and Lessee shall furnish to each other appropriate written consents from their respective insurers to this waiver of liability provision.

ARTICLE 10 - LESSOR ACCESS

10.1 Lessor, its agents and employees shall have the right to enter the leased premises upon reasonable advance notice for the purpose of inspection, cleaning, repairing, altering or improving the premises, or to exhibit the premises to prospective tenants. Lessor's reserved rights hereunder shall include, without limitation, free, unhampered and unobstructed access to the airways, equipment ducts, stairways, access panels and all utilities and services to the Central School. There shall be no diminution of rent and no liability on the part of Lessor by reason of any inconvenience, annoyance or injury to business caused by Lessor's reasonable exercise of rights reserved by Lessor in this Article.

ARTICLE 11 - FIRE OR OTHER CASUALTY: CONDEMNATION

11.1 If during the term of this Lease the leased premises shall be damaged or destroyed by fire or other casualties so that the premises shall thereby be rendered unfit for use or occupation, Lessor shall have the option to either (a) repair such damage with all reasonable diligence and restore the premises to substantially the condition immediately prior to such event, and until such premises

have been duly repaired and restored the rent herein reserved, or a just and proportionate part thereof according to the nature and extent of the injury which has been sustained shall be abated, or (b) Lessor may terminate this lease and end the term hereof, and in case of such termination and cancellation the rent shall be paid to the date of such fire or other casualty and all other further obligations on the part of either party hereto shall cease. Lessor is required to notify Lessee of whether it will repair or terminate within thirty (30) days of the date of such damage or destruction. Provided, however, that in the event the premises are not so restored within on hundred eighty (180) days after the occurrence, Lessee may, at its option, terminate this lease.

11.2 Lessee shall be entitled in any full or partial taking by eminent domain to take that portion of the net award representing payment for Lessee's leasehold interest, trade fixtures, moving expenses or business interruption. All amounts paid pursuant to an agreement with a condemning authority in connection with any taking shall be deemed to constitute an award on account of such taking. Lessee agrees that this Lease shall control rights of Lessor and Lessee in any such award, and any contrary provision of any present or future law is hereby waived. If any taking shall result in Lessee being deprived of space in excess of 5 percent of the space then leased to Lessee, Lessee shall have the right on thirty (30) days advance written notice, to terminate the obligations hereunder effective as of such taking. If Lessee continues occupancy following a partial taking, rent will be adjusted of a pro-rata basis for the remainder of the lease term.

ARTICLE 12 - QUIET POSSESSION

12.1 Lessor hereby warrants and covenants that it has full authority to execute this Lease Agreement and further agrees that Lessee, upon paying rent and performing the covenants and conditions of this Lease Agreement, shall quietly have, hold and enjoy the leased premises during the term hereof.

ARTICLE 13 - NOTICE

13.1 Any notice, demand, request or other communication which may or shall be given or served by Lessor or Lessee pursuant to this Lease Agreement shall be deemed to have been given or served on the date the same is deposited in the United States mail, registered or certified, postage prepaid and addressed as follows:

To Lessee

Itasca Pride
c/o Karter Starling
10 NW 5th St., Suite 1
Grand Rapids, MN 55744

To: Lessor

GREDA Executive Director
City Hall
420 N. Pokegama Avenue
Grand Rapids, MN 55744

ARTICLE 14 - ASSIGNMENT, SUBLETTING

14.1 Lessee agrees that neither the leased premises nor any part thereof shall be sublet nor shall this Lease Agreement be assigned by Lessee without prior written consent of Lessor, which consent shall not be unreasonably withheld. If Lessor does give consent, such consent shall not release Lessee from its obligation hereunder, unless a release is specifically given by Lessor.

ARTICLE 15 - NO PARTNERSHIP

15.1 Nothing contained in this Lease Agreement shall be deemed or construed to create a partnership or joint venture of or between Lessor and Lessee or to create any other relationship between the parties hereto other than that of Lessor and Lessee.

ARTICLE 16 - DEFAULT BY LESSEE

16.1 Lessor and Lessee agree that this Lease Agreement is made upon the condition that if the Lessee shall neglect or fail to keep, observe and perform any of the covenants and agreements contained in this Lease Agreement which are to be kept, observed or performed by Lessee, so as to be in default, or if the leasehold interest of Lessee shall be taken by execution or other legal process of law, or if Lessee shall petition to be or be declared to be bankrupt or insolvent according to law, or if Lessee shall vacate said premises or abandon the same for a period of 45 days during the term of this Lease Agreement, then and in any of said cases the Lessor may, at its option, immediately or at any time thereafter without further notice or demand, enter into and upon the leased premises, or any part thereof, in the name of the whole, and take absolute possession of the same without such reentry working a forfeiture of the rents to be paid and the covenants to be performed by Lessee for the full term of this Lease Agreement, and may, at Lessor's election, lease or sublet the leased premises, or

any part thereof, on such terms and conditions and for such rents and for such time as the Lessor may elect, and after crediting the rent actually collected by Lessor from such reletting, collect the balance of rent owed pursuant to this Lease Agreement from Lessee, charging Lessee such reasonable expenses as the Lessor may expand in putting the premises in tenable condition and collecting said rentals from Lessee, including reasonable attorney's fees.

Alternatively, Lessor may at its election and upon written notice to Lessee declare this Lease Agreement forfeited and void under the condition set forth above, and Lessor may re-enter and take full and absolute possession of said premises as the owner thereof, free from any right or claim of Lessee or any person or persons claiming through or under Lessee, and such election and re-entry shall be and constitute an absolute bar to any right to enter by Lessee. The commencement by Lessor of any action to recover possession of the leased premises or any part thereof shall not be deemed an election by Lessor to treat this Lease Agreement as void and terminated, without the written notice above specified.

In the event of termination or re-entry by Lessor for default by Lessee, Lessor shall make every reasonable effort to re-rent, lease or sublet the premises. Lessor, at its option, may make such alterations, repairs, replacements and/or decorations to the leased premises as Lessor, in its sole judgment, considers advisable and necessary for the purpose of reletting the premises; and the making of such alterations, repairs, replacements and/or decorations shall not operate to be construed to release Lessee for liability hereunder as aforesaid.

ARTICLE 17 - DEFAULT BY LESSOR, LESSEE

17.1 Lessor shall not be deemed to be in default under this Lease Agreement until Lessee shall have given Lessor written notice specifying the nature of the default and Lessor shall have not cured such default within ten (10) days after receipt of such notice, or within such reasonable time thereafter as may be necessary to cure such default where such default is of a character as to reasonably require more than ten (10) days to cure.

17.2 Except with respect to the payment of rent, for which no notice of default shall be necessary, Lessee shall not be deemed to be in default under this Lease Agreement until Lessor shall have given Lessee written notice specifying the nature of default and Lessee shall have not cured such default within ten (10) days after receipt of such notice or within such reasonable time thereafter as may be

necessary to cure such default where such default is of a character as to reasonably require more than ten (10) days to cure.

ARTICLE 18 - WAIVER, MODIFICATION, ENTIRE AGREEMENT

18.1 No waiver of any condition, covenant, right of option of this Lease Agreement by the Lessor shall be deemed to imply or constitute a further waiver of any like condition or covenant of said Lease Agreement.

18.2 No amendment or modification of this Lease Agreement shall be valid or binding unless expressed in writing and executed by duly authorized representatives of the parties hereto in the same manner as the execution of this Lease Agreement. The Grand Rapids Economic Development Authority shall consider the recommendation of all interested parties in determining whether to approve any amendment or modification of this Lease Agreement.

18.3 Neither Lessor nor any agent or employee of Lessor has made any representations or promises with respect to the leased premises or the Central School except as herein expressly set forth, and no rights, privileges, easements or licenses are acquired by Lessee except as herein expressly set forth.

ARTICLE 19 - WINDOW TREATMENT

19.1 Lessee, at its expense, may install shades, drapes or window coverings and, if installed, Lessee shall maintain said window coverings in an attractive and safe condition, provided however, in the sole judgment of Lessor said window coverings are in harmony with the exterior and interior appearance of Central School and will create no safety or fire hazard.

ARTICLE 20 - PARKING

20.1 Lessor has established public parking facilities on the grounds of Central School. Lessee warrants that it will enforce regulations providing that its employees will not park their private vehicles in said public parking area during time when said employees are working at the leased premises (except on a short-term basis for emergencies or for deliveries).

DISCRIMINATION PROHIBITED: The Landlord shall not discriminate based upon race, color, creed, religion, national origin, sex, marital status, age, handicap, or disability, familial status or

recipients of public assistance; and shall comply with all nondiscrimination requirements of Federal, State and local law.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first written above.

LESSOR:

GREDA President

GREDA Executive Director

Date: _____

LESSEE: Itasca Pride

BY: Karter Starling

Date: _____

The leased premises is located on the Garden Level in the southwest corner room (Suite 1) consisting of 755 square feet.

Exhibit B – Use of Space

Lessee will utilize the space as an office space.

Exhibit C – Improvements

None



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: March 27, 2025

STATEMENT OF ISSUE: Consider approval of a short-term lease with Free Range Food Co-op for Suite 209 of Central School

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

Free Range Food Co-op, a Minnesota cooperative association, wishes to lease Suite 209 on the Second Floor (NW Corner) of Central School to be used as a meeting space and headquarters for their capital campaign effort to establish a food co-op grocery store on the Downtown site presently under contract with GREDA.

Free Range Food Co-op has asked for the space to be donated for their use, which would be from April 1 to July 30, 2025.

The attached lease is structure according to their request.

RECOMMENDATION:

REQUIRED ACTION: Make a motion to approve a short-term lease with Free Range Food Co-op for Suite 209 of Central School.



Rob Mattei, GREDA
420 N Pokegama Ave
Grand Rapids MN 55744

**Subject: Request for Space at Central School for Free Range Food Co-op CIC
Headquarters**

Dear Rob,

On behalf of the Free Range Food Co-op Community Investment Campaign (CIC) Team, I am reaching out to formally request the use of space at Central School to serve as our campaign headquarters from April 1 to July 30, 2025.

As we work to engage the community and raise investment in our cooperative, having a dedicated space will be essential for hosting meetings, coordinating outreach efforts, and ensuring the success of our campaign. Central School's location and accessibility make it an ideal place for us to connect with community members and organize our work effectively.

We would appreciate the opportunity to discuss any available space and the terms of use at your earliest convenience. Please let us know if there are any requirements or steps we need to take to move forward with this request.

Thank you for your time and consideration. We look forward to your response!

Best regards,

RL LaPlant

Becky LaPlant
Free Range Food Co-op CIC Team Lead

LEASE AGREEMENT

This Lease Agreement, by and between the City of Grand Rapids, Minnesota, through its agent the Grand Rapids Economic Development Authority, hereinafter referred to as "Lessor" and **Free Range Food Co-op**, a Minnesota Cooperative Association hereinafter collectively referred to as "Lessee", entered into this **27th day of March 2025**.

ARTICLE 1 - LEASED PREMISES

1.1 In consideration of and subject to the mutual covenants, condition and obligations of this Lease Agreement to be kept and performed, the Lessor does hereby lease and demise to Lessee the premises identified in Exhibit "A" attached hereto, comprising approximately **860 square feet** together with the right to use in common with other lessees of the Central School their invitees, customer and employees, the elevators, stairways, halls, toilets and sanitary facilities, and all other general common facilities contained in the Central School, as well as the sidewalks, delivery areas, and appurtenances thereto, to be used by Lessee for the purposes generally described in Exhibit "B" attached hereto, in the Central School, Grand Rapids, Minnesota.

This Lease Agreement will also include one parking pass for the Lessee's use in the Central School lot at no additional cost to the Lessee. The Lessee will be provided one parking pass that must be displayed conspicuously by the Lessee. The Lessee will be able to park in any location within the parking lot of Central School. There will not be a designated parking spot. If the lot is full, the Lessee will utilize off street parking. This pass only applies to the Central School lot. If the pass is lost, stolen or needs to be replaced for any reason, there will be a \$25 plus tax replacement fee.

ARTICLE 2 - TERM

2.1 The Term of this Lease Agreement shall commence on **April 1, 2025**, and shall continue through **July 30, 2025** unless earlier terminated in accordance with the provisions of this Lease Agreement.

ARTICLE 3 -RENT

3.1 Lessee shall pay to Lessor as rent for the leased premises the sums hereinafter provided in this Article 3.

The term "operating costs for the Central School Building" as used in this Article 3 shall exclude all costs related to the exterior grounds except signs promoting tenants but shall otherwise include all those direct costs of operation and maintenance to be incurred by Lessor,

including by way of illustration but not limitation, (1) all utility charges (sewer, water, electricity, heat, garbage collection, elevator service) except telephone and other communications equipment; (2) maintenance, insurance, repairs, parts and supplies, equipment and tools, and electrical maps, tubes, starters and ballasts; (3) the annual costs for a custodian and/or manager; and (4) promotion costs; and (5) a capital reserve equal to 5% of the total projected operation costs, excluding the capital reserve. The term "operating costs for the Central School Building" shall not include the original capital investment or associated debt service.

The term "rented square footage in the Central School Building" as used in the Article 3 shall exclude common areas, exterior grounds and space not rented.

3.2 Calendar year **2025** base rent shall be in the amount of **\$0.00** per square foot annually. Additionally, tenant is solely responsible for paying any, and all, property taxes associated with the rental space.

3.3 Lessee shall pay as additional rent a late charge in the amount of 1.5% of the monthly rental payment in the event that the monthly rental payment is received after the fifth day of the month due. This late charge shall be exclusive of any other remedy which Lessor may have for Lessee's failure to timely pay rent.

3.4 At the commencement of the term of this Lease Agreement, Lessee shall furnish to Lessor a surety bond, letter of credit or cash deposit in an amount equivalent to one month's rent, to assure compliance with the provisions of this Lease Agreement. If Lessee fails to comply with the provisions of this Lease Agreement, Lessor shall be entitled, without further notice to Lessee, to call upon said surety bond, letter of credit or cash deposit to satisfy Lessee's obligation hereunder. Lessor's right to call upon the surety bond, letter of credit or cash deposit shall be exclusive of any other remedy which Lessor may have for Lessee's failure to comply with the provisions of this Lease Agreement. The surety bond or letter of credit furnished by Lessee shall be maintained in effect for the term of this Lease Agreement and during any period of holding over. If Lessee furnishes a cash deposit pursuant to this Paragraph, said cash deposit shall be held by Lessor for the term of this Lease Agreement unless earlier called upon by Lessor to satisfy Lessee's obligations hereunder. Said cash deposit shall be invested by Lessor and any interest earned shall be paid annually to Lessee.

3.5 Rental payments shall be made to the order of the City of Grand Rapids and mailed or delivered to: **City Finance Director, 420 N. Pokegama Avenue, Grand Rapids, MN 55744.**

3.6 Lessee shall timely pay when due any personal property or real property tax on the leasehold estate.

ARTICLE 4 - IMPROVEMENTS

4.1 In taking possession of the leased premises, Lessee acknowledges that same were on the date of occupancy in good, clean and tenable condition, subject only to the repairs or improvements which Lessor has agreed to make at Lessor's expense and which are set forth on Exhibit "C" attached hereto, if there are any.

4.2 Lessee agrees to make at its own expense all alterations and improvements to the leased premises except as otherwise indicated to be the obligation of Lessor under this Lease Agreement. All such improvements and alterations made by Lessee shall be undertaken only upon advance approval of Lessor, shall be made under the supervision, direction and control of Lessor's architect, shall be made in good and workmanlike manner according to the terms, conditions and requirements set by Lessor and its architect, and shall be in keeping with the historical character of the building. All alterations and improvements performed on the leased premises by Lessee shall be performed by competent contractors and subcontractors approved by Lessor, which approval shall not unreasonably be withheld. Lessee shall pay for all architectural, engineering and other services and all costs incurred by Lessor in connection with Lessee's improvement or alteration of the leased premises, including the work, if any, of Lessor's engineer, architect and other agents connected therewith. Prior to undertaking any alterations or improvements to the leased premises, Lessee shall obtain and deliver to Lessor a valid waiver and release of mechanic's liens by each party who will furnish labor, materials or services to the lease premises.

4.3 At the expiration or termination of the term of this Lease Agreement, all improvements and alterations made to the leased premises by Lessee shall remain with the leased premises and shall be the property of Lessor. Lessee shall, at its expense, remove Lessee's goods and effects, including trade fixtures, machinery, and equipment, and quit and deliver up the leased premises to Lessor, peaceably and quietly in as good order and condition as same were in on the original date of occupancy, reasonable wear and tear excepted. Any property left in the leased premises at the expiration or termination of this term of this lease shall be deemed to have been abandoned and shall become the property of Lessor to be disposed of as Lessor deems expedient, with all costs of cleanup and disposal of goods abandoned at the leased premises to be paid by Lessee. Lessee shall not permit any mechanic's or materialmen's liens to stand against the leased premises or against the Central School and Lessor may require appropriate assurances by way of bond, deposit or other reasonable procedure to protect against such liens and may, should such liens arise out of Lessee's acts hereunder, pay and discharge same and such amounts shall become due and payable to Lessor from Lessee with interest at the rate of eight percent (8%), or such greater amount as shall then be permitted by law, per annum.

ARTICLE 5 - MAINTENANCE, REPAIRS

5.1 Lessee shall at all times be responsible for maintaining at its own expense the leased premises in a clean, orderly and safety condition, except as hereinafter provided. Lessee shall be responsible, at its own expense, to clean and maintain all trade fixtures, machinery and equipment furnished by Lessee within the leased premises. Lessee shall be responsible to deposit normal office waste and rubbish at a location at the Central School as designated by Lessor.

5.2 Lessee shall be responsible to perform all repairs the need for which is caused by Lessee's use of the premises except that Lessor shall be responsible to perform major repairs of a structural nature. Lessor shall be responsible to arrange for removal of waste and rubbish from the location designated as the deposit location for lessees. All costs incurred by Lessor pursuant to the obligations of this Paragraph shall be included within "operating costs".

5.3 Lessor shall provide custodian services for the common areas of Central School. Costs incurred by Lessor in providing such custodian services shall be included within "operating costs".

ARTICLE 6 - UTILITIES

6.1 Lessor shall furnish such heat, water, sewer, electricity, elevator services, central air conditioning and garbage removal in and about the leased premises as shall be necessary, in Lessor's judgment, for comfortable occupancy of the leased premises, under normal business conditions. Lessor's obligation to provide electricity to the leased premises shall include only electricity for standard building lighting and office use. Any electricity supplied to the leased premises for extraordinary purposes, such as kitchen equipment, refrigeration equipment and air conditioning units, shall be paid by the Lessee upon Lessor's billing of same.

It is understood and agreed that Lessee shall be responsible to pay to Lessor, as additional rent, the cost of separately-metered-electricity supplied to the leased premises. Lessee shall also be responsible for the construction of insulation of a separate electrical meter when required.

6.2 Lessee shall conserve heat, water and electricity and shall not neglect or misuse water, fixtures, electrical lights, or other equipment or facilities furnished in conjunction with Lessor's provisions of utilities pursuant to this Article.

6.3 In the event energy use restrictions are established by Federal or State authorities or that an energy supply emergency is declared by Federal or State authorities, Lessor may reduce the quantity or quality of any utilities or other services to be provided under this Article as may be necessary to comply with directives and regulations promulgated by said authorities.

6.4 Lessor shall be responsible to provide light, heat and other utility services to the common areas of the Central School as, in Lessor's discretion, is appropriate. The cost of providing such heat, lighting and other utilities shall be included within "operating costs".

ARTICLE 7 - BUILDING USE, REGULATIONS, SECURITY

7.1 Lessee shall use the leased premises only for the purpose of purposes generally described in Exhibit "B". Lessee shall keep the leased premises in a clean, orderly and safe condition and shall not permit any hazardous or dangerous activity thereon or any activity which will increase insurance risks or premiums on the leased premises. Lessee shall at all times comply with all statutes, ordinances, codes, and regulations of any governmental authority concerning the use and

maintenance of the leased premises and the Central School. Lessee shall not overload the floors in the leased premises.

7.2 Lessee shall use the leased premises and the common areas of the Central School in accordance with such reasonable rules and regulations as may from time to time be promulgated by Lessor for the general safety, comfort and convenience of Lessor and Lessees of the Central School and their invitees and Lessee shall cause its clients, employees and invitees to abide by such rules and regulations. The Lessor will allow the Lessee to utilize up to 12 square feet of floor space in the common areas adjacent to the Lessee's business for display purposes only. Storage of equipment, recycling, or anything deemed not to be display items, is prohibited. The items placed in this space must not be affixed permanently to the floor or wall in any way. The usage of a table, shelf, or rack is acceptable. The Lessee will adhere to all fire and building access codes.

If the Lessee wishes to use more than 12 square feet of floor space, a written letter to the Lessor with the Lessee's intent is required. The Lessee cannot proceed with their plans until the Lessor has granted the request in writing.

The Lessee is required to supply the Lessor with documentation from the Lessee's insurance company that the Lessee's property is covered while in the common areas of Central School.

7.3 Lessee shall keep the leased premises open to the public during such days and hours of operation of the Central School as may from time to time be determined by Lessor.

7.4 Lessee shall be responsible for securing the leased premises by locking doors and windows providing direct access to the leased premises. Lessor covenants that other Lessees within the Central School will have similar responsibilities to those required of Lessee under this Paragraph.

7.5 Lessee shall pay to Lessor on demand for any damage done to the Central School or the leased premises, including broke glass, caused by Lessee, Lessee's agents or employees, or Lessee's invitees.

7.6 Lessee shall not conduct or permit to be conducted on the leased premises any business or permit any act which is contrary to or in violation of the laws, ordinances or regulations of any governmental unit, federal, state or local.

ARTICLE 8 - COMMON AREAS, EXTERNAL GROUNDS

8.1 Lessee's use of the common areas and external grounds of Central School shall be in compliance with rules and regulations which may be promulgated from time by Lessor.

8.2 Lessee shall place nothing in the common areas of the Central School, including displays, advertising, merchandise, or other items of any sort whatsoever, without the advance written approval of the Grand Rapids Economic Development Authority.

8.3 Lessee shall place no signs which will be visible outside the leased premises, including no signs which may be visible through a window and no signs which may be visible within the common areas of the Central School or from the external grounds of the Central School or beyond, without the advance written approval of Lessor. Lessor shall provide signs, of a number, style and quality as deemed appropriate in Lessor's exclusive judgment, to be placed on the external grounds of the Central School, which signs will identify the lessees within Central School. Cost incurred by Lessor in providing said signs shall be included within "operating costs". Signs within the interior common areas of Central School shall be approved in advance by Lessor and, if provided by Lessor, the expense thereof shall be included within "operating costs".

ARTICLE 9 - INSURANCE

9.1 Lessor shall maintain general liability, fire and extended coverage insurance on the Central School, including common areas and exterior grounds, and Lessor's fixtures and equipment and Lessor shall cause Lessee to be named as an additional insured. Lessee shall insure its own personal property on the premises as it sees fit. All personal property placed upon or in the leased premises or common areas or external grounds shall be at the risk of Lessee or the owner of the personal property and Lessor shall not be liable to Lessee or any other party for any damage or destruction of said personal property arising from any cause whatsoever. Lessee shall maintain at its own cost and expenses general liability insurance required herein. All insurance coverage is subject to

approval of the City of Grand Rapids 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 Contract set forth above, 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 Lessor 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 by this Article and that Lessor is an additional insured under said policies of insurance. All costs incurred by Lessor in maintaining insurance coverage pursuant to this Article shall be included within "operating costs".

9.2 Notwithstanding anything in this Lease Agreement to the contrary, Lessor shall not be liable to Lessee and Lessee shall not be liable to Lessor for any damage to or destruction of the Central School Building by fire or other perils or for any claim or cause of action arising out of any death, injury or damage to property in, on or about the leased premises or the common areas or exterior grounds of Central School. Lessor and Lessee shall furnish to each other appropriate written consents from their respective insurers to this waiver of liability provision.

ARTICLE 10 - LESSOR ACCESS

10.1 Lessor, its agents and employees shall have the right to enter the leased premises upon reasonable advance notice for the purpose of inspection, cleaning, repairing, altering or improving the premises, or to exhibit the premises to prospective tenants. Lessor's reserved rights hereunder shall include, without limitation, free, unhampered and unobstructed access to the airways, equipment ducts, stairways, access panels and all utilities and services to the Central School. There shall be no diminution of rent and no liability on the part of Lessor by reason of any inconvenience, annoyance or injury to business caused by Lessor's reasonable exercise of rights reserved by Lessor in this Article.

ARTICLE 11 - FIRE OR OTHER CASUALTY: CONDEMNATION

11.1 If during the term of this Lease the leased premises shall be damaged or destroyed by fire or other casualties so that the premises shall thereby be rendered unfit for use or occupation, Lessor shall have the option to either (a) repair such damage with all reasonable diligence and restore the premises to substantially the condition immediately prior to such event, and until such premises

have been duly repaired and restored the rent herein reserved, or a just and proportionate part thereof according to the nature and extent of the injury which has been sustained shall be abated, or (b) Lessor may terminate this lease and end the term hereof, and in case of such termination and cancellation the rent shall be paid to the date of such fire or other casualty and all other further obligations on the part of either party hereto shall cease. Lessor is required to notify Lessee of whether it will repair or terminate within thirty (30) days of the date of such damage or destruction. Provided, however, that in the event the premises are not so restored within one hundred eighty (180) days after the occurrence, Lessee may, at its option, terminate this lease.

11.2 Lessee shall be entitled in any full or partial taking by eminent domain to take that portion of the net award representing payment for Lessee's leasehold interest, trade fixtures, moving expenses or business interruption. All amounts paid pursuant to an agreement with a condemning authority in connection with any taking shall be deemed to constitute an award on account of such taking. Lessee agrees that this Lease shall control rights of Lessor and Lessee in any such award, and any contrary provision of any present or future law is hereby waived. If any taking shall result in Lessee being deprived of space in excess of 5 percent of the space then leased to Lessee, Lessee shall have the right on thirty (30) days advance written notice, to terminate the obligations hereunder effective as of such taking. If Lessee continues occupancy following a partial taking, rent will be adjusted on a pro-rata basis for the remainder of the lease term.

ARTICLE 12 - QUIET POSSESSION

12.1 Lessor hereby warrants and covenants that it has full authority to execute this Lease Agreement and further agrees that Lessee, upon paying rent and performing the covenants and conditions of this Lease Agreement, shall quietly have, hold and enjoy the leased premises during the term hereof.

ARTICLE 13 - NOTICE

13.1 Any notice, demand, request or other communication which may or shall be given or served by Lessor or Lessee pursuant to this Lease Agreement shall be deemed to have been given or served on the date the same is deposited in the United States mail, registered or certified, postage prepaid and addressed as follows:

To Lessee

Free Range Food Co-op
% Chief Executive Officer
10 NE 5th St., Suite 209
Grand Rapids, MN 55744

To: Lessor

GREDA Executive Director
City Hall
420 N. Pokegama Avenue
Grand Rapids, MN 55744

ARTICLE 14 - ASSIGNMENT, SUBLETTING

14.1 Lessee agrees that neither the leased premises nor any part thereof shall be sublet nor shall this Lease Agreement be assigned by Lessee without prior written consent of Lessor, which consent shall not be unreasonably withheld. If Lessor does give consent, such consent shall not release Lessee from its obligation hereunder, unless a release is specifically given by Lessor.

ARTICLE 15 - NO PARTNERSHIP

15.1 Nothing contained in this Lease Agreement shall be deemed or construed to create a partnership or joint venture of or between Lessor and Lessee or to create any other relationship between the parties hereto other than that of Lessor and Lessee.

ARTICLE 16 - DEFAULT BY LESSEE

16.1 Lessor and Lessee agree that this Lease Agreement is made upon the condition that if the Lessee shall neglect or fail to keep, observe and perform any of the covenants and agreements contained in this Lease Agreement which are to be kept, observed or performed by Lessee, so as to be in default, or if the leasehold interest of Lessee shall be taken by execution or other legal process of law, or if Lessee shall petition to be or be declared to be bankrupt or insolvent according to law, or if Lessee shall vacate said premises or abandon the same for a period of 45 days during the term of this Lease Agreement, then and in any of said cases the Lessor may, at its option, immediately or at any time thereafter without further notice or demand, enter into and upon the leased premises, or any part thereof, in the name of the whole, and take absolute possession of the same without such reentry working a forfeiture of the rents to be paid and the covenants to be performed by Lessee for the full

term of this Lease Agreement, and may, at Lessor's election, lease or sublet the leased premises, or any part thereof, on such terms and conditions and for such rents and for such time as the Lessor may elect, and after crediting the rent actually collected by Lessor from such reletting, collect the balance of rent owed pursuant to this Lease Agreement from Lessee, charging Lessee such reasonable expenses as the Lessor may expand in putting the premises in tenable condition and collecting said rentals from Lessee, including reasonable attorney's fees.

Alternatively, Lessor may at its election and upon written notice to Lessee declare this Lease Agreement forfeited and void under the condition set forth above, and Lessor may re-enter and take full and absolute possession of said premises as the owner thereof, free from any right or claim of Lessee or any person or persons claiming through or under Lessee, and such election and re-entry shall be and constitute an absolute bar to any right to enter by Lessee. The commencement by Lessor of any action to recover possession of the leased premises or any part thereof shall not be deemed an election by Lessor to treat this Lease Agreement as void and terminated, without the written notice above specified.

In the event of termination or re-entry by Lessor for default by Lessee, Lessor shall make every reasonable effort to re-rent, lease or sublet the premises. Lessor, at its option, may make such alterations, repairs, replacements and/or decorations to the leased premises as Lessor, in its sole judgment, considers advisable and necessary for the purpose of reletting the premises; and the making of such alterations, repairs, replacements and/or decorations shall not operate to be construed to release Lessee for liability hereunder as aforesaid.

ARTICLE 17 - DEFAULT BY LESSOR, LESSEE

17.1 Lessor shall not be deemed to be in default under this Lease Agreement until Lessee shall have given Lessor written notice specifying the nature of the default and Lessor shall have not cured such default within ten (10) days after receipt of such notice, or within such reasonable time thereafter as may be necessary to cure such default where such default is of a character as to reasonably require more than ten (10) days to cure.

17.2 Except with respect to the payment of rent, for which no notice of default shall be necessary, Lessee shall not be deemed to be in default under this Lease Agreement until Lessor shall have given Lessee written notice specifying the nature of default and Lessee shall have not cured such default

within ten (10) days after receipt of such notice or within such reasonable time thereafter as may be necessary to cure such default where such default is of a character as to reasonably require more than ten (10) days to cure.

ARTICLE 18 - WAIVER, MODIFICATION, ENTIRE AGREEMENT

18.1 No waiver of any condition, covenant, right of option of this Lease Agreement by the Lessor shall be deemed to imply or constitute a further waiver of any like condition or covenant of said Lease Agreement.

18.2 No amendment or modification of this Lease Agreement shall be valid or binding unless expressed in writing and executed by duly authorized representatives of the parties hereto in the same manner as the execution of this Lease Agreement. The Grand Rapids Economic Development Authority shall consider the recommendation of all interested parties in determining whether to approve any amendment or modification of this Lease Agreement.

18.3 Neither Lessor nor any agent or employee of Lessor has made any representations or promises with respect to the leased premises or the Central School except as herein expressly set forth, and no rights, privileges, easements or licenses are acquired by Lessee except as herein expressly set forth.

ARTICLE 19 - WINDOW TREATMENT

19.1 Lessee, at its expense, may install shades, drapes or window coverings and, if installed, Lessee shall maintain said window coverings in an attractive and safe condition, provided however, in the sole judgment of Lessor said window coverings are in harmony with the exterior and interior appearance of Central School and will create no safety or fire hazard.

ARTICLE 20 - PARKING

20.1 Lessor has established public parking facilities on the grounds of Central School. Lessee warrants that it will enforce regulations providing that its employees will not park their private vehicles in said public parking area during time when said employees are working at the leased premises (except on a short-term basis for emergencies or for deliveries).

DISCRIMINATION PROHIBITED: The Landlord shall not discriminate based upon race, color, creed, religion, national origin, sex, marital status, age, handicap, or disability, familial status or recipients of public assistance; and shall comply with all nondiscrimination requirements of Federal, State and local law.

IN WITNESS WHEREOF, the parties have hereunto set their hands on the date first written above.

LESSOR:

GREDA President

GREDA Executive Director

Date: _____

LESSEE: Free Range Food Co-op

Garret Holl, Chief Executive Officer

Date: _____

Exhibit A – Location in the Building

Free Range Food Co-op is a Minnesota Cooperative Association located on the Second Floor in the northwest room (Suite 209) consisting of 860 square feet.

Exhibit B – Use of Space

The space will be used by Free Range Food Co-op for the headquarters of their capital campaign office for their planned new grocery store.

Exhibit C – Improvements

None