



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

**Thursday, June 26, 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, June 26th, 2025 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

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

APPROVE MINUTES

1. Consider approval of minutes from the May 22nd, 2025 regular meeting.

APPROVE CLAIMS

2. Consider approving claims in the amount of \$15,046.78

BUSINESS

3. Conduct a public hearing to consider approval of a Purchase and Development Agreement with and conveyance of property to the Itasca County Habitat for Humanity Affiliate
4. Consider a Government Relations Representation Services Agreement with Primacy Strategy Group.
5. Consider accepting proposals from Pierson Henry and JKing Consulting for professional services associated with implementation of the Downtown Alliance establishment.

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



GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

**Thursday, May 22, 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, May 22, 2025 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

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

Approved with additions:

Consider adopting a resolution accepting a \$2,800,000 grant from the Blandin Foundation.

Consider adopting a resolution approving a revised Development Assistance Agreement with KTJ 435, LLC.

APPROVE MINUTES

1. Consider approval of minutes from the April 24, 2025 regular meeting.

Motion by Commissioner Hodnik, second by Commissioner Martinetto to approve the minutes from the April 24, 2025 regular meeting. The following voted in favor thereof: R. Blake, Martinetto, S. Blake, Mertes, Bruns, Hodnik. Opposed: None, motion passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$208,178.94.

Motion by Commissioner Bruns, second by Commissioner Hodnik to approve claims in the amount of \$208,178.94. The following voted in favor thereof: Hodnik, Bruns, Mertes, R. Blake, S. Blake. Opposed: None, Martinetto abstained, motion passed.

BUSINESS

3. Consider approval of an amended lease with True North Salon and Spa, Inc.

True North Salon and Spa would like to move into suites 101 and 102 from suite 112. This will allow the business to have more space.

Motion by Commissioner Bruns, second by Commissioner Martinetto to approve an amended lease with True North Slaon and Spa, Inc. The following voted in favor thereof: R. Blake, Martinetto, S. Blake, Mertes, Bruns, Hodnik. Opposed: None, motion passed unanimously.

4. Consider accepting a Letter of Intent from Habitat for Humanity and set a public hearing date for the proposed sale.

Habitat has submitted an LOI for Lot 2, Block 3 of Forest Lake Addition. Habitat is looking build their 3rd home in this development, with construction commencing this fall. The proposed purchase price is \$6,300 which matches the per lot purchase price in the last sale of lots to the Itasca County HRA. The public hearing date will be set for June 26, 2025.

Motion by Commissioner Mertes, second by Commissioner Bruns to accept a Letter of Intent from Habitat for Humanity and set a public hearing for June 26, 2025 for the proposed sale. The following voted in favor thereof: R. Blake, Martinetto, S. Blake, Mertes, Bruns, Hodnik. Opposed: None, motion passed unanimously.

Consider adopting a resolution accepting a \$2,800,000 grant from the Blandin Foundation.

Motion by Commissioner Bruns, second by Commissioner R. Blake to adopt a resolution accepting a \$2,800,000 grant from the Blandin Foundation. The following voted in favor thereof: Hodnik, Bruns, Mertes, Martinetto, R. Blake. Opposed: None, S. Blake abstained, motion passed.

Consider adopting a resolution approving a revised Development Assistance Agreement with KTJ 435, LLC.

Motion by Commissioner R. Blake, second by Commissioner Mertes to adopt a resolution approving a revised Development Assistance Agreement with KTJ 435, LLC. The following voted in favor thereof: R. Blake, Martinetto, S. Blake, Mertes, Bruns, Hodnik. Opposed: None, motion passed unanimously.

UPDATES

Commissioner Hodnik provided an update on the 48C tax credit. He, Mr. Mattei and President Blake will be meeting with a group to see if they are able to help correct the changes that have been made to the Airports S Industrial Park 48C tax credit.

ADJOURN

There being no further business the meeting adjourned at 4:49 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

DATE: 06/23/2025
 TIME: 12:18:47
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 06/26/2025

VENDOR #	NAME	AMOUNT DUE

ECONOMIC DEVELOPMENT AUTHORITY		
0718010	CITY OF GRAND RAPIDS	3,017.50
	TOTAL	3,017.50
EDA - CAPITAL PROJECTS		
MISCELLANEOUS PROJECT		
1121725	KUTAK ROCK LLP	930.00
	TOTAL MISCELLANEOUS PROJECT	930.00
AIRPORT SOUTH INDUSTRIAL PARKS		
1121725	KUTAK ROCK LLP	2,985.00
	TOTAL AIRPORT SOUTH INDUSTRIAL PARKS	2,985.00
HWY 2 CORRIDOR STUDY		
0215460	BOLTON & MENK, INC	7,027.00
	TOTAL HWY 2 CORRIDOR STUDY	7,027.00
FARM SERVICE REDEVELOPMENT		
0405247	DEERWOOD BANK	694.86
	TOTAL FARM SERVICE REDEVELOPMENT	694.86
	TOTAL UNPAID TO BE APPROVED IN THE SUM OF:	\$14,654.36
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
1621130	P.U.C.	392.42
	TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:	\$392.42
	TOTAL ALL DEPARTMENTS	\$15,046.78



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: June 26, 2025

STATEMENT OF ISSUE: Conduct a public hearing to consider approval of a Purchase and Development Agreement with and conveyance of property to the Itasca County Habitat for Humanity Affiliate

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

On April 29th, GREDA received a letter of intent (LOI) from the Itasca County Habitat for Humanity Affiliate (ICHH) proposing to purchase Lot 2, Block 3 of Forest Lake Addition for the price of \$6,300.

ICHH intends to commence construction this fall of a three-bedroom, one story, passive/net zero home on the property. The home will be designed and built to meet rigorous energy efficiency standards to minimize the energy costs for the income and credit qualified buyer.

This will be the third home built by ICHH in Forest Lake Addition. The purchase price of the lot as detailed in the associated Purchase and Development Agreement is \$6,300.00. This price is consistent with the recent sale of lots to the Itasca County Housing and Redevelopment Authority. The closing for this conveyance will occur no later than August 29, 2025.

The economic benefit of this project is to provide much-needed housing to accommodate our current and expanding workforce and to create additional tax base in the City.

RECOMMENDATION:

Conduct a Public Hearing to consider entering into a purchase and development agreement between GREDA and the Itasca County Habitat for Humanity Affiliate.

Public Hearing protocol:

- State the purpose of the public hearing.
- Verify that legal notice of the public hearing has been made.
- Staff will present the background.

- Request public input on the proposed agreement either in favor, or in opposition, and ask that any person from the public wishing to make a statement state their name and address for the record.
- After public input is received, entertain a motion to close the public hearing portion.
- Close the public hearing, give final consideration to the agreement, and entertain any motion to amend the terms, or motions to approve or disapprove of the agreement in its original or amended form.

REQUIRED ACTION: If GREDA finds it advisable to enter into the attached agreement, they should pass a motion adopting the attached resolution approving the purchase and development contract with and conveyance of property to Itasca County Habitat for Humanity Affiliate.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

RESOLUTION APPROVING CONVEYANCE OF CERTAIN LOTS OWNED BY THE EDA AND CORRESPONDING PURCHASE AND DEVELOPMENT AGREEMENT

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

Section 1. Recitals.

1.01. The Authority is the fee owner of certain property located within the plat of Forest Lake Addition, Grand Rapids, Minnesota which is legally described as set forth in Exhibit A and depicted on the plat attached hereto (the “Authority Property”).

1.02. The Authority intends to convey the Authority Property to the Itasca County Habitat for Humanity Affiliate (ICHH), a nonprofit corporation under the laws of Minnesota, to construct a home for sale to owner-occupants and to that end has prepared a Purchase and Development Agreement between the Authority and the ICHH for the sale of the Authority Property (the “Purchase Agreement”).

1.03. The Board held a duly noticed public hearing regarding the proposed sale of the Authority Property.

1.04. The Board has determined that sale of the Authority Property as described in this resolution is in the best interest of the City and its residents, and further finds and determines that conveyance of the Authority Property has no relationship to the City’s comprehensive plan, in that no amendment or modification of the comprehensive plan is required for the conveyance. The Authority further finds and determines that conveyance of the Authority Property for residential purposes is consistent with the objectives of the City’s comprehensive plan pertaining to development of the Plat for single-family homes.

Section 2. Sale of Authority Property Approved; Further Proceedings.

2.01. The Board approves the Purchase Agreement in substantially the form presented to the Board, together with any related documents necessary in connection therewith, including without limitation all documents, exhibits, certifications, or consents referenced in or attached to the Agreement including without limitation the quit claim deeds and any documents required by the title company relating to the conveyance of Authority Property (the “Conveyance Documents”). The Board hereby approves the conveyance of the Authority Property to the ICHH in accordance with the terms of the Purchase Agreement.

2.02 The Board hereby authorizes the President and Executive Director, in their discretion and at such time, if any, as they may deem appropriate, to execute the Purchase Agreement and the Conveyance Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the

Authority's obligations thereunder when all conditions precedent thereto have been satisfied. The Purchase Agreement shall be in substantially the form on file with the Authority and the approval hereby given to the Purchase Agreement includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the Authority and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the Authority. The execution of any instrument by the appropriate officers of the Authority herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This resolution shall not constitute an offer and the Purchase Agreement shall not be effective until the date of execution thereof as provided herein.

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

Approved by the Board of Commissioners of the Grand Rapids Economic Development Authority this 26th day of June 2025.

President

ATTEST:

Secretary

EXHIBIT A

Legal Description of Authority Property

Lot 2, Block 3, Forest Lake Addition, according to the recorded plat thereof, County of Itasca, State of Minnesota

PURCHASE AND DEVELOPMENT AGREEMENT

Between

Grand Rapids Economic Development Authority

And

Itasca County Habitat for Humanity Affiliate

This document drafted by:
Kennedy & Graven, Chartered
Fifth Street Towers
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

PURCHASE AND DEVELOPMENT AGREEMENT

1. **Parties.** This Purchase and Development Agreement (“this Agreement”) is made on the ____ of _____, 2025 between the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota, having its office located at 420 North Pokegama Avenue, Grand Rapids, Minnesota 55744 (“Seller”), and the Itasca County Habitat for Humanity Affiliate, a nonprofit corporation under the laws of Minnesota, having its principal office at 510 SE 11th Street, Grand Rapids, Minnesota 55744 (“Buyer”).

2. **Offer/Acceptance.** Buyer offers to purchase, and Seller agrees to sell the real property located at 614 NW 8th Avenue in the City of Grand Rapids, legally described as:

Lot 2, Block 3, Forest Lake Addition, according to the recorded plat thereof, County of Itasca, State of Minnesota (the “Lot” or “Property”)

3. **Development and Improvement.** Buyer is purchasing the Property for the purpose of developing a single-family residential home on the Lot.

4. **Price and Terms. Purchase Price.** The purchase price of the Property shall be \$6,300 (SIX-THOUSAND THREE HUNDRED and 00/100 dollars (the “Purchase Price”). The Purchase Price shall be payable to Seller by Buyer by wire transfer or certified check on the Closing Date.

5. **Personal Property Included in Sale.** There are no items of personal property or fixtures owned by Seller currently located on the Property for purposes of this sale.

6. **Closing/ Payment of Closing Costs and Related Items.** The closing hereunder (the “Closing”) shall take place no later than August 29, 2025, or such other date as agreed upon by the parties (the “Closing Date”). Buyer will pay: (a) the closing fees charged by the title insurance or other closing agent utilized to close the transaction contemplated by this Agreement (the “Title Company”); (b) fees for title evidence obtained by Buyer; (c) the premium for any policy of title insurance Buyer elects to purchase and the cost of any endorsements; and (d) the recording fees for the Purchase and Development Agreement and the Deed. Seller will pay: (a) any transfer taxes required to enable Buyer to record the Deed, and (b) fees and charges related to the filing of any instrument required to make title marketable. Each party shall pay its own attorneys’ fees.

7. **Real Estate Taxes and Special Assessments.**
 - A. Seller shall pay, at or before Closing all real estate taxes due and payable in all years prior to the year of Closing, if any. Real estate taxes due and payable in the year of Closing, if any, shall be pro-rated to Seller and Buyer based on the Closing Date.

- B. On or prior to the Closing Date, Seller shall pay all special assessments levied or pending against the Property as of the Closing Date. The provisions of this Paragraph shall survive Closing.

8. Seller Closing Documents. Upon performance by Buyer, Seller shall deliver the following to Buyer at the Closing:

- A. A quit claim deed conveying title to the Property to Buyer, in substantially the form attached hereto as Exhibit A (the “Deed”), subject to the conditions subsequent required by Sections 14, 15, and 16 of this Agreement;
- B. An affidavit satisfactory to Buyer that at Closing there are no outstanding, unsatisfied judgments, tax liens, or bankruptcies against Seller, no labor, services, materials, or machinery furnished to the Property for which mechanics’ liens could be filed, and no unrecorded interests in the Property which have not been fully disclosed to Buyer;
- C. A signed resolution of Seller authorizing and approving the transaction contemplated by this Agreement; and
- D. Any other items required by this Agreement or reasonably required by the Title Company.

9. Buyer Closing Documents. Buyer will deliver to Seller at Closing:

- A. The Purchase Price;
- B. A signed resolution of Buyer authorizing and approving the transaction contemplated by this Agreement; and
- C. Any other items required by this Agreement or reasonably required by the Title Company.

10. “AS IS, WHERE IS.” Except as set forth in this Agreement, Seller makes no warranties as to the condition of the Property. Buyer acknowledges that it has inspected or has had the opportunity to inspect the Property and agrees to accept the Property “AS IS” with no right of set off or reduction in the Purchase Price. Such sale shall be without representation or warranties, express or implied, either oral or written, made by Seller or any official, employee or agent of Seller or the City of Grand Rapids, Minnesota (the “City”) with respect to the physical condition of the Property, including but not limited to, the existence or absence of petroleum, hazardous substances, pollutants or contaminants in, on, or under, or affecting the Property or with respect to the compliance of the Property or its operation with any laws, ordinances, or regulations of any government or other body, except as stated above. Buyer acknowledges and agrees that Seller has not made and does not make any representations, warranties, or covenants of any kind or character whatsoever, whether expressed or implied, with respect to warranty of income potential, operating expenses,

uses, habitability, tenant ability, or suitability for any purpose, merchantability, or fitness of the Property for a particular purpose, all of which warranties Seller hereby expressly disclaims, except as stated in this Agreement. Buyer is relying entirely upon information and knowledge obtained from Buyer's own investigation, experience and knowledge obtained from Buyer's own investigation, experience, or personal inspection of the Property. Buyer expressly assumes, at closing, all environmental and other liabilities with respect to the Property and releases and indemnifies Seller and the City from same, whether such liability is imposed by statute or derived from common law including, but not limited to, liabilities arising under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), the Hazardous and Solid Waste Amendments Act, the Resource Conservation and Recovery Act ("RCRA"), the federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substances Act, the Superfund Amendments and Reauthorization Act, the Toxic Substances Control Act and the Hazardous Materials Transportation Act, all as amended, and all other comparable federal, state or local environmental conservation or protection laws, rules or regulations. The foregoing assumption and release shall survive Closing. All statements of fact or disclosures, if any, made in this Agreement or in connection with this Agreement, do not constitute warranties or representations of any nature. The foregoing provision shall survive Closing and shall not be deemed merged into any instrument of conveyance delivered at Closing.

11. **Marketability of Title.** As soon as reasonably practicable after the execution of this Agreement by both parties, Buyer shall obtain the title evidence determined necessary or desirable by Buyer (the "Title Commitment"). Buyer, at its sole option, may have a survey of the Property prepared, certified, and delivered to Buyer, Seller, the Title Company, and such other parties as Buyer requests showing the location of all easements and conforming to the current standard detail requirements established by the American Land Title Association and the National Society for Professional Surveyors (the "Survey"). The cost of the Survey, if any, will be paid for by Buyer. Buyer shall have 10 days from the date it receives the Title Commitment and any Survey to raise any written objections to title (the "Objections"). Objections not made within such time will be deemed waived. Seller may effect a cure satisfactory to Buyer or may give written notice to Buyer that Seller elects not to cure. Buyer may then elect to close notwithstanding the uncured Objections, or may declare this Agreement null and void and the parties will thereby be released from any further obligation hereunder, and neither party shall be liable for damages hereunder and Buyer and Seller agree to sign a cancellation of this Agreement.
12. **Seller Warranties and Representations.** Seller warrants and represents to Buyer that:
 - A. To Seller's best knowledge, there are no wells, either in use, not in use, or sealed located on the Property.
 - B. Seller has no knowledge of any individual sewage treatment system on or serving the Property.
 - C. Seller is not aware of any methamphetamine production that has occurred on the Property;

- D. To the actual knowledge of Rob Mattei without investigation or inquiry, Seller knows of no flood plains, shorelands or wetlands affecting the Property;
- E. To the actual knowledge of Rob Mattei without investigation or inquiry, the Property is not subject to the rights of tenants or other parties in possession;
- F. To the actual knowledge of Rob Mattei without investigation or inquiry, Seller has not received any notice and is not aware of a violation of any building codes, fire codes, health codes, zoning codes, environmental laws, or other laws and regulations affecting the Property or the use thereof;
- G. To the actual knowledge of Rob Mattei without investigation or inquiry, Seller has not received any notice of a condemnation, environmental, zoning, or other regulation or proceeding;
- H. Seller is a public body corporate and politic under the laws of Minnesota duly organized, validly existing and in good standing under the laws of the State of Minnesota and has all requisite power and authority to carry out its business as conducted, to execute and deliver this Agreement and the documents entered into pursuant hereto, and to carry out its obligations under this Agreement and such documents;
- I. This Agreement has been duly authorized, executed and delivered on behalf of Seller and constitutes the valid and binding agreement of Seller, enforceable in accordance with its terms;
- J. To the actual knowledge of Rob Mattei without investigation or inquiry, the execution, delivery, and performance of this Agreement by Seller will not result in a breach or violation of Seller or constitute a default by Seller under any agreement, instrument or order to which Seller is a party or by which Seller is bound; and
- K. To the actual knowledge of Rob Mattei without investigation or inquiry, Seller is not aware of any action, proceeding or investigation pending or threatened which might materially adversely affect the Property or the ability of Seller to perform its obligations under this Agreement.

13. Buyer Warranties and Representations. Buyer warrants and represents to Seller that:

- A. Buyer is a nonprofit corporation under the laws of Minnesota duly organized, validly existing and in good standing under the laws of the State of Minnesota and has all requisite power and authority to carry out its business as conducted, to execute and deliver this Agreement and the documents entered into pursuant hereto, and to carry out its obligations under this Agreement and such documents;

- B. This Agreement has been duly authorized, executed and delivered on behalf of Buyer and constitutes the valid and binding agreement of Buyer, enforceable in accordance with its terms;
- C. The execution, delivery and performance of this Agreement by Buyer will not result in a breach or violation of Buyer or constitute a default by Buyer under any agreement, instrument or order to which Buyer is a party or by which Buyer is bound; and
- D. Buyer is not aware of any action, proceeding or investigation pending or threatened which might materially adversely affect the ability of Buyer to perform its obligations under this Agreement.

14. Construction. Buyer agrees that it will construct a new single-family dwelling on each Lot. **This covenant shall survive the delivery of the Deed.**

- A. The single-family dwelling to be constructed on the Lot as described in this Section and Section 3 is referred to as the “Minimum Improvements.”
- B. The Minimum Improvements shall consist of the construction of a new two-bedroom one-story single-family dwelling on one Lot and the construction of a new three-bedroom two story single family dwelling on the other Lot. Each such single-family dwelling shall be constructed and occupied in accordance with Buyer’s affordable housing program.
- C. Buyer must commence construction of the Minimum Improvements on each Lot within one year of the Closing Date and substantially complete the construction of the Minimum Improvements by September 1, 2026. Substantial completion shall be evidenced by the delivery of a certificate of occupancy from the City. Buyer will obtain, at Buyer’s expense, in a timely manner, all required permits, licenses, and approvals, and will meet, in a timely manner, all requirements of all applicable local, State, and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully completed.
- D. Promptly after substantial completion of the Minimum Improvements in accordance with those provisions of the Agreement relating solely to the obligations of Buyer to construct such Minimum Improvements (including the date for completion thereof), upon written request from Buyer, Seller will deliver to Buyer a Certificate of Completion, in substantially the form attached hereto as Exhibit B. Such certification by Seller shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement and in the Deed with respect to the obligations of Buyer and its successors and assigns, to construct the Minimum Improvements and the dates for completion thereof.

The certificate provided for in this Section shall be in such form as will enable it to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Property. If Seller shall refuse or fail to provide any certification in accordance with the provisions of this Section, Seller shall, within 30 days after written request by Buyer, provide Buyer with a written statement, indicating in adequate detail in what respects Buyer has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of Seller for Buyer to take or perform in order to obtain such certification.

E. Buyer represents and agrees that until issuance of the Certificate of Completion for the Minimum Improvements:

(1) Except for any agreement for sale of the dwelling unit on each of the Lots to an owner-occupant, Buyer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity (collectively, a "Transfer"), without the prior written approval of Seller's Board of Commissioners. The term "Transfer" does not include encumbrances made or granted by way of security for, and only for, the purpose of obtaining construction, interim or permanent financing necessary to enable Buyer to construct the Improvements or component thereof.

(2) If Buyer seeks to effect a Transfer prior to issuance of the Certificate of Completion, Seller shall be entitled to require as conditions to such Transfer that:

(i) Any proposed transferee shall have the qualifications and financial responsibility, solely in the reasonable judgment of Seller, necessary and adequate to fulfill the obligations undertaken in this Agreement by Buyer as to the portion of the Property to be transferred; and

(ii) Any proposed transferee, by instrument in writing satisfactory to Seller and in form recordable in the public land records of Itasca County, Minnesota, shall, for itself and its successors and assigns, and expressly for the benefit of Seller, have expressly assumed all of the obligations of Buyer under this Agreement as to the portion of the Property to be transferred and agreed to be subject to all the conditions and restrictions to which Buyer is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by Seller) deprive Seller of any rights or remedies or controls with respect to the Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the

intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit Seller of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Property that Seller would have had, had there been no such transfer or change. In the absence of specific written agreement by Seller to the contrary, no such transfer or approval by Seller thereof shall be deemed to relieve Buyer, or any other party bound in any way by this Agreement or otherwise with respect to the Property, from any of its obligations with respect thereto; and

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Property governed by this subsection E. shall be in a form reasonably satisfactory to Seller.

(3) If the conditions described above in paragraph (2) of this Section are satisfied, then the Transfer will be approved and Buyer shall be released from its obligations under this Agreement with respect to the portion of the Property that is transferred, assigned, or otherwise conveyed. The provisions of this paragraph (3) apply to all subsequent transferors; and

(4) Upon issuance of the Certificate of Completion, Buyer may transfer or assign the Minimum Improvements and/or Buyer's rights and obligations under this Agreement with respect to such property without the prior written consent of Seller.

F. Buyer, and its successors and assigns, agrees that it will use the Minimum Improvements only as part of its affordable housing program whereby it will construct a single-family dwelling on each Lot that will be sold to an owner-occupant. **The covenants in this paragraph run with the land, survive both delivery of the Deed and issuance of the Certificate of Completion for the Minimum Improvements, and shall remain in effect for five years after the date of the Deed.**

15. Revesting Title in Seller upon Happening of Event Subsequent to Conveyance to Buyer. In the event that subsequent to conveyance of the Property or any part thereof to Buyer and prior to receipt by Buyer of the Certificate of Completion for of the Minimum Improvements, Buyer, subject to Unavoidable Delays (as hereafter defined), fails to carry out its obligations with respect to the construction of the Minimum Improvements (including the nature and the date for the commencement and completion thereof), or abandons or substantially suspends construction work, and any such failure, abandonment, or suspension shall not be cured, ended, or remedied within 30 days after written demand from Seller to Buyer to do so, then Seller shall have the right to re-enter and take possession of the Property and to terminate (and revest in Seller) the estate conveyed by the Deed to Buyer, it being the intent of this provision,

together with other provisions of the Agreement, that the conveyance of the Property to Buyer shall be made upon, and that the Deed shall contain a condition subsequent to the effect that in the event of any default on the part of Buyer and failure on the part of Buyer to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, Seller at its option may declare a termination in favor of Seller of the title, and of all the rights and interests in and to the Property conveyed to Buyer, and that such title and all rights and interests of Buyer, and any assigns or successors in interest to and in Lot or the Property, shall revert to Seller, but only if the events stated in this Section have not been cured within the time periods provided above.

For the purposes of this Agreement, the term “Unavoidable Delays” means delays beyond the reasonable control of Buyer as a result thereof which are the direct result of strikes, other labor troubles, prolonged adverse weather or acts of God, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than Seller in exercising its rights under this Agreement) which directly results in delays. Unavoidable Delays shall not include delays in Buyer’s obtaining of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under this Section of this Agreement.

16. Resale of Reacquired Property; Disposition of Proceeds. Upon the revesting in Seller of title to and/or possession of the Property or any part thereof as provided in Section 15 of this Agreement, Seller shall apply the Purchase Price paid by Buyer under Section 4 of this Agreement as follows:

- (a) First, to reimburse Seller for all costs and expenses incurred by Seller, including but not limited to proportionate salaries of personnel, in connection with the recapture, management, and resale of the Property (but less any income derived by Seller from the Property in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property; any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property thereof at the time of revesting of title thereto in Seller or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of Buyer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Minimum Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing Seller by Buyer and its successor or transferee; and
- (b) Second, to reimburse Buyer for the balance of the Purchase Price remaining after the reimbursements specified in Paragraph (a) above. Such reimbursement shall be paid to Buyer upon delivery of an executed, recordable quit claim deed to the Property by Buyer to Seller.

17. Time is of the essence for all provisions of this Agreement.

18. **Notices.** All notices required herein shall be in writing and delivered personally or mailed to the address shown at Section 1 of this Agreement and, if mailed, are effective as of the date of mailing. Each party may update their address for purposes of notice in accordance with the provisions of this Section.
19. **Minnesota Law.** This Agreement shall be governed by the laws of the State of Minnesota.
20. **No Broker Involved.** Seller and Buyer represent and warrant to each other that there is no broker involved in this transaction with whom it has negotiated or to whom it has agreed to pay a broker commission. Buyer agrees to indemnify Seller for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Buyer, and Seller agrees to indemnify Buyer for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Seller.
21. **Specific Performance.** This Agreement may be specifically enforced by the parties, provided that an action is brought within one year of the date of alleged breach of this Agreement.
22. **No Remedy Exclusive.** No remedy herein conferred upon or reserved to Seller or Buyer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
23. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Buyer acknowledges that it may only assign its rights under this Agreement pursuant to Section 14 of this Agreement, and that no assignment of this Agreement will relieve the assigning party of primary liability for the performance of its obligations hereunder.
24. **Complete Agreement.** This is the final Agreement between the parties and contains their entire agreement and supersedes all previous understandings and agreements, oral or written, relative to the subject matter of this Agreement. This Agreement may be amended only in a writing dated subsequent to the date of this Agreement and duly executed by all parties.
25. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions herein will remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby, so long as the economic or legal substance of the agreements contemplated herein are not affected in any manner materially adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to affect the original intent of the parties.

- 26. Partnership or Joint Venture.** Nothing in this Agreement shall be construed or interpreted as creating a partnership or joint venture between the parties relative to the Lots or the Property.
- 27. No Merger of Representations, Warranties.** All representations and warranties contained in this Agreement shall not be merged into any instruments or conveyance delivered at Closing, and the parties shall be bound accordingly.
- 28. Recording.** This Agreement shall be filed of record with the property office of the Itasca County Registrar of Titles and/or Office of County Recorder, as pertains to the Property.
- 29. Conflict of Interests.** Seller and Buyer, to the best of their respective knowledge, represent and agree that no member, official, or employee of either Seller or Buyer shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested. No member, official, or employee of Seller or Buyer shall be personally liable to the other party, or any successor in interest, in the event of any default or breach by Seller or Buyer, or for any amount which may become due to Seller or Buyer or successor or on any obligations under the terms of this Agreement.
- 30. Provisions Not Merged With Deeds.** None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring any interest in the Property and any such deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

In witness of the foregoing, the parties have executed this Agreement on the year and date written above.

[Signatures to follow.]

SELLER

Grand Rapids Economic Development Authority

By: _____
Its: President

By: _____
Its: Executive Director

STATE OF MINNESOTA

} ss.

COUNTY OF ITASCA

The foregoing was acknowledged before me this _____ day of _____ 2025, by _____ and _____, the President and Executive Director of the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota, on behalf of the public body corporate and politic.

NOTARY STAMP

SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

Itasca County Habitat for Humanity Affiliate

Its: _____

[illegible]

The foregoing was acknowledged before me this _____ day of _____ 2025,
by _____, the _____ of Itasca County Habitat for Humanity
Affiliate, a nonprofit corporation under the laws of Minnesota, on behalf of the corporation.

SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

**Exhibit A to Purchase and
Development Agreement
QUIT CLAIM DEED**

Deed Tax Due: \$ _____

ECRV: _____

Date: _____, 2023

FOR VALUABLE CONSIDERATION, Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of the State of Minnesota, Grantor, hereby conveys and quitclaims to the Itasca County Habitat for Humanity Affiliate, a nonprofit corporation under the laws of the State of Minnesota, Grantee, real property in Itasca County, Minnesota, described as follows:

Lot 2, Block 3, Forest Lake Addition, according to the recorded plat thereof, County of Itasca, State of Minnesota

Check here if part or all of the land is Registered (Torrens) ☐

together with all hereditaments and appurtenances, and subject to easements of record.

Section 1. This deed is subject to that certain Purchase and Development Agreement between Grantor and Grantee, dated _____, 2025, recorded _____, 2025, in the office of the Itasca County Registrar of Titles [or County Recorder] as Document No. _____ (the "Agreement"), including without limitation the Grantor's right of reverter in the event of certain defaults by Grantee under the Agreement as more fully described in Section 15 thereof.

Section 2. Grantor's rights under paragraph 14F of the Agreement remain until _____, 20__, unless earlier released by Grantor.

- ☐ The Seller certifies that the Seller does not know of any wells on the described real property.
- ☐ A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____).
- ☐ I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

**GRAND RAPIDS ECONOMIC DEVELOPMENT
AUTHORITY**

By _____
Its: President

By _____
Its: Executive Director

[illegible]

The foregoing was acknowledged before me this _____ day of _____, 2025, by _____ and _____, the President and Executive Director respectively, of the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota, on behalf of the public body corporate and politic, Grantor.

NOTARY STAMP

SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

This instrument was drafted by:

Kennedy & Graven, Chartered
Fifth Street Towers
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

Tax Statements should be sent to:

Housing and Redevelopment Authority
(HRA) of Itasca County, Minnesota
1115 NW 4th Street
Grand Rapids, Minnesota 55744

**Exhibit B to Purchase and
Development Agreement**

Form of Certificate of Completion

CERTIFICATE OF COMPLETION

WHEREAS, the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota (the “Grantor”), conveyed land in Itasca County, Minnesota to the Itasca County Habitat for Humanity Affiliate, a nonprofit corporation under the laws of Minnesota (the “Grantee”), by a Deed recorded in the Office of the County Recorder [and or in the Office of the Registrar of Titles] in and for the County of Itasca and State of Minnesota, as Document Number _____;

and

WHEREAS, said Deed is subject to a Purchase and Development Agreement recorded in the Office of the County Recorder [and or in the Office of the Registrar of Titles] in and for the County of Itasca and State of Minnesota, as Document Number _____; which contained certain covenants and restrictions set forth in Sections 3, 14A, 14B, 14C, 14D and 14E thereof; and

WHEREAS, said Grantee has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification.

NOW, THEREFORE, this is to certify that all building construction and other physical improvements specified to be done and made by the Grantee have been completed and the above covenants and conditions in said Deed and the agreements and covenants in Sections 3, 14A, 14B, 14C, 14D, and 14E of the Agreement have been performed by the Grantee therein, and the County Recorder [and/or the Registrar of Titles] in and for the County of Itasca and State of Minnesota are hereby authorized to accept for recording and to record, the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of Sections 3, 14A, 14B, 14C, 14D, and 14E of the Agreement and the covenants and restrictions set forth in Section 1 of said Deed; provided that the covenants set forth in Sections 14F of the Agreement, and in Section 2 of the Deed, remain in full force and effect through the period stated thereon.

Dated: _____, 20____.

GRAND RAPIDS ECONOMIC DEVELOPMENT
AUTHORITY

By _____
Its: President

By _____
Its: Executive Director

[illegible]

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____ and _____, the _____ and _____ respectively, of the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota, on behalf of the authority.

Notary Public

This document drafted by:
Kennedy & Graven, Chartered
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300



April 29, 2025

Rob Mattei
Grand Rapids Economic Development Authority
420 N. Pokegama Avenue
Grand Rapids, MN 55744

RE: Lot 2 block 3, Forest Lake Addition, Grand Rapids MN 55744

Dear Rob:

Itasca County Habitat for Humanity (ICHH) would like to present the following proposal to purchase lot located at, lot 2 block 3, Forest Lake Addition, Grand Rapids, MN 55744 for the price of \$6,300 for the development of one single family residential home.

ICHH is a nonprofit organization working to increase the number of families living in safe, decent, affordable housing in Itasca County while providing opportunities and resources for successful homeownership through the construction of homes.

ICHH will be constructing one 3-bedroom one story passive/ net zero home and would plan to commence construction in fall of 2025.

This home will be designed and built to meet rigorous energy efficiency standards, minimizing its environmental impact and ensuring long-term affordability for the homeowner through significantly reduced energy costs. The passive/net-zero design will incorporate features such as high levels of insulation, energy-efficient windows and appliances, and potentially renewable energy systems like solar panels, aiming to produce as much energy as it consumes on an annual basis.

Thank you for taking the time to review this letter of intent to purchase these lots. ICHH looks forward to building affordable housing for local families.

Sincerely,



Jamie Mjolsness
Executive Director
Itasca County Habitat for Humanity

510 SE 11th Street • Grand Rapids, MN 55744
p 218.999.9001 • f 218.999.5205
www.itscahabitat.org

everyone needs a place to call home



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: June 26, 2025

STATEMENT OF ISSUE: Consider a Government Relations Representation Services Agreement with Primacy Strategy Group.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

As you will recall during this past summer, GREDA proposed our 35-acre East Airport Rd. Industrial Site as a location for Niron Magnetics. Niron, a Greentech manufacturing business proposing to develop a \$180M production facility for non-rare earth materials magnets, was considering potential sites within a 75-mile radius around the Twin Cities and a 50-mile radius centered on Grand Rapids.

The GREDA site attracted the interest of Niron and was one of 6 sites out of 75 proposed that they narrowed their consideration to following the two presentations/site visits GREDA hosted with them.

As you will also recall, during our discussions with Niron, we discovered an anomaly within the Department of Energy (DOE) Section 48 Tax Credit language. While a larger swath of land near Cohasset and Grand Rapids is Section 48 eligible, we were surprised to learn that the area of our site was not included. We subsequently learned this exclusion occurred because of the 2020 Census, whereby a larger Census tract that included our site was divided into three Census tracts (see attached maps). The result of this subdivision of a Census tract was that the new Census tract where our industrial site is located is no longer adjacent to the Census tract where the Boswell facility is located, which is expressly required by the language within the Federal law.

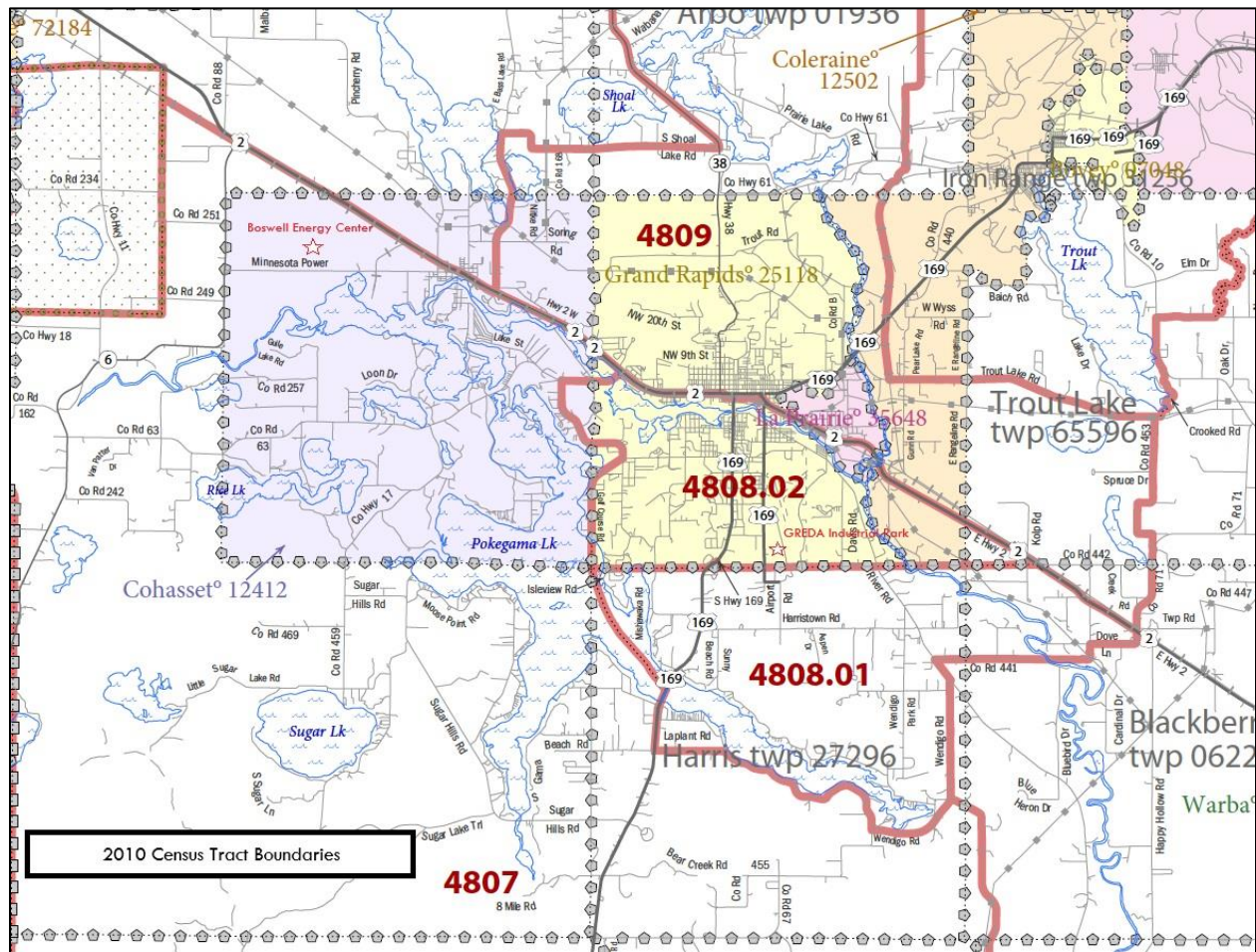
Prior to Niron's final site decision, we worked with representatives of Senator Klobuchar and Senator Smith's offices to explore an administrative solution to this unintended consequence. However, the result of this inquiry was a finding that the language with the law was very specific, and the only solution would be to amend the legislation.

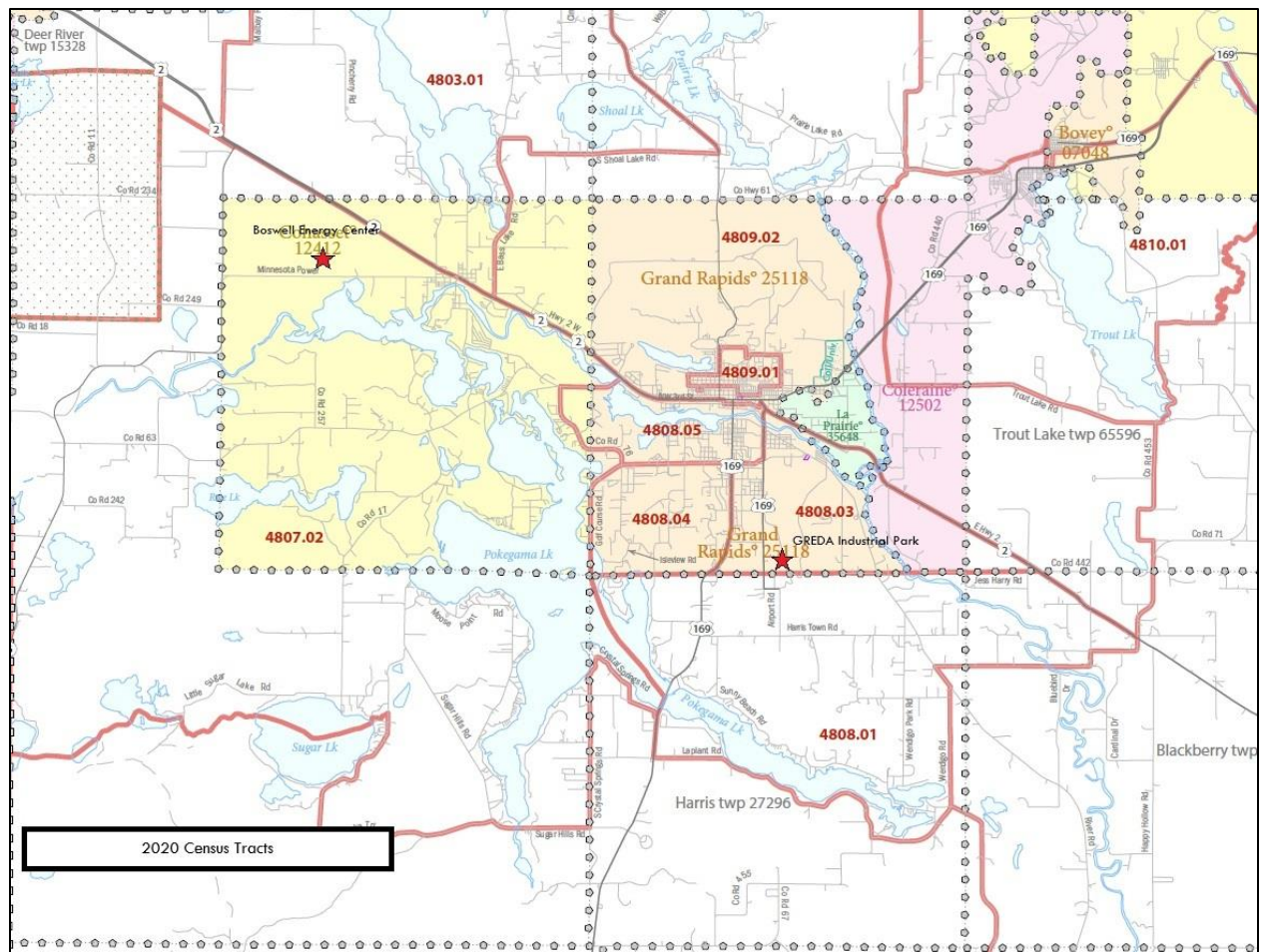
Within the original Request for Information prepared by Niron, which GREDA responded to, they indicated that eligibility for a Federal 48C Tax Credit was preferred by not required. We now know, however, that the site eventually selected by Niron in Sartell was 48C eligible and had a monetary value to the project of over \$50M.

GREDA's 2025 Work Plan contains a directive to continue work on addressing 48C tax credit eligibility. Toward that objective, Commissions Blake and Hodnik and staff met recently with [Primacy Strategy Group](#), to discuss their possible assistance and scope of work to draft a legislative change and lobby for its passage. The proposal is attached for consideration.

RECOMMENDATION:

REQUIRED ACTION: Pass a motion to approve a Government Relations Representation Services Agreement with Primacy Strategy Group.





GOVERNMENT RELATIONS REPRESENTATION SERVICES AGREEMENT

THIS AGREEMENT is made and entered into by and between **Grand Rapid Minnesota Economic Development Authority (GREDA)** ("Client") and **PRIMACY STRATEGY GROUP** ("Consultant") (collectively the "Parties").

WITNESSETH

WHEREAS, the Client, wishes to retain the services of Consultant to assist the Client in implementing a strategy to reclassify Census Tract 4808.03 as a part of the area's previously established Section 48C Energy Community designation.

NOW, THEREFORE, in consideration of the mutual undertakings and promises hereinafter set forth, Client and Consultant agree as follows:

1. CONSULTANT SERVICES

Consultant shall provide, in coordination with Client's officers, committees and staff, the services listed in Exhibit A (the "Services"). Consultant and Client will negotiate fees for additional projects or services by mutual agreement in writing.

2. TERM AND TERMINATION

2.1 Term. The term of engagement for the Services provided shall be **June 15, 2025, through June 14, 2026**, subject to termination as provided in Section 2.2.

2.2 Termination. This Agreement may be terminated prior to its expiration by either Party upon sixty (30) days written notice to the other Party.

3. COST OF AND PAYMENT FOR SERVICES

3.1 Fees. In consideration of Services performed as specified in Section 1 and Exhibit A of this Agreement, Client shall pay Consultant **a project fee of \$60,000 to be paid in monthly installments of \$5,000 per month for the period commencing June 15, 2025, and continuing through June 14, 2026.**

3.2 Changes in Scope of Work. Consultant reserves the right to propose additional fees for changes or additions to the Services covered by this Agreement. If agreed to by Client, such changes or additions will be executed as an amendment to this Agreement in accordance with Section 6.

3.3 Costs. In addition to payment for professional fees, Client shall pay Consultant for reasonable incidental expenses incurred by Consultant on Client's behalf. Expenses shall not exceed \$250.00 per month without Client's prior approval and include: travel, shipping & postage, copying, production of press packages and all other miscellaneous expenses.

3.4 Payment. Payment for professional fees and expenses shall be made to Consultant upon submission by Consultant to Client of monthly invoices for services rendered and expenses incurred, and Client shall pay Consultant within twenty (20) days from receipt of each invoice.

4. **INDEPENDENT CONTRACTOR**

Consultant shall select the means, method, and manner of performing the services herein. Consultant is and shall remain an independent contractor with respect to all services performed under this Agreement. Consultant will perform targeted lobbying, attend meetings and monitor hearings as requested by Client.

5. **COMPLETE AGREEMENT**

The Parties each agree and understand that this Agreement, including all Exhibits hereto, constitutes the entire agreement between the Parties and supersedes any prior or contemporaneous oral understandings or agreements with respect to the subject matter hereof.

6. **AMENDMENTS AND WAIVERS**

This Agreement may not be amended, altered, enlarged, supplemented, abridged, or modified, nor can any provision hereof be waived, except by a writing executed by both Parties which shall be attached hereto. Failure of any Party to enforce any provision of this Agreement shall not constitute or be construed as a waiver of such provision nor of the right to enforce such provision.

7. **NOTICES**

All notices, demands, and requests permitted or required to be given under this Agreement shall be in writing and deemed given when mailed by the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to the address of the appropriate Party as provided herein.

8. **GOVERNING LAW**

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.

9. **EXECUTION**

This agreement may be signed by the Parties in counterpart.

IN WITNESS WHEREOF, the duly authorized representatives of the Parties hereto have executed this Agreement this ____ day of June 2025.

ADDRESS:

S68 W22665 National Avenue
PO Box 189
Big Bend, WI 53103

CLIENT:

Grand Rapids, MN Economic Development
Authority

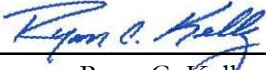
By: Rob Mattei
Its: Director of Community Development

ADDRESS:

660 Transfer Road
Saint Paul, MN 55114

CONSULTANT:

PRIMACY STRATEGY GROUP



By: Ryan C. Kelly
Its: President & CEO

EXHIBIT A

CONSULTANT SCOPE OF SERVICES

Primacy Strategy Group (PSG), to the best of our ability, will provide the following government relations services on behalf of the Grand Rapids, MN Economic Development Authority (GREDA).

Background:

Initially created under the *American Rescue Plan (ARPA)*, and modified under the *Inflation Reduction Act*, a census tract that includes a recently retired coal-fired electric plant – or a “directly adjoining” tract – would be eligible for consideration as a possible 48C Energy Community, a geographic designation designed to encourage investment in a range of advanced energy projects.

When in March 2024, census tracts including and surrounding the Boswell Energy Center (BEC) were designated Section 48C Energy Communities, their eligibility determination was a result of coal-fired units at BEC having been taken offline several years ago. However, Census Tract (CT) 4808.03, which includes land recently under consideration for a possible advanced energy project, was conspicuously excluded from the designation. Though this exclusion appears to be the inadvertent result of boundary adjustments during the 2020 Census, those adjustments ostensibly made 4808.03 ineligible. Based upon our discussion of your federal objectives, our team proposes the following strategy to add Census Tract 4808.03 to the area’s previously established Section 48C Energy Community designation.

FEDERAL RELATIONS STRATEGY:

Primacy Strategy Group will work to leverage your existing strong relationships with Members and staff of the Minnesota Congressional Delegation as well as those of the relevant congressional committees to petition for an (1) administrative fix and advance a (2) legislative fix that would include CT 4808.03 as part of the larger area’s 48C Energy Community existing designation. Specifically, we propose the following:

Administrative fix:

- Under current law, a “non-metropolitan statistical area” which “has 0.17 percent or greater direct employment...related to the extraction, processing, transport, or storage of coal...and has an unemployment rate at or above the national average unemployment rate for the previous year” fits within the definition of an Energy Community. According to information Primacy Strategy Group has received, it appears that the City of Grand Rapids would meet these criteria if the entire municipality – rather than select census tracts – was to be granted consideration for the designation.
- Primacy will solicit from the relevant Members of the Minnesota Congressional Delegation a petition to the Departments of Treasury and Energy seeking an administrative fix that would grant the designation to the entire municipality. This outreach will include the offices of:
 - Senator Amy Klobuchar (D-MN)
 - Senator Tina Smith (D-MN)
 - Congressman Pete Stauber (R-MN08)
- Senate Committee on Finance
 - Subcommittee on Taxation & IRS Oversight

- House Committee on Ways and Means
 - Subcommittee on Oversight
 - Congresswoman Michelle Fischbach (D-MN07) and represents the district adjacent to Grand Rapids.
- Senate Homeland Security and Governmental Affairs Committee
 - Subcommittee on Disaster Management, District of Columbia, and Census
- House Oversight and Government Reform Committee
 - Subcommittee on Economic Growth, Energy Policy and Regulatory Affairs

Legislative fix:

- As noted above, the Departments have been assessing eligibility based upon census tract data. Recognizing that a change in Administration may foster new thinking about the efficacy of the prior Administration's approach, we believe pursuing a legislative fix concurrently is the best course of action.
- Concurrently with the administrative fix, Primacy Strategy Group will solicit from the relevant Members of the Congressional Delegation a narrow legislative fix that would add CT 4808.03 to the Energy Community designation.

The dual-track strategy will strengthen our chances for success – both by advancing the proposed fixes and prompting high-level engagement with Department officials that may yield additional options. In order to best execute the above federal objectives, Primacy Strategy Group will also provide the following ongoing services:

- Establish a cadence for and lead strategy meetings on a regular basis with GREDA leadership to discuss updates and recommendations implementing your federal agenda.
- Coordinate meetings with federal policymakers in the legislative branch in Washington, D.C. and prepare all briefing and advance materials for congressional offices and staff.
- Engage directly with Federal agencies and personnel such as the United States Department of Treasury, the U.S. Census Bureau and the United States Department of Energy.
- Provide essential support including monitoring and sharing intelligence on all congressional actions, federal policy, and funding developments related to your priorities.
- Analyze and update on pertinent actions in Congress including the introduction of legislation, hearing announcements, budget process developments, and caucus actions.
- Analyze and update developments from the Trump Administration that may impact your objectives, including regulatory changes, executive actions, rulemaking, and leadership changes.
- Provide updates on the federal legislative landscape to prioritize resources in pursuit of specific opportunities.



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: June 26, 2025

STATEMENT OF ISSUE: Consider accepting proposals from Pierson Henry and JKing Consulting for professional services associated with implementation of the Downtown Alliance establishment.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

The economic development strategies within the Downtown Plan emphasize that “to maintain a vibrant, well-activated downtown our community needs a downtown organization with the capacity to bring together private business and property owners, the public, non-profit, and philanthropic sectors. Large employers in the community with a vested interest in the success of downtown should be actively supportive and engaged. The organization should have the capacity to carry out research functions to clarify the evolving market niche of downtown Grand Rapids. The organization should encourage alignment of the downtown business mix, activation strategies, financing and technical assistance strategies, and physical design and appearance with these market insights. The organization needs the capacity to support a range of activation strategies and communicate effectively with targeted audiences.”

In 2024, an advisory committee of downtown stakeholders visited similar communities with successful downtown organizations. Through their work, with the help of Janna King, Economic Development Services, a preliminary 3-year work plan for what will be called the Downtown Alliance, was developed along with a budget, a job description for a full-time executive director and agreements with the GRACF to serve as a fiscal agent and GRACC to provide temporary office space for the executive director.

The work approach for the final implementation phase of this project will continue to utilize the services of Janna King but will also utilize Katrina Pierson and her firm Pierson Henry to develop brand identity and guidelines, develop a key messaging platform, a case statement that outlines need impact and benefits of the Downtown Alliance, design of a comprehensive communications plan, development of a plan for launching a membership program and volunteer toolkit with talking points, recruitment and coaching of volunteers for donor engagement and solicitation. Janna King’s firm JKing Consultants will assist in the implementation by drafting bylaws and articles of incorporation as a 501c3, supporting recruitment of board members, coordinate initial board meetings, finalize arrangements with the GRACF and GRACC, posting

executive director position and coordinating interviews and selection, help to establish committee chairs and orient the newly formed board to the work plan.

The Peirson Henry proposal consists of flat fees totaling \$41,500 for the first phase which involves deliverables for strategic communications and fundraising. The second phase is a monthly fee of \$4,200 for deliverables/assistance in supporting implementation of the communications plan, providing benchmarks, tools, support and coaching to the new Executive Director to carry out all aspects of the communications and outreach work.

The proposal from JKing Consulting includes an estimate of 236 hours of professional services and three trips to Grand Rapids for face-to-face work at a cost of \$41,018.

The entirety of this expense will be funded by a \$270,000 portion of the \$1.8M grant recently provided by the Blandin Foundation to GREDA

RECOMMENDATION:

REQUIRED ACTION: Pass a motion accepting proposals from Pierson Henry and JKing Consulting for professional services associated with implementation of the Downtown Alliance establishment.

PH

PIERSON HENRY

**At Pierson Henry, guiding
clients through big transitions
is more than just our business...**

It's our calling.

Executive Summary

The Grand Rapids Downtown Alliance (GRDA) is seeking a trusted consultant to help develop, guide and support community engagement, membership development and marketing for this newly-developed entity in partnership with the City of Grand Rapids. The GRDA team has worked with economic development consultant Janna King to develop a comprehensive strategic approach to building this necessary entity which will serve as the foundation for growth in this next step of development.

Phase 1

GETTING SET: Crafting the Story, Planning & Building Capacity

Timeline: July-October 2025

Strategic Communications: Develop a comprehensive communications plan, brand identity, and strategic messaging package that tells the story of a thriving downtown Grand Rapids and engages the imagination of downtown stakeholders.

Fee: \$19,500

Fundraising: Complete a fundraising and membership growth plan that incorporates a comprehensive approach to major gifts and a matching gift strategy to ignite interest and spark generous support for this new initiative. Also, partner with key project personnel to recruit, onboard, and train a team of enthusiastic volunteers to build alignment around the vision, goals, and strategies for advancing the mission of the new Downtown Alliance. **Fee: \$22,000**

Phase 1 Deliverables:

- Brand identity and guidelines (logo and usage, typeface, color palette)
- Key messaging platform
- Completed case statement
- Comprehensive strategic communications plan
- Two virtual training sessions for volunteer team
- Complete volunteer toolkit with training resources and volunteer-centered materials to ensure comfort and clarity in roles

Phase 1 Total Fee: \$41,500

Phase 2

THE LAUNCH: Implementation, Coaching, & Staying on Track

Timeline: November 2025-July 2026

Fundraising: Create and support the implementation of the fundraising and membership growth plan, including a new member campaign and specially tailored solicitation and donor-centered stewardship strategies for each prospect. Manage actions, goals, and accountability to the process in partnership with with Executive Director.

Strategic Communications: Support implementation of the communications plan, providing benchmarks, tools, support and coaching to the Executive Director to carry out all aspects of the communications and outreach work.

Please note: This does not include direct social media platform management or direct media relations work. However, this is a service that Pierson Henry can provide an estimate for once Phase 1 is complete and we have a more detailed scope of work outlined for strategic communications.

Pierson Henry also offers website design/development, video production and content development (email marketing, blog content, etc.), which would also require a separate bid. We can provide samples as requested if this is an avenue the Grand Rapids Downtown Alliance would like to pursue.

Phase 2 Deliverables:

- Weekly coaching calls with Executive Director and Chair
- Planning and facilitation of monthly committee meeting
- Access to comprehensive wealth/capacity screening for donor prospects
- Ongoing strategic support, calibration, and workshopping as needed to carry out the fundraising and membership growth plan
- Evaluation of Year 1 progress and written recommendations for Year 2

Phase 2 Total Fee: \$4,200/month

The Team

First Chair

As a leadership coach, trainer, organizational development consultant, and Certified Fundraising Executive, **Katrina Pierson** has led thousands of executives, board members and staff teams through transformative experiences that fundamentally changed their impact, their culture and their business model for the better.

Katrina has been in the business of helping purpose-driven people succeed for 17 years. She is also a committed student and certified yoga and meditation teacher and offers a variety of programs and resources for mindful communication in the workplace through Pierson Henry's sister company, Mindfulness Works.

The people to whom she can be of greatest service are future-leaning, wholehearted, and eager to take risks. She is looking to support leaders (current and aspiring) who are seeking new opportunities that both challenge and inspire them.



Katrina Pierson
Founding Partner

Second Chair

Pierson Henry Founding Partner **Holly Kelsey Henry** has been guiding boards and supporting leaders in transition as an executive recruiter for the past 10 years. Prior to her work in leadership, Holly was an award-winning journalist and a media advisor to a member of Australian Parliament.

Holly's relationship-centered approach to executive search and organizational development has supported the success of dozens of organizations across Minnesota including Hazelden, the Blandin Foundation, and the Bush Foundation. In her work with leaders, Holly prioritizes curiosity and connection and is deeply committed to supporting the continued growth and development of purpose-driven leaders.



Holly Kelsey Henry
Founding Partner



May 22, 2025

Rob Mattei, Community Development Director
Grand Rapids Economic Development Authority
City of Grand Rapids
420 Pokegama Ave.
Grand Rapids, Mn 55744

RE: Scope of Services to Support GREDA with implementation of the Grand Rapids Downtown Plan Update and downtown organization start-up

Dear Rob:

Thanks for the opportunity to continue working with GREDA on implementation of the Downtown Plan Update. The following experiences with downtown revitalization and familiarity with Grand Rapids should get us up and running quickly.

- Participation on the consulting team for the GROW Grand Rapids 2040 Comprehensive Plan 2020 the Grand Rapids Downtown Plan Update 2023, and as a consultant to GREDA in 2024 focused on creating a downtown organization for Grand Rapids.
- Leadership of the St. Cloud Downtown Development Corporation during a three year period in which significant transformation occurred in downtown St. Cloud.
- 15 years of experience leading small non-profit economic development organizations, more than half of that in small and mid-sized regional centers in North Central Minnesota. This included leadership of county and regional economic development organizations, a downtown organization and a 1,600 member chamber of commerce in Texas. The chamber brought together the community's economic development, visitors bureau, civic center and chamber programs and included a buy local initiative, minority procurement and a business-education coalition.
- Preparation of over 40 strategic plans for development-related organizations including chambers of commerce, local and regional economic development organizations, visitors bureaus, and downtown organizations
- Drafting of the organizational component of the International Economic Development Council's two-day Strategic Planning Course. Served as an instructor for the course nationally and at the Upper Midwest Basic Economic Development Course for 25 years.

I look forward to the opportunity to continue to work with the City of Grand Rapids on downtown revitalization.

Sincerely,

Janna R. King, CEcD, EDFP



Proposed Approach and Scope of Services

Janna King, with JKing Consulting will provide the following services to support GREDA with the implementation of the Grand Rapids Downtown Plan and downtown organization start-up.

- A. Draft articles and bylaws in consultation with the Grand Rapids Area Community Foundation and local attorney and/or accountant. Seek their assistance in making appropriate filings.
- B. Support recruitment of board members.
- C. Convene board meetings at least monthly once established, including preparation of the agenda and minutes.
- D. Finalize arrangements with the Grand Rapids Area Community Foundation regarding financial management.
- E. Finalize arrangements with the Grand Rapids Area Chamber of Commerce regarding office space, payroll and administrative support during start-up of the downtown organization.
- F. Secure appropriate insurance for the organization acceptable to the Chamber, Community Foundation, and board members.
- G. Post position description, and network to solicit applications. Receive applications and coordinate interview and selection process.
- H. Coordinate with Katrina Pierson of Pierson Henry Executive Search, another downtown consultant, regarding fundraising, branding, and marketing (up to 36 hours).
- I. Coordinate with the Chamber and Community Foundation to make sure that the accounting and payroll systems are in place when the new staff person is hired for the downtown organization.
- J. Identify committee chairs, orient them to the work plan, identify near term priorities with board input, and have 2 to 4 priorities ready to begin implementation when the new director starts.

Deliverables

Project deliverables include:

- Draft articles and bylaws prepared in consultation with the Grand Rapids Community Foundation and local attorney/accountant.
- Agreements with the Grand Rapids Area Community Foundation and Grand Rapids Area Chamber of Commerce regarding office space, payroll and administrative support during start-up of the downtown organization.
- Preparation of agendas and minutes for initial board meetings.
- Secure appropriate insurance for the organization.



Professional rate, travel expenses, estimated hours, and timeline

The fully loaded rate for Janna King will be \$160/hour. Travel time is billed at 50%. Expenses are based on the federal GSA rate for 2025 of \$110/night for lodging and \$68/day for meals. First and last day meals are at 75% of the full daily rate (\$51/day). Mileage is at the federal rate of \$.70/mile.

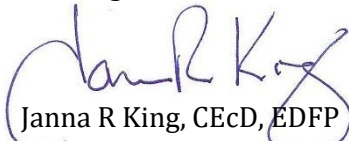
The estimated time needed to complete the project will be 5-7 months depending upon project start-up date, scheduled meetings, etc.

The cost of services described above is \$39,008 including travel to Grand Rapids for 3 in-person sessions at 2 nights each. Additional travel and services available with prior written agreement at \$160/hour; all travel is billed at the federal IRS/GSA mileage and per diem rate.

Budget	Hours	Cost
Professional services	236	\$39,008
3 trips at 3 days, 2 nights each		\$2,010
		\$41,018

Please let me know if you would like any modifications to this proposed scope of services.

Best regards,


Janna R King, CEcD, EDFP
JKing Consulting