



# **GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA**

**Thursday, August 25, 2022  
4:00 PM**

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, August 25, 2022 immediately following the closed meeting.

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 the minutes from the August 11, 2022 regular meeting.

APPROVE CLAIMS

- [2.](#) Consider approval of claims in the amount of \$244.55.

BUSINESS

- [3.](#) Downtown Plan Discussion – Janna King, Economic Development Services, Inc.
- [4.](#) Consider adopting a resolution approving a Purchase Agreement with the Carlson Living Trust

UPDATES

ADJOURN

## **MEMBERS & TERMS**

Rick Blake - 12/31/2022 (with Council term)

Tasha Connelly - 12/31/2024 (with Council term)

Cory Jackson - 3/1/23

Mike Korte - 3/1/24

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27



# GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

**Thursday, August 11, 2022  
4:00 PM**

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, August 11, 2022 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

PRESENT

Commissioner Al Hodnik  
President Sholom Blake  
Commissioner Tasha Connelly  
Commissioner Rick Blake  
Commissioner Wayne Bruns

ABSENT

Commissioner Cory Jackson  
Commissioner Mike Korte

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

The agenda was approved without addition.

APPROVE MINUTES

1. Consider approval of the minutes from the July 28, 2022 regular meeting

Motion by Commissioner Hodnik, second by Commissioner Bruns to approve the minutes from the July 28, 2022 regular meeting. The following voted in favor thereof: Hodnik, Bruns, Connelly, S. Blake, R.Blake. Opposed: None, passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$14,687.96.

Motion by Commissioner Connelly, second by Commissioner Bruns to approve claims in the amount of \$14,687.96. The following voted in favor thereof: R. Blake, S. Blake, Connelly, Bruns, Hodnik. Opposed: None, passed unanimously.

## PUBLIC HEARING

3. Conduct a public hearing regarding a business subsidy proposed for the ASV/Yanmar Expansion Project

Community Development Director Mattei provided background information.

President Blake stated the public hearing was for a business subsidy proposed for the ASV/Yanmar Expansion Project. Recorder Groom noted that all required notices, according to law, have been met.

Motion by Commissioner Connelly, second by Commissioner Bruns to open the public hearing. The following voted in favor thereof: Hodnik, Bruns, Connelly, S. Blake, R. Blake. Opposed: None, passed unanimously.

There was no public comment.

Motion by Commissioner R. Blake, second by Commissioner Hodnik to close the public hearing. The following voted in favor thereof: R. Blake, S. Blake, Connelly, Bruns, Hodnik. Opposed: None, passed unanimously.

## BUSINESS

4. Consider the adoption of a resolution approving the loan of a Minnesota Investment Fund grant to ASV Holdings, Inc. and the execution of related documents

Motion by Commissioner R. Blake, second by Commissioner Bruns to adopt a resolution approving the loan of a Minnesota Investment Fund grant to ASV Holdings, Inc. and the execution of related documents. The following voted in favor thereof: R. Blake, S. Blake, Connelly, Bruns, Hodnik. Opposed: None, passed unanimously.

## UPDATES

Great River Acres- A developer is interested in the multi family site Mr. Mattei is hoping to have a Letter of Interest soon.

Downtown Plan-The public engagement went well at Tall Timber Days the next step is a community survey that will be sent out.

## ADJOURN

There being no further business the meeting adjourned at 4:22 p.m.

## MEMBERS & TERMS

Rick Blake - 12/31/2022 (with Council term)

Tasha Connelly - 12/31/2022 (with Council term)

Cory Jackson - 3/1/23

Mike Korte - 3/1/24

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27

DATE: 08/22/2022  
 TIME: 13:34:43  
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 08/25/2022

VENDOR #	NAME	AMOUNT DUE
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EDA - CAPITAL PROJECTS		
ASV-YANMAR EXPANSION PRJT		
0718060	GRAND RAPIDS HERALD REVIEW	93.28
TOTAL ASV-YANMAR EXPANSION PRJT		93.28
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:		\$93.28
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
1621130	P.U.C.	151.27
TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:		\$151.27
TOTAL ALL DEPARTMENTS		\$244.55



## REQUEST FOR GRAND RAPIDS EDA ACTION

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**AGENDA DATE:** August 25, 2022

**STATEMENT OF ISSUE:** Downtown Plan Discussion – Janna King, Economic Development Services, Inc.

**PREPARED BY:** Rob Mattei, Executive Director

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### **BACKGROUND:**

Janna King, the economic development sub-consultant working on the development of the new Downtown Plan, will be at the GREDA meeting to discuss, in aggregate, the input provided by the GREDA Commissioners in this initial round of public engagement.

Janna is working out of City Hall this entire week. She has multiple focus groups and interviews scheduled with downtown business and property owners, business service, tourism and philanthropic organizations, arts and culture focused organizations, government and downtown industry representatives. She will give GREDA a preliminary report on those discussions.

### **RECOMMENDATION:**

**REQUIRED ACTION:** None



## REQUEST FOR GRAND RAPIDS EDA ACTION

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**AGENDA DATE:** August 25, 2022

**STATEMENT OF ISSUE:** Consider adopting a resolution approving a Purchase Agreement with the Carlson Living Trust

**PREPARED BY:** Rob Mattei, Executive Director

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### **BACKGROUND:**

As previously discussed, staff has pursued the purchase of an undeveloped 2.5 acre industrial zoned parcel located along the east side of SE 7<sup>th</sup> Avenue adjacent to a 20.0 acre parcel already owned by GREDA and a 12.5 acre parcel owned by the City.

The negotiated price for this parcel is \$30,000, which is within the range of value GREDA has discussed.

### **RECOMMENDATION:**

Review the Purchase Agreement

**REQUIRED ACTION:** Pass a motion adopting a resolution approving a Purchase Agreement with the Carlson Living Trust

Commissioner \_\_\_\_\_ introduced the following resolution and moved for its adoption:

## GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

### RESOLUTION NO. 22-\_\_

#### **RESOLUTION APPROVING THE PURCHASE AGREEMENT BETWEEN THE GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY AND CARLSON LIVING TRUST; AND THE PURCHASE OF THE LAND CONTAINED THEREIN.**

**WHEREAS**, the Grand Rapids Economic Development Authority (the “**Authority**”) is authorized pursuant to Minnesota Statutes, Sections 469.090 to 469.1081 (the “**EDA Act**”), to acquire and convey real property and to undertake certain activities to facilitate the development of real property by private enterprise; and

**WHEREAS**, to facilitate development of certain real property in the City of Grand Rapids, Minnesota (the “**City**”), the Authority proposes to enter into a Purchase Agreement (the “**Agreement**”) between the Authority and the trustee(s) appointed under the Carlson Living Trust dated September 27, 2013 (the “**Seller**”), under which, among other things, the Seller will convey to the Authority the property located in the City at: TBD SE 7<sup>th</sup> Avenue, Grand Rapids, situated in the State of Minnesota, County of Itasca, and which is legally described on the attached **Exhibit A** (the “**Property**”); and

**WHEREAS**, the Authority finds and determines that the acquisition of the Property is in the public interest and will further the objectives of its general plan of economic development.

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

1. The Board hereby approves the Agreement in substantially the form presented to the Board, including the acquisition of the Property by the Authority, subject to modifications that do not alter the substance of the transaction and that are approved by the President and Executive Director, provided that execution of the Agreement by those officials shall be conclusive evidence of their approval.

2. Authority staff and officials are authorized to take all actions necessary to perform the Authority's obligations under the Agreement as a whole, including without limitation execution of any documents to which the Authority is a party referenced in or attached to the Agreement, and other documents necessary to convey the Property to the Authority, all as described in the Agreement.

Approved by the Board of Commissioners of the Grand Rapids Economic Development Authority this 25<sup>th</sup> day of August 2022.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

Commissioner \_\_\_\_\_ seconded the foregoing resolution and the following roll call vote was taken: Yea: \_\_\_\_\_ ; and the following voted against same: Nay:.



**EXHIBIT A**  
Legal Description of the Property

West Five Hundred Forty-five feet (W.545') of the South Two Hundred Feet (S.200') of the Northeast Quarter of the Southeast Quarter (NE 1/4 SE 1/4), Section Thirty-three (33), Township Fifty-five (55), Range Twenty-five West of the Fourth Principal Meridian, according to the Government Survey thereof of file and of record in the office of the Itasca County Recorder, subject to and together with prior restrictions, reservations and easements, if any.

PID: 91-033-4101

## PURCHASE AGREEMENT

This Purchase Agreement is dated August 25, 2022 (“Effective Date”), by and between the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of the State of Minnesota located at 420 N. Pokegama Avenue, Grand Rapids, MN 55744 (Buyer) and William John Carlson and Carol Elizabeth Carlson trustees under the Carlson Living Trust, dated September 27, 2013, located at 1629 70<sup>th</sup> Street W. Inver Grove Heights, MN 55077 (Seller)

1. **Sale Price.** Seller agrees to sell to Buyer, for the sum of **\$30,000.** and other valuable consideration, the following property:

*West Five Hundred Forty-five feet (W.545') of the South Two Hundred Feet (S.200') of the Northeast Quarter of the Southeast Quarter (NE 1/4 SE 1/4), Section Thirty-three (33), Township Fifty-five (55), Range Twenty-five West of the Fourth Principal Meridian, according to the Government Survey thereof of file and of record in the office of the Itasca County Recorder, subject to and together with prior restrictions, reservations and easements, if any.*

Said purchase price does not include any improvements, fixtures and appurtenances on the property, as it is Buyer's intention to raze the property subsequent to purchase. Seller shall be allowed to remove any construction items, as well as, personal property from the existing structure, including but not limited to doors, boilers, HVAC equipment, fire suppression equipment, etc.

2. **Earnest Money.** Within three (3) days of the Effective Date, the Buyer shall deposit Three Thousand and no/100 dollars (\$3,000.00) with the Seller as consideration for Seller entering into this Purchase Agreement (“Earnest Money”). The Earnest Money shall be non-refundable except as specifically provided below. The Earnest Money shall be applied to the Sale Price on the Closing Date.
3. **Personal Property.** There is no personal property to be transferred to Buyer as part of this transaction.
4. **Deed/Title.** Subject to performance by Buyer, Seller hereby agrees to execute and deliver to Buyer a Warranty Deed conveying marketable title to the Property subject only to the following exceptions:
  - (1) Building and zoning laws, ordinance, state and federal regulations;
  - (2) Restrictions relating to use or improvement of the Property without effective forfeiture provision;
  - (3) Reservation of any minerals or mineral rights to the State of Minnesota;
  - (4) Utility and drainage easements which do not interfere with present improvements; and

(5) Covenants, conditions, restrictions and easements of record, if any.

**Real Estate Taxes/Assessments.** There are special assessments for 7<sup>th</sup> Ave. SE owing upon the subject property. The total payment due for 2022 is \$146.13, which the first half of has been paid. The balance of the assessment, after the second half of 2022 is \$266.71.

The parties agree to evenly split the remaining assessment balance and prorate taxes for 2022 as of the closing date.

1. **Expenses.** Except as stated below, all expenses related to the use, maintenance and occupancy of the Property prior to the closing shall be paid by Seller. It shall be assumed the Buyer will own the Property for the entire date of the closing.
2. **Examination of Title.** Seller shall, at Seller's cost, within a reasonable time after acceptance of this Agreement, furnish an Abstract of Title or a Registered Property Abstract, certified to date to include proper searches covering bankruptcies, state and federal judgments, liens and levied and pending special assessments or a title commitment for an ALTA 2006 Owner's Policy of Title Insurance, in the amount of the Sale Price, insuring Buyer's title to the Property. Seller shall use Seller's reasonable efforts to provide fee simple marketable title subject only to the exceptions identified in Paragraph 4 above by the Closing Date. If Seller has not provided marketable title by the Closing Date, (a) Seller shall have an additional 30 days to make title marketable; or (b) Buyer may waive title defects by written notice to Seller; and (c) in addition to the 30-day extension, Buyer and Seller may agree to further extend the Closing Date. Lacking an extension or waiver by Buyer, or upon the expiration of the extension, either party may declare this Purchase agreement canceled by written notice to the other party, in which case this Purchase Agreement is canceled.
3. **Cancellation or Termination of the Purchase Agreement.** If the Buyer fails to cure the breach of a Buyer obligation in the manner provided in this Purchase Agreement, Seller may cancel this Purchase Agreement with notice required by Minn. Stat. 559.21. Buyer may, in its sole discretion, terminate this Purchase Agreement prior to closing for any reason by giving Seller written notice. If Buyer terminates the Purchase Agreement due to Seller's breach of a Seller obligation under the Purchase Agreement, then the Seller shall refund the Earnest Money to Buyer.
4. **Closing Date/Possession.** Closing shall occur on or before October 15, 2022, or at such other date as may be agreed to by the parties in writing ("Closing Date"). Closing shall take place at the offices of a third-party closing company selected by Buyer, or at such other location as may be mutually agreeable in writing to the parties. Seller shall deliver possession of the Property on the date of closing subject to the Leaseback Provision provided in paragraph 10.
5. **Seller's Obligations at Closing.** At the Closing, Seller shall deliver to Buyer a duly executed warranty deed in recordable form, conveying to Buyer fee simple marketable title to the Property and all rights appurtenant, free and clear of all mortgages, liens and encum-

branches not listed in Paragraph 4 above, together with a seller's affidavit, FIRPTA affidavit, evidence as to the authority of the persons executing documents on behalf of Seller, well certificate and all other documents reasonably necessary to consummate the transaction contemplated by this Purchase Agreement.

- 6. Buyer's Obligations at Closing.** At the Closing, Buyer shall pay to Seller the full amount of the Sale Price, as increased or decreased by prorations or adjustments set forth in this Agreement, and shall deliver to Seller all other documents reasonably necessary to consummate the transaction contemplated by this Agreement.
- 7. Closing Costs.** Seller and Buyer agree to the payment of costs in connection with the Closing as follows: (a) Seller and Buyer each will pay one-half of any reasonable and customary closing fees or charges imposed by the third-party closing company for closing the transaction; (b) Seller shall pay all state deed tax for the recording of the deed; (c) Seller shall pay the cost of recording all documents necessary to place record title in the condition warranted by Seller in this Agreement and Buyer will pay the cost of recording the deed conveying the Property to Buyer; and (d) any other costs required to be paid by Buyer or Seller by Closing pursuant to this Agreement.
- 8. Representations and Warranties.** There are no representations or warranties made with regard to the Property except as set out in this Purchase Agreement or any attached Addenda to the Agreement.
- 9. Time.** Time is of the essence for all provisions of this contract.
- 10. Survival.** All of the warranties, representation and covenants of this Agreement shall survive and be enforceable after the closing.
- 11. Successor and Assigns.** All provisions of this Agreement shall be binding on the new Buyer's and Seller's successors and assigns.
- 12. Entire Agreement.** This Purchase Agreement constitutes the complete agreement between the parties regarding the purchase and sale of the Property and supersedes any prior oral or written agreements between the parties regarding the purchase and sale of the Property. There are no verbal agreements that change this Purchase Agreement. No waiver of any term of this Agreement will be effective unless in writing executed by the parties. The signatories to this Agreement represent that they are authorized to execute this Agreement.
- 13. Seller's Warranties:**
  - (a) Seller does not know of a private sewer system on or serving the property.
  - (b) This Purchase Agreement is subject to a well disclosure certificate.
  - (c) Seller does not know of any hazardous substances or underground storage tanks located on the property.
  - (d) Seller represents that it is the fee owner of the Property.

- (e) Seller warrants that it has received no notice of any action, litigation, investigation or proceeding of any kind pending neither against Seller, nor to the best of Seller's knowledge is any action, litigation, investigation, or proceeding pending or threatened against the Subject Premises, or any part thereof.
- (f) All labor or material which has been or will be furnished to the Property have been fully paid for or will be fully paid for prior to the Closing so that no lien for labor or material rendered can be asserted against the Property.

**14. 18. Brokerage Commissions.** Buyer represents and warrant that it has not been involved with any real estate brokers or agents on its behalf in connection with the transaction contemplated under this Purchase Agreement and that no commissions or costs are owed or being paid to any real estate broker or agent in connection with this transaction.

The Seller represents and warrant that they are utilizing the services of Broker Steve Welliver (Welliver Group) on their behalf in connection with the transaction contemplated under this Purchase Agreement. Seller specifically understands and agrees that the Seller must pay any and all costs associated with using said Broker and that GREDA will in no way contribute to these costs.

**15.** Seller and Buyer agree to indemnify and hold harmless the other party from any loss, liability, cost, damage or expense resulting from, or relating to, the breach of its representation under this Paragraph and any claim for real estate commissions or costs resulting from the indemnifying party's actions in connection with this transaction not provided for above. These obligations of Seller and Buyer shall survive Closing or any termination of this Agreement.

**16. Miscellaneous:**

- (a) This Agreement represents the complete and final agreement of the parties regarding sale of the Property and supersedes any prior oral or written understanding. This Agreement may be amended only by a writing executed by both parties. This Agreement shall be binding on the parties hereto, their successors and assigns.
- (b) Buyer and Seller represent and warrant that the recitals contained herein are true and accurate as of the date of execution of this Agreement.
- (c) All notices required hereunder shall be given by depositing in the U.S. mail, postage prepaid, certified mail, return receipt requested, to the following addresses (or such other addresses as either party may notify the other)

To the Seller:	William John Carlson and Carol Elizabeth Carlson 1629 70 <sup>th</sup> Street W. Inver Grove Heights, MN 55077
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To the Buyer: GREDA  
Attn: Rob Mattei  
420 North Pokegama Avenue  
Grand Rapids, MN 55744

**17. Effective Date of Agreement.** This Agreement shall become effective and shall be binding upon the parties hereto only after it has been executed by each of the parties hereto.

[Remainder of page intentionally blank; signature page follows]

**SELLER:**  
**William John Carlson**  
**Carol Elizabeth Carlson**

**BUYER:**  
**GREDA**

Seller	Date
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Buyer	Date
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Seller \_\_\_\_\_ Date \_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_





