



# GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

Thursday, February 13, 2025  
4:00 PM

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in the City Council Chambers in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, February 13th, 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 January 23, 2025 regular meeting.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$9,182.18.

BUSINESS

3. Consider adopting a resolution approving a Development Assistance Agreement with KTJ 435, LLC
4. Consider approval of a limited term land lease with Lamar Companies for the existing sign located on GREDA property at 900 NW 4th St. (former Itasca Farm Service Co-op)

UPDATES

ADJOURN

## MEMBERS & TERMS

Tom Sutherland - 12/31/2024 Council Representative  
Molly MacGregor - 12/31/2024 Council Representative  
Wayne Bruns - 3/1/25  
Sholom Blake - 3/1/25  
Al Hodnik - 3/1/27  
Bill Martinetto - 3/1/27  
Malissa Bahr - 3/1/30



# GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

Thursday, January 23, 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, January 23, 2025 at 4:00 PM.

CALL TO ORDER

CALL OF ROLL

PRESENT

Commissioner Al Hodnik  
President Sholom Blake  
Commissioner Bill Martinetto  
Council Representative Dan Mertes

ABSENT

Commissioner Wayne Bruns  
Commissioner Malissa Bahr  
Council Representative Rick Blake

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 January 9th, 2025 regular meeting.

Motion by Commissioner Hodnik, second by Commissioner Martinetto to approve the minutes of the January 9th, 2025 regular meeting. The following voted in favor thereof: Martinetto, Blake, Mertes, Hodnik. Opposed: None, motion passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$24,847.42.

BUSINESS

3. Consider approval of a proposal from Sandpieper Design for the design of a new GREDA website.

Community Development Director Mattei provided background information. The estimate for the initial setup is \$9,500 and an annual cost of \$684.

Motion by Commissioner Hodnik, second by Commissioner Martinetto to approve a proposal from Sandpieper Design for the new GREDA website. The following voted in favor thereof: Martinetto, Blake, Mertes, Hodnik. Opposed: None, motion passed unanimously.

## UPDATES

Ryan Companies- They have signed the purchase agreement and submitted a permit application and plans.

Hwy 2 Corridor Study- Staff had a meeting with the consultants and they are working on the final preparations of the plan.

Oppidan- Staff had a meeting with the general contractor and are working on the development agreement.

## ADJOURN

### MEMBERS & TERMS

Dan Mertes - 12/31/2025 Council Representative

Rick Blake - 12/31/2025 Council Representative

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27

Bill Martinetto - 3/1/27

Malissa Bahr - 3/1/30

DATE: 02/07/2025  
 TIME: 15:17:05  
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 02/13/2025

VENDOR #	NAME	AMOUNT DUE
-----		
ECONOMIC DEVELOPMENT AUTHORITY		
0920065	ITASCA ECONOMIC DEVELOPMENT	5,000.00
	TOTAL	5,000.00
EDA - CAPITAL PROJECTS		
MISCELLANEOUS PROJECT		
1920240	CHAD B STERLE	1,020.00
	TOTAL MISCELLANEOUS PROJECT	1,020.00
AIRPORT SOUTH INDUSTRIAL PARKS		
0221650	BURGGRAF'S ACE HARDWARE	15.58
0315455	COLE HARDWARE INC	59.47
1105530	KENNEDY & GRAVEN CHARTERED	302.50
1415511	NORTHERN STAR COOPERATIVE SERV	765.00
1801610	RAPIDS PLUMBING & HEATING INC	289.00
	TOTAL AIRPORT SOUTH INDUSTRIAL PARKS	1,431.55
DWTOWN PLAN PJT-BLANDIN GRNT		
1105530	KENNEDY & GRAVEN CHARTERED	23.50
	TOTAL DWTOWN PLAN PJT-BLANDIN GRNT	23.50
BLK 36 DOWNTOWN REDEVELOPMENT		
1105530	KENNEDY & GRAVEN CHARTERED	485.00
	TOTAL BLK 36 DOWNTOWN REDEVELOPMENT	485.00
AINSWORTH FACILITY REDEVELPMNT		
1105530	KENNEDY & GRAVEN CHARTERED	770.00
	TOTAL AINSWORTH FACILITY REDEVELPMNT	770.00
FARM SERVICE REDEVELOPMENT		
1105530	KENNEDY & GRAVEN CHARTERED	94.50
	TOTAL FARM SERVICE REDEVELOPMENT	94.50

DATE: 02/07/2025  
 TIME: 15:17:05  
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

INVOICES DUE ON/BEFORE 02/13/2025

VENDOR #	NAME	AMOUNT DUE
-----		
EDA - CAPITAL PROJECTS		
	ISD 318 ADM REDEVELOPMENT	
1105530	KENNEDY & GRAVEN CHARTERED	141.00
	TOTAL ISD 318 ADM REDEVELOPMENT	141.00
	TOTAL UNPAID TO BE APPROVED IN THE SUM OF:	\$8,965.55
CHECKS ISSUED-PRIOR APPROVAL		
	PRIOR APPROVAL	
1621130	P.U.C.	216.63
	TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:	\$216.63
	TOTAL ALL DEPARTMENTS	\$9,182.18



## REQUEST FOR GRAND RAPIDS EDA ACTION

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**AGENDA DATE:** February 13, 2025

**STATEMENT OF ISSUE:** Consider adopting a resolution approving a Development Assistance Agreement with KTJ 435, LLC

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

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### BACKGROUND:

KTJ 435 is a limited liability corporation formed by Oppidan Development for a specific project to develop and own a 132-unit apartment to be located on a 15-acre parcel which they are purchasing from the Grand Rapids EDA in the plat of Great River Acres, near the West Rapids Elementary School.

This \$33M project involves not only bank lending and private equity, but also grants secured by the City of \$800,000 from MN IRRR, and \$7,946,000 from Minnesota Housing Finance Agency Workforce Housing Program. To close the remainder of the financing gap, the City Council established TIF District 1-17: (Oppidan Workforce Housing) following a public hearing held on December 2, 2025.

At the time of the TIF district and tax abatement approval in December, the final action to approve a Development Assistance Agreement was not taken, because the final draft form of it was not yet prepared and agreed to by both parties.

The Development Assistance Agreement is a three-party agreement between KTJ 435, GREDA and the City. As with similar agreements for past projects, it addresses the required actions by all parties regarding, construction of the project, TIF and Tax Abatement and management of grant funds awarded to the City for the project.

Like the Development Assistance Agreement with Oppidan for the Pillars of Grand Rapids project, Section 3.9 of the agreement contains a lookback provision. This provision allows the City to review the actual performance (Yield on Cost Return) of the project after it is operating and determine if it exceeds a figure of 8.0%. If it does, the City can adjust the amount of TIF and Tax Abatement assistance downward to cap the returns at that amount.

With approval of this agreement, the project will continue on its track toward a real estate closing with GREDA, permitting and construction start this spring.

**RECOMMENDATION:**

**REQUIRED ACTION:** Make a motion to adopt a resolution approving a Development Assistance Agreement with KTJ 435, LLC

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING A DEVELOPMENT ASSISTANCE AGREEMENT WITH KTJ 435, LLC**

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

Section 1. Recitals.

1.01. On December 2, 2025, following a duly noticed public hearing, the City of Grand Rapids, Minnesota (the “City”) established Tax Increment Financing District No. 1-17: Oppidan Workforce Housing (the “TIF District”), an economic development district within Municipal Development District No. 1 in the City, and adopted a Tax Increment Financing Plan therefor.

1.02. KTJ 435, LLC, a Minnesota limited liability company, or an affiliate thereof or an entity related thereto (the “Developer”), plans to purchase certain real property in the TIF District (the “Property”), which is owned by the Authority in accordance with a Purchase Agreement previously approved by the Authority.

1.03. The Developer proposes to acquire the Property from the Authority and construct, improve and equip thereon an approximately 132-unit market rate rental housing community (the “Project”).

1.04. To make the Project financially feasible, the Developer has requested financial assistance from the City and the Authority in the form of tax increment financing assistance, a property tax abatement, and a write down of the land acquisition price from the Authority.

1.05. The City proposes to reimburse the Developer for certain qualified costs for the Project in an amount not to exceed \$4,183,506, through the issuance of the City’s pay as you go Taxable Tax Increment Revenue Note (Oppidan Workforce Housing Project) (the “TIF Note”), subject to the terms and conditions set forth in that certain Development Assistance Agreement, by and between the City, the Authority, and the Developer (the “Agreement”).

1.06. On December 2, 2025, following a duly noticed public hearing, the Board of Commissioners approved a property tax abatement (the “Abatement”) on the Property to complete the Project. The Abatement is for a term of up to twenty (20) years, beginning the year following the year the TIF District is decertified, in an amount not to exceed \$3,000,000 (consisting of principal and interest) and is evidenced by the City’s Taxable Abatement Revenue Note (Oppidan Workforce Housing Project) (the “Abatement Note”), which is subject to the terms and conditions set forth in the Agreement.

1.07. On November 24, 2025, the Authority held a duly noticed public hearing on the sale of the Property to the Developer. The Developer has requested that the Authority write down the purchase price of the Property in the amount of \$584,499 (the “Land Write Down”).

1.08. The Authority believes that the Project is in the best interests of the City and will help alleviate a housing shortage in the City.

Section 2. Agreement Approved.



2.01. The Authority hereby approves the Agreement substantially in accordance with the terms set forth in the form presented to the Board of Commissioners, together with any related documents necessary in connection therewith, including the TIF Note, the Abatement Note, and without limitation all documents, exhibits, certifications or consents referenced in or attached to the Agreement (collectively, the “Development Documents”) and hereby authorizes the President and the Executive Director to negotiate the final terms thereof and, in their discretion and at such time as they may deem appropriate, to execute the Development 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.

2.02. The approval hereby given to the Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the 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 Development Documents shall not be effective until the date of execution thereof as provided herein. In the event of absence or disability of the officers, any of the documents authorized by this Resolution to be executed may be executed without further act or authorization of the Board of Commissioners by any duly designated acting official, or by such other officer or officers of the Board of Commissioners as, in the opinion of the City Attorney, may act in their behalf.

2.03. Upon execution and delivery of the Development Documents, the officers and employees of the Authority are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the Authority to implement the Development Documents.

Section 3. Effective Date. This resolution shall be effective upon approval.

Adopted on February \_\_, 2025 by the Board of Commissioners of the Grand Rapids Economic Development Authority.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary





## REQUEST FOR GRAND RAPIDS EDA ACTION

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**AGENDA DATE:** February 13, 2025

**STATEMENT OF ISSUE:** Consider approval of a limited term land lease with Lamar Companies for the existing sign located on GREDA property at 900 NW 4<sup>th</sup> St. (former Itasca Farm Service Co-op)

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

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### **BACKGROUND:**

Through the attached letter, City Attorney Chad Sterle has notified the Lamar Companies of GREDA’s intent to terminate the expired land lease established with the Co-op for Lamar’s billboard sign located on the GREDA property at 900 NW 4<sup>th</sup> St.

The 60-day notice of termination, within the expired lease, requires that the sign and all its components, including the foundation, be removed.

Through their legal counsel, Lamar Companies has asked for GREDA to consider a short-term lease to provide some additional time and more reasonable conditions for the removal of the sign.

Attorney Sterle has drafted the attached lease with a term beginning on December 1, 2024, and ending on June 30, 2025, for the full-term rent payment of \$1,080.00. This short-term lease requires that the sign and all its components be removed by the end of the lease term.

### **RECOMMENDATION:**

**REQUIRED ACTION:** Make a motion to approve a limited term land lease with Lamar Companies for the existing sign located on GREDA property at 900 NW 4<sup>th</sup> St. (former Itasca Farm Service Co-op)

**LAND LEASE**

THIS AGREEMENT, made and entered into as of this \_\_\_\_ day of January, 2025, by and between the **Grand Rapids Economic Development Authority**, a public body corporate and politic of the State of Minnesota, with an address of 420 Pokegama Avenue North, Grand Rapids, Minnesota 55744, hereinafter referred to as “**GREDA**”; and **The LAMAR Companies**, 9331 Westgate Blvd, Proctor, MN 55810, hereinafter referred to as “**Lessee**”.

**Property rented.**

By signing below, GREDA hereby leases to Lessee a portion of the property located at Section 20, T.55, R.25, Grand Rapids Second Division, lots 1-6 less E. 25’ and all lots 7-12, block 26 and vacated 10<sup>th</sup> Avenue lying West of Block 26, City of Grand Rapids LAMAR Location: Hwy 2, 900 NW 4<sup>th</sup> Street, identified as Property Identification Number 91-420-2610, in Itasca County, in the State of Minnesota (known as the “Property”).

**Term of Lease.**

Lessee agrees to rent the property for an initial term beginning December 1, 2024. The lease shall expire six months later, on June 30, 2025, to allow the Lessee sufficient time to remove all signage, posts, foundations, electrical components, support structures, and any other related materials from the property. The Lessee shall pay the full-term rent of one thousand eighty dollars (\$1,080.00). Payment shall be made by the Lessee within 30 days of signing this lease. Should Lessee fail to pay rent or fulfil any other obligation under this lease within thirty (30) days after such performance is due, the Lessee will be in default under the lease.

All other prior leases are hereby deemed null and void.

**My Rights of Possession.**

If the Lessee continues to keep all terms of this Lease current, the Lessee may peaceably use and enjoy the Property for the full term of this lease.

**General Maintenance of the Property.**

During the entire term of this lease, Lessee agrees to:

- Keep the Property in a neat, clean and respectable condition and not permit any waste;
- Keep the Lease Area clear of ice; and
- Maintain the gravel surface on the Lease Area at Lessee’s expense.

**Use of the Property.**

The use of the property is limited to an advertising structure.

**Removal of Sign & End of Lease Term.**

All structures, equipment, footings and materials placed upon the premises by the Lessee, or its predecessor, shall be removed from the property by June 30 2025. At the termination of this lease, the Lessee agrees to restore the surface of the premises to its original condition. All such

permits and any nonconforming rights pertaining to the premises shall be the property of the City.

**Damage to the Property.**

Lessee agrees to keep the Property in as good a condition as it now is, except for any damages caused by ordinary wear and tear. Except as explained below, GREDA has no obligation to make any alterations, improvements or repairs of any kind to the Property. If the Lessee's Property is damaged by fire, storm, or any other casualty that is not caused by the negligent or willful acts of the Lessee, agents, visitors or employees, then the following conditions apply. GREDA has the right to either repair the Property or terminate the lease.

**No Subletting.**

Lessee agrees not to assign or sublet the Property to anyone else unless Lessee first gets GREDA's written permission.

**Insurance/Hold Harmless.**

The Lessee hereby agrees to maintain public liability insurance and property damage insurance in sums as required by Minn. Stat. Cpt. 466.04. Lessee further agrees to furnish a certificate evidencing such coverage to GREDA upon execution of this agreement, and then each year upon the renewal of this agreement.

The Lessee hereby undertakes and agrees to release, indemnify, save and hold harmless the GREDA against any liability whatsoever, including reasonable attorney fees in the defense of any claim, because of accident or injury to employees, guests, patrons and invitees or other persons or property occurring in any of his/her operations at the subject property not arising out of or caused by the negligence of GREDA.

**Default.**

Lessee will be in default under the terms of this agreement if the Lessee does not keep any of their promises in this agreement.

**The Grand Rapids Economic Development Authority's Remedies if Default Occurs:**

If Lessee is in default, the GREDA may choose and rely upon one of the following remedies:

(a) GREDA may cancel Lessee's lease immediately and reenter and take possession of the Property. GREDA may remove every person and all personal property from the Property. The GREDA may use reasonable force if necessary. GREDA does not have to give Lessee any notice of the Grand Rapids Economic Development Authority's intention to do this.

(b) GREDA may reenter and take possession of the Property without cancelling the lease. Lessee will have no further right to possess or use the Property but will continue to be obligated to keep all promises in this lease. GREDA's re-entry and possession after Lessee default will not in any way terminate Lessee's obligations to GREDA under this lease.

**Notice of Termination.**

This Lease shall end on June 30, 2025.

**Notice of Seizure Provision.**

Lessee is hereby notified that Lessee will be considered in unlawful detention of the Property and subject to the default remedies in this lease, if any contraband or a controlled substance manufactured, distributed, or acquired in violation of the law is seized on the Property Lessee is renting under this lease, incident to a lawful search or arrest and to which there are no defenses under the statute.

**Additional Agreements.**

By signing below, the Grand Rapids Economic Development Authority and The LAMAR Companies agree that all the agreements made in this lease shall apply to and bind our heirs, executors, administrators and assigns. "Heirs, executors, administrators and assigns" includes anyone who inherits, receives or represents the interests of another person and who is looked at as having some or all of the same interests, rights and obligations of that other person.

GREDA:

Lessee:

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

Grand Rapids Economic Development Authority

By: \_\_\_\_\_  
President

\_\_\_\_\_  
The LAMAR Companies

Its: \_\_\_\_\_

Its: \_\_\_\_\_





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

ADMINISTRATION DEPARTMENT

420 NORTH POKEGAMA AVENUE, GRAND RAPIDS, MINNESOTA 55744-2662

December 20, 2024

Mr. Brian Swanson  
Lamar Advertising, Duluth MN/Escanaba MI  
9331 Westgate Blvd  
Proctor, MN 55810

RE: Lease location 900 4<sup>th</sup> Street West, Grand Rapids, MN 55744

Dear Mr. Swanson,

I am writing to you on behalf of the Grand Rapids Economic Development Authority (GREDA) as their legal counsel. The Grand Rapids Economic Development Authority (GREDA) has recently purchased the property located at 900 4th Street West, Grand Rapids, Minnesota, which had an existing lease agreement established prior to this purchase. Despite the presence of undisclosed encumbrances at the time of sale, the Grand Rapids Economic Development Authority (GREDA) wishes to terminate this lease.

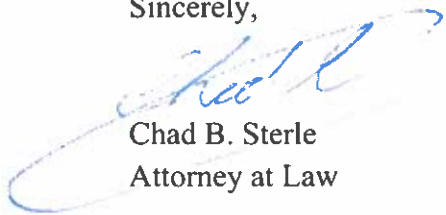
According to the enclosed lease agreement, clause #4 states, "Lessor may terminate this lease by giving Lessee 60 days written notice, etc."

We hereby provide you with a 60-day notice of termination for any lease associated with this property. Additionally, Lamar Companies are required to remove all signage, posts, foundations, electrical components, support structures, and any other related materials from the property within this 60-day period. Failure to comply will result in this matter being referred for legal action.

Thank you for your prompt attention to this matter.



Sincerely,



Chad B. Sterle  
Attorney at Law

CBS/mw  
Enclosures

cc: Director of Community Development Rob Mattei, City of Grand Rapids, MN  
Assistant Finance Director Laura Pfeifer, City of Grand Rapids, MN

142  
5152-01  
1/20/17

THE **LAMAR** COMPANIES

Lamar Co # 142

This Instrument Prepared by:  
James R. McIlwain  
5321 Corporate Boulevard  
Baton Rouge, Louisiana 70808

Renewal  
 142-5152-01 Lease #

*James R. McIlwain*

James R. McIlwain

**SIGN LOCATION LEASE**

THIS LEASE AGREEMENT, made this 17th day of January, 2017, by and between:

ITASCA COUNTY FARM SERVICE  
900 4<sup>TH</sup> ST. W  
GRAND RAPIDS, MN 55744

(hereinafter referred to as "Lessor") and THE LAMAR COMPANIES (hereinafter referred to as "Lessee"), provides  
**WITNESSETH**

"LESSOR hereby leases to LESSEE, its successors or assigns, as much of the hereinafter described lease premises as may be necessary for the construction, repair and relocation of an outdoor advertising structure ("sign"), including necessary structures, advertising devices, utility service, power poles, communications devices and connections, with the right of access to and egress from the sign by LESSEE'S employees, contractors, agents and vehicles and the right to survey, post, illuminate and maintain advertisements on the sign, and to modify the sign to have as many advertising faces, including changeable copy faces or electronic faces, as are allowed by local and state law, and to maintain telecommunications devices or other activities necessary or useful in LESSEE'S use of the sign. Any discrepancies or errors in the location and orientation of the sign are deemed waived by LESSOR upon LESSOR'S acceptance of the first rental payment due after the construction of the sign.

The premises are a portion of the property located in the County of Itasca, State of Minnesota, more particularly described as:

PID 91-420-2610, Section 20, T.55, R.25, Grand Rapids Second Division, lots 1-6 less E. 25' and all lots 7-12, block 26 and vacated 10<sup>th</sup> avenue lying West of Block 26, City of Grand Rapids  
LAMAR LOCATION: HWY 2, 900 NW 4<sup>TH</sup> ST

1. This Lease shall be for a term of ~~ten (10)~~ <sup>five (5)</sup> years commencing on the first day of the calendar month following the date of completion of construction of the sign, or, if this is a renewal lease, the term and payments begin December 1<sup>st</sup>, 2017 ("commencement date") with payment retroactive to current lease year.

2. LESSEE shall pay to LESSOR an annual rental of (\$1,850.00) Dollars, payable annually in advance in equal installments of One Thousand Eight Hundred Fifty and 00/100 (\$1,850.00) each. Rent shall be considered tendered upon due mailing or attempted hand delivery during reasonable business hours at the address designated by LESSOR, whether or not actually received by LESSOR. Should LESSEE fail to pay rent or perform any other obligation under this lease within thirty (30) days after such performance is due, LESSEE will be in default under the lease. In the event of such default, LESSOR must give LESSEE written notice by certified mail and allow LESSEE thirty (30) days thereafter to cure any default.

3. LESSOR agrees not to erect or allow any other off-premise advertising structure(s), other than LESSEE'S, on property owned or controlled by LESSOR within two thousand (2000) feet of LESSEE'S sign. LESSOR further agrees not to erect or allow any other obstruction of highway view or any vegetation that may obstruct the highway view of LESSEE'S sign. LESSEE is hereby authorized to remove any such other advertising structure, obstruction or vegetation at LESSEE'S option.

4. LESSEE may terminate this lease upon giving thirty (30) days written notice in the event that the sign becomes entirely or partially obstructed in any way or in LESSEE'S opinion the location becomes economically or otherwise undesirable. If LESSEE is prevented from constructing or maintaining a sign at the premises by reason of any final governmental law, regulation, subdivision or building restriction, order or other action, LESSEE may elect to terminate this lease. In the event of termination of this Lease prior to expiration, LESSOR will return to LESSEE any unearned rentals on a pro rata basis. *LESSOR MAY terminate this lease by giving Lessee 60 Day Written Notice and Refunding any unearned rental.*

5. All structures, equipment and materials placed upon the premises by the LESSEE or its predecessor shall remain the property of LESSEE and may be removed by LESSEE at any time prior to or within a reasonable time after expiration of the term hereof or any renewal. At the termination of this lease, LESSEE agrees to restore the surface of the premises to its original condition. The LESSEE shall have the right to make any necessary applications with, and obtain permits from, governmental bodies for the construction and maintenance of LESSEE'S sign, at the sole discretion of LESSEE. All such permits and any nonconforming rights pertaining to the premises shall be the property of LESSEE.

6. LESSOR represents that he is the owner or lessee under written lease of the premises and has the right to make this agreement and to grant LESSEE free access to the premises to perform all acts necessary to exercise its rights pursuant to this lease. LESSOR is not aware of any recorded or unrecorded rights, servitudes, easements, subdivisions or building restrictions, or agreements affecting the premises that prohibit the erection, posting, painting, illumination or maintenance of the sign. LESSOR acknowledges that the terms and conditions of this agreement are confidential and proprietary and shall not be disclosed to any third-party without the written consent of LESSEE.

7. In the event of any change of ownership of the property herein leased, LESSOR agrees to notify LESSEE promptly of the name, address, and phone number of the new owner, and LESSOR further agrees to give the new owner formal written notice of the existence of this lease and to deliver a copy thereof to such new owner at or before closing. In the event that LESSEE assigns this lease, assignee will be fully obligated under this Lease and LESSEE will no longer be bound by the lease. This lease is binding upon the personal representatives, heirs, executors, successors, and assigns of both LESSEE and LESSOR.

8. In the event of condemnation of the subject premises or any part thereof by proper authorities, or relocation of the highway, the LESSOR grants to the LESSEE the right to relocate its sign on LESSOR'S remaining property adjoining the condemned property or the relocated highway. Any condemnation award for LESSEE'S property shall accrue to LESSEE.

9. LESSEE agrees to indemnify LESSOR from all claims of injury and damages to LESSOR or third parties caused by the installation, operation, maintenance, or dismantling of LESSEE'S sign during the term of this lease. LESSEE further agrees to repair any damage to the premises or property at the premises resulting from the installation, operation, maintenance, or dismantling of the sign, less ordinary wear and tear.

10. LESSOR agrees to indemnify LESSEE from any and all damages, liability, costs and expenses, including attorney's fees, resulting from any inaccuracy in or nonfulfillment of any representation, warranty or obligation of LESSOR herein.

11. If LESSOR desires to sell or otherwise transfer any interest/sign easement in the property upon which the sign is situated, LESSOR grants LESSEE a right of first refusal to match any bona fide agreement to purchase a perpetual easement (servitude) encompassing the sign and the access, utility service and visibility rights set forth herein. LESSEE must elect to exercise this right of first refusal within thirty (30) days after written notification of LESSOR'S desire to sell. LESSEE'S failure to exercise this option within said period shall be a waiver of this option. Closing shall be within thirty (30) days of LESSEE'S exercise of this option.

12. Prior to LESSEE removing its sign, and for five (5) years after such removal, LESSOR grants LESSEE a first right of refusal to match any bona fide agreement of LESSOR with a third party for the purpose of permitting off-premise outdoor advertising on any portion of the leased premises. LESSEE has seven (7) days after LESSOR provides to LESSEE a copy of such agreement executed by such third party to match the terms of such agreement.

13. If required by LESSEE, LESSOR will execute and acknowledge a memorandum of lease suitable for recordation. In addition to the foregoing, LESSOR authorizes and appoints LESSEE as LESSOR'S agent, representative, and attorney in fact for the limited purpose of executing on behalf of LESSOR such memorandum of lease and any amended memoranda of lease that are necessary or desirable to correct, amend, or supplement any matter set forth in such memorandum. LESSOR further authorizes LESSEE to perform all acts that are incidental to or necessary for the execution and recordation of such memorandum or memoranda.

14. This Lease is NOT BINDING UNTIL ACCEPTED by the General Manager of a Lamar Advertising Company.

THE LAMAR COMPANIES, LESSEE:

LESSOR: ITASCA COUNTY FARM SERVICE

BY: [Signature]  
Matt Harold  
VICE-PRESIDENT/GENERAL MANAGER

BY: [Signature]  
BY: \_\_\_\_\_

DATE: 11/8/2017

DATE: 11/7/17

218-326-4102  
LESSOR'S TELEPHONE NUMBER

41-0330750  
LESSOR'S SOCIAL SECURITY NUMBER /  
EMPLOYER IDENTIFICATION NUMBER

PID 91-420-2610  
Tax ID Parcel # (for land on which sign is located)

Address of LESSEE:  
9331 WESTGATE BLVD  
PROCTOR, MN 55810

Address of LESSOR:  
900 4TH ST. W  
GRAND RAPIDS, MN 55744

Witnesses (LESSEE)  
\_\_\_\_\_  
\_\_\_\_\_

Witnesses (LESSOR)  
[Signature]  
\_\_\_\_\_