



# GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING AGENDA

Thursday, February 08, 2024  
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 8, 2024 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 the January 11, 2024 regular meeting minutes.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$18,323.56.

BUSINESS

3. Consider approval of the 2024 GREDA Work Plan
4. Consider adopting a resolution approving the conveyance of land to Stewart and Janelle Bastian
5. Review and discuss Letter of Intent from Fine Line Construction

UPDATES

ADJOURN

## MEMBERS & TERMS

Tom Sutherland - 12/31/2023 Council Representative

Tasha Connelly - 12/31/2023 Council Representative

Mike Korte - 3/1/24

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27

Bill Martinetto - 3/1/27



# GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY MEETING MINUTES

Thursday, January 11, 2024  
4:05 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 11, 2024 immediately following the Closed Meeting.

CALL TO ORDER

CALL OF ROLL

PRESENT

Commissioner Al Hodnik  
Commissioner Mike Korte  
Commissioner Tasha Connelly  
Commissioner Wayne Bruns  
Commissioner Tom Sutherland  
Commissioner Bill Martinetto

ABSENT

President Sholom 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 .*

Approved with addition:

Consider approving payment to the Blandin Foundation in the amount of \$14,584.21.

Consider approving a Letter of Intent from Stewart and Janelle Bastain for a lot in Great River Acres.

APPROVE MINUTES

1. Consider approval of the minutes from the December 14, 2023 regular meeting.

Motion by Commissioner Korte, second by Commissioner Martinetto to approve the minutes from the December 14, 2023 regular meeting. The following voted in favor thereof: Bruns, Connelly, Hodnik, Martinetto, Korte, Sutherland. Opposed: None, motion passed unanimously.

APPROVE CLAIMS

2. Consider approval of claims in the amount of \$105,380.94

Motion by Commissioner Connelly, second by Commissioner Korte to approve claims in the amount of \$105,380.94. The following voted in favor thereof: Sutherland, Korte, Martinetto, Hodnik, Connelly, Bruns. Opposed: None, passed unanimously.

Consider approving payment to the Blandin Foundation in the amount of \$14,584.21

Motion by Commissioner Martinetto, second by Commissioner Korte to approve payment to the Blandin Foundation in the amount of \$14,584.21. The following voted in favor thereof: Sutherland, Korte, Martinetto, Hodnik, Connelly, Bruns. Opposed: None, motion passed unanimously.

## BUSINESS

3. Consider approval of a residential lease with HWY 35 LLC

Community Development Director Mattei provided background information. The lease will begin February 1st and is a year long lease at the rate of \$1,720.00 a month.

Motion by Commissioner Bruns, second by Commissioner Martinetto to approve a lease with Hwy 35 LLC. The following voted in favor thereof: Bruns, Connelly, Hodnik, Martinetto, Korte, Sutherland. Opposed: None, passed unanimously.

4. Consider approval of 2024 Central School Leases

The following leases are renewals Friesen/Squadroni, Mary Corwin, Salmela Photography, True North Salon, Deb's Christian Crafts, Growing Harmony, Embrace Mental Health, Wood Works Homes except 212B which is an additional lease with True North Salon.

Motion by Commissioner Connelly, second by Commissioner Korte to approve the 2024 Central School leases. The following voted in favor thereof: Bruns, Connelly, Hodnik, Martinetto, Korte, Sutherland. Opposed: None, motion passed unanimously.

5. Develop 2024 Work Plan

The Commissioners reviewed the rankings and suggested reviewing previous years items to see where the carry over items had been ranked. Mr. Mattei will update a couple of items and bring back a draft plan at the next meeting.

6. Consider approval of a Letter of Intent from Stewart and Janelle Bastian for Lot 2 Block 2 Great River Acres.

Motion by Commissioner Connelly, second by Commissioner Sutherland to approve the Letter of Intent with Stewart and Janelle Bastian. The following voted in favor there: Sutherland, Korte, Martinetto, Hodnik, Connelly. Opposed: None, Bruns abstained motion passed.

## UPDATES

## ADJOURN

There being no further business the meeting adjourned at 5:13 p.m.

MEMBERS & TERMS

Tom Sutherland - 12/31/2023 Council Representative

Tasha Connelly - 12/31/2023 Council Representative

Mike Korte - 3/1/24

Wayne Bruns - 3/1/25

Sholom Blake - 3/1/25

Al Hodnik - 3/1/27

Bill Martinetto - 3/1/27

DRAFT

DATE: 02/05/2024  
 TIME: 09:24:41  
 ID: AP443GR0.WOW

CITY OF GRAND RAPIDS  
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 02/08/2024

VENDOR #	NAME	AMOUNT DUE
EDA - CAPITAL PROJECTS		
MISCELLANEOUS PROJECT		
1200800	LHB INC	3,115.03
TOTAL MISCELLANEOUS PROJECT		3,115.03
AIRPORT SOUTH INDUSTRIAL PARKS		
0221650	BURGGRAF'S ACE HARDWARE	21.99
0315455	COLE HARDWARE INC	37.41
1415511	NORTHERN STAR COOPERATIVE SERV	1,059.84
2018680	TRU NORTH ELECTRIC LLC	1,280.41
TOTAL AIRPORT SOUTH INDUSTRIAL PARKS		2,399.65
DWN TOWN PLAN PJT-BLANDIN GRNT		
0504100	ECONOMIC DEVELOPMENT SERVICES	8,310.77
T001232	RAPIDS BREWING COMPANY, LLC	383.65
TOTAL DWN TOWN PLAN PJT-BLANDIN GRNT		8,694.42
L&M DISTRIBUTION CENTER		
1105530	KENNEDY & GRAVEN, CHARTERED	2,034.50
1900225	SEH	1,950.00
TOTAL L&M DISTRIBUTION CENTER		3,984.50
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:		\$18,193.60
CHECKS ISSUED-PRIOR APPROVAL		
PRIOR APPROVAL		
0815500	HOME DEPOT CREDIT SERVICES	48.70
1621130	P.U.C.	81.26
TOTAL PRIOR APPROVAL ALLOWED IN THE SUM OF:		\$129.96
TOTAL ALL DEPARTMENTS		\$18,323.56



## REQUEST FOR GRAND RAPIDS EDA ACTION

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**AGENDA DATE:** February 8, 2024

**STATEMENT OF ISSUE:** Consider approval of the 2024 GREDA Work Plan

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

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**BACKGROUND:**

For discussion, possible revision and approval, staff has prepared the 2024 GREDA Work Plan.

**RECOMMENDATION:**

**REQUIRED ACTION:** Consider a motion to approve the 2024 GREDA Work Plan as presented or with revisions.




# Grand Rapids Economic Development Authority 2024 Work Plan

* Results of Issue Identification and Ranking			* Desired Outcomes/Work Approach/Schedule			
Issue/Task/Work Item	Role	Term (years) Short 1-2 Med. 3-5 Long 6+	Q1	Q2	Q3	Q4
<b>Industry Advancement/Support</b>						
<b>Continue to assist the L&amp;M Distribution Center project.</b>	Lead	S	<ul style="list-style-type: none"> <li>Complete the process of removing FAA encumbrances on City parcel.</li> <li>Acquire and convey City parcel to L&amp;M</li> </ul>			<ul style="list-style-type: none"> <li>Administer MIF loan for equipment</li> </ul>
<b>Continue to support Yanmar Expansion project</b>	Lead	S	<ul style="list-style-type: none"> <li>Administer MIF loan for equipment.</li> </ul>	<ul style="list-style-type: none"> <li>Work with Yanmar on next phase – high bay warehouse</li> </ul>	→	
<b>Pursue and support initiatives addressing housing shortages</b>	Lead	S	<ul style="list-style-type: none"> <li>Continue to support private development interest in housing projects by reviewing proposed uses of TIF and/or Tax Abatement.</li> <li>Support the development of housing on GREDA owned parcels</li> </ul>	<ul style="list-style-type: none"> <li>Work with housing developers, MN IRRR, MHFA, GMHF and Blandin Foundation to incentivize and remove financial barriers for projects.</li> <li>Secure the development of one or more multi-family housing developments.</li> </ul>	→	

* Results of Issue Identification and Ranking			* Desired Outcomes/Work Approach/Schedule			
Issue/Task/Work Item	Role	Term (years) Short 1-2 Med. 3-5 Long 6+	Q1	Q2	Q3	Q4
<b>Industry Advancement/Support</b>						
<b>Continue to work with HWY 35 LLC on current and future development opportunities</b>	Lead	S	<ul style="list-style-type: none"> <li>Review and advise the City Council on any application for a TIF Redevelopment District.</li> <li>Prepare development agreements.</li> </ul>	<ul style="list-style-type: none"> <li>Explore opportunities for collaboration with MN North Itasca Campus</li> <li>Work with spinoff developers/businesses interested in co-location.</li> </ul>		
<b>Ensure an adequate inventory of industrial sites and facilities exist in the community.</b>	Lead	S		<ul style="list-style-type: none"> <li>Consider opportunities to make strategic property acquisitions for future industrial development.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to explore funding opportunities that would support the development of a speculative, flexible, industrial/warehouse building in Grand Rapids.</li> </ul>	
<b>Support initiatives addressing workforce and childcare shortages</b>	Partner	M	<ul style="list-style-type: none"> <li>Communicate with industries about their challenges and provide support or connections to support.</li> </ul>			
<b>Provide as needed support for wood product industries.</b>	Lead	S	<ul style="list-style-type: none"> <li>Continue ongoing regular communications with Blandin Paper management regarding as needed assistance.</li> </ul>		<ul style="list-style-type: none"> <li>Meet with MN Power Boswell officials and explore collaborative opportunities.</li> </ul>	



* Results of Issue Identification and Ranking			* Desired Outcomes/Work Approach/Schedule			
Issue/Task/Work Item	Role	Term (years) Short 1-2 Med. 3-5 Long 6+	Q1	Q2	Q3	Q4
<b>Industry Advancement/Support</b>						
Continue to support our medical service providers to ensure that Grand Rapids maintains and grows its position as a regional hub.	Lead	S	▪	▪	▪ Communicate with major providers, Grand Itasca and Essential about trends in rural health care and the buildout of services and jobs to support growth.	▪
Assist with the redevelopment of the Boswell site.	Partner	M	▪	▪ Support County efforts to implement energy transition strategies.	▪ Identify energy transition funding state and federal programs that may be applicable to GREDA efforts toward economic diversification.	▪
<b>Transportation/Logistics</b>						
Plan for highway transportation and corridor land use improvements to address underperforming commercial areas and blighted conditions within the City.	Lead	S	▪	▪ Apply for funding and create a corridor plan along Highway 2 between 6th Ave. E. and 19th Ave. W. that addresses multi-modal transportation issues, city utility replacement needs, blight, environmental contamination, visual appeal and underinvestment.	▪ 	▪

Item 3.

* Results of Issue Identification and Ranking			* Desired Outcomes/Work Approach/Schedule			
Issue/Task/Work Item	Role	Term (years) Short 1-2 Med. 3-5 Long 6+	Q1	Q2	Q3	Q4
<b>Transportation/Logistics</b>						
<b>Continue to advocate for highway transportation route improvements to improve linkages between Grand Rapids and the interstate, the Duluth port.</b>	Lead	L	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪ Have discussions with appropriate agencies, government, and elected officials and sponsor research that supports the prioritization of improvements to the TH2 corridor to Duluth.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<b>Redevelopment &amp; Downtown</b>						
<b>Downtown Plan Implementation.</b>	Lead	S	<ul style="list-style-type: none"> <li>▪ Implement the Downtown Organization project.</li> <li>▪ Assist with the redevelopment of downtown sites, specifically: Pluemers building, IEDC building, GREDA lots, and Block 36.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪ Assist in advancing an updated vision for use of Central School and its needed building upgrades.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<b>Consider ways to support the relocation/renovation of local small businesses and assist with ADA compliance improvement funding options.</b>	Lead	S	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increase marketing of Downtown Mandated Building Improvement Loan program.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Have discussions with Blandin Foundation about the possibilities of expanding the geographic boundaries of the program.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>

* Results of Issue Identification and Ranking			* Desired Outcomes/Work Approach/Schedule			
Issue/Task/Work Item	Role	Term (years) Short 1-2 Med. 3-5 Long 6+	Q1	Q2	Q3	Q4
<b>Redevelopment &amp; Downtown</b>						
Support the redevelopment of strategic commercial sites outside of the downtown.	Lead	S	<ul style="list-style-type: none"> <li>Support investment interest in the redevelopment of infill sites such as the former Kmart site, former Ray's Sport &amp; Marine, Grand Rapids Marine, Itasca County Farm Co-op, Ben's Bait, Dondelinger Dodge and Ford, former Sawmill Inn site.</li> </ul>	●	→	→
<b>Administration</b>						
Consider ways to diversify the membership of the Commission and amend the meeting format to include updates from local partners/organizations.	Lead	S	<ul style="list-style-type: none"> <li>As membership opportunities arise, recruit applicants that further a diverse board.</li> <li>Invite local partner organizations to provide updates, one presentation per quarter.</li> </ul>	●	→	→
Enhance the marketing of GREDA services and programs.	Lead	S	<ul style="list-style-type: none"> <li>Consider comprehensive updates to the GREDA website under a new platform.</li> <li>Utilize media to communicate the many GREDA successes and raise awareness of GREDA programs.</li> </ul>	●	→	→

Item 3.



## REQUEST FOR GRAND RAPIDS EDA ACTION

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**AGENDA DATE:** February 8, 2024

**STATEMENT OF ISSUE:** Consider adopting a resolution approving the conveyance of land to Stewart and Janelle Bastian

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

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### **BACKGROUND:**

At a prior meeting GREDA reviewed a letter of intent submitted by Stewart and Janelle Bastian where the Bastians stated their desire to purchase Lot 2, Block 2 of Great River Acres.

A Purchase and Development Agreement was prepared using our model agreement for all lot sales in Great River Acres. Upon review of the Agreement, the Bastians asked to amend their request to purchase Lot 4, Block 2. That change was made and the Bastians signed the Purchase and Development Agreement that is before you.

The sale price for the property is at the list price of \$19,500.00. The property carries with it a special assessment in the amount of \$16,337.73 which, per the agreement, GREDA will satisfy with the proceeds of the sale.

**REQUIRED ACTION:** Make a motion to adopt a resolution approving the conveyance of land to Stewart and Janelle Bastian

## GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

## RESOLUTION NO. 24-

RESOLUTION APPROVING CONVEYANCE OF A CERTAIN LOT OWNED  
BY THE ECONOMIC DEVELOPMENT AUTHORITY AND A 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 currently administer its Development District No. 1 ("Development District") pursuant to Minnesota Statutes, Sections 469.090 to 469.1081 ("EDA Act") and has determined a need to exercise the powers of a housing and redevelopment authority, as authorized pursuant to Section 469.091 of the EDA Act; and

1.02. Within the Development District, the Authority has acquired certain parcels within the plat of Great River Acres that are suitable for the construction of single-family homes, which parcel is described in Exhibit A hereto (the "Subject Parcel").

1.03. The Authority intends to convey the Subject Parcel to Stewart and Janelle Bastian, a married couple (the "Developer") to construct a home to be owned and occupied themselves and to that end has prepared a Purchase and Development Agreement between the Authority and the Developer for the sale of the property legally described as Lot 4, Block 2, all in the plat of Great River Acres, Itasca County, Minnesota.

1.04. The Board held a duly noticed public hearing regarding the proposed sale of the Subject Parcels.

1.05. The Board has determined that sale of the Subject Parcels 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 Subject Parcel 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 Subject Parcel for residential purposes is consistent with the objectives of the City's comprehensive plan pertaining to development of a portion of the Great River Acres plat for single-family homes.

Section 2. Sale of Subject Parcels 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 Subject Parcel (the "Conveyance Documents"). The Board hereby approves the conveyance of the Subject Parcel to the Developer 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 \_\_\_th day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

**EXHIBIT A**

**Subject Parcels**

Lots 4, Block 2, all in the plat of Great River Acres, Itasca County, Minnesota

**PURCHASE AND DEVELOPMENT AGREEMENT**

**Between**

**Grand Rapids Economic Development Authority**

**And**

**Stewart and Janelle Bastian**

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**For the property located at**

**2240 SW 8<sup>th</sup> Street, Grand Rapids, MN 55744**

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This document drafted by:  
Grand Rapids Economic  
Development Authority  
420 N. Pokegama Avenue  
Grand Rapids, MN 55744



**PURCHASE AND DEVELOPMENT AGREEMENT**  
**For**  
**2240 SW 8<sup>th</sup> Street, Grand Rapids, MN 55744**

1. **Parties.** This Purchase and Development Agreement (“this Agreement”) is made on February 8, 2024, the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota having its office located at 420 N. Pokegama Avenue, Grand Rapids, Minnesota, 55744 (“Seller”), and Stewart and Janelle Bastian, a married couple. (“Buyer”).
2. **Offer/Acceptance.** Buyer offers to purchase, and Seller agrees to sell real property legally described as follows (“the Property”): Lot 4, Block 2 of the plat of Great River Acres, Itasca County, Minnesota.
3. **Acceptance Deadline.** This offer to purchase, unless accepted sooner, shall be null and void at 4:30 p.m. on March 11, 2024, and in such an event all earnest money shall be refunded to Buyer.
4. **Price and Terms. Purchase Price.** The total purchase price for the Property shall be \$19,500.00 (“Purchase Price”) which shall be payable with earnest money in the amount of \$1,000.00, receipt of which is hereby acknowledged, and the balance payable by certified check on the Date of Closing. The “Date of Closing” shall be no later than April 12, 2024.
5. **Personal Property Included in Sale.** There are no items of personal property or fixtures owned by Seller and currently located on the Property for purposes of this sale.
6. **Deed.** Upon performance by Buyer, Seller shall deliver a Quit Claim Deed conveying title to the Property to Buyer, in substantially the form attached hereto as Exhibit A, subject to the conditions subsequent required by Sections 15, 16, and 17 of this Agreement (the “Deed”).
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. Real estate taxes due and payable in the year of closing, if any, shall be pro-rated to Seller and Buyer based on the Date of Closing.
  - B. Seller represents that as of the date of this Agreement, there are special assessments in the amount of \$16,332.73 levied against the Property. On the Date of Closing, Seller shall apply \$16,332.73 of the Purchase Price to payment of all special assessments levied against the Property as of the date of this Agreement, including those certified for payment in the year of closing. [if the total amount of special assessments levied against the Property exceeds the Purchase Price:

The Buyer agrees to assume the amount of special assessments remaining unpaid after application of the Purchase Price.]

- 8. Closing Costs and Related Items.** The Buyer will pay: (a) the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement; (b) fees for title evidence obtained by Buyer; and (c) the recording fees for the Purchase and Development Agreement and the deed transferring title to Buyer. Seller will pay (a) any transfer taxes and Well Disclosure fees required to enable Buyer to record its deed from Seller under this Agreement (b) fees and charges related to the filing of any instrument required to make title marketable. Each party shall pay its own attorney fees.
- 9. Sewer and Water.** Seller warrants that city sewer is available at the Property line, and that city water is available in the right of way adjacent to the Property. Seller makes no warranty regarding the conditions of any existing water stub from the main to the Property line; however, sewer and water were installed in 2019 and passed City inspection at that time.
- 10. Condition of Property.** Seller makes no warranties as to the condition of the Property. Buyer and Seller understand and agree that the Purchase Price is the fair market value of the Property in as-is condition. Buyer acknowledges that they have inspected or have had the opportunity to inspect the Property and agree to accept the Property “AS IS.” Buyer has the right, at its own expense to take soil samples for the purpose of determining if the soil is suitable for construction of the dwelling described in Section 15 of this Agreement. If the soil is determined to be unacceptable the Buyer may rescind this Agreement by written notice to the Seller, in which case the Agreement shall be null and void and all earnest money paid hereunder shall be refunded to the Buyer.
- 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 Buyer shall have ten (10) days from the date it receives such title evidence to raise any objections to title. Objections not made within such time will be deemed waived. The Seller may effect a cure satisfactory to Buyer or may give written notice to Buyer that Seller elects not to cure. The 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.
- 12. Title Clearance and Remedies.** In the event that title to the Property cannot be made marketable or is not made marketable by the Seller by the Date of Closing, then, at the option of the Buyer: this Agreement shall be null and void; neither party shall be liable for damages hereunder to the other; the Earnest Money shall be refunded to the Buyer; and Buyer and Seller agree to sign a cancellation of this Agreement.

If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller may elect either of the following options, as permitted by law:

- A. Cancel this Agreement as provided by statute and retain all payments made hereunder as liquidated damages. The parties acknowledge their intention that any note given pursuant to this Agreement is a down payment note, and may be presented for payment notwithstanding cancellation; or
- B. Seek specific performance within six months after such right of action arises, including costs and reasonable attorney's fees, as permitted by law.

If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein, Buyer may, as permitted by law:

- A. Seek damages from Seller including costs and reasonable attorney's fees; or
- B. Seek specific performance within six months after such right of action arises.

**13. Well Disclosure.**

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document.
- 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.

**14. Individual Sewage Treatment System Disclosure.** Seller has no knowledge of any individual sewage treatment system on or serving the Property.

**15. Construction of Dwelling.** Buyer agrees that it will construct a new single-family dwelling on the property, and upon completion of construction, shall occupy such dwelling as an "Owner Occupant." **This covenant shall survive the delivery of the deed.**

- A. The single-family dwelling described in this Section is referred to as the "Minimum Improvements."
- B. The Minimum Improvements shall consist of a new single-family dwelling, and shall be constructed and occupied substantially in accordance with the Declaration of Restrictive Covenants attached as Exhibit B and the proposal approved by Seller on January 11, 2024, attached as Exhibit C.

- C. Construction of the Minimum Improvements must commence within one year from the Date of Closing. Construction will be considered to have commenced when the Buyer has obtained a building permit from the City of Grand Rapids and foundation work has begun.
- D. Construction will be considered substantially complete when the final certificate of occupancy has been issued by the City of Grand Rapids building inspector. Promptly after substantial completion of the Minimum Improvements in accordance with those provisions of the Agreement relating solely to the obligations of the Buyer to construct such Minimum Improvements, the Seller will furnish the Buyer with a Certificate of Completion, in substantially the form attached hereto as Exhibit D, for such improvements. Such certification by the 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 the Buyer and its successors and assigns, to construct the Minimum Improvements.

The certificate provided for in this Section of this Agreement 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 the Seller shall refuse or fail to provide any certification in accordance with the provisions of this Section, the Seller shall, within thirty (30) days after written request by the Buyer, provide the Buyer with a written statement, indicating in adequate detail in what respects the 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 the Seller for the Buyer to take or perform in order to obtain such certification.

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

(1) The 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 the 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 the Buyer to construct the Minimum Improvements or component thereof.

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

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

(ii) Any proposed transferee, by instrument in writing satisfactory to the 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 the Seller, have expressly assumed all of the obligations of the 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 the 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 the Seller) deprive the 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 the 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 the Seller would have had, had there been no such transfer or change. In the absence of specific written agreement by the Seller to the contrary, no such transfer or approval by the Seller thereof shall be deemed to relieve the 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 the Seller.

(3) If the conditions described in paragraph (2) above are satisfied then the Transfer will be approved and the Buyer shall be released from its obligation under this Agreement, as 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, the Buyer may transfer or assign the Minimum Improvements and/or the Buyer's rights and obligations under this Agreement with respect to such property without the prior written consent of the Seller.

- F. The Buyer, and its successors and assigns, agree that (a) they will use the Minimum Improvements only as a single family, owner-occupied dwelling, (b) they will not seek exemption from real estate taxes on the Property under State law, and (c) they will not transfer or permit transfer of the Property to any entity whose ownership or operation of the property would result in the Property being exempt from real estate taxes under State law (other than any portion thereof dedicated or conveyed to the City of Grand Rapids or Seller in accordance with this Agreement). **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 5 (five) years after the Date of the Deed.**

16. **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 the Buyer and prior to receipt by the Buyer of the Certificate of Completion for the Minimum Improvements, the 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 completion thereof), or abandons or substantially suspends construction work, and any such failure, abandonment, or suspension shall not be cured, ended, or remedied within thirty (30) days after written demand from the Seller to the Buyer to do so, then the Seller shall have the right to re-enter and take possession of the Property and to terminate (and revest in the Seller) the estate conveyed by the Deed to the Buyer, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to the 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 the Buyer and failure on the part of the Buyer to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, the Seller at its option may declare a termination in favor of the Seller of the title, and of all the rights and interests in and to the Property conveyed to the Buyer, and that such title and all rights and interests of the Buyer, and any assigns or successors in interest to and in the Property, shall revert to the Seller, but only if the events stated in this Section have not been cured within the time periods provided above.

Notwithstanding anything to the contrary contained in this Section, the Seller shall have no right to reenter or retake title to and possession of a portion of the Property for which a Certificate of Completion has been issued.

For the purposes of this Agreement, the term "Unavoidable Delays" means delays beyond the reasonable control of the 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 the Seller in exercising its rights under this Agreement) which directly results in delays. Unavoidable Delays shall not include delays in the Buyer's obtaining 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.

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

- (a) First, to reimburse the Seller for all costs and expenses incurred by the Seller, including but not limited to proportionate salaries of personnel, in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by the Seller from the property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charge during the period of ownership thereof by the Seller, an amount, if paid, equal to such taxes, assessments, or charges (as determined by the Seller assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the Seller or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the 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 the Seller by the Buyer and its successor or transferee; and
- (b) Second, to reimburse the Buyer for the balance of the purchase price remaining after the reimbursements specified in Paragraph (a) above. Such reimbursement shall be paid to the Buyer upon delivery of an executed, recordable warranty deed to the Property by the Buyer to the Seller.

**18. Time is of the essence for all provisions of this contract.**

**19. Notices.** All notices required herein shall be in writing and delivered personally or mailed to the address shown at paragraph 1 above and, if mailed, are effective as of the date of mailing.

**20. Minnesota Law.** This Agreement shall be governed by the laws of the State of Minnesota.

- 21. **No Broker Involved.** The 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.
- 22. **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.
- 23. **No Remedy Exclusive.** No remedy herein conferred upon or reserved to the 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.
- 24. **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.
- 25. **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.

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

**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 \_\_\_\_\_ 20\_\_, by \_\_\_\_\_ and \_\_\_\_\_, the President and Executive Director of 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

**BUYER:**

\_\_\_\_\_

STATE OF MINNESOTA

} ss.

COUNTY OF ITASCA

The foregoing was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_, by Stewart Bastian and Janelle Bastian, a married couple.

NOTARY STAMP

\_\_\_\_\_  
SIGNATURE OF PERSON TAKING ACKNOWLEDGMENT

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

Quit Claim Deed

Deed Tax Due: \$ \_\_\_\_\_

ECRV: \_\_\_\_\_

Date: \_\_\_\_\_, 201\_\_

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 \_\_\_\_\_, a \_\_\_\_\_ under the laws of the State of Minnesota, Grantee, real property in Itasca County, Minnesota, described as follows:

Lot 4, Block 2 of the plat of Great River Acres, Itasca County, 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 \_\_\_\_\_, 20\_\_, recorded \_\_\_\_\_, 20\_\_, in the office of the Itasca County Registrar of Titles [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 16 thereof.

**Section 2. Grantor's rights under paragraph 15F 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

STATE OF MINNESOTA    }  
  ss.:  
COUNTY OF ITASCA

The foregoing was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_ and \_\_\_\_\_, the President and Executive Director of 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:

Tax Statements should be sent to:

Kennedy & Graven, Chartered  
470 U.S. Bank Plaza  
200 South Sixth Street  
Minneapolis, MN 55402  
(612) 337-9300

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Exhibit B to Purchase and  
Development Agreement**

**DECLARATION OF RESTRICTIVE COVENANTS**

(attached hereto)

✓

A000735256  
OFFICE OF THE COUNTY RECORDER  
ITASCA COUNTY, MINNESOTA  
CERTIFIED, FILED, AND  
RECORDED ON  
10/18/2019 1:25:27 PM

PAGES: 4  
REC FEES: \$46.00

NICOLLE ZUEHLKE  
ITASCA COUNTY RECORDER

BY NZ Dep



### DECLARATION OF COVENANTS, RULES AND RESTRICTIONS

The Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of the State of Minnesota, is the fee owner of certain property in Itasca County, Minnesota, more particularly described as follows:

Lots Two (2) through Eight (8), Block 2 and Lots One (1) through Eight (8) Block 3, Plat of Great River Acres; (See Plat attached hereto).

Declarants hereby declare that all of the properties described above shall be held, sold and conveyed subject to the following restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

1. The land shall be used for private single-family residential purposes, consistent with uses permitted in the R-1 (Single Family Residential) zoning district, within which the Property is located.
2. Lot owners may provide for the construction of residential structures which shall have a main living area of not less than 1,000 square feet, and the minimum living area shall be exclusive of any garage, porch, patio or similar appurtenance. All homes shall have at least a one stall, attached garage. All structures shall have wood framing, with siding of natural earth-tone colors, have eaves on all sides that extend at least 12 inches out from the sidewalls and be constructed to meet the Minnesota State Building Codes. Manufactured, doublewide, modular and or prefabricated homes are not allowed. All exterior lighting shall be installed in such a manner as to not pose a nuisance to neighboring landowners.
3. Outbuildings on each lot shall be of a permanent nature and constructed with material and appearance consistent with the main residence.
4. There shall be no further subdivision of the lots and or parcels described above.
5. Each building lot owner on the above described premises shall have the right to proceed against any person violating or attempting to violate any provision contained herein, to prevent and abate such violation and to compel compliance with the terms of this instrument.
6. Variance from the provisions hereof may be granted by a vote of the owners of 85% of said lots (each lot being entitled to one vote.) A statement of said variance shall be duly

AIR City of GR

RECEIVED-OTC OCT 18 2019

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735256

acknowledged and filed in the office of the County Recorder for Itasca County, Minnesota and shall be conclusive and binding upon all owners that the variance is in compliance with the provisions hereof and the deviation shall be waived to the extent thereof.

- 7. All driveways shall be paved with bituminous or concrete.
- 8. The grantees of deeds conveying land in the above described premises, by the acceptance of such deed, bind themselves, their respective heirs, devisees, executors, administrators and assigns, that the land and buildings thereon, or to be erected, shall be used and occupied in compliance with the provisions of this instrument.
- 9. There restrictions shall be in addition to those imposed by the applicable Zoning Ordinances.

In witness whereof the said Declarant has caused these presents to be signed this 17<sup>th</sup> day of OCTOBER, 2019.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

By [Signature]

Sholom Blake

President

By [Signature]

Rob Mattei

Executive Director

Its: Executive Director

STATE OF MINNESOTA )

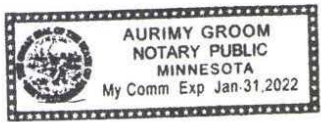
) ss.

COUNTY OF ITASCA )

The foregoing instrument was acknowledged before me this 17<sup>th</sup> day of October, 2019, by Sholom Blake, President of the Grand Rapids Economic Development Authority and Rob Mattei, Executive Director of the Grand Rapids Economic Development Authority.

[Signature]  
SIGNATURE OF NOTARY PUBLIC

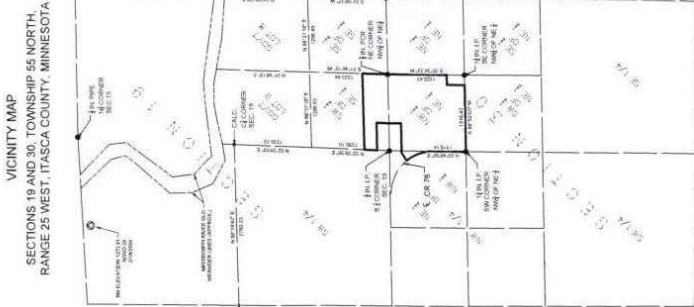
This document drafted by:  
Grand Rapids Economic Development Authority  
420 N. Pokegama Avenue  
Grand Rapids, MN 55744



735256

# GREAT RIVER ACRES

Part of the Southwest Quarter of the Southeast Quarter of Section 19, AND Part of the Southwest Quarter of the Southeast Quarter of Section 30, AND Part of the Southwest Quarter of the Southeast Quarter of Section 30, all in Township 55 North, Range 25 West, Fourth Principal Meridian, Itasca County, Minnesota



**CITY OF GRAND RAPIDS**  
We do hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the City of Grand Rapids approved this plat.  
Signed: City of Grand Rapids  
Date: \_\_\_\_\_  
City Clerk

**ITASCA COUNTY ADJUTOR**  
I do hereby certify that there are no delinquent taxes on the above described property as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.  
Signed: \_\_\_\_\_  
Date: \_\_\_\_\_  
Adjutor / Treasurer

**ITASCA COUNTY RECORDER**  
I do hereby certify that the above instrument was filed in the office for record this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M of Document Number \_\_\_\_\_.  
Signed: \_\_\_\_\_  
Date: \_\_\_\_\_  
Recorder / Registrar

**KNOW ALL PERSONS BY THESE PRESENTS**, that the City of Grand Rapids, a municipal corporation, being the owner of the above described property, and the Itasca County Adjutor, being the duly authorized representative of the State of Minnesota, do hereby certify that this plat was prepared by me in order to direct representation, that a duly Licensed Land Surveyor in the State of Minnesota, has filed in a correct representation of the boundary survey that all portions of area and that of water frontage and wetlands, as defined in Minnesota Statutes, Section 505.021, as of the date of this certificate are shown and depicted on this plat of public representation and depicted on this plat.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, A.D. by City A. Louise, Minnesota  
City Clerk

**ITASCA COUNTY RECORDER / REGISTAR**  
I, \_\_\_\_\_, do hereby certify that this plat was prepared by me in order to direct representation, that a duly Licensed Land Surveyor in the State of Minnesota, has filed in a correct representation of the boundary survey that all portions of area and that of water frontage and wetlands, as defined in Minnesota Statutes, Section 505.021, as of the date of this certificate are shown and depicted on this plat of public representation and depicted on this plat.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, A.D. by City A. Louise, Minnesota  
City Clerk

**STATE OF MINNESOTA**  
**COUNTY OF SAINT LOUIS**  
This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, A.D. by \_\_\_\_\_, A.D. by City A. Louise, Minnesota  
(Name and Title)

**STATE OF MINNESOTA**  
**COUNTY OF SAINT LOUIS**  
I, \_\_\_\_\_, do hereby certify that this plat was prepared by me in order to direct representation, that a duly Licensed Land Surveyor in the State of Minnesota, has filed in a correct representation of the boundary survey that all portions of area and that of water frontage and wetlands, as defined in Minnesota Statutes, Section 505.021, as of the date of this certificate are shown and depicted on this plat of public representation and depicted on this plat.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, A.D. by \_\_\_\_\_, A.D. by City A. Louise, Minnesota  
City Clerk



735256

Part of the Southwest Quarter of the Southeast Quarter of Section 19, AND  
 Part of the Northwest Quarter of the Northwest Quarter of Section 30, AND  
 Part of the Northeast Quarter of the Northwest Quarter of Section 30,  
 all in Township 55 North, Range 25 West, Fourth Principal Meridian,  
 Itasca County, Minnesota

# GREAT RIVER ACRES



SHEET 2 OF 2



**Exhibit C to Purchase and  
Development Agreement  
BUYER'S PROPOSAL**  
(attached hereto)

January 31, 2024, email from Janelle Bastian requested a change to Lot 4, Block 2 Great River Acres.

January 10, 2024

This letter is to notify the city of Grand Rapids that Stewart and Janelle Bastian would like to purchase Lot 2 Blk 2 Great River Acres. Our intention is to build a single family residence on the lot, beginning construction in the spring of 2024. This offer is subject to financing approval.

Sincerely,

Janelle Bastian      1-10-24  
Stewart Bastian



**Exhibit D 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 (the "Grantor"), conveyed land in Itasca County, Minnesota to Stewart Bastian and Janelle Bastian, a married couple (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 15A, 15B, 15C, 15D and 15E 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 15A and 15B 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 15A and 15B of the Agreement and the covenants and restrictions set forth in Section 1 of said Deed; provided that the covenants set forth in Sections 15F 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 \_\_\_\_\_  
Authority Representative

STATE OF MINNESOTA )  
 ) ss  
COUNTY OF ITASCA )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, the \_\_\_\_\_ 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  
470 U.S. Bank Plaza  
Minneapolis, MN 55402  
(612) 337-9300

## LETTER OF INTENT

01/23/2024

From: Brandon Saloka, of Fine Line Construction LLC

29275 Clearwater Rd

Grand Rapids, Minnesota 55744

Dear Rob Mattei:

This letter (the "LOI") confirms the mutual interest, with regards to the transaction described herein, of the following parties:

("Buyer") : Brandon Saloka as Fine Line Construction LLC

("Seller") : Grand Rapids Economic Development Authority

Buyer and Seller may be referred to individually as the "Party", or collectively, the "Parties".

1. **Terms.** The principal terms of the transaction contemplated herein (the "Prospective Transaction") would be as follows:
  - (a) **Prospective Transaction.** The transaction being contemplated by the Parties is as follows:
    - (i) \$19,500 for Lot 5, Block 2 upon closing.
    - (ii) First Right of refusal to purchase Lots 4 and 6, Block 2.
    - (iii) Construction to begin within one calendar year of time of purchase.
  - (b) **Consideration.** Should a final agreement be made, the aggregate consideration for the vacant land to be purchased would be Cash, \$19,500 for lot 5, Block 2.
  - (c) **Liabilities.**
    - (i) Seller hereby acknowledges(s) that there are no liabilities, debts, or other obligations associated with Prospective Transaction and agrees to disclose, in writing, any such information before any final agreement is executed.

2. **Expenses.**
  - (a) Buyer and Seller will pay their respective expenses incident to this letter of intent and the transactions contemplated hereby and thereby.
  - (b) Both Parties have represented to each other that no brokers or finders have been employed that would be entitled to a fee by reason of the transaction contemplated by this letter of intent
3. **Public Announcements.** Neither Party will make any announcement of the Prospective Transaction contemplated by this LOI prior to the execution of the final transaction agreement without the prior written approval of the other Party, which approval will not be unreasonably withheld or delayed. The foregoing shall not restrict in any respect the Parties ability to communicate information concerning this LOI and the Prospective Transaction contemplated hereby to the Parties and their respective affiliates', officers, directors, employees and professional advisers, and, to the extent relevant, to third parties whose consent is required in connection with the Prospective Transaction contemplated by this LOI.
4. **Confidentiality.** This LOI and any related discussions and correspondence are to be held in strict confidence by the Parties and may not to be disclosed to any party (other than counsel to, and the accountants of, the Parties to the extent reasonably necessary for such persons to render advice in connection with the Prospective Transaction) without the prior written approval of the other Party.
5. **Due Diligence.**
  - (a) Buyer may conduct a 14-day due diligence inspection of the vacant land.
  - (b) Buyer agrees to maintain the confidentiality of all data and information related to the Prospective Transaction.
  - (c) Buyer may commence its due diligence inspection immediately upon the execution of this LOI.
6. **Closing.** Closing to be held at agreed upon title company on or before 03/15/2024.
7. **Valid and Partially-Binding.**
  - (a) **Except** for the provisions contained in clause 7(b) below, which are explicitly agreed by **the Parties** to be binding upon execution of this LOI, this LOI is not intended as a legally **binding** commitment by the Buyer, and any obligation on the part of the Buyer is subject **to the** following conditions precedent: completion of legal documentation satisfactory to **the Parties**, satisfactory completion of due diligence by the Buyer, and delivery of all



closing deliverables described in the definitive agreements.

- (b) The Parties hereby explicitly agree that Sections 3, 4, and 5(b) of this LOI (the "Binding Clauses") are binding obligations of the Parties. The Binding Clauses will survive termination of this LOI.
8. **Governing Law.** This LOI shall be governed by the laws of the STATE OF MINNESOTA
9. **Titles and Headings.** This title and headings used in this LOI are included for convenience and shall not affect the meaning of the LOI.
10. **Severability.** In the event any provision of this LOI is found to be illegal, invalid, or unenforceable, such provision will be severed from this LOI, and will not affect the legality, validity, or enforceability of any other provision contained in this LOI.
11. **Expiration.** This LOI expires on 02/09/2024.
12. **Exclusive Negotiation Rights Clause.**  
 (a) The buyer will have the first right of refusal to purchase Lots 4 and 6, Block 2.

The Parties hereto have executed this LOI on the dates written below:

By: Brandon Saloka

Brandon Saloka  
 Fine Line Construction LLC

By: \_\_\_\_\_  
 Rob Mattei  
 Director of Community Development  
 Grand Rapids Economic Development Authority

**Reasons to Update**

You may update the letter of intent when you want to suggest new intentions under this agreement, extend the expiration date, or you have another company or interest to negotiate.



## REQUEST FOR GRAND RAPIDS EDA ACTION

---

**AGENDA DATE:** February 8, 2024

**STATEMENT OF ISSUE:** Review and discuss Letter of Intent from Fine Line Construction

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

---

### **BACKGROUND:**

GREDA has received the attached Letter of Intent from Brandon Saloka of Fine Line Construction. Fine Line Construction would like to purchase Lot 5, Block 2 of Great River Acres to construct a single-family home for sale.

In the LOI, Fine Line Construction also requests a right of first refusal (ROFR) on Lots 4 and 6 of Block 2. The LOI originally submitted requested a ROFR for four additional lots in Block 2. I encouraged him to reduce his request to a ROFR for two lots so as not to encumber too many of the parcels. Following his submittal of this revised LOI, as we previously discussed, the Bastians changed the purchase to Lot 4. Prior to having further discussions about Fine Lines possible selection of another lot for a ROFR, I would like to discuss with GREDA their interest in proceeding with granting any ROFR.

I have reviewed this LOI with our attorney and we would proceed with the purchase of Lot 5 in an agreement that is separate from any ROFRs, which would be accomplished through another agreement that would be recorded.

### **RECOMMENDATION:**

Review, discuss and provide feedback for staff to proceed.

**REQUIRED ACTION:** None