

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

Thursday, October 24, 2019

4:00pm

Grand Rapids City Hall

NOTICE IS HEREBY GIVEN, that a regular meeting of the Grand Rapids Economic Development Authority will be held in Conference Room 2A in the Grand Rapids City Hall, 420 North Pokegama Avenue, in Grand Rapids, Minnesota on Thursday, October 24, 2019 at 4:00pm.

AGENDA

1. Call to Order
2. Call of Roll
3. Setting of the Regular Agenda - *This is an opportunity to approve the regular agenda as presented or add/delete by a majority vote of the Commissioners present an agenda item.*
4. Approval of minutes from the October 10, 2019 regular meeting.
5. Consider approval of a Purchase and Development Agreement with Dean J and Mary K Singsank.
6. Review the revised draft Economic Development Chapter for the Comprehensive Plan Update
7. Updates:
8. Adjourn

GREDA Members/terms:

Dale Christy – 12/31/2020 (with council term)

Rick Blake– 12/31/2022 (with council term)

Mike Przytarski – 3/1/21

Cory Jackson – 3/1/23

Mike Korte – 3/1/22

John O’Leary – 3/1/25

Sholom Blake – 3/1/19

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING
THURSDAY, OCTOBER 10, 2019
4:07 P.M.**

**GRAND RAPIDS CITY HALL – CONFERENCE ROOM 2A
420 NORTH POKEGAMA AVE., GRAND RAPIDS, MINNESOTA**

CALL TO ORDER: Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Economic Development Authority (GREDA) was called to order on Thursday, October 10, 2019 at 4:07 p.m. in Conference Room 2A of City Hall, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL: On a Call of Roll the following members were present: Commissioners: Mike Przytarski, Cory Jackson, Dale Christy, Sholom Blake. Absent: Mike Korte, R. Blake, John O’Leary.

SETTING OF REGULAR AGENDA: **Approved with addition.**

- **Authorize the Executive Director to execute the Blandin Foundation PRI Agreement and Promissory Note.**

APPROVAL OF MINUTES:

MOTION BY COMMISSIONER PRZYTARSKI, SECOND BY COMMISSIONER CHRISTY TO APPROVE THE MINUTES OF THE SEPTEMBER 26, 2019 REGULAR MEETING. The following voted in favor thereof: Przytarski, Christy, Jackson, S. Blake. Opposed: None, passed unanimously.

APPROVAL OF CLAIMS:

MOTION BY COMMISSIONER JACKSON, SECOND BY COMMISSIONER PRZYTARSKI TO APPROVE CLAIMS IN THE AMOUNT OF \$291.57.

Erickson’s Itasca Lumber	\$55.25	Kennedy & Graven	\$160.00
Minnesota Energy Resources	\$2.44	P.U.C	\$73.88

The following voted in favor thereof: S. Blake, Jackson, Przytarski, Christy. Opposed: None, motion passed unanimously.

Itasca Economic Development Corporation Update- Tamara Loney.

Tamara Loney, President of IEDC provided a power point highlighting the work they have done this past year and the services they provide.

Review and consider approval of a Declaration of Covenants, Rules and Restrictions for lots in Great River Acres.

The Commissioners reviewed the document and discussed removing the language prohibiting doublewide modular and or prefabricated homes, it was determined that this language has worked in other subdivisions and will remain in the in the declaration.

MOTION BY COMMISSIONER PRZYTARSKI, SECOND BY COMMISSIONER CHRISTY TOP APPROVE THE DECLARATION OF COVENANTS, RULES AND RESTRICTIONS FOR LOTS IN THE PLAT OF GREAT RIVER ACRES. The following voted in favor thereof: Christy, Przytarski, Jackson, S. Blake. Opposed: None, passed unanimously.

Review model Purchase and Development Agreements for lots in Great River Acres.

Mr. Mattei provided two Purchase and Development Agreements for the Commissioners review.

Authorize the Executive Director to execute the Blandin Foundation PRI Agreement and Promissory Note.

The GREDA has received \$500,000 from the Blandin Foundation to use for their CBIL Program.

MOTION BY COMMISSIONER CHRISTY, SECOND BY COMMISSIONER PRZYTARSKI TO AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE THE BLANDIN FOUNDATION PRI AGREEMENT AND PROMISSORY NOTE. The following voted in favor thereof: Jackson, S. Blake, Christy, Przytarski. Opposed: None, passed unanimously.

There being no further business the meeting adjourned at 4:51 p.m.

Respectfully submitted:

Aurimy Groom, Recorder

PURCHASE AND DEVELOPMENT AGREEMENT

Between

Grand Rapids Economic Development Authority

And

Dean J. Singsank and Mary K. Singsank

For the property located at:

980 SW 22nd Avenue, Grand Rapids, MN

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

PURCHASE AND DEVELOPMENT AGREEMENT
For
980 SW 22nd Avenue, Grand Rapids, MN

1. **Parties.** This Purchase and Development Agreement (“this Agreement”) is made on October 24, 2019 between 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 Dean J Singsank and Mary K Singsank, as Trustees of the Dean J Singsank Revocable Trust Agreement dated August 17, 2011. (“Buyer”).
2. **Offer/Acceptance.** Buyer offers to purchase and Seller agrees to sell real property legally described as follows (“the Property”): Lot 8, Block 3 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 November 30, 2019 and in such event all earnest money shall be refunded to Buyer.
4. **Price and Terms. Purchase Price.** The total purchase price for the Property shall be \$45,000.00 (“Purchase Price”) which shall be payable with earnest money in the amount of \$4,500, 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 December 15, 2019.
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 \$37,221.26 levied against the Property. On the Date of Closing, Seller shall apply \$37,221.26 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 _____, 20__ attached as Exhibit C.

- C. Construction of the Minimum Improvements must be commenced 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 on 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 re-vest 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 of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under this section of this Agreement.

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: Dean J. Singsank and Mary K. Singsank, as Trustees of the Dean J Singsank Revocable Trust Agreement dated August 17, 2011.

By: _____
Dean J. Singsank _____

By: _____
Mary K. Singsank _____

STATE OF MINNESOTA

} ss.

COUNTY OF ITASCA

The foregoing was acknowledged before me this _____ day of _____ 20__, by _____, and _____ [married to each other].

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:

[insert legal description]

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)

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 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 _____ day of _____, 2019.

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

By _____
Sholom Blake

Its: President

By _____
Rob Mattei

Its: Executive Director

STATE OF MINNESOTA)

) ss.

COUNTY OF ITASCA)

The foregoing instrument was acknowledged before me this ____ day of _____, 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 OF NOTARY PUBLIC

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

**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 _____, a _____ (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

Grow Grand Rapids – 2040 Comprehensive Plan Goal Updates – DRAFT

2040 Community Values

- **Small Town Living** – Friendly, vital neighborhoods that provide a sense of community, support reinvestment in the area, and provides space for everyone to feel at home.
- **Housing Variety** – Value a range of housing types that promote something for everyone. While not all wishlist items can be checked, the housing stock should attract a range of affordability, aesthetics, amenities and access to services.
- **Cultural and Recreational Opportunities** – Highlight and promote the existing resources by maintaining access and the quality.
- **Fiscal Responsibility** – Remain accountable for municipal spending to support the needs and desires of Grand Rapids and its residents.
- **Safe Neighborhoods and Streets** – Maintain a safe environment throughout Grand Rapids for all residents, within all locations, and during all activities.
- **Healthy Living and Accessible Movement** – Create opportunities for residents to incorporate healthy living into their lifestyle. Promote access for all types of movement within Grand Rapids.
- **Sustainable Built Infrastructure** – Development and maintain quality infrastructure that responds to community needs while withstanding change.
- **Sustainable Natural Infrastructure** – Maintain the existing natural resources within Grand Rapids – striving to maintain quality resources and access/interaction with the resources.
- **Education** – Support continued learning and development for all in Grand Rapids. Coordinate with local schools to collaborate on the access to continued education.
- **Economic Opportunities** – Value and maintain the healthy economic base within the community and support and pursue opportunities for growth.
- **Regional Center** – Maintain the city’s place as a regional center, serving the needs of both local and regional residents while limiting the impacts of the regional economy on the local community.
- **Quality of Life** – Actively plan for access to a high quality of life for all residents. This includes access to a range of services, including health care and child care, housing options, and sense of community.

Guiding Principles

1. Direct growth and development to locations that serve and support the community’s vision and values.
2. Align change with the existing community, neighborhood and natural resources fabric.
3. Promote local economic vitality.
4. Sustain Grand Rapids’ neighborhoods.
5. Enhance healthy lifestyles, families, and community.
6. Sustain and enhance the status as a regional center and role in the greater region.
7. Promote community participation and civic engagement to inform the decision-making process.
8. The Comprehensive Plan is the foundation for City actions.
9. Promote access to arts and culture and identify opportunities to incorporate into municipal action.
10. Monitor access to community services that are needed to meet residents needs, including health care, childcare, and recreation.

Goals and Objectives

Goals and objectives are established for six plan elements to assist the City in achieving its desired vision for 2040. These goals and policies should be referred to on a regular basis to ensure that decisions are pursued and made to support the desired direction. All goals and objectives should work together, supporting the growth direction of the community. A definition of Goals and Objectives as they relate to the 2040 Comprehensive Plan are:

Goal – Statement of a desired vision (i.e., what is the future of the various elements within).

Objective – Statement of a defined action or policy that provides guidance in achieving the established goal.

Economic Infrastructure

Goal 1: Create jobs and income. The City's economic infrastructure sustains the City's households and the households of many people in surrounding communities. Building the City's economic base is not an end in itself, but rather is a primary component for achieving many of the community's goals. Creating economic opportunity for current and future residents is a primary Comprehensive Plan goal.

The City has also identified several objectives that help define Economic Infrastructure Goal 1.

- a. *Ensure that job creation efforts include high-wage/high-quality jobs.* In order to support and sustain their households, residents need to have economic opportunities that pay a good wage and provide benefits that households need. While not all jobs need to be high-wage, the City should emphasize the creation of high-wage, high quality jobs through its programs and policies.
- b. *Enable the retention and expansion of existing businesses.* Creating jobs by expanding existing businesses is the most productive way to expand economic opportunity. Grand Rapids Economic Development Authority members will be actively engaged in business retention activities, particularly for higher wage employment opportunities. The City will partner with other economic development organizations to coordinate retention/expansion activities and ensure efficient use of resources.
- c. *Recruit new businesses and support entrepreneurs that add jobs and income opportunities.* Businesses in other regions looking for expansion opportunities and entrepreneurs who create new businesses can contribute to creation of jobs and income opportunities. The City should take strategic actions that encourage outside investment in Grand Rapids and entrepreneurship from within the community.

Goal 2: Enhance the local quality of life. A vibrant economic base should provide for a high quality of life for residents and visitors. A high quality of life simultaneously encourages outside investment in Grand Rapids and supports the attraction of talent to the community. Taking steps to improve quality of life is thus both an important goal and a key strategy for meeting other economic development goals.

The City has identified the following objectives that help define Economic Infrastructure Goal 2.

- a. *Provide affordable housing opportunities.* Housing that is safe, affordable, connected to the community is essential to maintaining residents' quality of life. The City will work to ensure that a range of housing options is available in the local market, and will consider how well affordable workforce housing is located relative to job centers. The City will work with governmental, non-profit, and private entities to accommodate the variety of incomes and household types in Grand Rapids.
- b. *Develop a thriving downtown.* The downtown is more than a collection of businesses. More than any other place, the downtown is the symbol of the community, the place that visitors and residents alike think of as the heart of the City. The City will treat the downtown as critical economic

infrastructure and recognize the relationship between the downtown and the rest of the community in land use, infrastructure, and economic development activities.

- c. *Better utilize the River as an economic asset.* The Mississippi River centers and defines much of Grand Rapids. The River is an economic, natural resource, and cultural asset to the community. The City will encourage economic use of and redevelopment along the River that also protects its natural and cultural significance.
- d. *Support arts, recreation, and educational assets.* Grand Rapids' lifelong educational system, recreational assets, and artistic venues is important to attracting and retaining talent. The City recognizes both the substantial quality of life implications of these assets and the economic benefits of investments in education, recreation, and the arts.
- e. *Encourage a mix of local services and retail goods adequate to meet regional demand.* Quality of life is enhanced when City residents, residents of nearby communities, and visitors have a diverse mix of retail and service options to meet their needs. Grand Rapids can strength its role as a regional retail and service center by enhancing the quality of life for residents of the region. The City will encourage a diverse range of retail and service businesses to improve quality of life.

Goal 3: Build the City's economic sustainability. An economic base that is fraught with risk and uncertainty is not sustainable over time. Improving economic sustainability means reducing risks associated with known economic cycles and regional economic uncertainties. Economic sustainability also requires understanding and addressing the relationship between the City's economic base, workforce, social and neighborhood assets, and natural infrastructure.

The City has identified the following objectives that help define Economic Infrastructure Goal 3.

- a. *Increase diversity of economic base.* The City's industrial economic base is closely associated with natural resource industries and specific national markets. Encouraging investment in industries that are independent of these cycles and markets will lower risks associated with an economic cycles. The community's broadband infrastructure is a competitive advantage that can enable businesses to bring outside revenue into the community without transportation considerations. Business services that address external markets, such as insurance company back office operations, software development and customer service operations will be targeted as a potential market.
- b. *Support talent development and attraction.* Changing demographics are expected to constrain the labor force locally, regionally and statewide in coming years. Support initiatives that develop local talent for area industries, attract talent to the area and retain older workers in the labor force.
- c. *Improve utilization of local resources, assets, and goods.* The City and region have valuable resources with economic value. Use of local resources rather than equivalent non-local resources makes the region's economic infrastructure more productive and less subject to forces beyond the City's control. The City will strive to improve economic sustainability through improved utilization of local resources.
- d. *Support the City's historic competitive strengths, including established heavy industry and manufacturing.* Economic sustainability requires that the City understand and support its competitive strengths. Natural resource industries, particularly the paper and pulp industry, will remain critical to creating economic opportunity for current and future residents.
- e. *Support investment in regional assets such as medical services.* The 2003 Plan helped usher in the integration and expansion of medical services into the medical campus. Supporting this economic infrastructure helps maintain the City's position as a regional economic center.
- f. *Support investments with tourism value.* The hospitality and tourism industry serves several valuable talent retention and attraction functions. It introduces people to the City of Grand Rapids who may consider moving their residence or business to the community. Visitor-oriented businesses and

amenities like restaurants, meeting rooms, trails, and retail establishments typically improve the quality of life in the community and are valued by area residents and businesses.

Implementation Priorities

The following long and short-term actions implement the goals and objectives described above. Actions are thus directed by and constrained by the goals and objectives. Implementation actions must be understood within the context of the overall Plan: Community Vision, Values, and Principles; Future Land Use Map and Policies; and, Goals and Objectives.

The Grand Rapids Economic Development Authority Implementation priorities are organized into long and short term action categories. Long-term actions are more general in nature and are expected to be undertaken five or more years out. Short-term actions are fairly specific and are expected to be undertaken within three years and completed within five years.

Short Term Economic Implementation Strategies

Business Retention/Expansion

1. Support and participate actively in business retention and expansion programs with partners citywide, with an emphasis on primary sector businesses. Work to sustain businesses in their existing spaces, or to find new appropriate space for businesses looking to expand.

Downtown Revitalization

1. Promote and assist private investment interest in privately held priority sites identified within the *Downtown Redevelopment Master Plan* and *Riverfront Framework Plan*.
2. Prepare an updated downtown revitalization plan.
3. Consider methods of facilitating public realm investments.
4. Seek partners in developing new artistic and cultural assets.
5. Continue support for events and temporary land uses in the downtown that create community-gathering places and activate the downtown, such as the farmers market, musical activities and the art crawl.
6. Enhance vitality of Central School block.

Funding and Financing

7. Seek more funding (such as the Small Cities Development Program) to expand and create programs enhancing/rehabilitating existing commercial buildings, and market the programs to an expanded target area, consistent with the Comprehensive Plan.
8. Review financing tools available to support entrepreneurs, existing industries and attract targeted industries with area lenders and economic development professionals. Identify challenges and gaps. Consider creation of funds that address the challenges and gaps (e.g. technology loan fund).
9. Continue to develop ongoing funding and support for GREDA in order to assure ongoing implementation of economic development goals.

Market Research, Marketing and Promotion

10. Consistent with the desired mix of land uses as discussed in the Comprehensive Plan, engage in direct marketing and solicitation of private development interest to create value on property that Grand Rapids Economic Development Authority (GREDA) controls.
11. Refresh promotional efforts to market GREDA industrial parks and vacant commercial properties. Support marketing and recruitment efforts of others for new industrial tenants to the Eco-Industrial Park.
12. Continue to support actions that market Grand Rapids' identity in regional and statewide markets, particularly in key tourism and targeted industry markets.
13. Identify retail gaps and recruit businesses that meet market needs/opportunities.
14. Partner with *Visit Grand Rapids* to commission a hotel and meeting space market study.

Real Estate Development and Revitalization

15. Maintain an up-to-date website that promotes GREDA capabilities, including available sites, incentive programs, research and Grand Rapids community assets.
16. Apply for Minnesota "shovel ready" certification from DEED for Industrial Park East.
17. Continue to link economic development initiatives to the Comprehensive Plan goals and objectives, including consistency with the Future Land Use Map and the policy preference to support and create high quality, high wage jobs.
18. Develop a long-term strategy for Block 5 (city-owned site, formerly Northern Recycling).
19. Support reestablishment of an industry at the former Ainsworth site.
20. Work with county and regional partners to address the MN Power site and other significant sites.
21. Address lack of industrial building inventory. Consider creating "paper spec" industrial building options (e.g. 30,000 square feet, 50,000 sf, 80,000 sf) to provide greater certainty and reduce development timeframes for prospective users. Evaluate market potential for multi-tenant warehouse/production space. Explore how other communities have used non-profit and for-profit development corporations to invest in industrial real estate. Based on this research, develop an implementation strategy appropriate for Grand Rapids market and investment conditions.

Workforce

22. Work with DEED regional labor market analyst to identify existing and anticipated skills shortages in the Grand Rapids area. Conduct additional research as needed with area employers. Identify talent attraction priorities. Partner to create a robust talent attraction initiative, including website focused on working age people considering relocation to the community.
23. Support initiatives that strengthen retention of existing talent, including retention of older workers in the labor force and engagement of young people in leadership and community development. Long-term implementation strategies are described below. Some priorities may be a reaffirmation of ongoing efforts, while others require significant investigation and planning before being implemented.

Long-Term Economic Implementation Strategies

Diversification

1. Investigate competitive opportunities to use Grand Rapid's information and communications infrastructure to develop businesses that have a state, regional or national market, including business services such as insurance company back office operations, software maintenance and development, customer service operations, sales and consulting operations, and micro-office (home-based or co-work) service businesses.
2. Support continual investment in medical technology, training, and marketing to enhance Grand Rapids position as the regional center for medical services.
3. Create programs or other support to ensure that opportunities for entrepreneurs (capital, space, technical assistance, etc.) match the evolution of markets.
4. Encourage existing businesses to meet the evolving demand for services and goods that accompanies the demographic changes occurring in Grand Rapids and the market opportunities associated with a new generation of potential visitors.
5. Work with State and local partners to identify under-used local resources and facilitate entrepreneurial efforts to treat waste products as a resource, including waste heat and waste materials from industrial operations. Consider opportunities for programs supporting new markets such as bio-energy.
6. Support manufacturers' efforts to diversify product lines and create products that address diverse markets to provide greater stability through various economic cycles.

Market Research, Marketing and Promotion

7. Encourage public and private sector entities to refresh branding and marketing goals on a regular basis.

Policy and Infrastructure to Support Economic Development

8. Explore options for getting 4-lane access to Grand Rapids. Establish a coalition to advocate for transportation improvements to Grand Rapids.
9. Recognize the City's arts, recreation and entertainment assets as a critical component of meeting economic development and talent retention/attraction goals. Consider programs to encourage artistic and cultural entrepreneurs, reduce seasonality and extend the season for the visitor industry.
10. Continue to prioritize high quality, high wage jobs in economic incentive programs.
11. Consider opportunities for additional regulatory efficiencies to minimize barriers to business expansion.

Real Estate Development and Revitalization

12. Implement recommendations of the updated Downtown Plan.

Workforce

13. Work with the School District and Itasca Community College to develop additional educational infrastructure to support existing and emerging industries.

Introduction

The economic vitality of a community is critical to its long-term success. Good-paying jobs and a solid tax base are key to providing adequate funding for roads, schools, parks, snow removal, and other services and amenities that retain and attract businesses and residents.

Demographics

The Minnesota State Demographer estimated the City of Grand Rapids population to be 11,389 in 2017. Grand Rapids Township was annexed into the City in phases between 2000 and 2010. Since 1990, the population of Grand Rapids/Grand Rapids Township has been relatively stable, ending on a high note, with 4.7% growth between 2010 and 2017 after sustaining a 2.4% loss between 2000 and 2010.

Between 2017 and 2045, the Minnesota State Demographer projects growth for Itasca County to be less than 1,500. Given these projections and historical population trends for City of Grand Rapids, the city is likely to experience slow to moderate growth. Population shifts within the county could occur (e.g. due to aging rural residents moving into the city for better access to health care) creating a higher rate of growth in the city.

Workforce

While the population is expected to grow at a slow to moderate pace, the workforce is expected to decline about 3.3% during the decade 2020-2030 as members of the baby boom generation exit the workforce, and a smaller cohort of replacement workers (age 25-44) enter the Itasca County workforce.

Table -1. Itasca County Labor Force Projections, 2020-2030				
Itasca Co.	2020	2030	2020-2030 Change	
	Labor Force Projection	Labor Force Projection	Numeric	Percent
16 to 19 years	1,271	1,115	-156	-12.3%
20 to 24 years	2,546	2,562	16	0.6%
25 to 44 years	7,744	8,536	793	10.2%
45 to 54 years	4,134	3,890	-244	-5.9%
55 to 64 years	4,358	3,128	-1,230	-28.2%
65 to 74 years	1,090	1,071	-20	-1.8%
75 years & over	236	365	129	54.5%
Total Labor Force	21,380	20,669	-712	-3.3%
Source: Itasca County Labor Market Analysis, MN DEED, December 2018 Calculated from <i>Minnesota State Demographic Center population projections and 2013-2017 American Community Survey 5-Year Estimates</i>				

The labor market is tightening throughout the Northeast MN. According to DEED, the number of job seekers per job has declined from a peak of 11/job in 2009 to .8 in 2018 in the region.

Itasca County's labor force has been shrinking while the state labor force has grown. During the 15 year period 2002-2017, Itasca County's labor force showed a loss, -5.3%, while the state labor force showed a gain of 7.1%.

The underlying issue is demographic change and the retirement of a large cohort in the workforce – the baby boom generation. Consequently, talent attraction is a critical issue for businesses and communities across the country. Economic

development is increasingly integrated with workforce development, talent attraction and attention to community development factors such as housing, parks and recreation, quality schools and health care. Rural areas face a particular challenge with the attraction of managerial, technical and professional workers because limited employment opportunities can impact the trailing spouse in two-earner households. Workforce development, talent attraction and trailing spouse issues are all considered important by area employers contacted during the economic development research process for the comprehensive plan.

Employment Center

Grand Rapids serves as an employment center for the region. According to the US Census Bureau, 12,439 people were employed in Grand Rapids in 2017. Of these, 2,654 lived and worked in the city; 7,594 commuted into the city for employment; and 2,191 residents were employed outside the city.

These employment characteristics – strong employment of residents and a significant inflow of workers reinforce the opportunity for Grand Rapids to serve as center for retail trade. Consumers often shop for convenience goods from grocery stores, pharmacies, hardware stores and lumber yards where they work or where family members attend school.

Figure __-1: Itasca County, Declining Labor Force

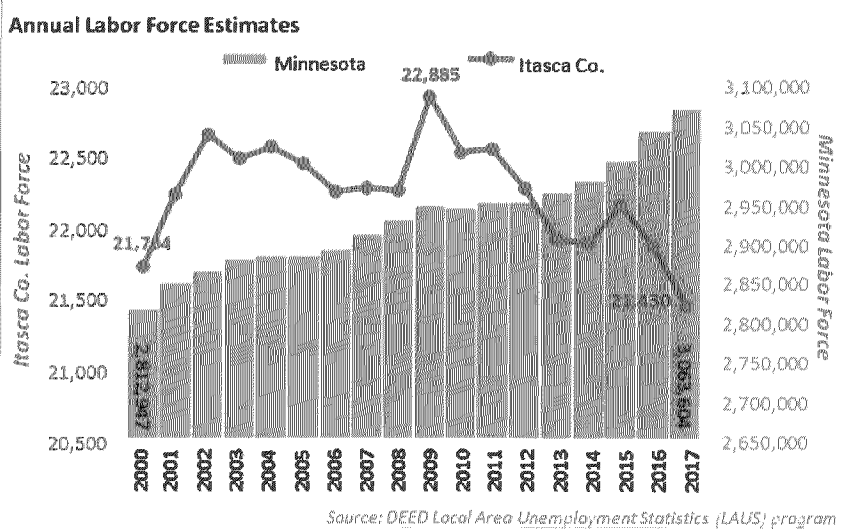
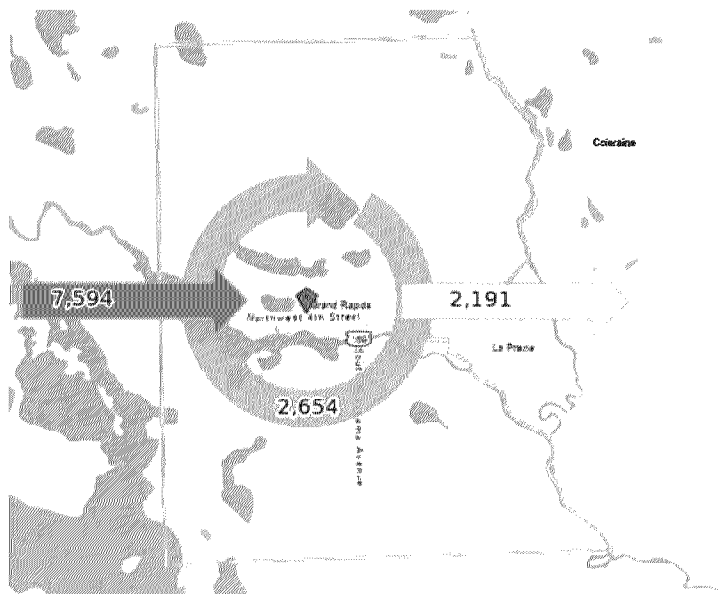


Figure __-2. Grand Rapids MN Inflow/Outflow Job Counts, 2017

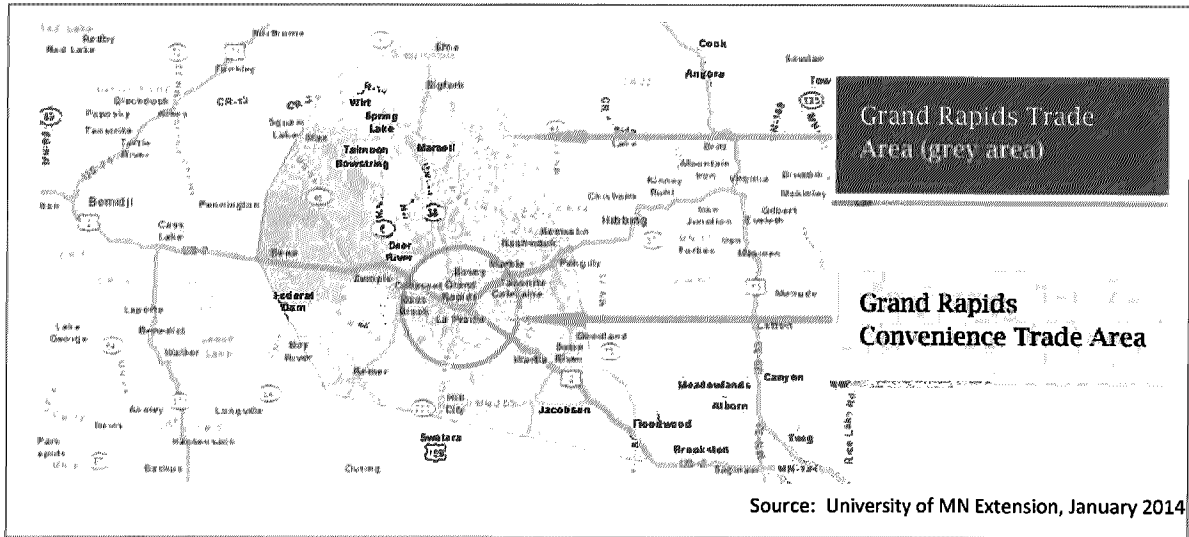


Source: US Census, OnTheMap, LEHD data

Retail Trade Center

The City of Grand Rapids serves as a retail trade center reaching north to Effie, west to Bena, south to Hill City and Floodwood and northeast to Nashwauk. Bemidji, Hibbing and Duluth are competitive retail centers to the west, northeast and southeast respectively. The University of Minnesota Extension prepared a retail market for Grand Rapids in 2014 and identified the retail trade area as shown in Figure ___-3. In addition to the trade area identified in grey, the U of MN extension researchers identified a Convenience Trade Area (red circle) with a 10-mile radius. The City has a strong “pull factor” and shows particular strength for sales in the following categories that reflect its important role in meeting the daily goods needs of area consumers: grocery stores; beer, wine and liquor stores; sporting goods stores; specialized building material dealers; full-service restaurants; automotive parts, accessories and tires stores; hardware stores, pharmacies and drug stores; sewing goods and needlework stores; motorcycle, boat and other motor vehicles; and home centers. It also shows a sales surplus, compared to national benchmarks in computer and software stores, home furnishings/furniture stores, gift, novelty and souvenir stores, optical goods, footwear and office supplies, indicating that many people purchase these goods in the community. The research indicated that there is some leakage to other markets for clothing as well as appliances, televisions and other electronic goods.

Figure ___ - 3: Grand Rapids Retail Trade Area



Employment & Wages

Total employment in Grand Rapids has remained relatively constant over the period 2000-2018. However, the composition of employment has changed. Employment gains of 1,290 in Professional and Business Services, Education and Health Services offset employment losses of 1,290 in Manufacturing, Trade, Transportation and Utilities as shown in Figure ___-4.

High wage manufacturing jobs have been replaced by lower wage jobs in other sectors, most notably health care.

Figure ___-4: Grand Rapids Employment by Industry 2000, 2010, 2018

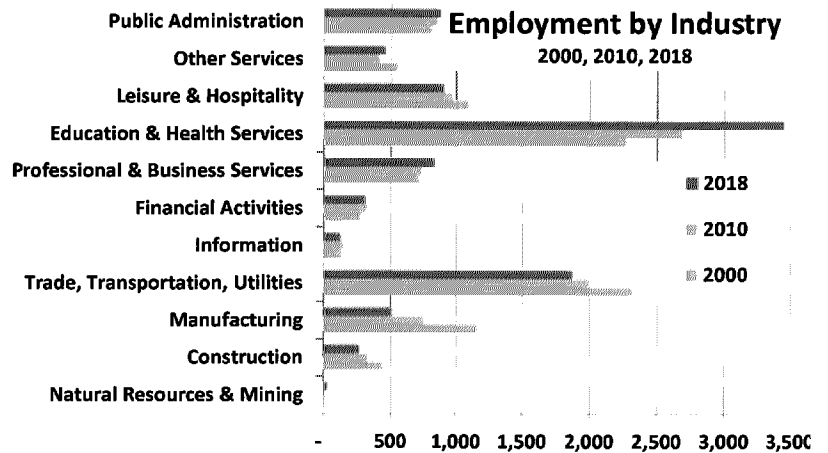


Table ___-2: 2018 Average Weekly Wage by Industry

Industry	2018 Weekly Wage
Natural Resources & Mining	\$2,307
Construction	\$1,013
Manufacturing	\$1,626
Trade, Transportation & Utilities	\$693
Information	\$734
Financial Activities	\$1,032
Professional & Business Services	\$534
Education & Health Services	\$761
Other Services	\$522
Public Administration	\$1,146

Industry	2000	2010	2018	Change 2000-2018
Natural Resources & Mining	11	17	28	17
Construction	440	335	266	-174
Manufacturing	1,166	757	506	-660
Trade, Transportation, Utilities	2,327	2,006	1,871	-456
Information	130	151	125	-5
Financial Activities	274	328	311	37
Professional & Business Services	719	740	835	116
Education & Health Services	2,277	2,693	3,451	1,174
Leisure & Hospitality	1,090	977	908	-182
Other Services	553	419	460	-93
Public Administration	814	860	883	69
Total Employment	11,801	11,293	11,662	-157

Source: Quarterly Census of Employment and Wages

Employment Characteristics

Local economies are characterized by businesses in “traded industry clusters” and “local clusters”.

Businesses in **traded clusters** serve markets in other regions or nations. Traded cluster industries in Grand Rapids include hospitality and tourism, business services, distribution and e-commerce, paper and packaging, manufacturing, paper processing, transportation and utilities, and tourism. Wages are typically higher in traded cluster businesses.

Local cluster businesses sell products or services primarily to the local market. Examples include health care, education and retail businesses such as grocery stores, hardware stores, lumber yards and pharmacies.

Figure __ - 5: Itasca County Employment by Traded Cluster, 2016

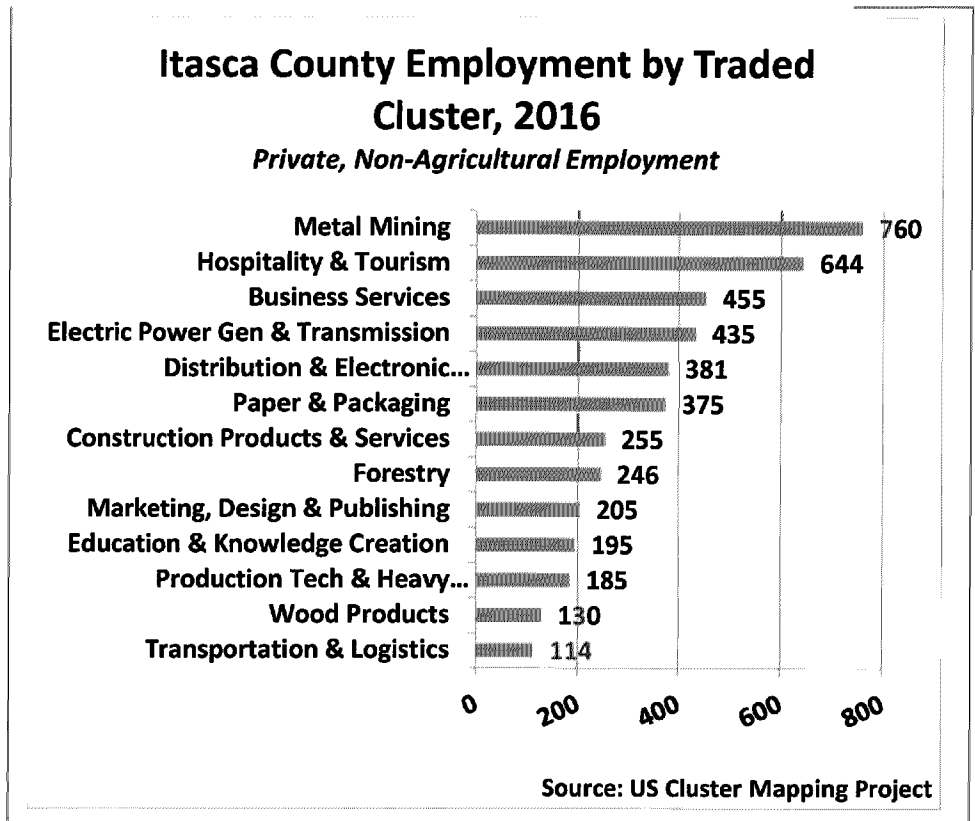


Figure - 6: Itasca County Employment by Local Cluster, 2016

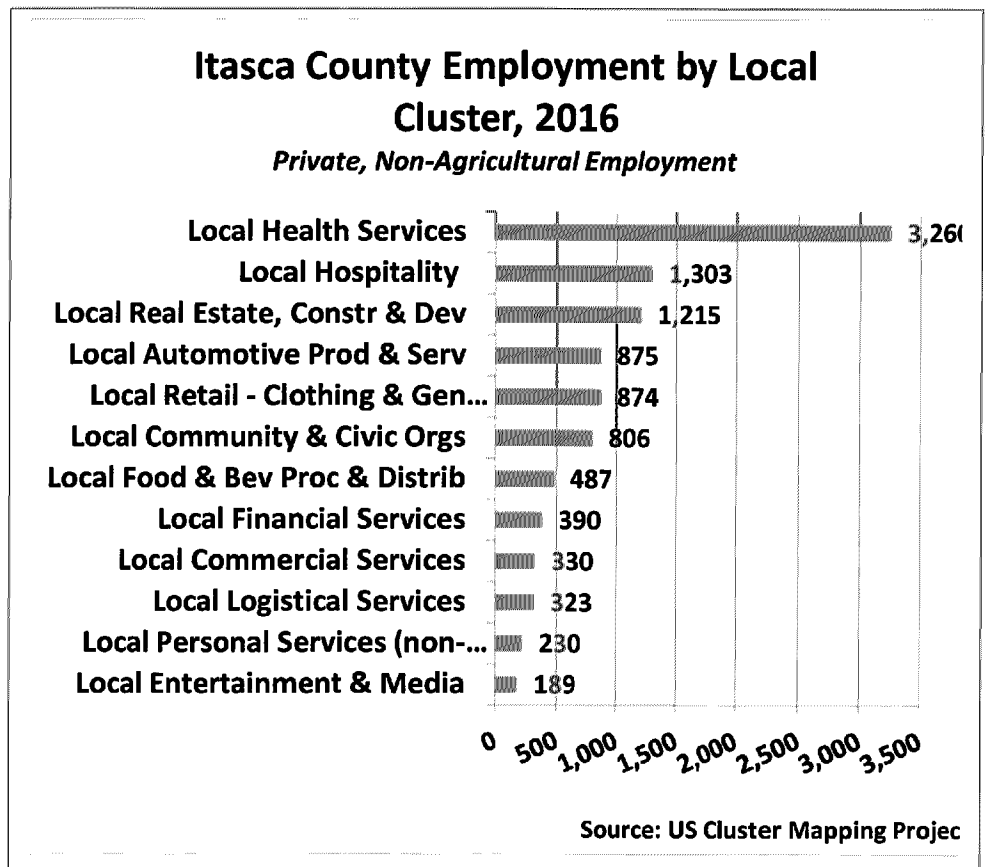


Table __ - 3: Major Employers in the City of Grand Rapids

Major Employers in the City of Grand Rapids		
Employer	Product/Service	Approximate Number of Employees
ISD #318	Public education	650
Grand Itasca Clinic and Hospital	Health care	526
Itasca County	Government	431
UPM Blandin Paper Mill	Paper mill	240
Grand Village Nursing Home	Skilled care nursing home	250
Arrowhead Promotion and Fulfillment Co.	Promotion and fulfillment processing	220
Wal-Mart Stores, Inc.	Discount retail	183
Minnesota Diversified Industries	Assembly and packaging solutions	172
ASV Holdings	All season vehicle manufacturing	153
City of Grand Rapids	Government	148
Target Corporation	Discount retail	148
MN Department of Natural Resources	Government	135

Source: City of Grand Rapids website and 2019 comprehensive plan employer interviews

Industrial Land

City staff updated the industrial land inventory for Grand Rapids and other area communities in 2019. The City and GREDA have been involved with the development of six industrial parks and have sold a total of 129.4 acres to 29 businesses since 1969. (Table __ - 4). The average industrial land absorption per year for the period, 1969 to the present, was 2.59 acres per year. For the period, 1992 to the present, absorption was 3.62 acres per year.

Table __ - 4. Previously Developed City/GREDA Industrial Property

<u>Plat</u>	<u>Plat Year</u>	<u>Total Acreage</u>	<u># of Businesses</u>
Industrial Park One	1969	31.8	17
Industrial Park Two	1992	31.7	4
Industrial Park East	1999	5.2	1
Industrial Park East 1st Add.	2001	32.2	2
Airport S. Industrial Park - Phase 1	2007	6.7	3
GREDA IEIP	2010	21.8	2
		129.4	29

GREDA currently owns 19 serviced industrial sites, totaling 32.4 acres, detailed in Table __ - 5. Based on the historic absorption rate 1992- present, the City controls a 9 year inventory. The average site size is 1.7 acres. Based on an assumption of 4.1 acres per business, the City has sufficient inventory for 7 businesses.

Table -5. Current Inventory of GREDA Owned, Undeveloped, Industrial Property with Utilities

<u>Plat</u>	<u>Plat Year</u>	<u>Total Acreage</u>	<u># of Sites</u>
Industrial Park East	1999	14.5	8
Airport S. Industrial Park - Phase 1	2007	9.8	5
Airport S. Industrial Park - Phase 2	2009	8.1	6
Airport Road Site	-----	20.0	1
		52.4	20

Itasca Economic Development Corporation and a private party own an additional 223 acres of industrial property (Itasca Eco-Industrial Park) without sewer and water utilities, detailed in Table ___ - 6.

Table ___ - 6. Current Inventory of Undeveloped, Industrial Property with no Utilities

<u>Site Description</u>	<u>Total Acreage</u>	<u># of Sites</u>
Privately owned, IEIP Site (Grand Rapids)	134.5	1
IEDC - IEIP Site (Cohasset)	63.5	1
	223.0	3

The market for industrial land in Grand Rapids will be influenced by the availability of property in Cohasset and Coleraine which are located within 10 minutes of Grand Rapids. These two communities have a total of 5 sites with 12 acres of serviced land available. In addition, Cohasset owns an additional 250 acres of un-serviced land in an expansion area.

Table ___ - 7. Current Inventory of Privately and Publicly Offered Industrial Sites in Surrounding Communities

<u>Site Description</u>	<u>Total Acreage</u>	<u># of Sites</u>
Cohasset Industrial Park w/Utilities	2.7	1
Cohasset Industrial Park Expansion Area	250.0	18
Coleraine Eagle Ridge Technology Park	7.5	3
Coleraine Industrial Park	1.8	1
	262.0	23

Based on the existing inventory of industrial sites in Grand Rapids and Cohasset, there is no immediate need to purchase additional land for future industrial expansion. The City will want to consider extending utilities to un-serviced GREDA-owned sites to meet market demand.

Economic Development Framework

The Grand Rapids Economic Development Authority (GREDA) plays the primary economic development role in the City. The City and GREDA often collaborate on development related initiatives with local and regional partners, including the Grand Rapids Area Chamber of Commerce, Visit Grand Rapids, Itasca Economic Development Corporation (IEDC), Iron Range Resources and Rehabilitation (IRRR), Area Partnership for Economic Development (APEX), the Northspan Group, Inc. and the MN Department of Employment and Economic Development.

Economic Development Successes, Issues and Opportunities

Development issues and opportunities serve as the foundation for crafting the community's economic development strategy and priorities. Economic development successes, issues and opportunities identified through an analysis of data and input from the Grand Rapids Economic Development Authority, the comprehensive plan steering committee, interviews with employers and economic development allies (e.g. IEDC, chamber, IRRRB, APEX) are summarized as follows.

Successes

Grand Rapids is perceived as forward-thinking and diversified, especially when compared with other areas of Northeast Minnesota. Community members are proud of recent investments in the new elementary school, the Reif Center update, medical district investments, the collaboration on the new "Y", the Keisler Wellness Center, commercial rehabilitation projects in the US 169 corridor and downtown, residential developments and the collaboration on arts, culture, recreation and entertainment. These investments and collaborative activities differentiate Grand Rapids and help the community attract young talent. The expansion of ASV, Arrowhead Promotions and the attraction of ACC Manufacturing and Swan Machine are considered important additions to the community's economic base. Successes identified in the retail sector include downtown projects completed with the storefront loan and DEED Small Cities Development Program funds. Specific commercial redevelopments/developments noted include: Thousand Lakes, Culver's, L&M Supply, Aldi's, Hardee's, Sawmill Inn and the brewpub.

Strengths

Attractive diversified regional center and tourism destination

Grand Rapids role as a diversified regional center – including a good industrial base, the county seat, community college, medical center, retail hub, small local businesses and state government offices – is seen as the foundation for the community's future, helping it weather the economic ups and downs of a natural resource-oriented region. The area's lakes, outdoor recreation opportunities and tourism industry play a valuable role in introducing people to Grand Rapids. The businesses and amenities that serve visitors provide quality of life benefits enjoyed by residents and help attract talent to the community. The community is considered desirable and attractive, drawing more young people than other range communities. Community resources like the a well-regarded school district, Blandin Foundation, Blandin leadership program, YMCA, good broadband infrastructure, KAXE, Reif Center, ice arena and trails differentiate Grand Rapids. One person described it as "magnetic – people want to live here". The area convention and visitors bureau, Visit Grand Rapids, is recognized for effective marketing and cultivating a positive image for the community.

Quality workforce

In addition to its good industrial base, the quality of the workforce was recognized by management with experience outside the region. The workforce was described as "one of the best anywhere, technically literate and easy to motivate...just a little guidance, they will take it and run." Another described it as "skilled and dedicated, with a great work ethic".

Leadership and culture

Good leadership and a culture of caring for each other are identified as cultural characteristics underlying Grand Rapids success. The collaborative, caring spirit of the community is illustrated by an innovative partnership between the City, the YMCA, eldercare and healthcare organizations and the new Keisler Wellness Center. The City is recognized for effective partnerships with economic development allies and its capacity to put together financing packages needed to make complex development and redevelopment projects happen in a rural regional center. The Blandin Foundation and a broader culture of philanthropy in the community are perceived as central to the quality of life in the community.

Good planning, infrastructure and development support

Internal and external stakeholders recognize the city for good planning and infrastructure investments including roads, schools, water and sewer, broadband and land for commercial/industrial development. The community's inventory of industrial sites, including the former Ainsworth "megasite" are recognized as important assets along with sites zoned for commercial development. The City's capacity to support revitalization of commercial properties is valued. The Commercial Building Improvement Loan and Small Cities grants through GREDA and other local incentives are considered important strengths critical for redevelopment. Developers who understand the Grand Rapids market are considered an asset to the community. They invest in the community, own property long-term and care about their real estate and the community overall.

Weaknesses/challenges/threats

Location and transportation infrastructure

Grand Rapids location and transportation are considered Grand Rapids' primary disadvantages.

- The distance from major markets creates high freight costs for manufacturers.
- The distance and the lack of four-lane roads between the community and Minneapolis-Saint Paul (180 miles), Duluth (80 miles) and Bemidji (70 miles) are considered barriers to development.
- This challenge is compounded by the lack of commercial air service to Grand Rapids. The nearest scheduled service is in Hibbing, 45 minutes away. Additional options are available in Duluth and Bemidji, each approximately 1.5 hours away.
- An aging fixed base operator (FBO) facility at the airport is perceived by some to create a poor first impression of the community, for those who arrive by private plane.
- Grand Rapids is served by BNSF Railway Co. The lack of a competitive rail service provider affects the rates and quality of service experienced by shippers in the community.
- The community lacks local public transportation.
- The lack of ridesharing options (e.g. Uber, Lyft) impacts residents and visitors to the community.

Workforce and Talent Attraction

Challenges to attracting and retaining a capable workforce sufficient to meet employers' needs is a challenge across the country as the baby boom generation retires. Smaller communities in rural areas face particular challenges because two-career households are much more typical than they were in the past. Smaller communities offer fewer employment options to both members of the household. This is especially a problem with the recruitment of managerial, technical and professional workers. Finding rewarding employment for the "trailing spouse" can be challenging.

The lack of affordable housing affects many small communities because the cost of new construction often exceeds market values in the community. An aging housing stock and a lack of rental opportunities limits growth and the ability to attract talent. One employer noted the lack of moderately priced housing, condos or townhomes. Another noted, "We need housing that's affordable for good people in lower wage jobs - bank tellers, resort staff and retail jobs." Some employers consider the lack of temporary housing for people who move to town from out of state to take employment to be problematic. There are almost no options available. One employer indicated that it works out better if someone moves to the community in the fall and can rent a winterized cabin on the lake until spring. But that's not a reliable option, because you recruit throughout the year.

The community is considered friendly to people who move into the area, but not inclusive. Consequently, social life can be challenging for newcomers, impacting the ability of businesses to retain recruits. This challenge apparently impacts a broad range of newcomers, but is especially challenging for single people.

The lack of available, reasonably priced childcare limits workforce participation. This is a problem that affects Grand Rapids and communities throughout Greater Minnesota. It is particularly challenging for health care and forest products processing plants and others that operate 24/7.

While the technical aptitude, skills and work ethic of workers in the area are exceptional and valued by employers, competition from the cyclical mining industry can create challenges for manufacturers, who find workers leave them when high-wage jobs are available in mining. Similarly, drivers and loggers leave the forest products industry for similar jobs in the mining industry.

Grand Rapids has a unique opportunity to draw on its September 2019 recognition in USA Today as one of the '50 Best Places to Live in the US' and build a more robust talent attraction initiative.

Downtown and retail challenges

Although there are vacancies and the business mix has changed in downtown Grand Rapids, the community has been reasonably successful in securing reinvestment and updating facades. However, community members are concerned about empty storefronts, Central Square Mall and Central School. They place a priority on downtown revitalization.

Downtown areas have been challenged since the advent of the shopping mall in the late 1950s. Retail formats have transformed from historic "Main Street" shops that are typically deep and narrow with limited parking, to shopping malls and "retail boxes" surrounded by parking lots, often located on a major highway near the edge of town. The trend toward on-line shopping and ever-faster, often-free delivery is disrupting the retail sector. The large aging baby boomer generation is expected to purchase fewer goods and more

services. Younger generations express less interest in acquiring things and more interest in experiences than previous generations. In response to these trends, many shopping malls and other retail centers are in the process of changing their business mix and use of space to provide more opportunities for people to gather, engage in activities and entertainment.

Historic downtown areas, often viewed as the “heart of the community”, often struggle in the transition to finding a new niche. Services businesses such as legal and accounting firms, title companies, dentists, chiropractors, eye clinics and salons are able to use historic storefront spaces productively. In many cases they choose to own the property also. These types of businesses generate sufficient revenue to maintain the buildings in good condition. Parking demand for staff and customers typically works well with limited on-street parking and possibly alley parking. Accessibility can be a concern, particularly for those in health care related businesses. Some communities have worked successfully with these property owners to create rental housing opportunities in upstairs apartments. However, these types of services businesses don’t bring “shoppers” to a commercial district.

It is challenging with independent business and property owners to be strategic about tenant mix. But a strategic tenant mix benefits business owners, property owners and the community in the long term. Property owners and cities have successfully identified districts that concentrate businesses that can benefit each other – concentrations of outdoor and arts-oriented businesses, breweries with adjacent restaurants or space for food trucks, restaurants and bars near theaters and bowling, coffee shops adjacent to bookstores, yoga and fitness studios near health food stores. A collective focus on the customer and the customer experience is important to revitalization efforts.

Some businesses in communities with a limited tourism season are able to develop an on-line sales presence to supplement storefront sales. Promotion of this model and related technical assistance can help develop or preserve visitor-oriented shopping areas.

The commercial corridor on US 169 has seen investment over the past decade. But retailers have begun pulling back recently. The closure of Herberger’s and Shopko stores nationally has been challenging for many communities. Attempts at retail attraction locally face headwinds with changes underway in the retail sector nationally. Grand Rapids developers have pursued some retail businesses, but find that the community’s population threshold is below the market requirements of some businesses the community would like to attract. Consequently, larger nearby markets like Duluth and Bemidji draw shoppers from Grand Rapids.

Loss of high paying jobs with good benefits

The loss of high paying jobs with good health care benefits (e.g. Blandin Paper, Magnetation) has ripple effects in the community. Fewer employees with good health care benefits has a negative impact on the health care system in the community. The baby boomers who retired from Blandin have financial resources and good benefits, which are still supporting the local economy, but their economic contribution will wane over the next 10 – 20 years.

Loss of visitor amenities and meeting rooms

The tourism industry was described as stronger in Grand Rapids when Quadna Mountain and Sugar Hills attracted winter visitors to the community. There's a perceived decline in the number of tourism-oriented businesses over many years. Most recently the community experienced the closure of the Sawmill Inn, a hotel with dining and meeting rooms. Redevelopment of the property is underway.

Competitive Business Climate

Community leaders spoke about the challenge of providing the amenities people want, and the importance of maintaining a competitive business climate with regard to taxes, utility rates and regulation. The City of Grand Rapids adopted and enforces the Minnesota State Building Code. It is illegal for cities with a population over 5,000 to repeal the state building code. Some townships and cities in the area have not adopted the state building code and this creates some confusion. One person noted that cold temperature and snow removal are business expenses over which a business owner has no control – adding to the challenge of doing business in the North Country.

Opportunities

Community and economic development stakeholders identified many opportunities for strengthening Grand Rapids economic vitality. They are organized into the following topic areas.

- Talent attraction
- Workforce development
- Development and redevelopment
- Economic diversification
- Forest products and mining
- Visitor infrastructure
- Leadership development
- Transportation infrastructure

Talent attraction

A variety of Grand Rapids area employers need to attract talent from outside the area to manage or grow their operations. Many of these positions are managerial, technical and professional. Communities and employers across the country are working together on talent attraction.

There is significant interest in being more aggressive on talent attraction. The City and IEDC have participated supported the creation of NORTHFORCE website, which serves as job connection website for Northeast Minnesota (e.g. job posting, resume posting). There is interest in providing additional information about the Grand Rapids area as a place to live for people relocating or considering relocation to the community. Existing community websites target other audiences – Visit Grand Rapids targets visitors and the City website is oriented to existing residents. Attraction/relocation websites focus on prospective residents and promote the community as a place to live, work and play.

One person who participated in an interview suggested creating programs to reach young people who grew up in the Grand Rapids area and went away to attend college/university to encourage them to return home

in their late 20s or early 30s. Another person interviewed focused on exploring and creating a better system for talent attraction. “Who do we need to attract? Where are we posting? How do we recruit people who aren’t looking for a job? How can we use social media effectively to support talent attraction?”

Other rural communities are facing similar talent attraction challenges. The Brainerd Lakes Area Development Corporation created the Key Recruitment Program, a fee-for-service and membership program designed to help businesses in the Crow Wing County area find top-notch candidates to fill key professional positions. The program was funded by BLAEDC, the Blandin Foundation and four founding business members. The program has proven successful over several years and is highly regarded by the business community.

Some communities have developed relocation support systems that involve community leaders and human resources professionals. Such networks provide assistance to identify career opportunities for the spouse of an individual being recruited to a community. Co-working sites and support for entrepreneurship may also help a “trailing spouse” find a rewarding career path in the community. Relocation support networks can be designed to welcome individuals and families and help them make social connections tailored to their personal interests to help retain them in the community. Employee recruitment and turnover are expensive, so businesses consider community relocation support programs to be a good investment.

There appears to be a need for temporary housing for relocating professionals. The extent of the market should be explored with employers who are involved with external recruitment. If demand is relatively small, it may be possible to integrate appropriate housing options into other housing or hospitality projects and help ease the transition for individuals and families.

Housing market studies that are updated on a regular basis help guide development and encourage successful investment. Multi-family senior housing was identified as an option that may be attractive to seniors, freeing up single-family homes for younger families. There is interest in supporting investment and development of sites in Grand Rapids for high-demand market segments. Community and economic development stakeholders suggested that workforce housing is a current need.

The creation of additional childcare capacity can help attract existing residents to participate in the workforce and can factor into relocation decisions. The lack of childcare is a barrier to labor force participation, especially in rural areas of Minnesota. Community support for childcare options may be needed to overcome market challenges.

Workforce development

Itasca Community College and the Grand Rapids School District are well-regarded partners in workforce development for the community and can help retain young people in the community and put them on a path to skilled employment in the area. There was strong interest in innovative models. School districts that have created exceptional school-to-work programs in partnership with area employers include Hutchinson and Alexandria, MN. Paynesville recently completed the first year of an entrepreneurship program at the high school level; the new program was fully enrolled and is supported by the Paynesville Area Community Foundation.

One person indicated an interest in establishing a satellite relationship with a college like St. Scholastica or St. Thomas, possibly in Central School, with a focus on programs to support entrepreneurship, engineering and liberal arts. The City of Apple Valley has successfully co-located satellite operations of several educational institutions in its former City Hall to make higher education options more accessible “south of the river” in the metro area.

Development and redevelopment

Cities typically play an important role in stimulating physical development and redevelopment opportunities. The following sites and areas are considered priority sites for Grand Rapids over the next 1-10 years.

- Downtown
- Mall - downtown
- School sites
- K Mart
- 20 acre site near Walmart/Home Depot
- Sawmill Inn
- Former Ainsworth Site (Itasca Eco-Industrial Park)
- Ray’s Marine
- DC Manufacturing
- Residential development sites – market opportunities for workforce and senior housing

Downtown seemed to be the greatest concern to most people. The efforts to date involving the state Small Cities Development Program and local loan funds are highly regarded. Façade improvements are valued, but one interview participant wondered if there is a need for more financial support to address deeper code issues, such as compliance with ADA accessibility laws, upgrade of electrical and HVAC systems, etc. There is also interest in “activation” of downtown.

Recent examples of downtown activation include:

- Sculptures, sidewalk poetry and murals installed by the Grand Rapids Arts and Culture Commission
- The “First Friday Arts Walk” has enjoyed success in recent years
- The recent addition of a brewery and wine-bar downtown

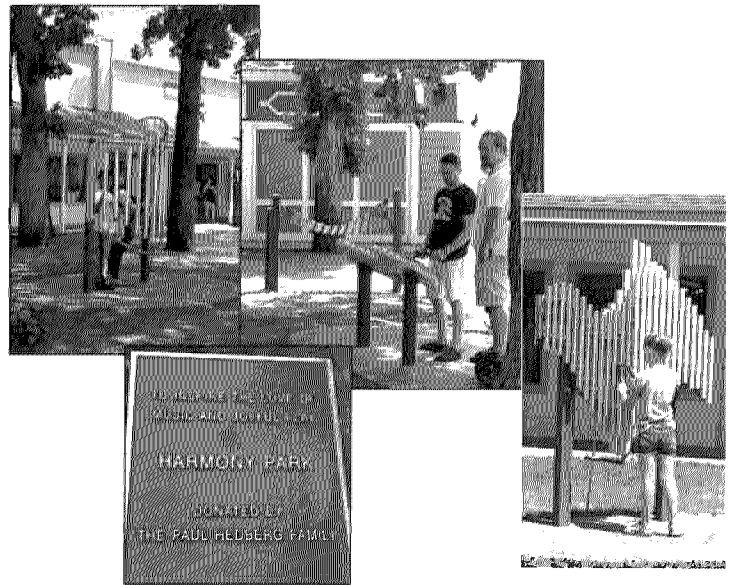


Figure __ Activation in a tourism destination. Arnold’s Park, Lake Okihoi, Iowa.

Activation typical involves creation of engaging design features and cultivating a business mix and events that draw people downtown for activities. The events may be sponsored by businesses, non-profits or the community.

On the industrial front, there's periodic demand for warehouse space and inadequate capacity. It is difficult for developers to build or buy and hold speculatively. However, it is also important to be able to move quickly. When orders come in, businesses often need to expand capacity quickly. Grand Rapids could consider options like a multi-tenant warehouse or a "paper spec" warehouse. Communities work in advance on "paper spec" buildings with developers to speed approval processes and avoid the risk of a vacant building. Advance work by the city and developer includes identifying shovel ready sites, designing prototype buildings in several sizes (e.g. 30,000, 50,000 and 70,000 square feet), maintaining current cost estimates and preparing prototype financing packages and lease rates. This can reduce construction timeframes by several months. The incentive of time can be as important to some businesses as a financial incentive from a community.

Economic diversification

Community members are interested in economic diversification. One participant noted, "The economy will be more stable long term with 10 small businesses with 40-50 jobs than 2 businesses with 200-300 jobs. Small businesses not dependent on mining or forestry are ideal, because they would be less vulnerable to the ups and downs."

There's a recognition that it can be challenging to recruit manufacturing jobs to Grand Rapids because of the distance to market and transportation infrastructure. Diversification into business and professional services that can be "transported" via the internet have expanded into Bemidji, Duluth and other communities in Northeast Minnesota. These types of businesses are considered a potential opportunity for Grand Rapids. Examples of these types of businesses include insurance company or financial services back offices; software development and tech support operations; marketing and communications firms; consulting; and planning, engineering and ecological services firms.

Grand Rapids has some unusual assets that may differentiate the community for the right business. The former Ainsworth site, a "megasite", is approximately 135 acres. It is served by rail and heavy duty electrical. It's possible to extend city services to the site. In addition, Grand Rapids has excess wastewater treatment capacity, which could be attractive to certain businesses, most likely a forest products processing operation.

Entrepreneurship and small business development can help diversify the local economy. The internet and shippers like FedEx and UPS enable many small businesses in remote locations to access national and global markets. The internet and shipping/delivery services can also help local artists and tourist-oriented retailers reach a broader customer base year-round.

There is interest in local food and beverage businesses (e.g. distilleries, breweries). These small businesses can be attractive to visitors, residents and have the potential to export higher value food and beverages to markets outside the community.

Forest products and mining

Due to the closure of the paper mill in Sartell, oriented strand board (OSB) operations and the downsizing of Blandin Paper, the timber harvest in the Grand Rapids region has diminished. Several community members knowledgeable about the forestry industry indicated that there is an abundance of resource available in the area and a need for increased harvesting to encourage regeneration and diversity.

Grand Rapids has the potential to host a next generation forest products processing operation when market conditions are right. UPM/Blandin owns of 188,000 acres of forest land that can't be developed or broken up, which could supply operations involved with bioplastics, biomaterials or biofuels. Several people suggested that the community needs to encourage expansion of biomaterials and fuels in Grand Rapids, particularly while the logging infrastructure is in place in the region.

There is also potential to for additional mining activity in the Greater Grand Rapids area. Projects that have some potential include reactivation of the former Magnetation facility and the stalled Essar steel project.

Visitor infrastructure

Several people identified an opportunity to create more for visitors and summer lake families to do when they are in the area. Currently the Forest History Center, Judy Garland Museum and local theater are the primary "rainy day destinations" for visitors. Additional options suggested that could attract the next generation include hiking and mountain biking facilities, canoe trails and family-friendly activities like miniature golf.

Hotels in the area report that they are often at capacity and there is limited meeting room and banquet space. A market study could clarify market conditions and encourage investment. A hotel could be strategically located or co-located to stimulate additional business or visitor activity.

Leadership development and volunteer engagement

Leadership development is important to one seasoned community leader who has learned, "We can't look to state or federal government – must drive our own prosperity locally." Community leaders spoke regularly about the value of Blandin's leadership development program and the need to engage and cultivate the next generation of volunteers and leaders. InterCity Leadership visits were identified as an important way to help community leaders envision new ways to enhance the community and strengthen its economy.

There is interest in engaging multiple generations in volunteer and leadership activities. Recent retirees from the metro area living in the lakes area around Grand Rapids are perceived as an asset that could be cultivated. Young people who have returned to the community seem to want to help and be engaged. Communities or chambers frequently support and encourage social organizations for emerging leaders that offer professional development, networking opportunities and an introduction to city, county and non-profit organizations serving a community.

Transportation infrastructure

Transportation infrastructure investments are expensive and take years....and even decades to come to fruition. While it typically takes a long time, noted one community leader, "You have to start sometime or it will never happen."

Three transportation investments were identified during the research process.

- Establish a corridor coalition to advocate for 4-lane access to Grand Rapids
- Diversify rail service providers in the area to get competitive pricing
- Plan for and build frontage/backage roads in the commercial area along on US 169