

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

**Thursday, July 16, 2015
4:00pm
Grand Rapids City Hall**

NOTICE IS HEREBY GIVEN, that a special 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, June 29, 2015 at 4:00pm.

AGENDA

1. Call to Order
2. Call of Roll
3. Approval of Claims
4. Approval of minutes from the June 29, 2015 special meeting
5. Consider adoption of a resolution approving a Purchase Agreement with John C., Lorette M., and Andrew J. Kent
6. Consider approving payment of \$5,000 in earnest money to John C., Lorette M., and Andrew J. Kent
7. Consider adoption of a resolution approving a Program Related Investment between the Grand Rapids Economic Development Authority and the Blandin Foundation
8. Consider approving proposal from Braun Intertec Inc., in the total amount of \$7,600.00 to provide professional services in the preparation of a Phase 1 Environmental Site Assessment and Geotechnical Evaluation of the Kent acquisition property.
9. Review and consider recommendations for draft 2016 GREDA Operations Budget and levy for Capital Projects Fund
10. Adjourn

GREDA Members/terms:

Dale Christy – 12/31/16 (with council term)
Rick Blake– 12/31/18 (with council term)
Mike Przytarski – 3/1/21
Cory Jackson – 3/1/17
Mike Stefan – 3/1/18
Chris Lynch – 3/1/19
Sholom Blake – 3/1/19

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
SPECIAL MEETING
MONDAY, JUNE 29, 2015
4:00 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 Special Meeting of the Grand Rapids Economic Development Authority (GREDA) was called to order on Monday, June 29, 2015 at 4:00 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: Dale Christy, Chris Lynch, Rick Blake, Mike Przytarski, Michael Stefan. Absent: Sholom Blake, Cory Jackson.

APPROVAL OF MINUTES:

MOTION BY COMMISSIONER STEFAN, SECOND BY COMMISSIONER R. BLAKE TO APPROVE THE MINUTES OF THE JUNE 11, 2015 REGULAR MEETING. The following voted in favor thereof: Stefan, R. Blake, Christy, Lynch, Przytarski. Opposed: None, passed unanimously.

Conduct a public hearing to consider entering into a loan/business subsidy agreement with Minnesota Energy Resources Inc. and the City of Grand Rapids.

MOTION BY COMMISSIONER PRZYTARSKI, SECOND BY COMMISSIONER CHRISTY TO RECESS THE REGULAR MEETING AND OPEN THE PUBLIC HEARING. The following voted in favor thereof: Przytarski, Lynch, Christy, R. Blake, Stefan. Opposed: None, passed unanimously.

Recorder Groom noted all notices according to law had been met.

Community Development Director Mattei provided the background information. For the past several months, the City of Grand Rapids and Minnesota Energy Resources (MERC) have been discussing the City's desire to extend natural gas service to three neighborhood areas located in the orderly annexation. Natural gas service would provide a substantial energy cost savings to those residents, which in turn will further the public objective of preventing blight and providing safe, adequate housing in the City, which are objectives GREDA is specifically authorized to pursue under the Minnesota Statute, Chapter 469.

The Minnesota PUC rules governing MERC require the upfront payment of Cost in Aid of Construction (CIAC), which represents the calculated additional cost to construct the natural gas infrastructure, not supported by MERC's rate structure.

The total amount of CIAC for this project is \$264,444. Assuming a 75% rate of connection by the 159 households in these areas, the per end user share of the CIAC is \$2,270. This, as an upfront lump sum cost to the end user, represents a financial hardship which would preclude many households from connecting to the natural gas service.

To lessen this financial obstacle for these households, the loan agreement being considered will involve the City and GREDA equally sharing in the advance payment of the total amount of the CIAC to MERC. This will allow the end users, as they connect, to finance their share of the CIAC with the City at 0% interest over a 10 year period. The proceeds of the end user payments will be used to reimburse the City and GREDA for their investment.

The advancement of these City and GREDA funds by GREDA, as a forgivable loan to MERC, constitutes a business subsidy under the Business Subsidy Act. The goals of the subsidy are to assist the expansion of MERC's natural gas infrastructure, thereby facilitating connection of natural gas services to underserved areas of the City. The creation or retention of jobs are not a goal of this business subsidy agreement.

Commissioner Lynch opened the floor for public comment.

Mr. Josh Thoennes, 2110 Stoeke Street spoke in favor of the project.

MOTION BY COMMISSIONER CHRISTY, SECOND BY COMMISSIONER STEFAN TO CLOSE THE PUBLIC HEARING AND RECONVENE THE REGULAR MEETING. The following voted in favor thereof: Przytarski, Lynch, R. Blake, Stefan, Christy. Opposed: None, passed unanimously.

Consider adoption of a resolution approving the loan agreement and business subsidy agreement and authorizing interfund loan for advance of certain costs in connection with natural gas infrastructure.

Commissioner Przytarski questioned who would be responsible for the fee if the property sold. The agreement states if the property is sold the fee must be paid off at that time. The Commissioners asked how many residents were expected to hook up and what the cost savings would be. City Engineer Kennedy estimated about a 75% hook up rate with the cost savings ranging between \$300 and \$900 per year depending on what type of heat source they have. Pam Sarvela with MERC stated they usually have about a 90% hook up rate on projects. Commissioner Lynch had concerns with the loan agreement being forgivable after a 10 year period. Mr. Mattei stated if MERC did not follow through with construction they would be in default of the loan.

MOTION BY COMMISSIONER CHRISTY, SECOND BY COMMISSIONER PRZYTARSKI TO ADOPT RESOLUTION 15-03 APPROVING THE LOAN AGREEMENT AND BUSINESS SUBSIDY AGREEMENT AND AUTHORIZING INTERFUND LOAN FOR ADVANCE OF CERTAIN COSTS IN CONNECTION WITH NATURAL GAS INFRASTRUCTURE. The following roll call vote was taken: Yea: Przytarski, Christy, Lynch, Stefan, R. Blake. Nay: None, passed unanimously.

Consider approving the payment of \$264,444 to Minnesota Energy Resources, pursuant to the Loan Agreement.

MOTION BY COMMISSIONER BLAKE, SECOND BY COMMISSIONER STEFAN TO APPROVE PAYMENT IN THE AMOUNT OF \$264,444 TO MINNESOTA ENERGY RESOURCES, UPON THE APPROVAL OF THE CITY COUNCIL, PURSUANT TO THE LOAN AGREEMENT. The following voted in

favor thereof: R. Blake, Stefan, Lynch, Christy, Przytarski. Opposed: None, passed unanimously.

There being no further business the meeting adjourned at 5:27 p.m.

Respectfully submitted:

Aurimy Groom, Recorder

DRAFT

EDA BILL LIST - JULY 15, 2015

DATE: 07/13/2015
 TIME: 11:52:52
 ID: AP443000.CGR

CITY OF GRAND RAPIDS
 DEPARTMENT SUMMARY REPORT

PAGE: 1

INVOICES DUE ON/BEFORE 07/16/2015

VENDOR #	NAME	AMOUNT DUE
EDA - CAPITAL PROJECTS		
CENTRAL SCHOOL REDEVELOPMENT		
1105530	KENNEDY & GRAVEN	314.50
1309069	MILLER DUNWIDDIE ARCHITECTURE	661.42
TOTAL CENTRAL SCHOOL REDEVELOPMENT		975.92
STOREFRONT RENOVATION		
0920055	ITASCA COUNTY RECORDER	46.00
TOTAL STOREFRONT RENOVATION		46.00
AINSWORTH FACILITY REDEVELPMNT		
1105530	KENNEDY & GRAVEN	954.00
TOTAL AINSWORTH FACILITY REDEVELPMNT		954.00
DEED DEVELOPMENT PROGAMS		
0920051	ITASCA COUNTY H.R.A.	57,140.52
TOTAL DEED DEVELOPMENT PROGAMS		57,140.52
TOTAL ALL DEPARTMENTS		59,116.44
TOTAL UNPAID TO BE APPROVED IN THE SUM OF:		\$ 59,116.44

Grand Rapids Economic Development Authority Commissioner _____ introduced the following resolution and moved for its adoption:

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
GRAND RAPIDS, MINNESOTA**

RESOLUTION NO. 15-03

**A RESOLUTION APPROVING A PURCHASE AGREEMENT
WITH JOHN C. KENT, LORETTE M. KENT AND ANDREW J.
KENT**

Whereas, it is proposed that the Grand Rapids Economic Development Authority (“GREDA”) acquire certain property located at 3002 Airport Road (the “Property”) in the City of Grand Rapids, Minnesota (the “City”) described as:

Parcel 1 – 91-033-4402; 3002 Airport Rd, Grand Rapids, MN (Torrens)

The North two hundred eight feet (N. 208’) of the East four hundred sixteen feet (E. 416’) of the West six hundred fifty-seven feet (W. 657’) of the Southeast Quarter of the Southeast Quarter (SE ¼ of SE1/4) of Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty –five (25) West of the Fourth Principal Meridian, situated in the County of Itasca, State of Minnesota, according to the United States Government Survey thereof; and

Parcel 2 – 91-033-4401; 3002 Airport Rd, Grand Rapids, MN (Torrens)

The North Half of the Southeast Quarter of the Southeast Quarter (N. ½ of SE ¼ of SE 1/4), Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty –five (25) West of the Fourth Principal Meridian, LESS the following:

The North two hundred eight feet (N. 208’) of the East four hundred sixteen feet (E. 416’) of the West six hundred fifty-seven feet (W. 657’) of the Southeast Quarter of the Southeast Quarter (SE ¼ of SE1/4) of Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty –five (25) West of the Fourth Principal Meridian

All situated in the County of Itasca, State of Minnesota, according to the United States Government Survey thereof. Said combined parcels contain 19.61 acres, more or less.

together with all hereditaments and appurtenances belonging thereto; and

Whereas, it is proposed that GREDA purchase the Property from John C. Kent, Lorette M. Kent and Andrew J. Kent (the “Owner”) for the purpose of furthering GREDA’s economic development objectives; and

Whereas, GREDA has received and reviewed a purchase agreement, dated as of _____, 2015 (the "Purchase Agreement"), between GREDA and the Owner, providing for the purchase by GREDA from the Owner and conveyance by the Owner to GREDA of the Property.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Economic Development Authority of the City of Grand Rapids as follows:

1. The proposed offer and purchase of the Property from the Owner is approved. The President and Executive Director of GREDA are authorized and directed to sign the Purchase Agreement providing for the purchase of the Property by GREDA and the conveyance of the Property from the Owner to GREDA.
2. The Purchase Agreement is approved in substantially the form on file with GREDA, subject to modifications that do not alter the substance of the transaction and are approved by the President and Executive Director; provided that execution of the document will be conclusive evidence of their approval.
3. The GREDA funds required for the purchase will come from the GREDA Capital Projects Fund.

Approved by the Board of Commissioners of the Economic Development Authority of the City of Grand Rapids this 16th day of July, 2015.

President

Attest:

Executive Director

Grand Rapids Economic Development Authority Commissioner _____ seconded the foregoing resolution and the following voted in favor thereof: _____; and the following voted against same _____; whereby the resolution was declared duly passed and adopted.

PURCHASE AGREEMENT

1. **PARTIES.** This Purchase Agreement (the "Purchase Agreement") is made this 10th day of July, 2015 by and between John C. Kent and Lorette M. Kent, married to each other, and Andrew J. Kent, a single person (collectively, the "Sellers") and the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota (the "Buyer" or "GREDA").

2. **SUBJECT PROPERTY.** The Sellers are the owners of that certain real estate (the "Properties") located in Itasca County, Minnesota and legally described as:

See attached Exhibit A.

3. **OFFER/ACCEPTANCE.** In consideration of the mutual agreements herein contained, the Buyer offers and agrees to purchase and the Sellers agree to sell the Properties.

4. **CONTINGENCIES.** This Purchase Agreement is contingent upon the following:

- A. Approval of this Purchase Agreement by the Buyer's governing body;
- B. If deemed necessary by the Buyer, the Buyer conducting a Phase I environmental investigation of the Properties, obtaining soil borings and testing on the Properties and receiving reports satisfactory to the Buyer;
- C. Condition of title being satisfactory to the Buyer following the Buyer's examination of title as provided in Section 11 of this Purchase Agreement;

The Buyer shall have until the date of closing to remove the foregoing contingencies. The contingencies are solely for the benefit of the Buyer and may be waived by the Buyer. If the contingencies are duly satisfied or waived, then the Buyer and the Sellers shall proceed to close the transaction as contemplated herein. If, however, one or more of the contingencies is not satisfied, or is not satisfied on time, and is not waived by the Buyer, this Purchase Agreement shall thereupon be void, at the option of the Buyer. If this Purchase Agreement is voided by the Buyer, the Buyer and the Sellers shall execute and deliver to each other a termination of this Purchase Agreement.

5. **PERSONAL PROPERTY AND TIMBER INCLUDED IN SALE.** The following items of personal property and fixtures owned by the Sellers and currently located on the Properties are included in this sale: none.

All timber located on the property is included in the sale.

6. **PURCHASE PRICE AND TERMS:**

- A. **CONSIDERATION:** The Buyer shall pay the Sellers \$575,000.00 (Five Hundred and Seventy-Five Thousand and 00/100 Dollars) for the Properties. The Sellers

acknowledge that the Buyer's consideration includes consideration for all relocation services and relocation benefits to which the Sellers may be entitled to by law.

B. TERMS:

1. Previous Payment. The Sellers acknowledge receipt of earnest money in the amount of \$5,000.00 ("Earnest Money") from the Buyer, which Earnest Money shall be applied to the Purchase Price. The Earnest Money is non-refundable, but shall be applied to the Purchase Price at closing.
2. Balance of Payment. The remaining balance of \$570,000.00 (Five Hundred and Seventy Thousand and 00/100) shall be paid to the Sellers by the Buyer at closing.

7. CLOSING DATE. The closing of the sale of the Properties shall take place on or before September 1, 2015 ("Closing Date"), unless otherwise mutually agreed by the parties. The closing shall take place at the City of Grand Rapids City Hall or such other location as mutually agreed upon by the parties.

8. ENVIRONMENTAL INSPECTION AND SOIL TESTS. The Buyer and its agents shall have the right to enter upon the Properties after the date of this Purchase Agreement for the purpose of inspecting the Properties and conducting such environmental examination and soil tests as the Buyer deems necessary. The Buyer agrees to indemnify the Sellers against any liens, claims, losses, or damage occasioned by the Buyer's exercise of its right to enter and work upon the Properties. The Buyer agrees to provide the Sellers with a copy of any report prepared as a result of such examination, tests, upon request by the Sellers.

9. DOCUMENTS TO BE DELIVERED AT CLOSING. The Sellers agree to deliver the following documents to the Buyer at closing:

- A. A duly recordable warranty deed conveying fee simple title to the Properties to the Buyer, free and clear of any mortgages, liens, or encumbrances other than matters created by or acceptable to the Buyer;
- B. An affidavit from the Sellers sufficient to remove any exception in the Buyer's policy of title insurance for mechanics' and materialmens' liens and rights of parties in possession;
- C. Affidavits of the Sellers confirming that the Sellers are not foreign persons within the meaning of Section 1445 of the Internal Revenue Code;
- D. A completed Minnesota Well Disclosure Certificate, and
- E. Any notices, certificates, and affidavits regarding any private sewage systems, underground storage tanks, and environmental conditions as may be required by Minnesota statutes, rules or ordinances.

10. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS.

- A.** The Sellers shall be responsible for all real estate taxes, including any deferred real estate taxes, penalties, or interest, for the years prior to the year in which closing occurs. The Buyer and the Sellers shall prorate as of the date of closing the real estate taxes for the Properties that are due and payable in the year of closing.
- B.** As of June 18, 2014, there were no special assessments levied on against the Properties. The Sellers shall pay all special assessments levied against the Properties as of the closing date, including special assessments certified for payment with the real estate taxes and all deferred assessments. The Buyer shall assume payment of any special assessments that are pending but not levied against the Properties as of the closing date.

11. EXAMINATION OF TITLE. The Buyer's examination of title to the Properties shall be conducted as follows:

- A. SELLERS' TITLE EVIDENCE.** The Sellers shall provide the Buyer with the certificates of title for the Properties. The Buyer shall order a title commitment for title insurance for the Properties and be responsible for those costs.
- B. BUYER'S OBJECTIONS.** The Buyer shall make written objections (the "Objections") to the form or contents of the title commitment or condition of title within 10 business days after receipt of the same. The Buyer's failure to make Objections within such time period shall constitute a waiver of the Objections. The Sellers shall have 30 days after receipt of the Objections to cure the Objections, during which period the closing will be postponed, if necessary. The Sellers shall use all reasonable efforts to correct any Objections. If the Objections are not cured within such 30-day period, the Buyer will have the option to do either of the following:
 - 1. Terminate this Purchase Agreement, if termination is due to the Sellers' failure to cure title objections or any other default of the Sellers, the Sellers shall repay the Earnest Money to the Buyer; or
 - 2. Cure the Objections at the Buyer's expense.

12. CLOSING COSTS AND RELATED ITEMS. The Sellers shall be responsible for the following closing costs and related items: (1) all recording fees and charges relating to the filing of any instrument required to make title marketable; (2) any fees incurred for updating the title; (3) any state deed tax, conservation fee, or other federal, state, or local documentary or revenue stamps or transfer tax with respect to the warranty deed to be delivered by the Sellers; (4) their own legal and accounting fees associated with this transaction. The Buyer shall be responsible for the following closing costs and related items: (1) the cost of any survey of the Properties required by the Buyer; (2) the cost of preparing the title commitment and all premiums required for issuance of the title

insurance policy; (3) any fees for standard searches with respect to the Sellers and the Properties; (4) the fees of any soil tests, environmental assessments, inspection reports, appraisals, or other tests or reports ordered by the Buyer; (5) recording fees and charges related to the filing of the warranty deed; and (6) its own legal and accounting fees associated with this transaction. All closing fees charged by the title company and any escrow fees charged by any escrow agent engaged by the parties in connection with this Purchase Agreement shall be split equally between the Buyer and the Sellers.

13. POSSESSION/CONDITION OF PROPERTIES. The Sellers shall deliver possession of the Properties to the Buyer at closing in the condition as the Properties existed on the date of execution of this Purchase Agreement. The Sellers agree to remove from the Properties all debris and any items of the Sellers' personal property not included in this sale no later than 4:00 p.m. on the date before the date of the closing. The Sellers shall remove all substances which, under state or federal law, must be disposed of at an approved disposal facility.

No timber may be removed by the Sellers from the property prior to the Closing Date.

The Buyer acknowledges and agrees that property being purchased by Buyer, including the dwelling, other improvements and fixtures located thereon, is not new and is being purchased "AS IS".

14. DISCLOSURE; INDIVIDUAL SEWAGE TREATMENT SYSTEM. Sellers certify that there is an "individual sewage treatment system" (as defined under Minn. Stat. §115.55) on or serving the Properties and shall deliver to Buyer a Private Sewer System Disclosure Statement. Any such system is in compliance with applicable sewage treatment laws and rules. Sellers certify that sewage generated on the Property goes to a facility permitted by the Minnesota Pollution Control Agency.

15. WELL DISCLOSURE. The Sellers represent that there is one or more "wells" within the meaning of Minn. Stat. § 1031 on the Properties, and shall deliver to Buyer a completed Minnesota Department of Health Well Certificate.

16. SELLER'S REPRESENTATIONS AND WARRANTIES. The Sellers hereby represent and warrant to the Buyer as of the Closing Date that:

- A. Title. The Sellers have good, indefeasible, and marketable fee simple title to the Properties.
- B. Defects. The Sellers are not aware of any latent or patent defects in the Properties, such as sinkholes, weak soils, unrecorded easements and restrictions.
- C. Legal Compliance. The Sellers have complied with all applicable laws, ordinances, regulations, statutes, rules, and restrictions pertaining to and affecting the Properties and the Sellers shall continue to comply with such laws, ordinances, regulations, statutes, rules, and restrictions.
- D. Legal Proceedings. There are no legal actions, suits, or other legal or

administrative proceedings, pending or threatened, that affect the Properties or any portion thereof; and the Sellers have no knowledge that any such action is presently contemplated.

E. Refuse and Hazardous Materials. The Sellers have not performed and have no actual knowledge of any excavation, dumping or burial of any refuse materials or debris of any nature whatsoever on the Properties. To the Sellers' best actual knowledge and belief, there are no "Hazardous Materials" (as hereinafter defined) on the Properties that would subject the Buyer to any liability under either federal or state laws, including, but not limited to, the disposal of any foreign objects or materials upon or in the Properties, lawful or otherwise. Without limiting the generality of the foregoing, the Sellers represent and warrant to the Buyer that, to the Sellers' best actual knowledge and belief:

1. The Properties are not now and have never been used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce, process, or in any manner deal with Hazardous Materials;
2. No Hazardous Materials have ever been installed, placed, or in any manner handled or dealt with on the Properties;
3. There are no underground or aboveground storage tanks on the Properties; and
4. Neither the Sellers nor any prior owner of the Properties or any tenant, subtenant, occupant, prior tenant, prior subtenant, prior occupant, or person (collectively, "Occupant") has received any notice or advice from any governmental agency or any other Occupant with regard to Hazardous Materials on, from, or affecting the Properties.

The term "**Hazardous Materials**" as used herein includes, without limitation, gasoline, petroleum products, explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, polychlorinated biphenyls or related or similar materials, asbestos or any material containing asbestos, or any other substance or material as may be defined as a hazardous or toxic substance by any federal, state or local environmental law, ordinance, rule, or regulation including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act, as amended (42 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S. C. Section 1251, et seq.), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.), and in the regulations adopted and publications promulgated pursuant thereto.

F. Legal Capacity. The Sellers have the legal capacity to enter into this Agreement. The Sellers have not filed, voluntarily or involuntarily, for bankruptcy relief

within the last year under the United States Bankruptcy Code, nor has any petition for bankruptcy or receivership been filed against the Sellers within the last year.

- G. Leases. With the exception of Andrew J. Kent, there are no third parties in possession of the Properties, or any part thereof; and there are no leases, oral or written, affecting the Properties or any part thereof.
- H. Foreign Status. The Sellers are not “foreign persons” as such term is defined in the Internal Revenue Code.
- I. Methamphetamine Production. To the best of the Sellers’ knowledge, methamphetamine production has not occurred on the Properties.

The Sellers’ representations and warranties set forth in this Section shall be continuing and are deemed to be material to the Buyer’s execution of this Purchase Agreement and the Buyer’s performance of its obligations hereunder. All such representations and warranties shall be true and correct on and as of the Closing Date with the same force and effect as if made at that time; and all of such representations and warranties shall survive the closing and any cancellation or termination of this Purchase Agreement, and shall not be affected by any investigation, verification, or approval by any party hereto or by anyone on behalf of any party hereto. The Sellers agree to defend, indemnify, and hold the Buyer harmless for, from, and against any loss, costs, damages, expenses, obligations, and attorneys’ fees incurred should an assertion, claim, demand, action, or cause of action be instituted, made, or taken, which is contrary to or inconsistent with the representations or warranties contained herein.

17. RELOCATION BENEFITS; INDEMNIFICATION. The Sellers acknowledge that they are not being displaced from the Properties as a result of the transaction contemplated by this Purchase Agreement and that they are not eligible for relocation assistance and benefits and that the Purchase Price includes compensation for any and all relocation assistance and benefits for which they may be eligible. The provisions of this paragraph shall survive closing of the transaction contemplated by this Purchase Agreement.

18. TENANTS. The Sellers warrant that, with the exception of Seller Andrew J. Kent, there are no tenants on the Properties with a lawful leasehold interest. In the event any tenant comes forward and claims an interest in the Properties at the time of or following the purchase, the Sellers agree to fully indemnify the Buyer for any and all costs associated with terminating such tenancy and for any and all relocation assistance and benefits that may be due to such tenant together with attorneys’ fees that the Buyer would have to incur in connection with legal action required to resolve any relocation assistance or benefits dispute with such tenant. For Sections 17 and 18 of this Purchase Agreement, “relocation assistance and benefits” shall have the meaning ascribed to them by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, 42 U.S.C. Sections 4601-4655 (the federal URA) and the regulations implementing the federal URA, 49 C.F.R. Sections 24.1-24.603.

19. BROKER COMMISSIONS. The Sellers represents and warrants that they have not dealt with any brokers in connection with the transaction contemplated by this Purchase Agreement. The

Buyer is represented by Steve Welliver of the Wellson Group and will pay his commission. Each party agrees to indemnify, defend, and hold each other harmless from the claims of any broker or real estate agent.

20. CONFIDENTIALITY. Sellers shall keep this Purchase Agreement and the fact that it has been entered into confidential and shall keep in strict confidence all information and negotiation between them and the Buyers, subject to making such information available to their representatives who need to know such information for the purpose of evaluating the transaction contemplated by this Purchase Agreement and who are informed of the confidential nature of the information and agree to keep such information confidential. Violation of this provision constitutes a default under paragraph 27 of this Purchase Agreement. The provisions of this paragraph shall survive closing of the transaction contemplated by this Purchase Agreement.

21. ENTIRE AGREEMENT. This Purchase Agreement constitutes the entire agreement between the parties and no other agreement prior to this Purchase Agreement or contemporaneous herewith shall be effective except as expressly set forth or incorporated herein.

22. AMENDMENT AND MODIFICATION. No amendment, modification, or waiver of any condition, provision, or term of this Purchase Agreement shall be valid or have any effect unless made in writing, is signed by the party to be bound and specifies with particularity the extent and nature of such amendment, modification or waiver. Any waiver by either party of any default by the other party shall not affect or impair any right arising from any previous or subsequent default.

23. BINDING EFFECT. This Purchase Agreement binds and benefits the parties and their successors and assigns.

24. NOTICES. Any notice, demand, request, or other communication which may or shall be given or served by the Sellers on the Buyer or by the Buyer on the Sellers, shall be deemed has been given or served on the date the same is hand delivered or the date of receipt or the date of delivery if deposited in the United States mail, registered or certified, postage prepaid, and addressed as follows:

A. If to Sellers: John C. Kent and Lorette M. Kent
22061 North Celtic Ave
Maricopa, AZ 85239

B. If to Buyer: Grand Rapids Economic Development Authority
Attention: Rob Mattei
420 N. Pokegama Avenue
Grand Rapids, MN 55744

With a copy to: Martha Ingram
Kennedy & Graven, Chartered
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402

or such other address as either party may give to another party in accordance with this Section.

25. NO PARTNERSHIP OR JOINT VENTURE. Nothing in this Purchase Agreement shall be construed or interpreted as creating a partnership or joint venture between the Sellers and the Buyer relative to the Properties.

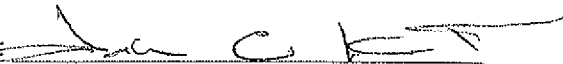
26. CUMULATIVE RIGHTS. Except as may otherwise be provided herein, no right or remedy herein conferred on or reserved by either party is intended to be exclusive of any other right or remedy provided by law, but such rights and remedies shall be cumulative in and in addition to every other right or remedy given herein or elsewhere or existing at law, equity or by statute.

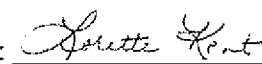
27. DEFAULT; REMEDIES; SPECIFIC PERFORMANCE. If the Buyer defaults in any of the agreements herein, the Sellers may terminate this Purchase Agreement. If this Purchase Agreement is not so terminated, the Buyer or the Sellers may seek actual damages for breach of this Purchase Agreement or specific performance of this Purchase Agreement; provided that any action for specific enforcement must be brought within six months after the date of the alleged breach.

28. 1031 EXCHANGE. Buyer herein acknowledges that this transaction may become part of an IRC Section 1.1031 tax-deferred exchange for the Sellers. Buyer agrees that the Sellers' rights and obligations under this Purchase Agreement may be assigned to facilitate such exchange and that this Purchase Agreement may become part of an integrated, independent exchange agreement. Buyer agrees to cooperate in any manner necessary to qualify for said exchange at the sole expense of the Sellers.


IN WITNESS WHEREOF, the parties have executed this Purchase Agreement as of the date written above.

SELLERS

By: 
John C. Kent

By:  Lorette
Lorette M. Kent Kent

Digitally signed by Lorette Kent
DN: cn=Lorette Kent, o=Banner
Research, ou=Grant's Management,
c=US
Date: 2015.07.10 12:47:99 -0700

By: 
Andrew J. Kent

BUYER

**GRAND RAPIDS ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
Sholom Blake
Its: President

By: _____
Rob Mattei
Its: Executive Director

EXHIBIT A

Legal Description of the Properties

Parcel 1 – 91-033-4402; 3002 Airport Rd, Grand Rapids, MN (Torrens)

The North two hundred eight feet (N. 208') of the East four hundred sixteen feet (E. 416') of the West six hundred fifty-seven feet (W. 657') of the Southeast Quarter of the Southeast Quarter (SE ¼ of SE1/4) of Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty – five (25) West of the Fourth Principal Meridian, situated in the County of Itasca, State of Minnesota, according to the United States Government Survey thereof.

Parcel 2 – 91-033-4401; 3002 Airport Rd, Grand Rapids, MN (Torrens)

The North Half of the Southeast Quarter of the Southeast Quarter (N. ½ of SE ¼ of SE 1/4), Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty –five (25) West of the Fourth Principal Meridian, LESS the following:

The North two hundred eight feet (N. 208') of the East four hundred sixteen feet (E. 416') of the West six hundred fifty-seven feet (W. 657') of the Southeast Quarter of the Southeast Quarter (SE ¼ of SE1/4) of Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty –five (25) West of the Fourth Principal Meridian

All situated in the County of Itasca, State of Minnesota, according to the United States Government Survey thereof.

Grand Rapids Economic Development Authority Commissioner _____ introduced the following resolution and moved for its adoption:

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
GRAND RAPIDS, MINNESOTA**

RESOLUTION NO. 15-04

**RESOLUTION APPROVING A PROGRAM RELATED
INVESTMENT AGREEMENT BETWEEN THE GRAND
RAPIDS ECONOMIC DEVELOPMENT AUTHORITY AND
THE BLANDIN FOUNDATION**

BE IT RESOLVED BY the Board of Commissioners ("Board") of the Grand Rapids Economic Development Authority, Grand Rapids, Minnesota (the "Authority") as follows:

Section 1. Recitals.

1.01. The Authority is authorized to promote development and redevelopment activities within the City of Grand Rapids (the "City"), pursuant to its authority under Minnesota Statutes, Sections 469.090 to 469.1082, as amended (the "Act").

1.02. The Blandin Foundation and the Authority desire to enter into a Program Related Investment Agreement (the "PRI Agreement") pursuant to which the Blandin Foundation will provide a loan of \$350,000 to the Authority to be used to acquire certain property in the City for purposes of facilitating redevelopment activities by private developers, and the Authority will issue and deliver a promissory note (the "Note") in substantially the form attached as Exhibit A, to evidence the loan.

1.03. The Authority has reviewed the PRI Agreement and form of the Note, and finds that the execution of the PRI Agreement and issuance of the Note and the Authority's performance of its obligations thereunder are in the best interest of the City and its residents.

Section 2. PRI Agreement Approved; Note Authorized.

2.01. The PRI Agreement, as presented to the Authority, is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the President and Executive Director; provided that execution of the PRI Agreement by such officials shall be conclusive evidence of their approval.

2.02. The President and Executive Director are hereby authorized to execute the PRI Agreement on behalf of the Authority and to carry out, on behalf of the Authority, the Authority's

obligations thereunder, including without limitation the issuance and delivery of the Note.

Approved by the Board of Commissioners of the Grand Rapids Economic Development Authority
this 16th day of July, 2015.

President

Attest:

Executive Director

Grand Rapids Economic Development Authority Commissioner _____ seconded the foregoing resolution and the following voted in favor thereof: _____; and the following voted against same _____; whereby the resolution was declared duly passed and adopted.

EXHIBIT A

NON-RECOURSE PROMISSORY NOTE

\$350,000

Grand Rapids, Minnesota
_____, 2015

FOR VALUE RECEIVED, Grand Rapids Economic Development Authority (GREDA) hereby promises to pay to the order of The Blandin Foundation, or its successors or assigns as the case may be (“**Blandin**”), at Blandin’s principal place of business, or such other place as may be specified in writing by Blandin, the principal sum of \$350,000 at a zero percent interest rate over twenty years. The terms governing the repayment of the principal shall be as described below. All payments of principal shall be due and payable in lawful money of the United States of America.

This Note is issued under the terms and provisions of that certain Blandin Foundation Program Related Investment (PRI) Agreement dated as of July __, 2015 (the “**PRI Agreement**”). The holder hereof is entitled to all of the benefits and subject to all of the obligations provided for in said PRI Agreement, or referred to in said PRI Agreement, to which PRI Agreement reference is made for a statement of the terms and conditions under which this indebtedness was incurred and the events of default under which the due date of this promissory note may be accelerated. The provisions of the PRI Agreement are incorporated by reference herein with the same force and effect as if fully set forth herein.

Funds will be transferred to GREDA in one lump sum upon execution of the following contingencies:

- Other funding needed to finalize the purchase will be secured.
- Repayment of the loan will be funded from GREDA levy or other revenue streams.

Annual principle payments of \$17,500 are due one calendar year after PRI funds are disbursed to GREDA and every subsequent year until the Note matures. The Note may be fully or partially prepaid at any time during the term of the Note without penalty or premium. The Note matures twenty years after PRI funds are disbursed, at which time all balance must be paid in full.

Maker waives presentment, dishonor, protest, demand, diligence, notice of protest, notice of demand, notice of dishonor, notice of nonpayment, and any other notice of any kind otherwise required by law in connection with the delivery, acceptance, performance, default, enforcement or collection of this Note and expressly agrees that this Note, or any payment hereunder, may be extended or subordinated (by forbearance or otherwise) at any time, without any way affecting this liability of GREDA.

This Note may not be amended or modified, nor shall any waiver of any provision hereof be effective, except only by an instrument in writing signed by the party against whom enforcement of any amendment, modification, or waiver is sought.

This Note shall be governed by and construed according to the laws of the State of Minnesota without regard to conflicts of laws principles.

IN WITNESS WHEREOF, GREDA has executed this note as of the date first above written.

Grand Rapids Economic Development Authority

By _____
Its _____

BLANDIN FOUNDATION PROGRAM RELATED INVESTMENT (PRI) AGREEMENT

This Agreement is made and executed this 16th day of July, 2015 by and between the Blandin Foundation and Grand Rapids Economic Development Authority.

The Blandin Foundation agrees to make a program related investment (loan) in the amount of \$350,000, and Grand Rapids Economic Development Authority agrees to accept such loan, in accordance with the terms and conditions set forth below and the terms of payment detailed in the Grant Notification Letter dated July 16, 2014 accompanying this Agreement.

Terms and Conditions of the PRI:

1. You hereby agree to use the funds solely for the purposes described in the original application submitted to the Blandin Foundation and approved by the Board of Trustees: Economic Development Opportunity at the Grand Rapids Airport. You are required to provide immediate notification if you are unable to expend the funds for the purpose described. In addition, any portion of the funds not expended for the purpose described must be returned promptly to the Foundation.
2. You hereby agree not to use any of the funds to:
 - a. Carry on propaganda activities, or otherwise attempt to influence legislation within the meaning of Section 4945 (d) (1); or
 - b. To influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drives (within the meaning of Section 4945 (d) (2)).
3. You agree to provide Blandin Foundation with full and complete annual reports regarding the current status of the PRI funds and activities. These reports are due by July 15 of each year, until the PRI has been fully repaid to the Foundation.
4. You will maintain a separate PRI account in order to accurately record the financial transactions related to the PRI. Such records will be maintained for at least four (4) years after the completion of this PRI. You further agree to permit the Blandin Foundation, at its request, to have reasonable access to the financial records for the purpose of making financial audits, verifications or program evaluations as it deems appropriate concerning this investment.
5. Your tax-exempt status as a public body is still valid. You agree to inform the Blandin Foundation immediately of any change in or IRS **proposed** or actual revocation (whether or not appealed) of your tax status as a public body governed by Minnesota Statue chapter 469.

Any violation of the conditions set forth above may require refunding to the Blandin Foundation of any amounts subject to the violation. The Blandin Foundation reserves the right to discontinue, modify or withhold any payments due under this PRI, or to require a refund of any unexpended investment of PRI funds, if, in its judgment, such action is necessary to comply with the requirements of any law or regulations set forth by the Internal Revenue Code. This Agreement is made in conformance with the PRI Notification Letter accompanying this form dated July 16, 2014. The signature of a duly elected officer of the recipient organization signifies acceptance of the terms and conditions of this Agreement.

Dated this _____ day of _____, 2015

By: _____
Sholom Blake

Title: _____
President, Grand Rapids Economic Development Authority

Dated this _____ day of _____, 2015

By: _____
Kathleen Annette

Title: _____
President and CEO, Charles K. Blandin Foundation



Braun Intertec Corporation
11001 Hampshire Avenue S
Minneapolis, MN 55438

Phone: 952.995.2000
Fax: 952.995.2020
Web: braunintertec.com

July 13, 2015

Proposal QTB023687

Mr. Robert Mattei, Director of Community Development
City of Grand Rapids
Community Development Department
420 North Pokegama Avenue
Grand Rapids, MN 55744

Re: Proposal for a Limited Geotechnical Evaluation
Kent Property (Parcel 91-033-4401)
Southeast of Southeast 33rd Street and Seventh Avenue Southeast
Grand Rapids, Minnesota

Dear Mr. Mattei:

Braun Intertec Corporation respectfully submits this proposal to complete a limited geotechnical evaluation of the referenced property in Grand Rapids, Minnesota.

Our Understanding of Project

Per conversations with Mr. Robert (Rob) Mattei, Director of Community Development for the City of Grand Rapids, the City is exploring the purchase of property identified as the "Kent Property"; Parcel 91-03304401); southeast of the intersection of Southeast 33rd Street and Seventh Avenue Southeast in Grand Rapids.

Purpose

The purpose of our limited geotechnical evaluation will be to characterize subsurface geologic conditions at selected exploration locations and evaluate their impact on the design and construction of potential future development.

Scope of Services

The following tasks are proposed to help achieve the stated purpose. If unfavorable or unforeseen conditions are encountered at any point during the completion of the tasks that lead us to recommend an expanded scope of services, we will contact you to discuss the conditions before resuming work.

Site Access, Staking and Utility Clearance

The site currently includes an existing residence with associated out buildings and appears to be accessible to a truck-mounted drill rig.

We assume the desired exploration locations will be tied in and the ground surface elevations at the exploration locations will be determined by Short Elliott Hendrickson, Inc.

Depending on access requirements, ground conditions or potential utility conflicts, our field crew may alter the exploration locations from those proposed to facilitate accessibility.

Prior to drilling or excavating, we will contact Gopher State One Call and arrange for notification to the appropriate utility vendors to mark and clear the exploration locations of public underground utilities. You or your authorized representative are responsible to notify us before we begin our work of the presence and location of any underground objects or private utilities that are not the responsibility of public agencies.

Penetration Test Borings

As requested, we will drill a total of six standard penetration test borings in the proposed development area, extending two borings along the east edge of the wood line-towards the existing ravine- to a nominal depth of 30 feet; and four borings to a nominal depth of 15 feet in the west portions of the property. Standard penetration tests will be performed at 2 1/2-foot vertical intervals to a depth of about 15 feet, and at 5-foot intervals at greater depths.

If groundwater is encountered in the boreholes, the depth where it is observed will be recorded on the boring logs.

If existing fill, organic materials or other structurally unfavorable soils are not penetrated above the intended boring termination depths, we will extend the borings to obtain at least five feet of penetration into more competent materials at greater depths. The additional information will help evaluate such issues as excavation depth, consolidation settlement, and foundation alternatives, among others. If deeper borings (or additional borings) are needed, we will contact you prior to increasing our total estimated drilled footage and submit a Change Order summarizing the anticipated additional effort and the associated cost, for your review and authorization.

Borehole Abandonment

Minnesota Well Code requires sealing of any boring or core that encounters groundwater and is either greater than 25 feet deep or penetrates a confining layer.

Based on the intended exploration depths, we will seal 60 linear feet of borings with grout and prepare associated sealing records.

Sample Review and Laboratory Testing

Soil samples will be returned to our laboratory, where they will be visually classified and logged by a geotechnical engineer. To help classify the materials encountered and estimate their engineering properties, we have budgeted to perform four mechanical analyses (through a #200 sieve only).

Reporting

Data obtained from the borings and laboratory tests will be used to evaluate the subsurface profile and groundwater conditions, perform engineering analyses related to structure design and performance and prepare a report, including:

- Logs of the borings describing the materials encountered and presenting the results of our groundwater measurements and laboratory tests.
- A summary of the subsurface profile and groundwater conditions.
- Discussion identifying the site conditions that will impact structure design and performance, qualifying the nature of their impact, and outlining alternatives for mitigating their impact.
- Discussion regarding the reuse of on-site materials during construction and the impact of groundwater on construction.
- Preliminary recommendations for preparing structure subgrades, including excavation support, if applicable, and the selection, placement and compaction of excavation backfill and other structural fill.
- Preliminary recommendations for support of potential structures on conventional shallow spread footing foundations, earth supported slabs, underground utilities and pavements.

Only an electronic copy of our report will be submitted to you unless you request otherwise. At your request, the report can also be sent to additional project team members.

Additional Services

If an all-terrain drill rig is needed for site access due to the discovery of unfavorable terrain or changed conditions, an additional charge of \$50 per hour will apply.

Cost

We will furnish the services described in this proposal for a lump sum fee of \$5,500.

Our work may extend over several invoicing periods. As such, for work that is performed during the course of each invoicing period, we will submit partial progress invoices.

Schedule

We anticipate the field exploration can begin within approximately one week of written authorization; the field exploration will take one day to complete. Sample classification, laboratory testing, engineering analyses and report preparation will likely take an additional two days. We will pass along results, however, as they are obtained and reviewed. We anticipate we can submit our report within one week of completion of the field exploration.

If our proposed scope of services cannot be completed according to this schedule due to circumstances beyond our control, we may need to revise this proposal prior to completing the remaining tasks.

General Remarks

We will be happy to meet with you to discuss our proposed scope of services further and clarify the various scope components.

We appreciate the opportunity to present this proposal to you. ***Please sign and return a copy to us in its entirety.***

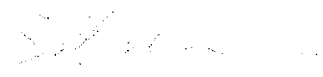
The proposed fee is based on the scope of services described and the assumptions that our services will be authorized within 30 days and that others will not delay us beyond our proposed schedule.

We include the Braun Intertec General Conditions, which provide additional terms and are a part of our agreement.

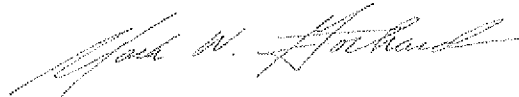
To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact Mark Gothard at 218.259.5500.

Sincerely,

BRAUN INTERTEC CORPORATION



David E. Morrison, EIT
Staff Engineer



Mark W. Gothard, PE
Principal Engineer

Attachments:
General Conditions (9-1-13)

The proposal is accepted, and you are authorized to proceed.

Authorizer's Firm

Authorizer's Signature

Authorizer's Name (please print or type)

Authorizer's Title

Date



General Conditions

Section 1: Our Agreement

1.1 Our agreement ("Agreement") with you consists of these General Conditions and the accompanying written proposal or authorization. This Agreement is our entire agreement. It supersedes prior agreements. It may be modified only in a writing signed by us, making specific reference to the provision modified.

1.2 The words "you," "we," "us," and "our" include officers, employees, and subcontractors.

1.3 In the event you use a purchase order or other form to authorize our services, any conflicting or additional terms are not part of our Agreement. Directing us to start work prior to execution of this Agreement constitutes your acceptance. If, however, mutually acceptable terms cannot be established, we have the right to withdraw our proposal without liability to you or others, and you will compensate us for services already rendered.

Section 2: Our Responsibilities

2.1 We will provide the services specifically described in our Agreement with you. You agree that we are not responsible for services that are not fairly included in our specific undertaking. Unless otherwise agreed in writing, our findings, opinions, and recommendations will be provided to you in writing. You agree not to rely on oral findings, opinions, or recommendations without our written approval.

2.2 In performing our professional services, we will use that degree of care and skill ordinarily exercised under similar circumstances by reputable members of our profession practicing in the same locality. If you direct us to deviate from our recommended procedures, you agree to hold us harmless from claims, damages, and expenses arising out of your direction.

2.3 We will reference our field observations and sampling to available reference points, but we will not survey, set, or check the accuracy of those points unless we accept that duty in writing. Locations of field observations or sampling described in our report or shown on our sketches are based on information provided by others or estimates made by our personnel. You agree that such dimensions, depths, or elevations are approximations unless specifically stated otherwise in the report. You accept the inherent risk that samples or observations may not be representative of things not sampled or seen and, further, that site conditions may change over time.

2.4 Our duties do not include supervising your contractors or commenting on, overseeing, or providing the means and methods of their work, unless we accept such duties in writing.

We will not be responsible for the failure of your contractors to perform in accordance with their undertakings, and the providing of our services will not relieve others of their responsibilities to you or to others.

2.5 We will provide a health and safety program for our employees, but we will not be responsible for contractor, job, or site health or safety unless we accept that duty in writing.

2.6 You will provide, at no cost to us, appropriate site safety measures as to work areas to be observed or inspected by us. Our employees are authorized by you to refuse to work under conditions that may be unsafe.

2.7 Estimates of our fees or other project costs will be based on information available to us and on our experience and knowledge. Such estimates are an exercise of our professional judgment and are not guaranteed or warranted. Actual costs may vary. You should allow a contingency in addition to estimated costs.

Section 3: Your Responsibilities

3.1 You will provide us with prior geotechnical and other reports, specifications, plans, and information to which you have access about the site. You agree to provide us with all plans, changes in plans, and new information as to site conditions until we have completed our work.

3.2 You will provide access to the site. In the course of our work some site damage is normal even when due care is exercised. We will use reasonable care to minimize damage to the site. We have not included the cost of restoration of normal damage in the estimated charges.

3.3 You agree to provide us, in a timely manner, with information that you have regarding buried objects at the site. We will not be responsible for locating buried objects at the site unless we accept that duty in writing. You agree to hold us harmless from claims, damages, losses, and related expenses involving buried objects that were not properly marked or identified or of which you had knowledge but did not timely call to our attention or correctly show on the plans you or others on your behalf furnished to us.

3.4 You will notify us of any knowledge or suspicion of the presence of hazardous or dangerous materials in a sample provided to us. You agree to provide us with information in your possession or control relating to contamination at the work site. If we observe or suspect the presence of contaminants not anticipated in our Agreement, we may terminate our work without liability to you or to others, and we will be paid for the services we have provided.

3.5 Neither this Agreement nor the providing of services will operate to make us an owner, operator, generator, transporter, treater, storer, or a disposal facility within the meaning of the Resource Conservation Recovery Act, as amended, or within the meaning of any other law governing the handling, treatment, storage, or disposal of hazardous materials. You agree to hold us harmless and indemnify us from any such claim or loss.

3.6 Monitoring wells are your property, and you are responsible for their permitting, maintenance, and abandonment unless we accept that duty in writing.

3.7 You agree to make disclosures required by law. In the event you do not own the site, you acknowledge that it is your duty to inform the owner of the discovery or release of contaminants at the site. You agree to hold us harmless and indemnify us from claims related to disclosures made by us that are required by law and from claims related to the informing or failure to inform the site owner of the discovery of contaminants.

Section 4: Reports and Records

4.1 Unless you request otherwise, we will provide our report in an electronic format.

4.2 Our reports, notes, calculations, and other documents and our computer software and data are instruments of our service to you, and they remain our property but are subject to a license to you for your use in the related project for the purposes disclosed to us. You may not transfer our reports to others or use them for a purpose for which they were not prepared without our written approval. You agree to indemnify and hold us harmless from claims, damages, losses, and expenses, including attorney fees, arising out of such a transfer or use. At your request, we will provide endorsements of our reports or letters of reliance, but only if the recipients agree to be bound by the terms of our agreement with you and only if we are paid the administrative fee stated in our then current Schedule of Charges.

4.3 Because electronic documents may be modified intentionally or inadvertently, you agree that we will not be liable for damages resulting from change in an electronic document occurring after we transmit it to you.

4.4 If you do not pay for our services in full as agreed, we may retain work not yet delivered to you and you agree to return to us all of our work that is in your possession or under your control.

4.5 Samples and field data remaining after tests are conducted and field and laboratory equipment that cannot be adequately cleansed of contaminants are and continue to be your property. They may be discarded or returned to

you, at our discretion, unless within 15 days of the report date you give us written direction to store or transfer the materials at your expense.

4.6 Electronic data, reports, photographs, samples and other materials provided by you or others may be discarded or returned to you, at our discretion, unless within 15 days of the report date you give us written direction to store or transfer the materials at your expense.

Section 5: Compensation

5.1 You will pay for services as agreed upon or according to our then current Schedule of Charges if there is no other written agreement as to price. An estimated cost is not a firm figure. You agree to pay all sales taxes and other taxes based on your payment of our compensation. Our performance is subject to credit approval and payment of any specified retainer.

5.2 You will notify us of billing disputes within 15 days. You will pay undisputed portions of invoices on receipt. You agree to pay interest on unpaid balances beginning 30 days after invoice dates at the rate of 1.5% per month, or at the maximum rate allowed by law.

5.3 If you direct us to invoice another, we will do so, but you agree to be responsible for our compensation unless you provide us with that person's written acceptance of all terms of our Agreement and we agree to extend credit to that person and to release you.

5.4 Your obligation to pay for our services under this Agreement is not contingent on your ability to obtain financing, governmental or regulatory agency approval, permits, final adjudication of lawsuit in which we are not involved, your successful completion of a project, receipt of payment from another, or any other event. No retainage will be withheld.

5.5 If you do not pay us within 60 days of invoice date, you agree to reimburse our expenses, including but not limited to attorney fees, staff time, and other costs of collection.

5.6 You agree to compensate us in accordance with our fee schedule if we are asked or required to respond to legal process arising out of a proceeding related to the project and as to which we are not a party.

5.7 If we are delayed by factors beyond our control, or if project conditions or the scope or amount of work change, or if changed labor union conditions result in increased costs, decreased efficiency, or delays, or if the standards or methods change, we will give you timely notice and we will receive an equitable adjustment of our compensation. If you and we do not reach agreement on such compensation within 30 days of our written application, we may terminate without liability to you or others.

5.8 If you fail to pay us within 60 days following invoice date, we may consider the default a total breach of our Agreement and, at our option, terminate our duties without liability to you or to others.

5.9 In consideration of our providing insurance to cover claims made by you, you hereby waive any right of offset as to fees otherwise due us.

Section 6: Disputes, Damage, and Risk Allocation

6.1 Each of us will exercise good faith efforts to resolve disputes without litigation. Such efforts will include, but not be limited to, a meeting(s) attended by each party's representative(s) empowered to resolve the dispute. Before either of us commences an action against the other, disputes (except collections) will be submitted to mediation.

6.2 Neither of us will be liable for special, incidental, consequential, or punitive damages, including but not limited to those arising from delay, loss of use, loss of profits or revenue, loss of financing commitments or fees, or the cost of capital.

6.3 We will not be liable for damages unless suit is commenced within two years of the date of injury or loss or within two years of the date of substantial completion of our services, whichever is earlier. We will not be liable unless you have notified us of the discovery of the claimed breach of contract, negligent act, or omission within 30 days of the date of discovery and unless you have given us an opportunity to investigate and to recommend ways of mitigating damages. You agree not to make a claim against us unless you have provided us at least 30 days prior to the institution of any legal proceeding against us with a written certificate executed by an appropriately licensed professional specifying and certifying each and every act or omission that you contend constitutes a violation of the standard of care governing our professional services.

6.4 For you to obtain the benefit of a fee which includes a reasonable allowance for risks, you agree that our aggregate liability for all claims will not exceed the fee paid for our services or \$50,000, whichever is greater. If you are unwilling to accept this allocation of risk, we will increase our aggregate liability to \$100,000 provided that, within 10 days of the date of our Agreement, you provide payment in an amount that will increase our fees by 10%, but not less than \$500, to compensate us for the greater risk undertaken. This increased fee is not the purchase of insurance.

6.5 You agree to indemnify us from all liability to others in excess of the risk allocation stated above and to insure this obligation.

6.6 The prevailing party in any action relating to this Agreement shall be entitled to recover

its costs and expenses, including reasonable attorney fees, staff time, and expert witness fees.

6.7 The law of the state in which our servicing office is located will govern all disputes. Each of us waives trial by jury. No officer or employee acting within the scope of employment shall have individual liability for his or her acts or omissions, and you agree not to make a claim against individual employees.

Section 7: General Indemnification

7.1 We will indemnify and hold you harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by our negligent acts or omissions or those negligent acts or omissions of persons for whom we are legally responsible. You will indemnify and hold us harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by your negligent acts or omissions or those negligent acts or omissions of persons for whom you are legally responsible.

7.2 To the extent it may be necessary to indemnify either of us under Section 7.1, you and we expressly waive, in favor of the other only, any immunity or exemption from liability that exists under any worker compensation law.

7.3 You agree to indemnify us against losses and costs arising out of claims of patent or copyright infringement as to any process or system that is specified or selected by you or by others on your behalf.

Section 8: Miscellaneous Provisions

8.1 We will provide a certificate of insurance to you upon request. Any claim as an Additional Insured shall be limited to losses caused by our sole negligence.

8.2 You and we, for ourselves and our insurers, waive all claims and rights of subrogation for losses arising out of causes of loss covered by our respective insurance policies.

8.3 Neither of us will assign nor transfer any interest, any claim, any cause of action, or any right against the other. Neither of us will assign or otherwise transfer or encumber any proceeds or expected proceeds or compensation from the project or project claims to any third person, whether directly or as collateral or otherwise.

8.4 Our Agreement may be terminated early only in writing. We will receive an equitable adjustment of our compensation in the event of early termination.

8.5 If a provision of this Agreement is invalid or illegal, all other provisions shall remain in full force and effect.



Braun Intertec Corporation
3404 15th Avenue East, Suite
Hibbing, MN 55746

Phone: 218.263.8869
Fax: 218.263.6700
Web: braunintertec.com

July 13, 2015

Proposal QTB023689

Mr. Robert Mattei, Director of Community Development
City of Grand Rapids
Community Development Department
420 North Pokegama Avenue
Grand Rapids, MN 55744

Re: Proposal to Conduct a Phase I Environmental Site Assessment
Kent Property (Parcel 91-033-4401)
Southeast of Southeast 33rd Street and Seventh Avenue Southeast
Grand Rapids, Minnesota

Dear Mr. Mattei:

Braun Intertec Corporation is pleased to present this proposal to conduct a phase I environmental site assessment (ESA) of the referenced site. The objective of a Phase I ESA is to evaluate the site for indications of recognized environmental conditions and to assist in satisfying All Appropriate Inquiries (AAI) criteria and requirements. The Phase I ESA will be conducted in general conformance with the scope and limitations of ASTM International Practice E 1527-13 (ASTM Practice E 1527-13) and 40 CFR Part 312.

Scope of Services

Site History Review

The Phase I ESA will summarize reasonably ascertainable information pertaining to former and current land-use activities at the site. Our summary will include a review of aerial photographs, fire insurance atlases, city directories, property tax files, building records, topographic maps, and/or other historical documents to satisfy the historical-use requirements of the ASTM Practice E 1527-13 and 40 CFR Part 312.

Regulatory Information Review

We will request that a national regulatory information vendor, such as Environmental Data Resources, Inc., conduct a limited file evaluation of the site. If readily available and practically reviewable, the file evaluation will include, at a minimum, a review of the following databases within the corresponding approximate minimum search distance indicated in the ASTM Practice E 1527-13 and 40 CFR Part 312:

- Federal National Priorities List (NPL)
- Federal Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS)
- Federal Institutional and Engineering Controls
- Federal Resource Conservation and Recovery Act (RCRA) Transport, Storage and Disposal (TSD) facilities
- Federal RCRA TSD facilities that have received RCRA corrective action activities
- Federal RCRA generators

- Federal Emergency Response Notification (ERNS) sites
- State NPL and CERCLIS equivalents
- State landfill and/or solid waste disposal sites
- State Voluntary cleanup programs
- State leaking underground and aboveground storage tank (LUST/LAST) sites
- State registered underground and aboveground storage tank (UST/AST) sites
- State Brownfield programs
- State Institutional and Engineering Controls
- State spills list
- Environmental Liens

We will review and summarize this information, and comment on known and potential environmental hazards that may impact the site. The scope of work does not include a detailed review of file information of identified facilities listed on the regulatory databases. However, if in our opinion a file review is warranted to evaluate the existence of a recognized environmental condition, historical recognized environmental condition, controlled recognized environmental condition, or a *de minimis* condition, we will contact you to discuss expanding the assessment to include a file review and the associated costs.

Site Reconnaissance and Interviews

The Phase I ESA will include a reconnaissance of the site. During the reconnaissance we will note, if observed, the type of vegetation, exposed soils, open excavations or depressions, and site topography. Visible indications of underground and aboveground storage tanks, dumping, spills of petroleum and chemicals, and other obvious potential sources of contamination will be noted. In addition, we will conduct interviews with site representatives and governmental officials regarding past and current land-use activities.

Results and Reporting

A draft Phase I ESA report will be sent to you for review and comment. The Phase I ESA report will remain in draft status until we are notified by you to proceed with issuance of the final Phase I ESA report.

If we encounter indications of existing or potential sources of contamination during our assessment, we will notify you to discuss how the assessment may proceed. You may wish to discontinue the Phase I ESA or you may consider expanding the assessment to further evaluate the contamination sources that are identified. If contamination at the site is confirmed, the property owner may be required to notify proper governmental authorities.

User-Provided Information

As part of Phase I ESA, the "User" should provide available information to Braun Intertec as the Environmental Professional to help identify the possibility of recognized environmental conditions in connection with the Site. A "User" is the party seeking to use ASTM Practice E 1527-13 to complete an environmental site assessment and may include, without limitation, a potential purchaser, tenant or owner of the property, a lender, or a property manager.

The attached User questionnaire should be completed in its entirety by the User(s) and returned with the signed authorization. If multiple Users are requesting reliance on the Phase I ESA, please provide us with a questionnaire completed by each of the appropriate entities.

Assessment Limitations

Upon completion of the Phase I ESA, Braun Intertec does not guarantee qualification for Landowner Liability Protections (LLP). Our proposed scope of work is consistent with "good commercial and customary practices" (as defined by ASTM Practice E 1527-13) conducted in an effort to evaluate recognized environmental conditions at a site in this area.

The assessment will not include vapor encroachment screening as defined in ASTM Practice E2600-10, *Standard Guide for Vapor Encroachment Screening on Property Involved in Real Estate Transactions*. ASTM Practice E2600-10 is not a requirement or component of AAI, and its results are not determinative of whether hazardous substances from a release are or may be present at the property for the sake of AAI or ASTM E1527-13. However, vapors present or likely present from hazardous substances or petroleum products will be considered no differently than hazardous substances or petroleum products present or likely present as a result of a release to the environment. Therefore, while a vapor encroachment screening per the ASTM Practice E2600-10 standard will not be conducted as part of this proposal, the potential for impacts to the property from vapor migration that is a result of a release of hazardous substances and/or petroleum products to the environment will be considered when assessing for the presence of a recognized environmental condition as defined by ASTM E1527-13.

Cost

The lump-sum cost for the tasks described in this proposal is as follows.

Service Description	Lump Sum Cost
Phase I Environmental Site Assessment	\$2,100

Schedule

We anticipate the draft Phase I ESA report will be completed within approximately two to three weeks from the date of your written authorization. The Phase I ESA report will remain in draft status until we are notified by you to proceed with issuance of the final Phase I ESA report.

General Remarks

Braun Intertec appreciates the opportunity to present this proposal to you. It is being sent in an electronic version *only*. A hard copy of the proposal will be supplied upon request. ***Please return a signed copy of the proposal, the completed User Questionnaire, and the completed Client Information Request Form, in their entirety.***

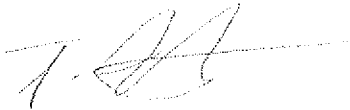
The proposed fee is based on the scope of services described and the assumption that our services will be authorized within 30 days and that others will not delay us beyond our proposed schedule.

We include the Braun Intertec General Conditions, which provide additional terms and are a part of our agreement.

We appreciate the opportunity to provide professional services for you on this project. If you have questions regarding the contents of this proposal, please call Ted Hubbes at 218.263.8869.

Sincerely,

BRAUN INTERTEC CORPORATION



Ted R. Hubbes, PG, CHMM
Senior Scientist

Attachments:

- General Conditions – Phase I Assessments (9/1/13)
- Client Information Request Form
- ASTM Practice E 1527-13 User questionnaire

The proposal is accepted, and you are authorized to proceed.

Authorizer's Firm

Authorizer's Signature

Authorizer's Name (please print or type)

Authorizer's Title

Date



General Conditions

Phase I Environmental Site Assessments and Related Services

Section 1: Our Agreement

1.1 Our agreement ("Agreement") with you consists of these General Conditions and the accompanying written proposal or authorization. This Agreement is our entire agreement. It supersedes prior agreements. It may be modified only in a writing signed by us, making specific reference to the provision modified.

1.2 The words "you," "we," "us," and "our" include officers, employees, and subcontractors.

1.3 In the event you use a purchase order or other form to authorize our services, any conflicting or additional terms are not part of our Agreement. Directing us to start work prior to execution of this Agreement constitutes your acceptance. If, however, mutually acceptable terms cannot be established, we have the right to withdraw our proposal without liability to you or others, and you will compensate us for services already rendered.

Section 2: Our Responsibilities

2.1 We will provide the services specifically described in our Agreement with you. You agree that we are not responsible for services that are not fairly included in our specific undertaking. Unless otherwise agreed in writing, our findings will be written, and you may not rely on oral statements.

2.2 In performing our professional services, we will use that degree of care and skill ordinarily exercised under similar circumstances by reputable members of our profession practicing in the same locality. If you direct us to deviate from our recommended procedures, you agree to hold us harmless from claims, damages, and expenses arising out of your direction.

2.3 We will reference our field observations and sampling to available reference points, but we will not survey, set, or check the accuracy of those points unless we accept that duty in writing. Locations of field observations or sampling described in our report or shown on our sketches are based on information provided by others or estimates made by our personnel. You agree that such dimensions, depths, or elevations are approximations unless specifically stated otherwise in the report. You accept the inherent risk that samples or observations may not be representative of things not sampled or seen

and, further, that site conditions may change over time.

2.4 You will provide, at no cost to us, appropriate site safety measures as to work areas to be observed or inspected by us. Our employees are authorized by you to refuse to work under conditions that may be unsafe.

2.5 Estimates of our fees or other project costs will be based on information available to us and on our experience and knowledge. They may not reflect current market conditions. Such estimates are an exercise of our professional judgment and are not guaranteed or warranted. You should allow a contingency in addition to estimated costs.

Section 3: Your Responsibilities

3.1 You will provide access to the site.

3.2 You agree to provide us with information in your possession or control relating to contamination at the work site.

3.3 Neither this Agreement nor the providing of services will operate to make us an owner, operator, generator, transporter, treater, storer, or a disposal facility within the meaning of the Resource Conservation Recovery Act, as amended, or within the meaning of any other law governing the handling, treatment, storage, or disposal of hazardous materials. You agree to hold us harmless and indemnify us from any such claim or loss.

3.4 You agree to make disclosures required by law. In the event you do not own the site, you acknowledge that it is your duty to inform the owner of the discovery or release of contaminants at the site. You agree to hold us harmless and indemnify us from claims related to disclosures made by us that are required by law and from claims related to the informing or failure to inform the site owner of the discovery of contaminants.

Section 4: Reports and Records

4.1 Unless you request otherwise, we will provide our report in an electronic format.

4.2 Our reports, notes, calculations, and other documents and our computer software and data are instruments of our service to you, and they remain our property but are subject to a license to you for your use in the related project for the purposes disclosed to us. You may not transfer our reports to

others or use them for a purpose for which they were not prepared without our written approval. You agree to indemnify and hold us harmless from claims, damages, losses, and expenses, including attorney fees, arising out of such a transfer or use. At your request, we will provide endorsements of our reports or letters of reliance, but only if the recipients agree to be bound by the terms of our Agreement with you and only if we are paid the administrative fee stated in our then current Schedule of Charges.

4.3 Because electronic documents may be modified intentionally or inadvertently, you agree that we will not be liable for damages resulting from change in an electronic document occurring after we transmit it to you.

4.4 If you do not pay for our services in full as agreed, we may retain work not yet delivered to you and you agree to return to us all of our work that is in your possession or under your control.

4.5 Electronic data, reports, photographs, samples and other materials provided by you or others may be discarded or returned to you, at our discretion, unless within 15 days of the report date you give us written direction to store or transfer the materials at your expense.

Section 5: Compensation

5.1 You will pay for services as agreed upon or according to our then current Schedule of Charges if there is no other written agreement as to price. An estimated cost is not a firm figure. You agree to pay all sales taxes and other taxes based on your payment of our compensation. Our performance is subject to credit approval and payment of any specified retainer.

5.2 You will notify us of billing disputes within 15 days. You will pay undisputed portions of invoices on receipt. You agree to pay interest on unpaid balances beginning 30 days after invoice dates at the rate of 1.5% per month, or at the maximum rate allowed by law.

5.3 If you direct us to invoice another, we will do so, but you agree to be responsible for our compensation unless you provide us with that person's written acceptance of all terms of our Agreement and we agree to extend credit to that person and to release you.

5.4 Your obligation to pay for our services under this Agreement is not contingent on your ability to obtain financing, governmental or regulatory agency approval, permits, final adjudication of lawsuit in which we are not involved, your successful completion of a project, receipt of payment from another, or any other event. No retainage will be withheld.

5.5 If you do not pay us within 60 days of invoice date, you agree to reimburse our expenses, including but not limited to attorney fees, staff time, and other costs of collection.

5.6 You agree to compensate us in accordance with our fee schedule if we are asked or required to respond to legal process arising out of a proceeding related to the project and as to which we are not a party.

5.7 If we are delayed by factors beyond our control, or if project conditions or the scope or amount of work change, or if changed labor union conditions result in increased costs, decreased efficiency, or delays, or if the standards or methods change, we will give you timely notice and we will receive an equitable adjustment of our compensation. If you and we do not reach agreement on such compensation within 30 days of our written application, we may terminate without liability to you or others.

5.8 If you fail to pay us within 60 days following invoice date, we may consider the default a total breach of our Agreement and, at our option, terminate our duties without liability to you or to others.

5.9 In consideration of our providing insurance to cover claims made by you, you hereby waive any right of offset as to fees otherwise due us.

Section 6: Disputes, Damage, and Risk Allocation

6.1 Each of us will exercise good faith efforts to resolve disputes without litigation. Such efforts will include, but not be limited to, a meeting(s) attended by each party's representative(s) empowered to resolve the dispute. Before either of us commences an action against the other, disputes (except collections) will be submitted to mediation.

6.2 Neither of us will be liable for special, incidental, consequential, or punitive damages, including but not limited to those arising from delay, loss of use, loss of profits or revenue, loss of financing commitments or fees, or the cost of capital.

6.3 We will not be liable for damages unless suit is commenced within two years of the date of injury or loss or within two years of the date of substantial completion of our services, whichever is earlier. We will not be liable unless you have notified us of the discovery of the claimed breach of contract, negligent act, or omission within 30 days of the date of discovery and unless you have given us an opportunity to investigate and to recommend ways of mitigating damages. You agree not to make a claim against us unless you have provided us at least 30 days prior to the institution of any legal proceeding against us with a written certificate executed by an appropriately licensed professional specifying and certifying each and every act or omission that you contend constitutes a violation of the standard of care governing our professional services.

6.4 For you to obtain the benefit of a fee which includes a reasonable allowance for risks, you agree that our aggregate liability for all claims will not exceed the fee paid for our services or \$50,000, whichever is greater. If you are unwilling to accept this allocation of risk, we will increase our aggregate liability to \$100,000 provided that, within 10 days of the date of our Agreement, you provide payment in an amount that will increase our fees by 10%, but not less than \$500, to compensate us for the greater risk undertaken. This increased fee is not the purchase of insurance.

6.5 You agree to indemnify us from all liability to others in excess of the risk allocation stated above and to insure this obligation.

6.6 The prevailing party in any action relating to this Agreement shall be entitled to recover its costs and expenses, including reasonable attorney fees, staff time, and expert witness fees.

6.7 The law of the state in which our servicing office is located will govern all disputes. Each of us waives trial by jury. No officer or employee acting within the scope of employment shall have individual liability for his or her acts or omissions, and you agree not to make a claim against individual employees.

Section 7: General Indemnification

7.1 We will indemnify and hold you harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by our negligent acts or omissions or those negligent acts or omissions of persons for whom we are legally responsible. You will indemnify and hold us harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by your negligent acts or omissions or those negligent acts or omissions of persons for whom you are legally responsible.

7.2 To the extent it may be necessary to indemnify either of us under Section 7.1, you and we expressly waive, in favor of the other only, any immunity or exemption from liability that exists under any worker compensation law.

7.3 You agree to indemnify us against losses and costs arising out of claims of patent or copyright infringement as to any process or system that is specified or selected by you or by others on your behalf.

Section 8: Miscellaneous Provisions

8.1 We will provide a certificate of insurance to you upon request. Any claim as an Additional Insured shall be limited to losses caused by our sole negligence.

8.2 You and we, for ourselves and our insurers, waive all claims and rights of subrogation for losses arising out of causes of loss covered by our respective insurance policies.

8.3 Neither of us will assign nor transfer any interest, any claim, any cause of action, or any right against the other. Neither of us will assign or otherwise transfer or encumber any proceeds or expected proceeds or compensation from the project or project claims to any third person, whether directly or as collateral or otherwise.

8.4 Our Agreement may be terminated early only in writing. We will receive an equitable adjustment of our compensation in the event of early termination.

8.5 If a provision of this Agreement is invalid or illegal, all other provisions shall remain in full force and effect.

Environmental Site Assessment

Project/Site Name _____

So that we may serve you better, please answer the following questions concerning the project Site. If a question does not apply to the Site, answer with "NA." If you do not know the answer, reply "unknown." Please return the completed form along with one copy of the signed authorization letter.

Client Objectives

A. What is your interest in the Site? Circle all that apply.

Buying Property Refinancing Selling Property
Development Redevelopment Other _____

B. For reliance purposes, who would you like to be addressed on the report?

Name _____ Telephone _____

Address _____ E-mail/Fax _____

C. How many copies? _____ Unless otherwise requested, the Braun Intertec standard is two.

To whom? _____

D. Is there anyone not already listed on the report that requires a copy of the final report?

Name _____ Telephone: _____

Address _____ E-mail/Fax _____

E. What is the desired completion date for this project?

F. Do you wish to receive a verbal report before the written report is received? YES NO

G. Is a draft report requested prior to submittal of the final report? Once a report is issued final, changes can be made, but additional fees will apply and will require that the original copies of the report be sent back.

YES NO E-mail/Fax _____

H. Is confidentiality requested? YES NO

If so, to whom is it limited? _____

Site-Specific Information

A. Who is the current property owner?

Name _____ Telephone _____

B. Has any previous environmental work been performed on the Site? Circle all that apply.

Geotechnical/Soil Borings Phase I/Phase II Site Assessments
Asbestos Evaluations Hazardous Materials Testing
Unknown No

Other: _____

If yes:

When was it performed?

By whom? Name and telephone number?

Name _____ Telephone _____

What were the results?

Are report copies available? YES NO

C. Where is the Site located?

Address _____

Legal description _____

D. Is a current Site plan available? If so, please provide. YES NO

E. Who will provide access to the property and/or who is the Site contact?

Name: _____ Telephone: _____

F. Are there any special concerns regarding the property?

G. How large is the property (total acreage)?

H. How is the property currently used? Circle all that apply.

Undeveloped Agricultural Residential Parking Lot
Commercial

Industrial Retail Office Building Warehouse
Other _____

I. What is the proposed use of the property?

J. Are there existing buildings on the property? YES NO

If yes:

How many buildings? _____

What year was each building built? _____

What is the total square footage of each building? _____

Are you aware of any asbestos-containing building materials in any building? _____

Give a brief description and use of each building.

K. What was the property used for in the past?

L. Has the property ever been used for dumping or landfilling in the past?

M. How are the adjacent properties used?

N. Are there currently or previously any aboveground or underground storage tanks located on the property?

YES NO

If yes:

Where are they located?

What is the size and contents of the tanks? (ex: 500-gallon diesel)

When were the tanks installed?

Are there any maintenance records available for the tanks?

Are the tanks currently being used? YES NO

If No: When were the tank(s) closed? _____

Was the MPCA notified? _____

O. Have hazardous chemicals or petroleum products ever been stored at the Site? YES NO

If yes, which ones? _____

P. Utilities

Are there any wells or septic systems formerly or currently located at the Site YES NO

Is it connected to city sewer and water? YES NO

What types of utilities service the Site? Circle all that apply.

Gas Electric Propane Other _____

ASTM Practice E 1527-13 User Questionnaire

Site: Residential Property
Northeast of Intersection of SE 29th Street and Sixth Avenue SE
Grand Rapids, Minnesota

Name: _____

Date: _____

Company: _____

In order to qualify for one of the Landowner Liability Protections (LLPs) offered by the Small Business Liability Relief and Brownfields Revitalization Act of 2002 (the "Brownfields Amendment", the User must conduct the following inquiries. The User should provide the following information to the environmental professional. Failure to conduct these inquiries could result in a determination that "all appropriate inquiries" is not complete.

(1) Environmental cleanup liens that are filed or recorded against the *property*.

The types of title reports that may disclose environmental liens include Preliminary Title Reports, Title Commitments, Condition of Title, and Title Abstracts. Chain-of-title reports will not normally disclose environmental liens. Did a search of *recorded land title records* (or judicial records where appropriate) identify any environmental cleanup liens filed or recorded against the *property* under federal, tribal, state or local law?

(2) Activity and use limitations (AULs) that are in place on the *property* or that have been filed or recorded against the *property*.

The types of title reports that may disclose AULs include Preliminary Title Reports, Title Commitments, Condition of Title, and Title Abstracts. Chain-of-title reports will not normally disclose AULs. Did a search of *recorded land title records* (or judicial records where appropriate) identify any AULs, such as *engineering controls*, land use restrictions, or *institutional controls* that are in place at the *property* and/or have been filed or recorded against the *property* under federal, tribal, state or local law?

(3) Specialized knowledge or experience of the person seeking to qualify for the LLP.

Do you have any specialized knowledge or experience related to the *property* or nearby properties? For example, are you involved in the same line of business as the current or former *occupants* of the *property* or an adjoining *property* so that you would have specialized knowledge of the chemicals and processes used by this type of business?

(4) Relationship of the purchase price to the fair market value of the *property* if it were not contaminated.

Does the purchase price being paid for this *property* reasonably reflect the fair market value of the property? If you conclude that there is a difference, have you considered whether the lower purchase price is because contamination is known or believed to be present at the property?

- (5) **Commonly known or *reasonably ascertainable* information about the *property*.**
Are you aware of commonly known or *reasonably ascertainable* information about the *property* that would help the *environmental professional* to identify conditions indicative of releases or threatened releases? For example,
- (a) Do you know the past uses of the *property*? If so, please explain.
 - (b) Do you know of specific chemicals that are present or once were present at the *property*? If so, please explain.
 - (c) Do you know of spills or other chemical releases that have taken place at the *property*? If so, please explain.
 - (d) Do you know of any environmental cleanups that have taken place at the *property*? If so, please explain.
- (6) **The degree of obviousness of the presence or likely presence of contamination at the *property*, and the ability to detect the contamination by appropriate investigation.**
Based on your knowledge and experience related to the *property*, are there any *obvious* indicators that point to the presence or likely presence of contamination at the *property*? If so, please explain.



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

REQUEST FOR GRAND RAPIDS EDA ACTION

Agenda Item #	Meeting Date: 7/16/2015
Statement of Issue:	Review and consider recommendations for draft 2016 GREDA Operations Budget and levy for Capital Projects Fund
Background:	<p>The Finance Department is requesting GREDA's recommended Operating Budget for 2016. I have attached a marked up operating budget worksheet for your review. The worksheet shows the actual line item expenditures in 2011-2014, as well as the 2015 adopted budget and a 2016 proposed budget, under which I have entered my suggestions.</p> <p>As provided for under §§469.107, the GREDA has over the last several years has requested the City levy for additional monies to begin to replenish the GREDA Capital Projects Fund. For the 2015 budget, GREDA received a levy of \$60,000. A similar request is staff's recommendation.</p> <p>The estimated maximum amount of the GREDA levy request is 0.01813 percent of taxable market value. Based upon the 2013, payable 2014 taxable market value the maximum amount would be approximately \$124,000.</p> <p><i>(If Commissioners would like some clarification on, or explanation of the budget items, please give me a call.)</i></p>
Recommendation:	Review the proposed 2016 Operating Budget, consider any amendments and pass on a recommended budget to the City Council.
Required Action:	Pass a motion adopting a recommended 2016 Operating Budget and levy request of \$60,000.
Attachments:	Budget Worksheet

CITY OF GRAND RAPIDS
ECONOMIC DEVELOPMENT AUTHORITY

Actual 2011-2014 Expenditures, 2015 Budget And Proposed 2016 Budget

	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	PROPOSED 2016 BUDGET
Fund Balance 1/1/XX:	96,527	82,059	69,639	80,858	69,164	52,064
REVENUES:						
Taxes						
Current	-	-	18,912	-	-	-
Fiscal Disparities	-	-	2,693	-	-	-
Total Taxes	-	-	21,605	-	-	-
Intergovernmental						
Supplemental Aid	-	-	1,535	-	-	-
Total Intergovernmental	-	-	1,535	-	-	-
Miscellaneous Revenue						
Interest - Investments	1,331	688	393	787	500	800
Total Miscellaneous	1,331	688	393	787	500	800
Other Sources						
Fund Balance Usage	-	-	-	-	-	16,300
TOTAL REVENUES	1,331	688	23,533	787	500	17,100
EXPENDITURES:						
Supplies/Materials	9	27	35	17	100	100
Professional Services	3,286	125	-	383	2,500	2,500
Accounting/Auditing Services	1,685	1,685	1,836	1,815	1,900	1,900
Legal	90	516	-	-	1,000	1,000
Consulting	10,000	10,000	10,000	10,000	10,000	10,000
Seminars/Meetings	420	-	-	-	500	500
General Insurance	28	44	24	19	100	100
Other Charges & Services	281	711	419	247	1,500	1,000
TOTAL EXPENDITURES	15,800	13,108	12,314	12,481	17,600	17,100
REVENUES > EXPENDITURES	(14,468)	(12,420)	11,219	(11,694)	(17,100)	-
FUND BALANCE 12/31/XX	\$ 82,059	\$ 69,639	\$ 80,858	\$ 69,164	\$ 52,064	\$ 52,064