

City of Ramsey
Agenda
Economic Development Authority (EDA)
Thursday, February 13, 2020
7:30 am
Council Chambers, 7550 Sunwood Drive NW

- 1. Call to Order**
- 2. Approve Agenda**
- 3. Approve Minutes**
 1. Approve Meeting Minutes for January 9, 2020
- 4. EDA Business**
 1. Select 2020 Business of the Year
 2. Discuss Options for Northern Nine (9) Acres of Lot 1, Block 1, Bury and Carlson Addition (Future Public Works Campus Site and Economic Development Parcel)
 3. Review Real Estate Management Strategy for City Owned Land Listed by CBRE
- 5. Member/Staff Input**
- 6. Adjournment**

Economic Development Authority (EDA)

3. 1.

Meeting Date: 02/13/2020

By: Wendy Schlueter, Community
Development

Title:

Approve Meeting Minutes for January 9, 2020

Purpose/Background:

Purpose: The purpose is to approve the meeting minutes for the EDA meeting held the prior months. Background: The meeting minutes are attached for review and approval.

Notification:

Observations/Alternatives:

Funding Source:

Recommendation:

Approval of January 9, 2020 meeting minutes

Action:

Motion to approve January 9, 2020 EDA meeting minutes.

Attachments

[Jan 9, 2020 EDA Minutes](#)

Form Review

Inbox

Sean Sullivan

Tim Gladhill

Form Started By: Wendy Schlueter

Final Approval Date: 02/05/2020

Reviewed By

Sean Sullivan

Tim Gladhill

Date

01/21/2020 03:52 PM

02/05/2020 05:03 PM

Started On: 01/17/2020 01:48 PM

**ECONOMIC DEVELOPMENT AUTHORITY
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The City of Ramsey Economic Development Authority (EDA) conducted a regular meeting on Thursday, January 9, 2020, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Jim Steffen
 Member Brian Burandt
 Member Scott Cords
 Member Mark Kuzma
 Member Chris Riley

Members Absent: Member Glen Hardin

Also Present: Sean Sullivan, Economic Development Manager
 Tim Gladhill, Deputy City Administrator

1. CALL TO ORDER

Chairperson Steffen called the Economic Development Authority meeting to order at 7:30 a.m.

2. APPROVE AGENDA

Motion by Member Kuzma, seconded by Member Burandt, to approve the agenda.

Motion carried. Voting Yes: Chairperson Steffen, Members Kuzma, Burandt, Cords, and Riley.
Voting No: None. Absent: Member Hardin.

3. APPROVE MINUTES

3.01: Approve Meeting Minutes Dated November 14, 2019

Motion by Member Riley, seconded by Member Kuzma, to approve the November 14, 2019, minutes as presented.

Motion carried. Voting Yes: Chairperson Steffen, Members Riley, Kuzma, Burandt, and Cords.
Voting No: None. Absent: Member Hardin.

4. EDA BUSINESS

4.01: Consider Purchase Agreement and Preliminary Tax Increment Financing (TIF) Agreement Structure for Part of Outlot A, COR Stone Brook Academy; Case of Cobblestone Hotel Development, LLC (Portions may be closed to the public)

Economic Development Manager Sullivan presented the staff report.

Member Kuzma asked if the funds recouped through TIF for the purchase of the land would be restricted.

Economic Development Manager Sullivan explained that the funds recouped for the purchase price would go back into the City's fund used to originally purchase the land within The COR.

Jason Aarsvold, Ehlers, stated that Ehlers reviewed the proposal including development costs, operating costs and returns on investment, noting that all the numbers fall within the expected range. He stated that the land write down would still provide a return on investment below what would be expected for a hotel in this market. He stated that a recommendation in his memorandum would include a lookback period to ensure that project costs were as presented and that the actual rate of return still fell within industry standards. He stated that the hotel would generate about \$45,000 annually into the TIF District.

Chairperson Steffen asked for additional input on the lookback period.

Mr. Aarsvold provided additional details relating to a possible lookback provision for project costs and stabilized performance. He stated that once the project is completed and up and running, you could look back to ensure that the project cost as much as projected to develop. He stated that another way would be to review the returns on investment once stabilized. He stated that the lookback provision could then include adjustments. He stated that the projected returns are well below the market.

Member Burandt asked how common it is to use TIF to assist in hotel financing.

Mr. Aarsvold stated that Ehlers has participated in several TIF deals with hotels, especially further outside of main cities such as Minneapolis.

Economic Development Manager Sullivan stated that staff is looking to find the comfort level of the EDA related to the proposed deal. He explained that the TIF agreement will come back to the EDA for final approval, which will then include the negotiated agreement that could include a lookback provision.

Chairperson Steffen asked if 60 percent occupancy is a general goal for hotels when starting out.

Mr. Aarsvold stated that they would generally like to see that above 68 percent but believed that to be in line with the market.

Economic Development Manager Sullivan explained that the land cost write down through TIF is only a small part of the owner equity, as the developer is bringing an additional \$2.6M cash to the deal.

Brian Wogernese, Cobblestone Hotel, provided additional details on the Cobblestone Hotel brand including hotels that some are owned and managed by the company and others that are franchised. He stated that the proposed hotel in Ramsey would not be a franchised, Cobblestone would remain the owner and operator. He noted that the restaurant component would be Wissota Chophouse.

Chairperson Steffen asked why Ramsey was selected and what was special about this site.

Mr. Wogernese stated that his brand is not looking to enter into a market like Minneapolis. He stated that Cobblestone is a smaller hotel, which serves as a mini full-service hotel. He noted that this would provide an opportunity for people from out of town to stay in Ramsey when visiting local businesses. He stated that they constructed this exact hotel five times already, so with the exception of land/utilities/earth work they are confident in the construction costs.

Chairperson Steffen asked how the decision is made as to whether the company keeps the hotel or franchises it.

Mr. Wogernese stated that as long as the restaurants are a component, Cobblestone remains a controller of the site, even if they sell a majority of the shares. He stated that they currently have five of the Wissota Chophouse restaurants.

Member Riley asked for additional description of the photographs provided and the restaurant component, as the restaurant is a desired amenity in Ramsey.

Mr. Wogernese provided additional input on the ala cart steakhouse style restaurant which would also have a shareables component. He stated that would allow a fine dining component but would also service happy hour visitors with a patio and firepit. He stated that the restaurant would only be open for dinner and the hotel would provide a complimentary breakfast to guests.

Chairperson Steffen asked for details on the quasi-public pool amenity.

Deputy City Administrator Gladhill stated that it would be an amenity of the hotel but would not be for general public use.

Chairperson Steffen asked if the land write down is a typical tool used by the hotel.

Mr. Wogernese confirmed they have used that tool in the past. He stated that they are required to bring 40 percent equity to the deal in order to obtain the desired financing and the land write-down helps get them to that number.

Chairperson Steffen asked if the rate of return figures stated by Ehlers meet the benchmarks of the developer.

Mr. Wogernese confirmed that he worked with Mr. Aarsvold on those.

Member Riley stated that on the past few TIF deals the City received payment from the development and then released funds back to the developer over time, whereas this would seem to be the reverse.

Economic Development Manager Sullivan confirmed that some of the past projects issued a TIF note to the developer, where the developer obtains payment over time. In the proposed deal with Cobblestone, the City would in effect receive a note in the form of a TIF Agreement which would allow the city to receive full payment for the land over time. He estimated that it would take 9-10 years of tax increment revenue to pay for the land. A Minimum Assessment Agreement would be executed as part of the TIF agreement assuring a minimum value to have a controlled revenue stream.

Member Cords stated that the City already owns this land and therefore there would not be a cost to the City, the City would just receive payment for the land over time.

Economic Development Manager Sullivan confirmed that the City already made the purchase of the land in 2009 and therefore no additional funds would be spent on the land.

Chairperson Steffen stated that he likes the project as there has been a desire for this type of hotel and restaurant product within The COR.

Member Kuzma stated that the location next to the train station will also be convenient for customers of the hotel.

Member Burandt stated that this meets the goals of selling land, adding lodging and bringing a restaurant to The COR.

Motion by Member Brandt, seconded by Member Kuzma, to recommend to City Council to approve the Purchase Agreement and Preliminary TIF Agreement Structure for part of Outlot A, COR Stone Brook Academy, subject to City Attorney approval as to legal form.

Further discussion: Member Riley echoed the comments that this project meets multiple goals of the City. Member Cords stated that he also likes the idea and the addition to The COR. He asked the projected timeline for breaking ground. Economic Development Manager Sullivan stated that in discussions with the developer, they would anticipate breaking ground in 2020, perhaps in June or July. Mr. Wogernese estimated a ten-month construction period once they break ground.

Motion carried. Voting Yes: Chairperson Steffen, Members Burandt, Kuzma, Cords, and Riley. Voting No: None. Absent: Member Hardin.

4.02: Authorize 2020 Annual Ramsey EDA Business Expo Budget

Economic Development Manager Sullivan presented the staff report.

Chairperson Steffen asked if the City contribution should be lowered rather than lowering the price from \$60 to \$50 for Ramsey businesses to participate.

Economic Development Manager Sullivan explained that could be done but the thought that the cost savings should be shared with Ramsey businesses.

Chairperson Steffen referenced the cost of the balloon artist and asked if that is necessary.

Economic Development Manager Sullivan explained that activity was very popular for children and recommended keeping it.

Member Riley confirmed that the balloon artist activity was very popular the previous year. He stated that he also likes that the EDA contribution was reduced and does not have a problem with the business fee being lowered as well.

Member Cords asked if the waiting list from the previous year fills the amount of available space.

Economic Development Manager Sullivan stated that by moving to Adrenaline Sports they were able to increase from 45 to 61 stalls. He stated that this year's layout will be reduced by one booth in order to make the City booth more effective and increase the flow.

Motion by Member Kuzma, seconded by Member Cords, to authorize the proposed budget for the 2020 Ramsey EDA Business Expo.

Motion carried. Voting Yes: Chairperson Steffen, Members Kuzma, Cords, Burandt, and Riley. Voting No: None. Absent: Member Hardin.

4.03: Receive 2019 Business Retention and Expansion Presentation

Economic Development Manager Sullivan presented the staff report and the 2019 Business Retention and Expansion Report.

Chairperson Steffen suggested that staff send out a schedule of upcoming visits which could allow interested EDA Members to attend business visits, if desired.

Chairperson Steffen noted that it seems that the majority of the areas proposed for improvement in the BR&E report are out of City control. He asked if there are instances where a concern is brought forward that staff can address.

Economic Development Manager Sullivan confirmed that there are some items or questions that staff can be addressed after a business visit. He noted that other areas of follow up include possible assistance the City can provide.

Member Cords stated that he enjoyed the visit that he attended. He stated that this seems to be a good method to gain input that is normally not shared with the City or staff and to build relationships with Ramsey businesses.

Economic Development Manager Sullivan agreed. He stated that he encourages businesses to share any concerns and thoughts they may have, whether positive or negative.

Member Riley stated that business visits are important and are a part of the City's strategic plan and EDA's workplan.

Economic Development Manager Sullivan reviewed the proposed 2020 business visit list.

Member Cords asked how many companies reported that they would be closing, as the statistic was eight percent. He also asked the reason the company/companies would be closing.

Economic Development Manager Sullivan stated that he would not share the business that would be closing but noted that the company he spoke with has issues with competition for workforce and competition within its own market. He reported that the statistic of eight percent represented one company out of those visited in 2019.

5. MEMBER / STAFF UPDATE

The EDA reviewed the Staff Update.

Economic Development Manager Sullivan indicated that after the meeting staff will be meeting with someone from the United States Post Office I Minneapolis in attempt to obtain a Ramsey zip code.

Deputy City Administrator Gladhill advised of a joint worksession on February 11th between the City Council and Planning Commission related to proposed residential development projects.

Chairperson Steffen commented on the self-storage project under construction, which is a substantial building and asked for input.

Deputy City Administrator Gladhill noted that is one of two self-storage projects under construction at this time. He noted that project is more visible near Bunker Lake and Ramsey Boulevard. He stated that this project is a climate controlled indoor self-storage facility. He stated that self-storage facilities are more in demand throughout nearby communities as well.

6. ADJOURNMENT

Motion by Chairperson Steffen, seconded by Member Burandt, to adjourn the meeting.

Motion carried. Voting Yes: Chairperson Steffen, Members Burandt, Cords, Kuzma, and Riley.
Voting No: None. Absent: Member Hardin.

The regular meeting of the Economic Development Authority adjourned at 8:39 a.m.

Respectfully submitted,

Sean Sullivan
Economic Development Manager

ATTEST:

Wendy Schlueter
Economic Development Administrative Assistant

Draft by Amanda Staple
TimeSaver Off Site Secretarial, Inc.

Economic Development Authority (EDA)

4. 1.

Meeting Date: 02/13/2020

Submitted For: Sean Sullivan, Community Development

By: Wendy Schlueter, Community Development

Title:

Select 2020 Business of the Year

Purpose/Background:

The purpose of this case is to select the 2020 Ramsey Business of the Year, an annual selection made by the EDA. The Ramsey Business of the Year is selected from a list of 3-6 nominees (known as the "small list"). The purpose of the small list is to narrow down the voting / analysis process to a small pool of nominees for efficiency. The small list of candidates is derived from a "large list." Said nominees are asked to answer a set of questions that demonstrate their exemplary standing in each of these four categories:

- Length of tenure in the City of Ramsey
- Number of employees / job creation
- Community involvement
- Innovation and uniqueness

Both the 'small' and 'large' lists are attached.

Notification:

N/A

Observations/Alternatives:

Based on discussion at the May 2019 EDA meeting, a strong recommendation to consider Panther Precision Machine for the 2020 award was made. We have responses from all five nominees, each with their own areas of excellence. The City of Ramsey is fortunate to have many great nominees for 2020 Business of the Year.

It has been awhile since we have added names to the large and moved others to the small list. Staff is looking for suggestions for 2021.

Funding Source:

This item is covered under normal staff duties and is a budgeted EDA expense.

Recommendation:

Based on previous EDA Direction in 2019, Staff recommends that the EDA select Panther Precision Machine as the 2020 Business of the year.

Action:

Motion to select Panther Precision as the 2020 Ramsey EDA Business of the Year.

Attachments

The List

2020 BOY Candidate Responses

2020 BOY Nominee Letter

Form Review

Inbox

Sean Sullivan (Originator)
Tim Gladhill
Form Started By: Sean Sullivan
Final Approval Date: 02/06/2020

Reviewed By

Sean Sullivan
Tim Gladhill

Date

01/29/2020 02:37 PM
02/06/2020 09:39 AM
Started On: 01/29/2020 01:59 PM

Small List, updated in 2020

Staff follows up with a set of interview questions for each candidate on the small list. Responses to these questions are provided to the EDA in one comprehensive document. The EDA utilizes said document to select a business of the year. At this point, nominees are not listed in any particular order or ranking.

1. Panther Precision
2. PACT Charter School
3. Dedicated Networks
4. Dynamic Group
5. Do All Printing*

**Note: Owner of Do All Printing is a sitting Planning Commissioner. There is no exclusion from sitting Council or Commission Members, but the City desires to be transparent in its decision-making process.*

Large List, updated in 2020

The large list is simply a running list of staff, EDA, Council, and community recommendations. Staff has no criteria/ policy for this list. At this point, nominees are not listed in any particular order or ranking.

1. MultiSource Manufacturing
2. Jimmy John's
3. RM Golf Carts
4. Comfort Suites of Ramsey
5. Molin Concrete
6. B&F Fastener Supply
7. Premier Commercial Realty
8. In'Tech
9. Willy McCoy's
10. Armstrong Kennels
11. Commercial Asphalt Company

2019 Business of the Year Answers:

1. When did you become a physically established business in Ramsey?

Dedicated Networks: April 2012

Do-All Printing: May 2012

****Dynamic Group:** 2000

PACT Charter School: 2004

Panther Precision Machine: 2003

2. What is your estimated number of employees/FTE (2019)?

Dedicated Networks: 95

Do-All Printing: 8

****Dynamic Group:** 100

PACT Charter School: 100

Panther Precision Machine: 38

3. How does your business positively affect the community, besides job creation (i.e. community involvement, donations, sponsorships, memberships, etc.)?

Dedicated Networks: Our “Why” is to help our people become their best. We offer book clubs and learning opportunities to help them grow. Often the book club would cover a book like Extreme Ownership by Jocko Willink, which challenges people to grow both professionally and personally. Other opportunities are focused on improving people’s personal lives. For example, we have provided personal finance courses from Dave Ramsey several times over the years. Our hope is that our employees become better versions of themselves through what they learn at DNI, and that they, in turn, pass on knowledge and encouragement to others in the community. Also, we are in the circular economy. Our business is refurbishing and reselling used computer networking hardware. We help find new uses for otherwise obsolete IT assets.

Do-All Printing: We have taco truck in our parking lot! Do I need to say any more? I hope we bring an uplifting spirit to everyone who comes through the door with our smiles and willingness to serve the customer. The sole reason Do All is here is to provide low cost or free printing to Christian organizations whose purpose is to spread the Gospel. We donate over 10% of our sales, not profit, to charity. Asking about community involvement makes me think we need to be more involved in Ramsey. But how? Personally I am one of the newest members of the planning commission.

****Dynamic Group:** We support our industry and the community through combined efforts. We are very involved with the local technical colleges as several of our employees serve on boards. Through tours, open houses and attending community events, we try to engage with youth and the schools as much as possible to

*** Dynamic Group did not submit 2019 questionnaire. Response from 2017.*

help them better understand precision manufacturing and the career opportunities. Beyond that, we do our best to support local community efforts through sponsorships and donations through our employees' causes.

PACT Charter School: PACT (Parents Allied with Children and Teachers) Charter School is a responsive, community-based K-12 public school built on a committed partnership between teachers, parents, and students. Together we strive to achieve strong moral character and excellence in education while helping students develop a strong sense of self-worth and respect for others and the community around them. We encourage each student to recognize his or her ability to contribute something unique to our community. Our students are involved in Boy/Girl Scouts, local churches, charities, and are part of the workforce in and around the Ramsey-area. Families come to our location from a 12-mile radius which contributes to both the awareness and economy of Ramsey. Our school has students from cities like Brooklyn Park, Dayton, Coon Rapids, Blaine, Andover, Elk River, and Zimmerman -- and everything in between! PACT is authorized by Bethel University and is a member of the Anoka Area Chamber of Commerce and the Ramsey Lions Club, and partners with Anoka Ramsey Athletic Association and Adrenaline Sports Center.

Panther Precision Machine: Panther has always been a business to support others. We sponsor Kids camp every year. We have donated to the PACT Charter school for several years, Girls fast pitch in Anoka, and donate to the fire department for their fundraiser. For last 4 years Panther has manufactured and donated 6 rims for the University of Minnesota solar car. Panther also takes care of the area around the holding pond next to our second building. This something I told Sean Sullivan I would do for working with us to make the lot a buildable for our second building.

4. What is unique about your business, what is noteworthy or what makes your business different from your competitors (i.e. innovative product/building, significant job retention/creation, overcoming a significant obstacle, etc.)?

Dedicated Networks: Since moving to Ramsey in 2012, we have grown from 15 employees, to nearly 100. One big reason for that growth is our desire to take care of our customers. We have a team of great people who bend over backwards to make sure we are serving our customers. Our team members have been known to drive shipments down to the airport at the end of the day to make sure we honor our commitments and deliver for our customers.

Do-All Printing: The customers tell us we are unique in that We Print Everything. They do not have to go anywhere else to find the product, price and serve they need. After a short period of time the customers do not ask the price knowing they will get the best price and we will do all we can to get their job done on time and right. I remember when we made a mistake, the customer said "you know how to apologize." When we make a mistake we make it right. Customers trust us.

****Dynamic Group:** We have two halves to our business: one is precision mold building for plastic and metal injection molding, the other is precision plastic injection molding and assembly. We are one of the largest and most capable mold-building shops in the country, holding extremely tight tolerances with highly complex molds for the medical, dental and firearms industry. Combining that with our precision plastic injection molding and assembly primarily for medical devices, we are able to service our customers with a flexible, responsive and highly capable offering. But most importantly, we have one of the best teams of people that is highly capable and dedicated.

PACT Charter School: Charter schools are choice schools, which is an opportunity for parents to access the best K-12 education options for their children. PACT's mission is to partner as parents, students, and staff to develop students of character and academic excellence. Every child deserves a challenging and motivating education and that is what we provide -- empowered parents who choose the educational environment best for their kids. As a community of character-builders, we are focused on personal growth and committed to the

*** Dynamic Group did not submit 2019 questionnaire. Response from 2017.*

development of the whole person. We incorporate these leadership traits every day by displaying respect, citizenship, gratitude, compassion, integrity, cooperation, self-control, responsibility, and perseverance.

Panther Precision Machine: Panther has always been a company that treats people how we would like to be treated. We work with each employee as an individual. We allow our employees to have flex-time starting and extra time of if they need it. We have helped some employees through some tough times, whether it being sickness or financial. Of our 38 employees we have 7 employees with 16 years seniority and 4 with 18 years. We have always been a very fortunate company because of our employees and we recognize that. We have a very good reputation of being a good company to work for.

Additional Information:

Dedicated Networks: Dedicated Networks, Inc. has been awarded the following:

Inc.500 Fastest Growing Private Companies in America: 2014 - #2558, 2015 - #2497, 2016 - #1821

MN Business Magazine: 2014 - Top 100 Places to Work, 2014 - Enlightenment Award for Self-Improvement

Business Excellence Forum: 2014 - Best Company Culture, 2015 - Best Manufacturer/Wholesaler and Best Overall Company, 2016 - Best Manufacturer/Wholesaler and CEO of the Year

Minneapolis/St Paul Business Journal: 2016 - #11 on Fast 50 (50 Fastest Growing Metro-Area Private Companies)

Do-All Printing: Did I mention we have a taco truck in our lot?

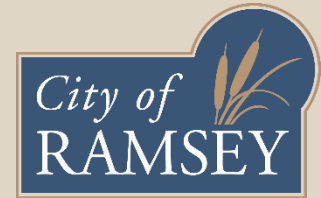
****Dynamic Group:** A few bits of information –

- a. Fall of 2015, we were awarded a Minnesota Job Skills Partnership training grant which we are finishing up this fall. The grant was \$250,000 that allowed us to partner with Anoka Ramsey CC along with other local institutions to provide all of our employees with specialized training over a two year period above and beyond what we would be able to typically pursue
- b. We are well into the transition to our 2nd Generation Ownership. The two original founders that built Dynamic Group over 40 years ago (Dave Kalina & Peter McGillivray), are now mostly retired and the 2nd Generation has taken over operations of the business and began the buy-out process.
- c. We were recently featured in the New York Times in an article on automation. We were fortunate to partner with Universal Robots for a case study that has landed us in several magazines as well as a Fox News feature.

PACT Charter School: We pride ourselves as the only middle and high school in the city of Ramsey and appreciate our local families who call PACT home. We value our partnership with our local government, police, and firefighters; and are proud members of The COR. There is an adage that says, “It takes a village” but we say “it takes a community.” Thank you, City of Ramsey, for partnering with us.

Panther Precision Machine: Panther was the first building in this business park due to the city working with us and wanting a business like ours in the city.

CITY OF RAMSEY 2020 BUSINESS OF THE YEAR NOMINEE



Congratulations on your nomination!

On behalf of the City of Ramsey and the Ramsey Economic Development Authority (EDA), congratulations on being nominated for the 2019 City of Ramsey Business of the Year!

Nominees for the Ramsey Business of the Year are selected based on four criteria: (1) length of tenure (2) number of employees (3) community involvement (4) uniqueness. You have been chosen as a nominee for your exemplary standing in each of these categories.

If awarded Ramsey's Business of the Year, you will receive the benefits listed as recognition for your accomplishments and to promote your new status within the community.



Benefits Received

- An honorary plaque
- Business of the Year banner
- Recognition on the City of Ramsey website and Facebook page.
- Business Spotlight article in The Ramsey Resident, Ramsey's bi-monthly newsletter.
- Presence and recognition as a sponsor at The Draw Summer Event Series Thursday night concert.
- Grand Marshal of annual Happy Days Parade
- Recognition and award presentation at the Annual EDA Business Appreciation Golf Tournament. Four complimentary dinner tickets.
- Recognition at EDA events

Business of the year contact:

Wendy Schlueter
Economic Development
Administrative Assistant
econdev@cityoframsey.com
763-433-9828

Economic Development Authority (EDA)

4. 2.

Meeting Date: 02/13/2020

By: Sean Sullivan, Community
Development

Title:

Discuss Options for Northern Nine (9) Acres of Lot 1, Block 1, Bury and Carlson Addition (Future Public Works Campus Site and Economic Development Parcel)

Purpose/Background:

Purpose:

To provide an update relating to Anderson Dahlen Purchase Agreement and to get recommendation from EDA on the future listing of the property.

Background:

The City did not receive a "Notice to Proceed" from Knoll Properties to move forward with their expansion on the North 9.3 acres of the Bury and Carlson site. Failure to give a "Notice to Proceed" by January 31, 2020 (end of "Inspection Period") terminates the Purchase Agreement. As a result, the City will refund the \$67,500 Earnest Money according to the terms and conditions outlined in Paragraph 4(c) and 9(b). This is the third project proposed on this site that has not moved forward (previously Platinum Properties/Adrenaline Sports Center and Sharp Construction). Additionally, this scenario was conceived prior to execution of the Bunker Lake Industrial Park when developable industrial land was in scarce supply. The immediate urgency is not as strong as in previous years, but marketing this property does provide a number of economic development benefits.

The property is currently listed on MNCAR and Costar. Staff has received interest from two potential buyers and other brokers while the property was under contract with Anderson Dahlen. Staff has obtained shovel ready certification for this site for the purposes of marketing and selling the site to the private sector for development. Staff believes that this site has the potential to develop by the private sector in the near future.

Staff is aware that that southern half of the site has been designated for the future Public Works Campus. The City did complete a Space Needs Analysis as it relates to the Future Public Works Campus that identified the northern 9 acres as potential for industrial development. Previous direction from the City Council has guided this property for private industrial development. The planning and feasibility for the future Public Works Campus is underway. As the final planning stages are underway for the Future Public Works Campus Site, the Public Works Department has requested that the City at least consider pausing listing this property until final plans and specifications are complete to ensure additional land is not necessary for public works use. An architect has been selected to prepare final plans and specification. As part of that process, it has been discussed re-evaluating the reuse of existing buildings on site, which may impact the space needs on this parcel.

Notification:

N/A

Observations/Alternatives:

The EDA could consider recommending the following actions, subject to City Council approval.

1. Continue to list the northern 9 acres for economic development purposes
2. Allow the final plans and specifications for the Future Public Works Campus to be completed and consider listing for economic development purposes at that time

Funding Source:

This action is being handled under normal staff duties

Recommendation:

Staff is seeking high-level policy direction. Given that there are two viable and equally important interests for this site, Staff is not providing a formal recommendation at this time until additional policy direction is provided.

Action:

Motion to recommend that the City Council continue listing the northern 9 acres for economic development purposes.

-OR-

Motion to recommend that the City Council pause listing this parcel pending further analysis on the Future Public Works Campus.

-OR-

Take no action until feedback from the Public Works Committee is provided.

Attachments

Site Location Map

Original Purchase Agreement

Current Purchase Agreement Extension

Form Review

Inbox

Sean Sullivan (Originator)
Tim Gladhill
Sean Sullivan (Originator)
Tim Gladhill
Form Started By: Sean Sullivan
Final Approval Date: 02/06/2020

Reviewed By

Sean Sullivan
Tim Gladhill
Sean Sullivan
Tim Gladhill

Date

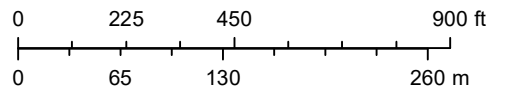
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02/06/2020 09:28 AM
02/06/2020 09:52 AM
02/06/2020 10:04 AM
Started On: 02/05/2020 01:40 PM

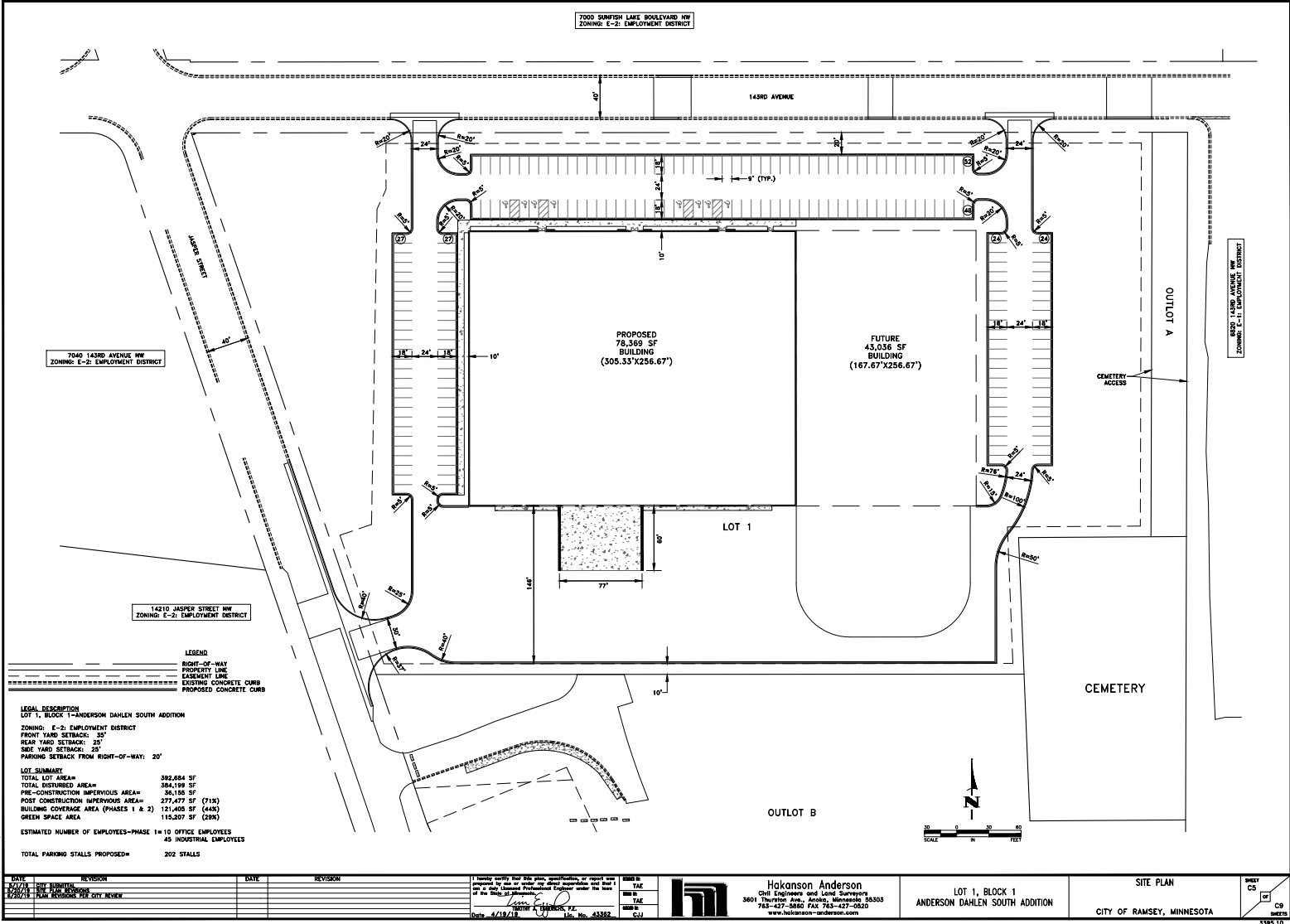
Site Location Map - Anderson Dahlen



November 26, 2019

1:4,800





7000 SUNFISH LAKE BOULEVARD NW
ZONING: E-2; EMPLOYMENT DISTRICT

7000 SUNFISH LAKE BOULEVARD NW
ZONING: E-2; EMPLOYMENT DISTRICT

1439D AVENUE

1421D JASPER STREET NW
ZONING: E-2; EMPLOYMENT DISTRICT

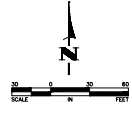
4850 143RD AVENUE NW
ZONING: E-1; EMPLOYMENT DISTRICT

LEGEND
 --- RIGHT-OF-WAY
 --- PROPERTY LINE
 --- EASEMENT LINE
 --- EXISTING CONCRETE CURB
 --- PROPOSED CONCRETE CURB

LEGAL DESCRIPTION
 LOT 1, BLOCK 1-ANDERSON DAHLEN SOUTH ADDITION
 ZONING: E-2; EMPLOYMENT DISTRICT
 FRONT YARD SETBACK: 35'
 REAR YARD SETBACK: 25'
 SIDE YARD SETBACK: 20'
 PARKING SETBACK FROM RIGHT-OF-WAY: 20'

LOT SUMMARY
 TOTAL LOT AREA= 392,684 SF
 TOTAL DISTURBED AREA= 384,198 SF
 PRE-CONSTRUCTION IMPERVIOUS AREA= 26,155 SF
 POST CONSTRUCTION IMPERVIOUS AREA= 277,477 SF (71%)
 BUILDING COVERAGE AREA (PHASES 1 & 2) 121,405 SF (44%)
 GREEN SPACE AREA 115,207 SF (29%)

ESTIMATED NUMBER OF EMPLOYEES-PHASE 1= 10 OFFICE EMPLOYEES
 45 INDUSTRIAL EMPLOYEES
 TOTAL PARKING STALLS PROPOSED= 202 STALLS



DATE	REVISION	DATE	REVISION	I hereby certify that the plan, specifications, or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota. Date: 8/18/19 License No. 43382		Hakanson Anderson Civil Engineers and Land Surveyors 3601 Thurston Ave. Anokas, Minnesota 55303 762-427-5880 FAX 762-427-5820 www.hakanson-anderson.com	LOT 1, BLOCK 1 ANDERSON DAHLEN SOUTH ADDITION	CITY OF RAMSEY, MINNESOTA	SHEET C5 OF C9 sheets
DATE	REVISION	DATE	REVISION						

PURCHASE AGREEMENT

This Agreement is entered into by and between the **City of Ramsey**, a Minnesota municipal corporation (“Seller”), and **KNOLL PROPERTIES, LLC**, a Minnesota Limited Liability Company (“Buyer”).

In consideration of the Earnest Money, the mutual covenants set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. **EFFECTIVE DATE.** The effective date of this Agreement is **April 23, 2019** (the “Effective Date”).
2. **SALE OF PROPERTY.** Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller 9.3 acres of vacant land, legally described as follows:

The North 9.3 acres of Lot 1, Block 1, Bury and Carlson Addition, Anoka County, Minnesota. (the “Property”)

Addresses: 7XXX 143rd Avenue Northwest, Ramsey, MN 55303

Anoka County Property Identification: The North 9.3 acres of 27-32-25-34-0009;

3. **PURCHASE PRICE.** The purchase price for the Property is \$675,000.00 (the “Purchase Price”).
4. **EARNEST MONEY AND ADDITIONAL EARNEST MONEY.** Within (5) business days after the Effective Date, Buyer must deposit the sum of \$67,500.000 (the “Earnest Money”) with Commercial Partners Title Company, 200 South 6th Street, #1300, Minneapolis, MN 55402 (“Escrow Agent”), via wire transfer or delivery of a certified check payable to Escrow Agent.
 - a. If Buyer does not deposit the Earnest Money with Escrow Agent as required above, then Seller may terminate this Agreement by written notice to Buyer; provided, however, if Buyer deposits the Earnest Money with Escrow Agent before Seller exercises Seller’s right to terminate, Seller’s right to terminate is extinguished.

- b. Upon Seller's receipt of a Notice to Proceed from Buyer in accordance with Section 9(b), all of the Earnest Money becomes non-refundable (except in accordance with Section 22 as a result of a default by Seller).
 - c. If Buyer does not provide a Notice to Proceed to Seller in accordance with Section 9(b), this Agreement automatically terminates and Escrow Agent must disburse all Earnest Money Escrow Agent holds to Buyer.
 - d. At Closing, Escrow Agent shall disburse to Seller any Earnest Money not previously disbursed to Seller, and Buyer shall receive a credit against the Purchase Price owing at Closing in an amount equal to the amount of the Earnest Money.
5. **SURVEY.** Seller shall, at Seller's expense, obtain an ALTA/NSPS 2016 survey (Table A, items 1-4 and 6, 8, and 11) (the "Survey") from a duly licensed surveyor and deliver it to Buyer within thirty (30) days after the Effective Date. Buyer may arrange with the surveyor to include additional information on the Survey at Buyer's expense.

6. **TITLE COMMITMENT.**

- a. Seller makes no representations or warranties with respect to the status of title to the Property. Within thirty (30) business days after the Effective Date, Seller shall, at Seller's expense, obtain a commitment from Escrow Agent to issue an owner's policy of title insurance insuring Buyer's title to the Property (the "Title Commitment") and deliver the Title Commitment and copies of or internet access to copies of all recorded documents referenced in the Title Commitment to Buyer.
- b. Buyer shall have until the date thirty (30) days after the receipt of the Title Commitment and the Survey (collectively, "**Title/Survey**") to review Title/Survey and to give Seller written notice of (i) any defects in the marketability of Seller title to the Property or any encumbrances on Seller's title to the Property that are objectionable to Buyer, and (ii) the specific actions Buyer requests that Seller take with respect to each such defect or encumbrance (a "**Title Objection Notice**"). Any defects in or encumbrances on Seller's title that Buyer does not identify in a timely Title Objection Notice are each a "**Permitted Exception.**" Within three (3) business days after Seller's receipt of a Title Objection Notice from Buyer, Seller will notify Buyer, in writing, of the actions, if any, that Seller is willing to take with respect to each of the matters identified in the Title Objection Notice and the time frame in which Seller will take those actions ("**Seller's Title Notice**"). If Seller's Title Notice indicates that Seller unconditionally agrees to make Seller's title to the Property marketable on or before the closing date established pursuant to Section 10, the parties shall proceed to closing pursuant to the terms of this Agreement. If Seller's Title Notice indicates that Seller does not unconditionally agree to make Seller's Title to the Property marketable on or before the closing date established in Section 10, Buyer may, at any time with three (3) business days after Buyer's receipt of

Seller's Title Notice, terminate this Agreement by written notice to Buyer in which case this Agreement is terminated and Escrow Agent must disburse any Earnest Money to Buyer ("**Buyer's Title Termination Notice**"). If Buyer does not deliver a Buyer's Title Termination Notice to Seller within the three (3) business days after Buyer's receipt of Seller's Title Notice, than Seller must perform in accordance with Seller's Title Notice, Buyer shall be deemed to have waived Buyer's objections to the extent Seller has not agreed to address them in Seller's Title Notice, the matters to which Buyer objected and Seller did not agree to resolve are deemed Permitted Exceptions, and the parties shall proceed to Closing in accordance with the terms of this Agreement and the terms of Seller's Title Notice.

7. **RIGHT OF ENTRY.** At all times after Buyer has deposited the Earnest Money with Seller and before the Closing, Buyer (and its employees, agents, and contractors) may enter the Property for the purpose of conducting soil tests, environmental tests and additional survey work, subject to the following conditions:
- a. Within one week after the termination of this Agreement, if either Seller or Buyer terminate this Agreement in accordance with the provisions hereof prior to Closing, Buyer must repair and or restore any damage Buyer or its employees, agents or contractors cause to the Property and remove any personal property, refuse or debris Buyer or its employees, agents or contractors brought onto or authorized third parties to bring onto the Property.
 - b. Buyer must defend and indemnify Seller from and against and hold Seller harmless Seller from all "Claims," as defined in Section 10, arising out of, resulting from or relating to any loss of or damage to any property or business or out of any injury to or death of any person, if the loss, damage, injury, or death arises or is alleged to arise either directly or indirectly and either wholly or in part from: (a) any action or omission of Buyer or its employees, agents, or contractors, while on the Property pursuant to this Section; or (b) actions or omissions of Buyer or Buyer's employees, agents, or contractors that cause or result in the release of any Hazardous Substance onto the Property or onto other property.
 - c. Buyer must comply with and shall cause it employees, agents, and contractors to comply with all applicable laws, while on the Property.
 - d. Other than a standard Phase 1 environmental assessment, Buyer may not commence any environmental testing on the Property until Buyer submits a work plan for such testing to Seller and Seller approves the work plan, in writing. Seller may not unreasonably withhold, condition or delay Seller's approval of a work plan.
 - e. Buyer must, promptly and without demand from Seller, provide Seller with true and complete copies of all draft and final reports relating to Buyer's geotechnical and environmental investigations and testing of the Property including, without

limitation, any reports relating to any Phase I Environmental Site Assessment of the Property.

f. The cost of any test or additional survey work will be borne solely by Buyer.

8. PROPERTY SOLD AS IS. Subject to Buyer's right to terminate this Agreement pursuant to Section 9, Buyer agrees to accept the Property in its current condition, including, without limitation, its current environmental and geological condition, and in an "AS-IS" and with "ALL FAULTS" condition. Buyer's payment of the Purchase Price at Closing constitutes Buyer's acknowledgment and agreement that:

- a. Seller has not made any written or oral representations or warranties of any kind with respect to the Property (including without limitation express or implied warranties of title, merchantability, or fitness for a particular purpose);
- b. Buyer has not relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the Property;
- c. Buyer has had an adequate opportunity to inspect the condition of the Property, including without limitation any environmental testing, and to inspect documents applicable thereto, and Buyer is relying solely on such inspection and testing;
- d. The condition of the Property is fit for Buyer's intended use; and
- e. Buyer accepts all risk of Claims (including without limitation all Claims under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation) whether past, present or future, existing or contingent, known or unknown, arising out of, resulting from or relating to the condition of the Property, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation the presence of any Hazardous Substance on the Property, whether such Hazardous Substance is located on or under the Property, or has migrated from or to the Property.

9. INSPECTION PERIOD.

- a. Except as otherwise provided in Section 6, Buyer shall have from the date that Buyer deposits the Earnest Money with Escrow Agent to **June 23, 2019** (the "**Inspection Period**") to investigate the Property and determine, in Buyer's sole judgment, whether (i) the condition of the Property is suitable to Buyer's intended use; and (ii) Buyer will be able to obtain all governmental approvals (including, but not limited to, approvals necessary to subdivide and re-plat the Property) and utilities necessary for Buyer's intended use of the Property. Buyer acknowledges and agrees that Seller has not made any covenants, representations or warranties regarding Buyer's ability to obtain governmental approvals from the City of

Ramsey or any other governmental entity. The City of Ramsey will review, consider and act on any applications Buyer submits to the City for governmental approvals in accordance with City Code.

- b. Buyer may, at any time on or before 5:00 p.m. on the last day of the Inspection Period, terminate the Agreement by written notice to Seller based on Buyer's determination, in Buyer's sole and absolute discretion, that the condition of the Property is not suitable for Buyer's intended use or that Buyer may not be able to obtain all governmental approvals and utilities necessary for Buyer's intended use of the Property. In addition, this Agreement automatically terminates at 5:00 p.m. on the last day of the Inspection Period unless, prior to that time Buyer delivers a written notice of Buyer's intention to proceed (a "**Notice to Proceed**") to Seller.
- c. If, pursuant to Section 9(b) either Buyer terminates this Agreement or this Agreement is automatically terminated, the Escrow Agent must disburse to Buyer any Earnest Money Escrow Agent holds.

10. DEFINITIONS. As used in this Agreement:

"Claim" or **"Claims"** means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgments, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney's fees, consultant's fees, costs, remedial action costs, cleanup costs and expenses which may be related to any claims).

"Environmental Law" means the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act (the Clean Water Act), 33 U.S.C. § 1251 et seq. the Clean Air Act, 42 U.S.C. § 7401 et seq., and the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing or hereafter enacted.

"Hazardous Substance" or **"Hazardous Substances"** means any pollutant, contaminant, hazardous substance or waste, solid waste, petroleum product, distillate, or fraction, radioactive material, chemical known to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.

- 11. RELEASE.** By accepting the deed to the Property, Buyer, for itself, its directors, officers, stockholders, divisions, agents, affiliates, subsidiaries, predecessors, successors, and assigns and anyone acting on its behalf or their behalf hereby fully releases and forever discharges Seller from any and all Claims (including without limitation all Claims arising under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation), past, present and future, known

and unknown, existing and contingent, arising out of, resulting from, or relating to the condition of the Property, and Buyer hereby waives any and all causes of action (including without limitation any right of contribution) Buyer had, has or may have against Seller and anyone acting on its behalf with respect to the condition of the Property, whether arising at common law, in equity or under a federal, state or local statute, rule or regulation. The foregoing shall apply to any condition of the Property, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation the presence of any Hazardous Substance on the Property, whether such Hazardous Substance is located on or under the Property, or has migrated from or to the Property.

- 12. NOTICES.** Notices permitted or required by this Agreement must be in writing and shall be deemed given when delivered in legible form to the party to whom addressed. Notices may be sent by certified mail or e-mail. Notices are effective two business days after they are mailed via certified mail, return receipt requested or, if sent by email, upon email transmission (provided that any email transmission that occurs after 5:00 pm Pacific Time will be deemed provided on the following day). If delivered at the Closing, a notice shall be deemed given when hand-delivered to the party's representative at the Closing. The business addresses of the parties are as follows:

Seller: City Administrator
City of Ramsey
7550 Sunwood Drive N.W.
Ramsey, MN 55303
Email: kulrich@cityoframsey.com

Buyer: Knoll Properties , LLC
David Knoll
6850 Sunwood Drive NW
Ramsey, MN 55303
Email: knod@andersondahlen.com

Notices not given in the manner or within the time limits set forth in this Agreement are of no effect and may be disregarded by the party to whom they are directed.

- 13. CLOSING.** This transaction shall close within 30 days after Buyer delivers a Notice to Proceed to Seller or on such earlier date as Seller and Buyer may establish by mutual, written agreement; provided, however, Buyer may extend the Closing a total of two (2) times, each time for a period of thirty (60) days at a cost of Five Thousand and 00/100's Dollars (\$5,000.00). Each \$5,000.00 extension payment to the City shall be non-refundable, but applicable to the Purchase Price. The Closing shall take place at the offices of the Escrow Agent, or at some other place as the parties may mutually agree prior to such date. At the option of either Party, the executed closing documents, Purchase Price and closing costs may be deposited with the Escrow Agent and disbursed by the Escrow Agent to avoid the necessity for a Closing at which the Parties are present.

- a. **Seller's Obligations at Closing.** At Closing, Seller must deliver to Escrow Agent, for delivery to Buyer:
- i. A limited warranty deed, duly executed and acknowledged on behalf of the City and with the City's seal affixed, conveying title to the Property, subject to (A) the lien of real estate taxes, if any, not yet due and payable and any installments of special assessments certified for payment therewith; (B) Building, Subdivision and Zoning Ordinances; (C) Matters that would be disclosed by an accurate survey of the Property; and (D) matters that constitute Permitted Exceptions pursuant to Section 6;
 - ii. A certified copy of a duly adopted City Ordinance and Resolution authorizing Seller's sale of the Property to Buyer; and
 - iii. Seller's affidavits, well disclosure certificate (if required), settlement statement approved by Seller and Buyer, and any other documents required by the Escrow Agent.
- b. **Buyer's Obligations at Closing.** At Closing, Buyer must:
- i. Wire Transfer (or deliver a certified check in) an amount equal to the amount of the Purchase Price adjusted for to reflect Buyer's prior payment of the Earnest Money and to reflect amounts Buyer must pay or will receive pursuant to Section 14(c), to Escrow Agent for disbursement to Seller and others pursuant to this Agreement and the Settlement Statement; and
 - ii. File or cause Escrow Agent to file an Electronic Certificate of Real Estate Value, if required and necessary.
- c. **Closing Costs.**
- i. At Closing, the following Seller closing costs and expenses must be paid from the Purchaser Price or, if the Purchase Price is not sufficient, paid by Seller:
 1. Seller's portion of the prorated property taxes.
 2. Seller's own attorney's fees.
 3. One-half the cost of any closing fees.
 4. The cost of real estate broker commission fees as prescribed in Section 15.
 - ii. At Closing Buyer must pay the Purchase Price to Seller and the following costs and expenses:
 1. Buyer's portion of prorated property taxes.

2. Buyer's own attorney's fees.
3. One-half the cost of any closing fees.
4. Documentary and recording fees for the deed(s).
5. The cost of the owner's title insurance policy, if Buyer elects to purchase an Owner's title insurance policy.
6. State deed tax.

d. **Possession.** Seller must deliver possession of the Property to Buyer at Closing.

14. REAL ESTATE BROKERS. Seller and Buyer represent and warrant to each other that they have dealt with no brokers, real estate agents, finders or the like in connection with this transaction. To the extent allowed by law, Seller and Buyer agree to indemnify each other and to hold each other harmless against all claims, damages, costs or expenses of or for any broker's fees or commissions resulting for their actions or agreements regarding the execution or performance of this Agreement, other than the fees payable to Seller's Broker, and will pay all costs of defending any action or lawsuit brought to recover any such fees or commissions incurred by the other party, including reasonable attorney's fees.

15. ASSIGNMENT. This Agreement may not be assigned without the written consent of the non-assigning Party.

16. THIRD PARTY BENEFICIARY. There are no third party beneficiaries of this Agreement, intended or otherwise.

17. JOINT VENTURE. Seller and Buyer, by entering into this Agreement and completing the transactions described herein, shall not be considered joint venturers or partners.

18. CAPTIONS. The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement.

19. ENTIRE AGREEMENT / MODIFICATION. This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Agreement and no waiver or modification of any of its terms will be effective unless in writing executed by the parties.

20. BINDING EFFECT. This Agreement binds and benefits the Parties and their successors and assigns.

21. CONTROLLING LAW. This Agreement is made under the laws of the State of Minnesota and such laws will control its interpretation.

22. REMEDIES.

- a. If Buyer fails to perform any of the terms or conditions of this Agreement within the specified time limits, Seller may declare this Agreement terminated pursuant to Minnesota Statutes section 559.21. Seller's sole remedy in the event of Buyer's default is retention of the Earnest Money, unless Buyer defaults under Section 7 or 12 of this Agreement, in which case Seller may retain the Earnest money or suspend the performance of its obligations under this Agreement and commence an action in Anoka County District Court to recover its actual damages arising from the default.
 - b. If Seller fails to perform any of the terms or conditions of this Agreement within the specified time limits, Buyer may, as its sole remedy, declare this Agreement terminated in which case Escrow Agent and, if applicable, Seller, shall refund the Earnest Money (both the Initial Disbursement and the Remaining Earnest Money) to Buyer, or, in the alternative, Buyer may have this Agreement specifically enforced and recover any incidental damages. Buyer waives all claims for consequential damages against Seller based on Seller's breach or alleged default hereunder.
- 23. WAIVER.** Failure of Seller or Buyer to insist upon the performance of any of the covenants, agreements and/or conditions of this Agreement or to exercise any right or privilege herein shall not be deemed a waiver of any such covenant, condition or right.
- 24. SURVIVAL OF TERMS AND CONDITIONS.** The terms and conditions of this Agreement shall survive and be in full force and effect after the delivery of the deed and shall not be deemed to have merged therein.
- 25. SEVERABILITY.** Each provision of this Agreement shall apply to the extent permitted by applicable law and is intended to be severable. If any provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality or validity of the remainder of the Agreement.
- 26. CONSTRUCTION.** The Parties acknowledge that this Agreement was initially prepared by Seller solely as a convenience and that all Parties and their counsel hereto have read and full negotiated all the language used in this Agreement. The Parties acknowledge that because all Parties and their counsel participated in negotiating and drafting this Agreement, no rule of construction shall apply to this Agreement to construe ambiguous or unclear language in favor of or against any Party.
- 27. COUNTERPARTS; DIGITAL COPIES.** This Agreement may be executed in any number of counterparts and the signature pages of the separate counterparts combined into a single copy of this Agreement which will then constitute a fully executed version of this Agreement. A facsimile, .pdf file or digital copy of a signed counterpart or of an assemblage of counterparts of this Agreement shall be deemed to be an original thereof.
- 28. CONSTRUCTION DEADLINE.** Buyer shall obtain a certificate of occupancy from the City of Ramsey for the construction of a minimum of 60,000 SF manufacturing facility

on the Property by July 31, 2020. At Closing, a "Right of Re-Entry Agreement" must be executed and recorded to the Property providing that, in the event the above deadline is not met, Seller has the right to reclaim title to the parcel(s) for which a certificate of occupancy was not obtained or in the alternative, and at Seller's sole discretion, Buyer shall pay Seller a \$150,000 penalty. In the event the penalty is not paid within 30 days of receipt of notice, Seller may certify the penalty to Anoka County as an assessment against the Property.

29. TIME PERIODS. The time for performance of any obligation or taking any action under this Agreement shall be deemed to expire at 5:00 p.m. Pacific Time on the last day of the applicable time period provided for in this Agreement. If the time for the performance of any obligation or taking any action under this Agreement expires on a Saturday, Sunday or legal holiday, the time for performance or taking such action shall be extended to the next succeeding day which is not a Saturday, Sunday or legal holiday.

30. PLATTING & DEVELOPMENT AGREEMENT. Buyer must obtain an approved final plat, development agreement, and building exterior visual renderings with the City of Ramsey for its intended project before Closing. The Development Agreement and Site Plan must comply with all local zoning ordinances and design standards, including The COR Design Standards.

SELLER: The City of Ramsey, a Minnesota municipal corporation

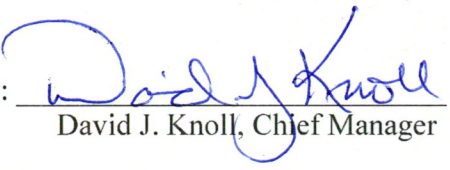
By: 
John LeTourneau, Mayor

Dated: 4-26-2019, 2019

By: 
Kurt Ulrich, City Administrator

Dated: 4/26, 2019

BUYER: KNOLL PROPERTIES, LLC, a Minnesota Limited Liability Company.

By: 
David J. Knoll, Chief Manager

Dated: APRIL 25, 2019

PURCHASE AGREEMENT

This Purchase Agreement (this “**Agreement**”) is entered into by and between the **City of Ramsey**, a Minnesota municipal corporation (“**Seller**”), and **KNOLL PROPERTIES, LLC**, a Minnesota Limited Liability Company (“**Buyer**”).

RECITALS

- A. **WHEREAS**, Buyer and Seller previously entered into that certain Purchase Agreement dated effective April 23, 2019 (the “**Prior Agreement**”), wherein Buyer agreed to purchase the Property (as defined below).
- B. **WHEREAS**, prior to the transaction closing, the Prior Agreement automatically terminated pursuant to its terms and is null and void and of no effect.
- C. **WHEREAS**, Seller desires to sell the Property to Buyer, and Buyer desires to purchase the Property from Seller, pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the Earnest Money, the mutual covenants set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

- 1. **EFFECTIVE DATE**. The effective date of this Agreement is **November 26, 2019** (the “**Effective Date**”).
- 2. **SALE OF PROPERTY**. Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller 9.3 acres of vacant land, legally described as follows:

The North 9.3 acres of Lot 1, Block 1, Bury and Carlson Addition, Anoka County, Minnesota.

To be platted as Lot 1, Block 1, Anderson Dahlen South Addition, Anoka County Minnesota (the “**Property**”)

Addresses: 7XXX 143rd Avenue Northwest, Ramsey, MN 55303

Anoka County Property Identification: The North 9.3 acres of 27-32-25-34-0009;

- 3. **PURCHASE PRICE**. The purchase price for the Property is \$675,000.00 (the “**Purchase Price**”).

4. **EARNEST MONEY AND ADDITIONAL EARNEST MONEY.** The parties agree that Buyer has deposited \$67,500.000 (the “**Earnest Money**”) with Commercial Partners Title Company, 200 South 6th Street, #1300, Minneapolis, MN 55402 (“**Escrow Agent**”).

- a. Intentionally deleted.
- b. Upon Seller’s receipt of a Notice to Proceed (as defined in Section 9(b) below) from Buyer in accordance with Section 9(b), all of the Earnest Money becomes non-refundable (except in accordance with Section 22 as a result of a default by Seller).
- c. If Buyer does not provide a Notice to Proceed to Seller in accordance with Section 9(b), this Agreement automatically terminates and Escrow Agent must immediately disburse all Earnest Money Escrow Agent holds to Buyer.
- d. At Closing, Escrow Agent shall disburse to Seller any Earnest Money not previously disbursed to Seller, and Buyer shall receive a credit against the Purchase Price owing at Closing in an amount equal to the amount of the Earnest Money.

5. **SURVEY.** Seller shall, at Seller’s expense, obtain an ALTA/NSPS 2016 survey (Table A, items 1-4 and 6, 8, and 11) (the “**Survey**”) from a duly licensed surveyor and deliver it to Buyer within thirty (30) days after the Effective Date. Buyer may arrange with the surveyor to include additional information on the Survey at Buyer’s expense.

6. **TITLE COMMITMENT.**

- a. Seller makes no representations or warranties with respect to the status of title to the Property; provided, however, Buyer shall have the rights described in subsection 6(b) below to satisfy itself as to the unconditional marketability of title to the Property. Within thirty (30) business days after the Effective Date, Seller shall, at Seller’s expense, obtain a commitment from Escrow Agent to issue an owner’s policy of title insurance insuring Buyer’s title to the Property (the “**Title Commitment**”) and deliver the Title Commitment and copies of or internet access to copies of all recorded documents referenced in the Title Commitment to Buyer.
- b. Buyer shall have until December 31, 2019 to review the Title Commitment and the Survey and to give Seller written notice of (i) any defects in the marketability of Seller title to the Property or any encumbrances on Seller’s title to the Property that are objectionable to Buyer, and (ii) the specific actions Buyer requests that Seller take with respect to each such defect or encumbrance (a “**Title Objection Notice**”). Any defects in or encumbrances on Seller’s title that Buyer does not identify in a timely Title Objection Notice are each a “**Permitted Exception.**” Within three (3) business days after Seller’s receipt of a Title Objection Notice from Buyer, Seller will notify Buyer, in writing, of the actions, if any, that Seller is willing to take with respect to each of the matters identified in the Title Objection Notice and the time frame in which Seller will take those actions (“**Seller’s Title Notice**”). If Seller’s Title Notice indicates that Seller unconditionally agrees to make Seller’s title to the

Property marketable on or before the closing date established pursuant to Section 10, the parties shall proceed to closing pursuant to the terms of this Agreement. If Seller's Title Notice indicates that Seller does not unconditionally agree to make Seller's Title to the Property marketable on or before the closing date established in Section 10, Buyer may, at any time with three (3) business days after Buyer's receipt of Seller's Title Notice, terminate this Agreement by written notice to Buyer in which case this Agreement is terminated and Escrow Agent must disburse any Earnest Money to Buyer and neither Party will have any further obligations under this Agreement ("**Buyer's Title Termination Notice**"). If Buyer does not deliver a Buyer's Title Termination Notice to Seller within the three (3) business days after Buyer's receipt of Seller's Title Notice, then Seller must perform in accordance with Seller's Title Notice, Buyer shall be deemed to have waived Buyer's objections to the extent Seller has not agreed to address them in Seller's Title Notice, the matters to which Buyer objected and Seller did not agree to resolve are deemed Permitted Exceptions, and the parties shall proceed to Closing in accordance with the terms of this Agreement and the terms of Seller's Title Notice.

7. **RIGHT OF ENTRY.** At all times before the Closing, Buyer (and its employees, agents, and contractors) may enter the Property for the purpose of conducting soil tests, environmental tests and additional survey work, subject to the following conditions:
- a. Within one week after the termination of this Agreement, if either Seller or Buyer terminate this Agreement in accordance with the provisions hereof prior to Closing, Buyer must repair and or restore any damage Buyer or its employees, agents or contractors cause to the Property and remove any personal property, refuse or debris Buyer or its employees, agents or contractors brought onto or authorized third parties to bring onto the Property.
 - b. Buyer must defend and indemnify Seller from and against and hold Seller harmless Seller from all "**Claims,**" as defined in Section 10, arising out of, resulting from or relating to any loss of or damage to any property or business or out of any injury to or death of any person, if the loss, damage, injury, or death arises or is alleged to arise either directly or indirectly and either wholly or in part from: (a) any action or omission of Buyer or its employees, agents, or contractors, while on the Property pursuant to this Section; or (b) actions or omissions of Buyer or Buyer's employees, agents, or contractors that cause or result in the release of any Hazardous Substance onto the Property or onto other property.
 - c. Buyer must comply with and shall cause it employees, agents, and contractors to comply with all applicable laws, while on the Property.
 - d. Other than a standard Phase I environmental assessment, Buyer may not commence any environmental testing on the Property until Buyer submits a work plan for such testing to Seller and Seller approves the work plan, in writing. Seller may not unreasonably withhold, condition or delay Seller's approval of a work plan.

- e. Buyer must, promptly and without demand from Seller, provide Seller with true and complete copies of all draft and final reports relating to Buyer's geotechnical and environmental investigations and testing of the Property including, without limitation, any reports relating to any Phase I Environmental Site Assessment of the Property.
- f. The cost of any test or additional survey work will be borne solely by Buyer.

8. PROPERTY SOLD AS IS. Except as expressly set forth in this Agreement, and subject to Buyer's right to terminate this Agreement pursuant to Section 9, Buyer agrees to accept the Property in its current condition, including, without limitation, its current environmental and geological condition, and in an "AS-IS" and with "ALL FAULTS" condition. Buyer's payment of the Purchase Price at Closing constitutes Buyer's acknowledgment and agreement that:

- a. Seller has not made any written or oral representations or warranties of any kind with respect to the Property (including without limitation express or implied warranties of title, merchantability, or fitness for a particular purpose);
- b. Buyer has not relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the Property;
- c. Buyer has had an adequate opportunity to inspect the condition of the Property, including without limitation any environmental testing, and to inspect documents applicable thereto, and Buyer is relying solely on such inspection and testing;
- d. The condition of the Property is fit for Buyer's intended use; and
- e. Buyer accepts all risk of Claims (including without limitation all Claims under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation) whether past, present or future, existing or contingent, known or unknown, arising out of, resulting from or relating to the condition of the Property, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation the presence of any Hazardous Substance on the Property, whether such Hazardous Substance is located on or under the Property, or has migrated from or to the Property.

9. INSPECTION PERIOD.

- a. Except as otherwise provided in Section 6, Buyer shall have through **January 31, 2020** (the "**Inspection Period**") to investigate the Property and determine, in Buyer's sole judgment, whether (i) the condition of the Property is suitable to Buyer's intended use and the purchase and development of the Property is economically feasible; and (ii) Buyer will be able to obtain all governmental approvals (including, but not limited to, approvals necessary to subdivide and re-

plat the Property) and utilities necessary for Buyer's intended use of the Property. Buyer acknowledges and agrees that Seller has not made any covenants, representations or warranties regarding Buyer's ability to obtain governmental approvals from the City of Ramsey or any other governmental entity. The City of Ramsey will review, consider and act on any applications Buyer submits to the City for governmental approvals in accordance with City Code.

- b. Buyer may, at any time on or before 5:00 p.m. on the last day of the Inspection Period, terminate this Agreement by written notice to Seller based on Buyer's determination, in Buyer's sole and absolute discretion, that the condition of the Property is not suitable for Buyer's intended use, that the development of the Property is not economically feasible, or that Buyer may not be able to obtain all governmental approvals and utilities necessary for Buyer's intended use of the Property. In addition, this Agreement automatically terminates at 5:00 p.m. on the last day of the Inspection Period unless, prior to that time Buyer delivers a written notice of Buyer's intention to proceed (a "**Notice to Proceed**") to Seller.
- c. If, pursuant to Section 9(b) either Buyer terminates this Agreement or this Agreement is automatically terminated, the Escrow Agent must immediately disburse to Buyer any Earnest Money Escrow Agent holds and neither Party will have any further obligations under this Agreement.

10. DEFINITIONS. As used in this Agreement:

"Claim" or **"Claims"** means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgments, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney's fees, consultant's fees, costs, remedial action costs, cleanup costs and expenses which may be related to any claims).

"Environmental Law" means the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act (the Clean Water Act), 33 U.S.C. § 1251 et seq. the Clean Air Act, 42 U.S.C. § 7401 et seq., and the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing or hereafter enacted.

"Hazardous Substance" or **"Hazardous Substances"** means any pollutant, contaminant, hazardous substance or waste, solid waste, petroleum product, distillate, or fraction, radioactive material, chemical known to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.

11. RELEASE. By accepting the deed to the Property, Buyer, for itself, its directors, officers, stockholders, divisions, agents, affiliates, subsidiaries, predecessors, successors, and assigns and anyone acting on its behalf or their behalf hereby fully releases and forever discharges Seller from any and all Claims (including without limitation all Claims arising under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation), past, present and future, known and unknown, existing and contingent, arising out of, resulting from, or relating to the condition of the Property, and Buyer hereby waives any and all causes of action (including without limitation any right of contribution) Buyer had, has or may have against Seller and anyone acting on its behalf with respect to the condition of the Property, whether arising at common law, in equity or under a federal, state or local statute, rule or regulation. The foregoing shall apply to any condition of the Property, known or unknown, contemplated or un contemplated, suspected or unsuspected, including without limitation the presence of any Hazardous Substance on the Property, whether such Hazardous Substance is located on or under the Property, or has migrated from or to the Property.

12. NOTICES. Notices permitted or required by this Agreement must be in writing and shall be deemed given when delivered in legible form to the party to whom addressed. Notices may be sent by certified mail or e-mail. Notices are effective two business days after they are mailed via certified mail, return receipt requested or, if sent by email, upon email transmission (provided that any email transmission that occurs after 5:00 pm Pacific Time will be deemed provided on the following day). If delivered at the Closing, a notice shall be deemed given when hand-delivered to the party's representative at the Closing. The business addresses of the parties are as follows:

Seller: City Administrator
City of Ramsey
7550 Sunwood Drive N.W.
Ramsey, MN 55303
Email: kulrich@cityoframsey.com

Buyer: Knoll Properties , LLC
David Knoll
6850 Sunwood Drive NW
Ramsey, MN 55303
Email: knod@andersondahlen.com

Notices not given in the manner or within the time limits set forth in this Agreement are of no effect and may be disregarded by the party to whom they are directed.

13. CLOSING. This transaction shall close within 45 days after Buyer delivers a Notice to Proceed to Seller or on such other date as Seller and Buyer may establish by mutual, written agreement. The Closing shall take place at the offices of the Escrow Agent, or at some other place as the parties may mutually agree prior to such date. At the option of either Party, the executed closing documents, Purchase Price and closing costs may be deposited

with the Escrow Agent and disbursed by the Escrow Agent to avoid the necessity for a Closing at which the Parties are present.

a. **Seller's Obligations at Closing.** At Closing, Seller must deliver to Escrow Agent, for delivery to Buyer:

- i. A limited warranty deed, duly executed and acknowledged on behalf of the City and with the City's seal affixed, conveying title to the Property, subject to (A) the lien of real estate taxes, if any, not yet due and payable and any installments of special assessments certified for payment therewith; (B) Building, Subdivision and Zoning Ordinances; (C) Matters that would be disclosed by an accurate survey of the Property; and (D) matters that constitute Permitted Exceptions pursuant to Section 6;
- ii. A certified copy of a duly adopted City Ordinance and Resolution authorizing Seller's sale of the Property to Buyer; and
- iii. Seller's affidavits, well disclosure certificate (if required), settlement statement approved by Seller and Buyer, and any other documents required by the Escrow Agent.

b. **Buyer's Obligations at Closing.** At Closing, Buyer must:

- i. Wire Transfer (or deliver a certified check in) an amount equal to the amount of the Purchase Price adjusted for to reflect Buyer's prior payment of the Earnest Money and to reflect amounts Buyer must pay or will receive pursuant to Section 13(c), to Escrow Agent for disbursement to Seller and others pursuant to this Agreement and the Settlement Statement; and
- ii. File or cause Escrow Agent to file an Electronic Certificate of Real Estate Value, if required and necessary.

c. **Closing Costs.**

- i. At Closing, the following Seller closing costs and expenses must be paid from the Purchaser Price or, if the Purchase Price is not sufficient, paid by Seller:
 1. Seller's portion of the prorated property taxes.
 2. Seller's own attorney's fees.
 3. One-half the cost of any closing fees.
 4. The cost of real estate broker commission fees as prescribed in Section 14.
- ii. At Closing Buyer must pay the Purchase Price to Seller and the following costs and expenses:

1. Buyer's portion of prorated property taxes.
2. Buyer's own attorney's fees.
3. One-half the cost of any closing fees.
4. Documentary and recording fees for the deed(s).
5. The cost of the owner's title insurance policy, if Buyer elects to purchase an Owner's title insurance policy.
6. State deed tax.

d. **Possession.** Seller must deliver possession of the Property to Buyer at Closing.

14. REAL ESTATE BROKERS. Seller and Buyer represent and warrant to each other that they have dealt with no brokers, real estate agents, finders or the like in connection with this transaction. To the extent allowed by law, Seller and Buyer agree to indemnify each other and to hold each other harmless against all claims, damages, costs or expenses of or for any broker's fees or commissions resulting for their actions or agreements regarding the execution or performance of this Agreement, other than the fees payable to Seller's Broker, and will pay all costs of defending any action or lawsuit brought to recover any such fees or commissions incurred by the other party, including reasonable attorney's fees.

15. ASSIGNMENT. This Agreement may not be assigned without the written consent of the non-assigning Party.

16. THIRD PARTY BENEFICIARY. There are no third party beneficiaries of this Agreement, intended or otherwise.

17. JOINT VENTURE. Seller and Buyer, by entering into this Agreement and completing the transactions described herein, shall not be considered joint venturers or partners.

18. CAPTIONS. The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement.

19. ENTIRE AGREEMENT / MODIFICATION. The Recitals set forth above shall be considered a substantive part of this Agreement and are hereby incorporated by this reference. This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property, including the Prior Agreement. There are no verbal agreements that change this Agreement and no waiver or modification of any of its terms will be effective unless in writing executed by the parties.

20. BINDING EFFECT. This Agreement binds and benefits the Parties and their successors and assigns.

21. CONTROLLING LAW. This Agreement is made under the laws of the State of Minnesota and such laws will control its interpretation.

22. REMEDIES.

- a. If Buyer fails to perform any of the terms or conditions of this Agreement within the specified time limits, Seller may declare this Agreement terminated pursuant to Minnesota Statutes section 559.21. Seller's sole remedy in the event of Buyer's default is retention of the Earnest Money, unless Buyer defaults under Section 7 or 12 of this Agreement, in which case Seller may retain the Earnest money or suspend the performance of its obligations under this Agreement and commence an action in Anoka County District Court to recover its actual damages arising from the default.
- b. If Seller fails to perform any of the terms or conditions of this Agreement within the specified time limits, Buyer may, as its sole remedy, declare this Agreement terminated in which case Escrow Agent and, if applicable, Seller, shall refund the Earnest Money (both the Initial Disbursement and the Remaining Earnest Money) to Buyer, or, in the alternative, Buyer may have this Agreement specifically enforced and recover any incidental damages. Buyer waives all claims for consequential damages against Seller based on Seller's breach or alleged default hereunder.

23. WAIVER. Failure of Seller or Buyer to insist upon the performance of any of the covenants, agreements and/or conditions of this Agreement or to exercise any right or privilege herein shall not be deemed a waiver of any such covenant, condition or right.

24. SURVIVAL OF TERMS AND CONDITIONS. The terms and conditions of this Agreement shall survive and be in full force and effect after the delivery of the deed and shall not be deemed to have merged therein.

25. SEVERABILITY. Each provision of this Agreement shall apply to the extent permitted by applicable law and is intended to be severable. If any provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality or validity of the remainder of this Agreement.

26. CONSTRUCTION. The Parties acknowledge that this Agreement was initially prepared by Seller solely as a convenience and that all Parties and their counsel hereto have read and full negotiated all the language used in this Agreement. The Parties acknowledge that because all Parties and their counsel participated in negotiating and drafting this Agreement, no rule of construction shall apply to this Agreement to construe ambiguous or unclear language in favor of or against any Party.

27. COUNTERPARTS; DIGITAL COPIES. This Agreement may be executed in any number of counterparts and the signature pages of the separate counterparts combined into a single copy of this Agreement which will then constitute a fully executed version of this Agreement. A facsimile, .pdf file or digital copy of a signed counterpart or of an assemblage of counterparts of this Agreement shall be deemed to be an original thereof.

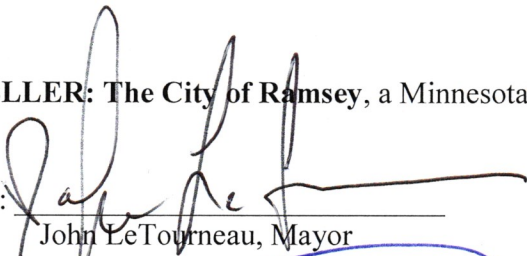
28. **CONSTRUCTION DEADLINE.** Buyer shall obtain a certificate of occupancy from the City of Ramsey for the construction of a minimum of 60,000 SF manufacturing facility on the Property by December 31, 2020. At Closing, a “**Right of Re-Entry Agreement**” must be executed and recorded to the Property providing that, in the event the above deadline is not met, Seller has the right to reclaim title to the parcel(s) for which a certificate of occupancy was not obtained or in the alternative, and at Seller’s sole discretion, Buyer shall pay Seller a \$150,000 penalty. In the event the penalty is not paid within 30 days of receipt of notice, Seller may certify the penalty to Anoka County as an assessment against the Property.

29. **TIME PERIODS.** The time for performance of any obligation or taking any action under this Agreement shall be deemed to expire at 5:00 p.m. Central Standard Time on the last day of the applicable time period provided for in this Agreement. If the time for the performance of any obligation or taking any action under this Agreement expires on a Saturday, Sunday or legal holiday, the time for performance or taking such action shall be extended to the next succeeding day which is not a Saturday, Sunday or legal holiday.

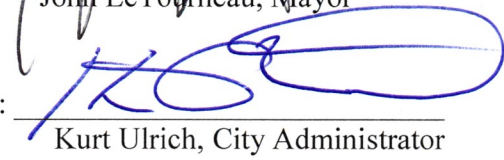
30. **PLATTING & DEVELOPMENT AGREEMENT.** Buyer must obtain an approved final plat, development agreement, and building exterior visual renderings with the City of Ramsey for its intended project before Closing. The Development Agreement and Site Plan must comply with all local zoning ordinances and design standards, including The COR Design Standards.

[Remainder intentionally left blank]

SELLER: The City of Ramsey, a Minnesota municipal corporation

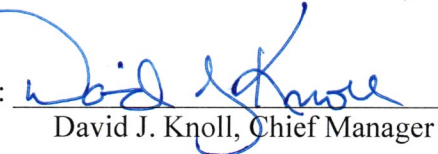
By: 
John LeTourneau, Mayor

Dated: 12/3/2019, 2019

By: 
Kurt Ulrich, City Administrator

Dated: 12/3/19, 2019

BUYER: KNOLL PROPERTIES, LLC, a Minnesota Limited Liability Company.

By: 
David J. Knoll, Chief Manager

Dated: 11/29/19, 2019

Economic Development Authority (EDA)

4. 3.

Meeting Date: 02/13/2020

By: Sean Sullivan, Community
Development

Title:

Review Real Estate Management Strategy for City Owned Land Listed by CBRE

Purpose/Background:

The purpose of this case is to review the City's strategy for real estate management for City Owned Parcels Listed by CBRE. Note - Staff is updating a map of listed properties and will update this case with said map the week of February 10 prior to the meeting.

City staff has been working with CBRE to sell city owned parcels depicted on the attached map. The Listing Agreement expired on February 1, 2020. Over the course of the last six months the City has closed on Parcel 45 (West Armstrong Retail project), and entered into purchase agreements with GiGi's Salon and Cobblestone Hotel. CBRE has brought multiple leads to the city for multiple sites that include housing developers and other commercial users during the past 6 months. CBRE has worked on the City behalf for the GiGi's Salon PA and has continued to market city parcels online and with their contacts.

City staff has been satisfied with the work done by CBRE to this point and would recommend to continue to utilize their services until August 1, 2020 and to continue to evaluate. The proposed Amendment to Listing Agreement does not add or reduce the amount of parcels that are listed and the terms remain the same. A registration letter for expired users has been provided in the event that the contract is not extended. These users are subject to the 180 day term in paragraph 10 of the attached listing agreement.

In late 2018, Anoka County added a regional economic development presence to Anoka County as presented to the EDA in the past. The City of Ramsey is included in this partnership and has the opportunity to list its properties on MNCAR at a nominal cost and is taking advantage of that service.

Notification:

Notification is not required.

Observations/Alternatives:

Alternatives include, but are not limited to the following:

1. Recommend approval of Amendment to Listing Agreement as presented..
2. Amend Amendment Listing Agreement on the number of properties listed for specific properties, commission, look-back period, or other standards.
3. Seek proposals from other real estate brokers.
4. List and market properties utilizing City Staff.
5. Something else.

Funding Source:

There is no immediate or initial up front costs. CBRE is only paid at time of sale, and a commission is deducted from the gross sales price rather than an hourly rate.

Recommendation:

Staff recommends approval of the Amendment to Listing Agreement with CBRE, extending the contract to August 1, 2020.

Action:

Motion to recommend to the City Council the attached draft Amendment to Listing Agreement with CBRE dated February 1, 2020.

Attachments

[PID for Listing Map](#)

[Recent CBRE Land Transaction Summary](#)

[Draft CBRE Listing Amendment](#)

[Current CBRE Listing Agreement](#)

[Registration Letter 180 days](#)

Form Review

Inbox

Sean Sullivan (Originator)
Tim Gladhill
Form Started By: Sean Sullivan
Final Approval Date: 02/06/2020

Reviewed By

Sean Sullivan
Tim Gladhill

Date

02/04/2020 07:00 PM
02/06/2020 10:02 AM
Started On: 01/29/2020 03:19 PM

Parcels Included in Map

Map ID	PID Numbers (s)		
11	113225430004		
13	203225310003		
28	273225440003		
37a	273225330006		
37b	273225330009	273225330017	
40	343225130005		
45	293225140009	293225140013	
55	273225340009		
42a	283225230012		
42b	283225230011		
42c	283225230013		
46	283225220058		
47c	283225310023		
47e	283225230018		
48a	283225240017		
48c	283225310025		
50a	283225410020		
52b	283225130092		
52c	283225130034	283225240005	

Closed Deals - CBRE

Project	Parcel	Listing Price	Sales Price	Lead Source	Commission Paid
Muni Center - Meadow Creek	6b	\$ 260,000	\$ 180,000	CBRE	\$ 9,000
Muni Center - NIK	6a	\$ 600,000	\$ 616,690	CBRE	\$ 30,834
AEON - Phase 1	52a	\$ 185,000	\$ 183,000	CBRE	\$ 9,150
Centra Homes	51	\$ 350,000	\$ 295,000	CBRE	\$ 14,750
Common Bond	47b	\$ 400,000	\$ 435,000	CBRE	\$ 21,750
Inland / Affinity	48b	\$ 585,446	\$ 584,840	CBRE	\$ 29,242
PSD, LLC	49	\$ 2,350,000	\$ 1,897,090	CITY	\$ 94,854
Coastal Living / Morning Sun	53b	\$ 105,000	\$ 170,000	CBRE	\$ 8,500
Stone Brook Academy	47d	\$ 200,000	\$ 121,852	CBRE	\$ 6,091
Purmort Homes	54	\$ 400,000	\$ 5,000	CITY	\$ 3,500
PSD LLC - W Armstrong (SWAP)	45	\$ 960,000	\$ 621,019	CITY	\$ -
		\$ 6,395,446	\$ 5,109,491		\$ 227,671

Pending PA's

Project	Parcel	Listing Price	Sales Price	Lead Source	Commission Paid
Capstone Homes - ROW	13a	\$ 45,000	\$ 27,750	CBRE	5%
Rob Hardy - RGH Ramsey	42a, b, c	\$ 2,059,517	\$ 1,383,464	CITY	5%
Cobblestone	Part 47e	\$ 428,630	\$ 326,700	CITY	3% gross
GiGi's Salon	Part 47e	\$ 392,040	\$ 261,360	CITY	3%,3%
		\$ 2,925,187	\$ 1,999,274		



AMENDMENT TO LISTING AGREEMENT

CBRE, INC.
BROKERAGE AND MANAGEMENT
LICENSED REAL ESTATE BROKER

February 1, 2020

This is an Amendment to the Exclusive Sales Listing Agreement ("Listing") dated July 10, 2019 between City of Ramsey ("Owner") and CBRE, INC. ("Broker") for the real property described as Multiple Land Parcels, City of Ramsey, Minnesota.

- 1. Parcel 50a - 28-32-25-41-0020
2. Parcel 52b - 28-32-25-13-0092
3. Parcel 47c - 28-32-25-31-0023
4. Parcel 47e - 28-32-25-23-0018
5. Parcel 46 - 28-32-25-22-0058
6. Parcel 42a -7994 Sunwood Drive - 28-32-25-23-0012
7. Parcel 42b - 7990 Sunwood Drive - 28-32-25-23-0011
8. Parcel 42c - 7992 Sunwood Drive- 28-32-25-23-0013
9. Parcel 48a - 28-32-25-24-0017
10. Parcel 48c - 28-32-25-31-0025

Owner and Broker hereby agree to amend the Listing as follows:

- 1. That the Listing Term be extended for another period commencing February 1, 2020 and ending midnight July 31, 2020.
2. All other terms and conditions remain the same.

As used herein the term "Owner" shall be deemed to include a tenant wishing to affect a sublease, lease assignment or lease cancellation.

Except as expressly set forth in this Amendment, the Listing shall remain in full force and effect.

BROKER:

CBRE, Inc.
Licensed Real Estate Broker

By: [Signature]
Jeffrey V. Giovanazzo
Title: Managing Director

Address: 800 LaSalle Avenue
Suite 1900
Minneapolis, MN 55402

Telephone: (952) 924-4600

Date: February 4, 2020

OWNER:

City of Ramsey

By:
Title:

Address:

Telephone: ()

Date:

#333635

Minnesota Sale/Lease Disclosures

Property: Multiple Land Parcels, City of Ramsey, Minnesota

Seller/Landlord Disclosure of Material Facts, Delivery of Reports, and Compliance with Laws. Sellers/landlords are hereby requested to disclose directly to buyers/tenants all facts known to sellers/landlords that materially affect the value or desirability of the Property and are not readily observable nor known to the buyer/tenant, including, but not limited to, facts regarding hazardous materials, zoning, construction, design, engineering, soils, title, survey, fire/life safety, proneness to natural hazards such as earthquakes, and other matters, and to provide buyers/tenants with copies of all reports in the possession of or accessible to sellers/landlords regarding the Property. Sellers/landlords and buyers/tenants must comply with all applicable federal, state and local laws, regulations, codes, ordinances and orders, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment in Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.

Americans with Disabilities Act (ADA). The Americans With Disabilities Act (42 United States Code §12101 et seq.) and other federal, state and local requirements may require changes to the Property. Have your experts investigate and evaluate these matters.

Taxes. Sales, leases and other real estate transactions can have federal, state and local tax consequences. In sales transactions, Internal Revenue Code §1445 requires buyers to withhold and pay to the IRS 15% of the gross sales price within 20 days of the date of a sale unless the buyers can establish that the sellers are not foreigners, generally by having the sellers sign a Non-Foreign Seller Affidavit. Depending on the structure of the transaction, the tax withholding liability can exceed the net cash proceeds to be paid to sellers at closing. Have your experts investigate and evaluate these matters.

Flood Zones. Many lenders require flood insurance for properties located in flood zones, and government authorities may regulate development and construction in flood zones. Whether or not located in a flood zone, properties can be subject to flooding and moisture problems, especially properties on a slope or in low-lying areas. Buyers/tenants should have their experts confirm whether the Property is in a flood zone and otherwise investigate and evaluate these matters.

Fires. Properties, whether or not located in a fire hazard zone, are subject to fire/life safety risks and may be subject to state and local fire/life safety-related requirements, including retrofit requirements. Have your experts investigate and evaluate these matters.

Hazardous Materials and Underground Storage Tanks. Due to prior or current uses of the Property or in the areas or the construction materials used, the Property may have hazardous or undesirable metals (including but not limited to lead-based paint), minerals (including but not limited to asbestos), chemicals, hydrocarbons, petroleum-related compounds, or biological or radioactive/emissive items (including but not limited to electrical and magnetic fields) in soils, water, building components, above or below-ground tanks/containers or elsewhere in areas that may or may not be accessible or noticeable. Such items may leak or otherwise be released. If the Property was built before 1978 and has a residential unit, sellers/landlords must disclose all reports, surveys and other information known to them regarding lead-based paint to buyers/tenants and allow for inspections (42 United States Code §4851 et seq.). Have your experts investigate and evaluate these matters.

Property Inspections and Evaluations. Buyers/tenants should have the Property thoroughly inspected and all parties should have the transaction thoroughly evaluated by the experts of their choice. Ask your experts what investigations and evaluations may be appropriate as well as the risks of not performing any such investigations or evaluations. Information regarding the Property supplied by the real estate brokers has been received from third party sources and has not been independently verified by the brokers. Have your experts verify all information regarding the Property, including any linear or area measurements, the availability of all utilities, applicable zoning, and entitlements for the intended use. All work should be inspected and evaluated by your experts, as they deem appropriate. Any projections or estimates are for example only, are based on assumptions that may not occur, and do not represent the current or future performance of the property. Real estate brokers are not experts concerning, nor can they determine if any expert is qualified to provide advice on, legal, tax, design, ADA, engineering, construction, soils, title, survey, fire/life safety, insurance, hazardous materials, or other such matters. Such areas require special education and, generally, special licenses not possessed by real estate brokers. Consult with the experts of your choice regarding these matters.

CONSULT YOUR ADVISORS – This document has legal consequences. No representation or recommendation is made by Broker as to the legal or tax consequences of this Agreement or the transaction(s) which it contemplates. This form is not intended to substitute for any disclosures the law requires that the parties make to each other. These are questions for your attorney and financial advisors.



1900 LaSalle Plaza
800 LaSalle Avenue
Minneapolis, MN 55402
+1 952 924 4600

July 10, 2019

BY ELECTRONIC MAIL

City of Ramsey
7550 Sunwood Drive NW
Ramsey, MN 55303

Attention: Sean Sullivan and Kurt Ulrich

**Re: *Exclusive Sales Listing Agreement
Multiple Land Parcels, City of Ramsey, Minnesota ("Property")
Vacant Land Exhibit B***

Dear Sean and Kurt,

Thank you for selecting CBRE, Inc. ("CBRE") to represent you. The terms of our engagement are contained in this agreement ("Agreement").

1. This Agreement shall terminate six months from August 1, 2019 ("Term").
2. During the Term, you appoint us your exclusive agent with the right to list and market the Property for sale and to negotiate agreements for the sale of the Property (which includes portions thereof). If, during the Term, the Property is removed from the market because escrow is opened or an offer to purchase the Property is accepted, and if the sale is not consummated for any reason, then the Term will be extended by the longer of the number of days that (i) escrow was open or (ii) the Property was removed from the market, but in no event more than 180 calendar days in the aggregate.
3. We will commit the appropriate number of qualified and licensed professionals to this engagement. Your "Listing Team" is comprised of Brian Pankratz. We will have the right to change members of the Listing Team as necessary and appropriate. The Listing Team shall owe you duties of trust, confidence and loyalty.
4. We will offer the Property at an initial listing price that is per separate agreement and Acceptable to Owner, although the Property may be sold upon such other terms as you may agree. However, it is your right to: (a) approve, modify, reject or disapprove any and all proposals and offers as well as any prospective purchasers for the Property and (b) adjust the terms and conditions of any offer made, including but not limited to, adjusting the Property's listing price.
5. We will work with you to create and implement a sales strategy for the Property, including preparation of appropriate and customary marketing materials (such as an offering brochure). In developing the strategy, we will rely on (without requirement to verify) any information provided to us by you, your agents, affiliates and/or any of the Property's managers. However, we will not issue any written marketing materials without your prior written approval. Further, you authorize us to place one or more signs on the Property as we deem appropriate.
6. The success of this engagement relies, in part, on cooperation and communication between City of Ramsey and CBRE Listing Team. Therefore, you agree to: (i) provide us with all available information to assist us in marketing the Property; (ii) make CBRE Listing Team aware of all inquiries regarding CBRE listed properties; and (iii) work with CBRE Listing Team to conduct

negotiations with prospective purchasers as needed. If a prospective buyer is a City generated lead that has not had prior discussions with CBRE Listing Team, and CBRE services are not required, CBRE commissions will be reduced from 5% to 3%..

7. You represent that you either are the fee owner of or otherwise have control over the Property. You further represent that you have full authority to enter into this Agreement without violating anyone else's rights, or any other agreements or contractual obligations.
8. We will present all offers to you and assist you in developing and negotiating counteroffers until a PSA is signed and all contingencies are satisfied or waived. You agree that you and/or your legal counsel are solely responsible for determining the legal sufficiency of the documents related to this engagement and the tax consequences of any transaction. You are also responsible for evaluating any offers and determining with whom you will negotiate or enter into a transaction. While we may assist you in gathering reasonably available information, we cannot represent or warrant the creditworthiness of any prospect and/or their ability to satisfy their obligations under a purchase agreement. All final business and legal decisions shall be made solely by you. Notwithstanding any designation of us as "agent" in this Agreement, we will have no right, power, or authority to enter into any agreement with any prospective purchaser, real estate broker, or any other person in the name of, on behalf of, or otherwise binding upon you.
9. **NOTICE: THE COMPENSATION FOR THE SALE, LEASE, RENTAL, OR MANAGEMENT OF REAL PROPERTY SHALL BE DETERMINED BETWEEN EACH INDIVIDUAL BROKER AND THE BROKER'S CLIENT.**
10. We will earn (and you agree to pay) a commission in accordance with this Agreement and the attached Commission Schedule (Exhibit "A") if either of the following occur:
 - (a) during the Term, you sell the Property to a purchaser, whether procured by us, you or anyone else; or
 - (b) within one hundred eighty (180) days after the expiration of the Term or after the Agreement otherwise terminates (the "Override Period"), the Property is sold to, or negotiations continue, resume or commence and thereafter continue leading to a sale of the Property to any person or entity (including his/her/its successors, assigns or affiliates) with whom, during the Term, CBRE either negotiated (either directly or through another broker or agent) or to whom the Property was submitted during the Term ("Existing Prospect"). You agree that CBRE is authorized to continue negotiations with Existing Prospects. We will submit to you a list of such Existing Prospects in a "Protective List" within seventy-two (72) hours following the expiration or termination of the Term as required by M.S.A. §82.66(1); provided, however, that if a written offer has been submitted prior to said expiration or termination date, then it shall not be necessary to include the offeror's name on the list. The protective list may include only persons who have, during the Term, either made an affirmative showing of interest in the property by responding to an advertisement, or by contacting the Broker or having been physically shown the property by the Broker.

NOTICE: IF YOU RELIST WITH ANOTHER BROKER WITHIN THE OVERRIDE PERIOD AND THEN SELL YOUR PROPERTY TO ANYONE WHOSE NAME APPEARS ON THIS LIST, YOU COULD BE LIABLE FOR FULL COMMISSIONS TO BOTH BROKERS. IF THIS NOTICE IS NOT FULLY UNDERSTOOD, SEEK COMPETENT ADVICE.

11. You agree that we are authorized to cooperate with and, if appropriate, share our commission with "Cooperating Brokers" (such as a broker representing a purchaser). We will be responsible for paying the fee or commission due to the Cooperating Broker (if any) provided the Cooperating Broker: (i) represents the prospective purchaser pursuant to a written agreement, a copy of which is furnished to us prior to the execution of the transaction; (ii) is properly licensed; and (iii) executes and delivers to us an acceptable cooperating brokerage agreement. Market conditions may exist whereby the Cooperating Broker receives an above-standard fee and/or broker bonus. If so, our commission shall be increased by (and you agree to pay) an amount such that we receive no less than 50% of the total fee in accordance with the Commission Schedule.

12. If you lease the Property to anyone during the Term or Post-Term, you agree to pay CBRE a lease commission in accordance with Exhibit A.
13. The Listing Team are your designated agents to the exclusion of all of CBRE's other licensees. All other CBRE licensees shall be referred to as "Non-Listing Team Agents" and shall be considered Cooperating Brokers. You acknowledge that we are an international brokerage firm and that we may represent prospective purchasers. You consent to the representation of such prospective purchasers by Non-Listing Team Agents and consent to any dual agency created by such representation. You acknowledge that Non-Listing Team Agents owe duties of trust, confidence and loyalty exclusively to their clients. The Listing Team and Non-Listing Team Agents shall not disclose the confidential information of one principal to the other.
14. Questions regarding environmental and zoning issues may arise during the course of our representation. CBRE is not obligated to perform, and has not made any investigation of the physical conditions or zoning issues relating to the Property. You agree to disclose to us and allow us to disclose to prospective purchasers everything you know (after reasonable inquiry by you) regarding present and future property issues including, but not limited to, structural, mechanical, hazardous materials, zoning and environmental matters affecting the Property and/or the Property's condition.
15. If the Property becomes the subject of foreclosure proceedings before the expiration of the Term, then in our sole and absolute discretion we may: (a) suspend this Agreement until we may elect to reinstate it or (b) terminate this Agreement and enter into a listing agreement with any receiver, party initiating foreclosure, party purchasing the Property at a foreclosure sale, or any other third party.
16. While we are confident that our relationship will be mutually satisfactory, if there is a dispute between us, then we agree to resolve it subject to the following:
 - (a) if either party institutes a legal proceeding against the other party relating to this Agreement, the prevailing party shall recover from the non-prevailing party all of its (i) reasonable attorneys' fees and costs, (ii) expert-related fees and costs and (iii) other related expenses. All past due amounts shall bear interest at twelve percent (12%) per annum or the maximum rate permitted in the state in which the Property is located. No party will be entitled to punitive, special and/or consequential damages, and we each waive all rights to and claims for relief other than for compensatory damages; and
 - (b) **WHERE PERMITTED BY LAW, WE EACH KNOWINGLY AGREE TO WAIVE ANY AND ALL RIGHTS TO HAVE A DISPUTE ON ANY MATTER RELATING TO, OR ARISING FROM THIS AGREEMENT DETERMINED BY A JURY.**
17. You and CBRE agree to comply with all applicable laws, regulations, codes, ordinances and administrative orders. Further, we both acknowledge that: (a) it is illegal to refuse to display or lease or sell to or from any person because of one's membership in a protected class, e.g.: race, color, religion, national origin, sex, ancestry, age, marital status, physical or mental handicap, familial status or any other class protected by applicable law and (b) the Property will be offered in compliance with all applicable anti-discrimination laws.
18. This Agreement is our entire agreement and supersedes all prior understandings between us regarding this engagement and is governed by the laws of the state where the Property is located, without regard to its conflict of laws principles. This Agreement will be binding and inure to the benefit of our lawful representatives, heirs, successors, designees and assignees. It may not be altered or terminated except in a writing signed by both you and CBRE. Neither party's failure to exercise any of its rights under this Agreement will relieve the other party of its obligations hereunder. Nothing herein is or may be deemed a waiver or full statement of any of our rights or remedies, whether at law or in equity, all of which are expressly reserved. If any provision of this Agreement is unenforceable or void under applicable law, the remaining provisions will continue to be binding. This Agreement and the rights, interests or obligations created hereunder will not be assigned by either of the parties without the prior written consent of the other party. We each agree that we have both participated in the negotiation and drafting of this Agreement. You acknowledge that the person signing this Agreement on your behalf has your full authority to execute it. This

Agreement will be binding whether signatures are exchanged electronically or by hand, by mail, by fax, by electronic transfer or image, by photocopy or in counterparts.

19. Either party can cancel the Listing Agreement after 6 months with 30 day written notice.

Thank you again for this opportunity. We look forward to working with you.

Very truly yours,

CBRE, Inc.
Licensed Real Estate Broker

By: 
Name: Jeff Jiovanazzo
Title: Managing Director

Date: July 18, 2019

AGREED:

City of Ramsey

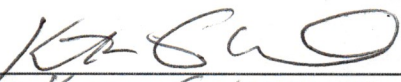
By: 
Name: Kurtis G. URICK
Title: CITY Administrator
Date: 7-29-19

EXHIBIT A – Commission Schedule

- A. *Sale.* As to sales of real property, CBRE's commission shall be five percent (5%) of the gross sales price. If a cooperating broker or salesperson procures the sale, the commission will be seven percent (7%) of the gross sales price. Gross sales price shall include any and all consideration received or receivable, in whatever form, including but not limited to assumption or release of existing liabilities. In the event this sale is in connection with a "build to suit" transaction, the commission shall be calculated on the gross sales price plus the gross construction cost of the building to be constructed on the Property. The commission shall be earned and paid on the date title to the Property is transferred to the purchaser; provided, however, that if the transaction involves an installment contract, then payment shall be made upon execution of such contract. In the event you contribute or convey the Property or any interest therein to a corporation, joint venture, partnership, or other business entity, the commission shall be calculated on the fair market value of the Property or the portion thereof that is so transferred, and shall be earned and paid at the time of the contribution or transfer. If you are a partnership, corporation, or other business entity, and an interest in the partnership, corporation or other business entity is transferred, whether by merger, outright purchase or otherwise, in lieu of a sale of the Property, and applicable law does not prohibit the payment of a commission in connection with such sale or transfer, the commission shall be calculated on the fair market value of the Property, rather than the gross sales price, multiplied by the percentage of interest so transferred, and shall be paid at the time of the transfer.
1. *Definitions.* Under this Agreement the terms "sell," "sale" or "sold" shall mean: (a) an exchange of the Property; (b) the granting of an option to purchase the Property; or (c) any other transfer, conveyance or contribution of a controlling interest in the Property or in the entity which owns the Property, including, but not limited to, situations where you are a corporation, partnership or other business entity and a controlling interest in such corporation, partnership or other business entity is transferred, whether by merger, outright purchase or otherwise, in lieu of a sale of the Property.
 2. *Option to Purchase.* If you grant an option to purchase the Property, you agree to pay us a commission in accordance with this Commission Schedule, on the price paid for the option and for any extensions when you receive payment for any such option and/or extensions. If the option is exercised, whether during the Term or after, we will earn a further commission in accordance with this Agreement. Notwithstanding the foregoing, to the extent that all or part of the price paid for the option or any extension thereof is applied to the sales price of the Property, then any commission previously paid by you to us on account of the option payments will be credited against the commission payable to us on account of the exercise of the option.
 3. Broker (CBRE) shall receive a minimum fee based on a sales price of \$1.50 per gross SF for the sale of any industrial or office land and a minimum fee of \$5,000.00 for the sale of any residential parcel of land \$5,000.00 for the sale of any residential parcel of land greater than \$45,000; and, a minimum fee of \$3,500.00 for the sale of any residential parcel of land less than or equal to \$45,000.
 4. If a potential prospect/buyer is generated by the City of Ramsey with no prior contact or discussions with/from CBRE than the commission will be reduced to 3% of the gross sales price to calculate commissions. If potential buyer generated by City of Ramsey has a cooperative broker the CBRE Listing Team commission will be equal to the cooperative broker and in no event will be no higher than 3.5%.

EXHIBIT B – Subject Parcels

1. Parcel 50a - 28-32-25-41-0020
2. Parcel 52b - AEON 2 Parcel-28-32-25-13-0092
3. Parcel 47c - 28-32-25-31-0023
4. Parcel 47e - 28-32-25-23-0018
5. Parcel 46 - 28-32-25-22-0058
6. Parcel 42a -7994 Sunwood Drive - 28-32-25-23-0012
7. Parcel 42b - 7990 Sunwood Drive - 28-32-25-23-0011
8. Parcel 42c - 7992 Sunwood Drive- 28-32-25-23-0013
9. Parcel 48a -28-32-25-24-0017
10. Parcel 48c - 28-32-25-31-0025

Owner Marketing Approval

Property Name:	City of Ramsey Land Parcels
Property Address:	Ramsey, MN
Broker(s):	Brian Pankratz

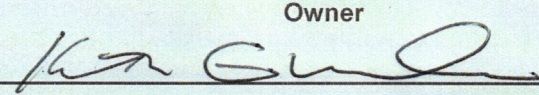
I hereby authorize CBRE to actively market the above-referenced property for signage, spec sheets, brochures, postcards, company web page, campaign logic, MNCAR, Co-Star & Loopnet:

TOTAL BUILDING SQUARE FOOTAGE:	
AVAILABLE SQUARE FOOTAGE:	
OFFICE SQUARE FOOTAGE:	
WAREHOUSE SQUARE FOOTAGE:	
LOT AREA:	66.27
CLEAR HEIGHT:	
LOADING:	
CONSTRUCTION:	
YEAR BUILT:	
SPRINKLERED:	
POWER:	
COLUMN SPACING:	
PARKING:	
LEASE RATES/SALE PRICE:	
EST. 2019 REAL ESTATE TAXES:	
EST. 2019 CAM:	
EST. 2019 TOTAL:	
COMMENTS:	

APPROVED this 29th day of July, 2019

City of Ramsey

Owner

By: 

Title: City Administrator

© 2018 CBRE, Inc. The information about this property has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the property. The value of this transaction to you depends on tax and other factors which should be evaluated by your tax, financial and legal advisors. You and your advisors should conduct a careful, independent investigation of the property to determine to your satisfaction the suitability of the property for your needs.

Minnesota Sale/Lease Disclosures

Property: City of Ramsey Land

Seller/Landlord Disclosure of Material Facts, Delivery of Reports, and Compliance with Laws. Sellers/landlords are hereby requested to disclose directly to buyers/tenants all facts known to sellers/landlords that materially affect the value or desirability of the Property and are not readily observable nor known to the buyer/tenant, including, but not limited to, facts regarding hazardous materials, zoning, construction, design, engineering, soils, title, survey, fire/life safety, proneness to natural hazards such as earthquakes, and other matters, and to provide buyers/tenants with copies of all reports in the possession of or accessible to sellers/landlords regarding the Property. Sellers/landlords and buyers/tenants must comply with all applicable federal, state and local laws, regulations, codes, ordinances and orders, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment in Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.

Americans with Disabilities Act (ADA). The Americans With Disabilities Act (42 United States Code §12101 et seq.) and other federal, state and local requirements may require changes to the Property. Have your experts investigate and evaluate these matters.

Taxes. Sales, leases and other real estate transactions can have federal, state and local tax consequences. In sales transactions, Internal Revenue Code §1445 requires buyers to withhold and pay to the IRS 15% of the gross sales price within 20 days of the date of a sale unless the buyers can establish that the sellers are not foreigners, generally by having the sellers sign a Non-Foreign Seller Affidavit. Depending on the structure of the transaction, the tax withholding liability can exceed the net cash proceeds to be paid to sellers at closing. Have your experts investigate and evaluate these matters.

Flood Zones. Many lenders require flood insurance for properties located in flood zones, and government authorities may regulate development and construction in flood zones. Whether or not located in a flood zone, properties can be subject to flooding and moisture problems, especially properties on a slope or in low-lying areas. Buyers/tenants should have their experts confirm whether the Property is in a flood zone and otherwise investigate and evaluate these matters.

Fires. Properties, whether or not located in a fire hazard zone, are subject to fire/life safety risks and may be subject to state and local fire/life safety-related requirements, including retrofit requirements. Have your experts investigate and evaluate these matters.

Hazardous Materials and Underground Storage Tanks. Due to prior or current uses of the Property or in the areas or the construction materials used, the Property may have hazardous or undesirable metals (including but not limited to lead-based paint), minerals (including but not limited to asbestos), chemicals, hydrocarbons, petroleum-related compounds, or biological or radioactive/emissive items (including but not limited to electrical and magnetic fields) in soils, water, building components, above or below-ground tanks/containers or elsewhere in areas that may or may not be accessible or noticeable. Such items may leak or otherwise be released. If the Property was built before 1978 and has a residential unit, sellers/landlords must disclose all reports, surveys and other information known to them regarding lead-based paint to buyers/tenants and allow for inspections (42 United States Code §4851 et seq.). Have your experts investigate and evaluate these matters.

Property Inspections and Evaluations. Buyers/tenants should have the Property thoroughly inspected and all parties should have the transaction thoroughly evaluated by the experts of their choice. Ask your experts what investigations and evaluations may be appropriate as well as the risks of not performing any such investigations or evaluations. Information regarding the Property supplied by the real estate brokers has been received from third party sources and has not been independently verified by the brokers. Have your experts verify all information regarding the Property, including any linear or area measurements, the availability of all utilities, applicable zoning, and entitlements for the intended use. All work should be inspected and evaluated by your experts, as they deem appropriate. Any projections or estimates are for example only, are based on assumptions that may not occur, and do not represent the current or future performance of the property. Real estate brokers are not experts concerning, nor can they determine if any expert is qualified to provide advice on, legal, tax, design, ADA, engineering, construction, soils, title, survey, fire/life safety, insurance, hazardous materials, or other such matters. Such areas require special education and, generally, special licenses not possessed by real estate brokers. Consult with the experts of your choice regarding these matters.

CONSULT YOUR ADVISORS – This document has legal consequences. No representation or recommendation is made by Broker as to the legal or tax consequences of this Agreement or the transaction(s) which it contemplates. This form is not intended to substitute for any disclosures the law requires that the parties make to each other. These are questions for your attorney and financial advisors.



Brian Pankratz
Vice President

4400 West 78th Street
Suite 200
Bloomington, MN 55435

CBRE, Inc.
Land Services Group

952 924 4665 Tel
952 831 8023 Fax
612 296 6178 Cell

January 31, 2020

Brian.pankratz@cbre.com

City of Ramsey
c/o Sean Sullivan
7550 Sunwood Drive NW
Ramsey, MN 55303

***RE: REGISTRATION LETTER FOR EXPIRED LISTING
- CITY OF RAMSEY, MN***

Dear Sean:

Thank you very much for the continued opportunity to work with you over the term of our Listing Agreement and we wish to continue working with you towards a successful sale. Below you will find our list of registered clients per the Section 10 of the Listing Agreement should you decide to not extend the current Listing Agreement.

Please let me know if you have any questions or comments. We appreciate the opportunity and hope to continue to market the property and secure a viable buyer on your behalf.

List of Registered Clients including any associated affiliates:

1. M/I Homes-Hans Hagen Homes
2. Centra Homes
3. Pulte Homes
4. DR Horton
5. Lennar Homes
6. Excelsior Group
7. Capstone Homes
8. Purmort Homes
9. Hy-Vee
10. Fourteen Foods
11. Oppidan Development
12. Inland Development
13. PSD Development
14. Paxmar Development
15. Kwik Trip
16. Ryan Companies
17. Opus Development
18. Platinum Development
19. Sharp Associates

20. Coastal Living-Bill Gleason
21. AEON
22. CommonBond
23. Dominion
24. GS Land
25. Kraus Anderson
26. Shingobee Builders
27. Aldi
28. Border Foods
29. YMCA
30. Lifetime Fitness
31. Flagship Fitness-Fitness User
32. Overland Development
33. Casey's C-Store
34. Duffy Development
35. My Place Hotels
36. David Weekley Homes
37. New Horizon
38. KinderCare
39. Cobblestone Hotels
40. Christian Brothers Automotive
41. ABRA/Caliber Collision
42. Dental User/Ted Gonsior-Colliers

Existing Purchase Agreement's

1. RGH Ramsey LLC/Rob Hardy
2. Gigi's Salon

If you would like to further discuss, please call me at 952-924-4665.

Sincerely,



Brian Pankratz