

**City of Ramsey**  
**Agenda**  
**Economic Development Authority (EDA)**  
**Thursday, October 8, 2020**  
**7:30 am**  
**Council Chambers, 7550 Sunwood Drive NW**

This meeting is being held in accordance with Minnesota Statutes 13D.021. Due to the COVID-19 Pandemic, it is not practical and prudent for all members of this board to attend in person. Current Minnesota law requires certain social distancing standards that impacts the capacity of the Council Chambers. For those at highest risk, it is advised to isolate themselves from the general public. For these reasons, it is not practical and prudent to have this meeting exclusively in person. Members of the public are welcome to attend in person or remotely.

Remote Attendance available at [www.cityoframsey.com/meetings](http://www.cityoframsey.com/meetings). To maximize social distancing due to the COVID-19 Pandemic, those that can join remotely are encouraged to do so. Those joining remotely and requesting to speak are asked to use a webcam when speaking.

- 1. Call to Order**
- 2. Approve Agenda**
- 3. Approve Minutes**
  1. Approve Meeting Minutes for September 10, 2020
- 4. EDA Business**
  1. Consider Lease Agreement of 6701 Hwy 10 NW to Mille Lacs Motor Sports II (Power Lodge)  
(Portions of meeting may be closed to the public)
  2. Consider Purchase Agreement for Outlot B, Alpha Development 2nd Addition; Case of US Home Corporation  
(Portions may be closed to the public)
  3. Consider Lease Agreement for 6701 Hwy 10 NW: Case of Connections Church  
(Portions of the meeting may be closed to the public)
  4. Consider Purchase Agreement for Outlot B, COR Stone Brook Academy; Case of Stories Foundation  
(Portions may be closed to the public)
  5. Consider Recommendation of Support for Telecommuter Forward! Certification
- 5. Member/Staff Input**
- 6. Adjournment**

**Economic Development Authority (EDA)**

**3. 1.**

**Meeting Date:** 10/08/2020

**By:** Wendy Schlueter, Community  
Development

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**Title:**

Approve Meeting Minutes for September 10, 2020

**Purpose/Background:**

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

**Notification:**

**Observations/Alternatives:**

**Funding Source:**

**Recommendation:**

Approval of September 10, 2020 meeting minutes

**Action:**

Motion to approve September 10, 2020 EDA meeting minutes.

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**Attachments**

EDA Minutes Sep 10

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**Form Review**

| <b>Inbox</b>                     | <b>Reviewed By</b> | <b>Date</b>                     |
|----------------------------------|--------------------|---------------------------------|
| Sean Sullivan                    | Sean Sullivan      | 09/30/2020 08:46 AM             |
| Tim Gladhill                     | Tim Gladhill       | 10/01/2020 03:55 PM             |
| Form Started By: Wendy Schlueter |                    | Started On: 09/14/2020 04:13 PM |
| Final Approval Date: 10/01/2020  |                    |                                 |

**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, September 10, 2020, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

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

Members Absent:     Member Glen Hardin

Also Present:         Sean Sullivan, Economic Development Manager  
                          Tim Gladhill, Deputy City Administrator  
                          Kurt Ulrich, 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 Cords, seconded by Member Kuzma, to approve the agenda.

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

**3.     APPROVE MINUTES**

**3.01:   Approve Meeting Minutes Dated August 13, 2020**

Motion by Member Riley, seconded by Member Cords, to approve the August 13, 2020, minutes as presented.

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

**4.     EDA BUSINESS**

#### **4.01: Consider Purchase Agreement for Part of Outlot GG, Ramsey Town Center Addition; Case of Java Properties (Portions May be Closed to the Public)**

Economic Development Manager Sullivan presented the staff report.

Member Cords asked the expected start time if all approvals are gained.

Economic Development Manager Sullivan explained that because assistance is not proposed with this project, if approved today this purchase agreement could go forward to the next City Council meeting. He noted that the developer would then have 180 days to complete due diligence, noting that process could be extended. He estimated that the project would be constructed in 2021.

Andy Urness, representing Java Properties, stated that they are a preferred developer for O'Reilly Auto Parts and provided background information on their development experience. He stated that the company wants to be in Ramsey and liked this parcel location. He stated that they are excited about the opportunity and confirmed that the business would remain corporate owned. He explained that Java Properties would own the land and O'Reilly Auto Parts would lease the space.

Chairperson Steffen asked how this site was chosen in Ramsey.

Mr. Urness stated that they like this area because of the proximity to Highway 10, the new Casey's Gas Station building, and the commercial development in the area.

Commissioner Heineman asked the financial impact that O'Reilly has experienced because of the pandemic.

Mr. Urness replied that he has five buildings under construction and has about seven projects proposed for 2021 thus far. He stated that his company continues to build Caribou Coffee and O'Reilly Auto Parts locations as those businesses do incredibly well in both strong and weak times of the economy.

Motion by Member Burandt, seconded by Member Cords, to recommend to City Council to approve the Purchase Agreement for part of Outlot GG, Ramsey Town Center Addition, subject to City Attorney approval.

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

#### **4.02: Discuss Potential Billboard and Dynamic Display Sign Plan for Highway 10**

Economic Development Manager Sullivan presented the staff report.

Tom McCarver, Blue Ox Media, stated that his intent is not to provide a "pitch", but he is present to open up the discussion on the topic. He stated that the traffic counts in this area are similar to Champlin, where they recently installed a sign of this nature. He provided details on the factors they consider for locations of digital billboards and the businesses that chose to advertise. He

noted that the majority of businesses that have chosen to advertise on the Champlin sign are local businesses looking for a new way to advertise. He provided details on the difference between national and local customers in terms of advertising on digital signs. He reviewed information on traffic counts at the different Highway 10 intersections in Ramsey. He provided details on the cost to construct and maintain a digital billboard sign. He stated that his company focuses on the local advertisers, providing opportunities for smaller local businesses to use that type of advertising, in order to compete with the two national businesses that also provide digital billboard services in this market. He explained that because they are not tied to a large national corporation, they are able to move quickly once the decision is made to move forward on a digital sign.

Member Cords stated that Highway 10 will be completely disrupted in the near future and asked how that type of project would impact this type of activity.

Mr. McCarver stated that they would want to have additional discussions to ensure that the location of the sign would not be impacted by an overpass. He noted that the pattern of traffic changes slightly during construction but did not believe that it would change so dramatically that it would result in an asset that is not saleable. He stated that these deals typically involve 30-year leases, therefore construction of that activity is considered short-term. He provided details on how COVID has impacted the market because of the large reductions in the volumes of traffic. He noted that some areas, such as Minneapolis, continue to see much lesser traffic volumes, while the other service corridors have had most of their traffic return.

Member Riley stated that the EDA is interested in helping local businesses and attracting additional businesses. He asked how this would benefit businesses in the community, the EDA, and the City.

Mr. McCarver stated that generally cities receive revenue but noted that formula is different for each partnership. He stated that the City could choose to implement a business of the week, which would allow a small business that does not have the revenue to advertise to be featured in advertising on the sign. He explained that could allow the business to gain its footing and perhaps then return to pay for advertising in the future. He highlighted the benefits of a municipal/private company partnership noting that it allows the City to have additional control and the flexibility in order to best serve the business community. He noted that sign efforts could be combined with local businesses allowed to advertise on both the Ramsey and Champlin signs. He stated through those partnerships with municipalities they also provide for a certain amount of public service announcements and advertising of City sponsored events.

Chairperson Steffen asked and received confirmation that the sign would generate revenue for the City and the City would not have expense to construct.

Mr. McCarver stated that each situation is unique in its circumstances but confirmed that the cost would be borne by Blue Ox Media.

Chairperson Steffen asked for details on the advertising model.

Mr. McCarver provided details on how advertising is sold.

Chairperson Steffen asked how the advertising would direct those seeing the sign to the businesses within The COR that may not have highway visibility.

Mr. McCarver stated that while many in this area are familiar with The COR, they could also work with the City on its branding of The COR to make others that see the sign aware of that location.

Chairperson Steffen asked why every city would not want a sign.

Mr. McCarver stated that it is a personal choice and every aesthetic is different. He noted that digital billboards allow for a magnitude of advertising opportunity on one double sided sign, rather than having a proliferation of signs along its corridor.

Member Burandt asked if a sign in Ramsey would be feasible without any subsidies from the City.

Mr. McCarver stated that Ramsey is essentially on the bubble from an advertising perspective. He stated that because Ramsey is a growing community with increasing activity, that encourages his company in wanting to work with Ramsey. He explained that the majority of advertisers for a Ramsey sign would be generated within a five-mile radius of the sign.

Member Heineman asked for information on light pollution for a high double-sided sign that would operate 24 hours per day.

Mr. McCarver stated that a sign can be tuned to its environment. He stated that the signs are sophisticated and are programmed to ensure they are under a threshold at all times. He stated that if done correctly, a sign would not have any more impact than a backlit sign. He confirmed that the sign would be designed to only focus its impact on the intended corridor and the light would not impact from the sides.

Chairperson Steffen asked what the next steps would be in this process.

Mr. McCarver stated that the City would need to decide if this is something that makes sense for the community. He believed that it would be a good location because of the highly dense commercial corridor. He stated that if the City chooses that it would like a digital billboard, his company would only be interested in a partnership and provided details on that process that would begin with a vendor agreement.

Member Cords asked if the City has a process that would require an open RFP process.

Assistant City Administrator Gladhill stated that there is a purchasing policy that requires RFP for certain expenditures. He believed that direct negotiation could occur on this type of project but noted that it could benefit the City to go through the RFP process as other vendors could be interested.

Economic Development Manager Sullivan asked if there is any concern that the digital sign of the City would be a conflict.

Mr. McCarver stated that he would not be worried about that but noted that it would be a part of the discussion as they would want to ensure there is proper spacing.

Economic Development Manager Sullivan stated that if the EDA is supportive of this type of activity, further discussion could be gained from the City Council and Planning Commission. He stated that while he understands the vendors preference for exclusivity, there is another vendor interested as well and therefore an RFP process may be the preferred route if this is something desired in the community.

Mr. McCarver noted that the City could also go through an RFQ process rather than an RFP process.

Member Cords stated that he thinks this would be a relatively good idea for the City of Ramsey as the businesses in The COR are essentially invisible to the traffic on the corridor. He commented that this would be an asset to those businesses. He stated that he does not have a preference on vendor but was comfortable with the information presented by Blue Ox.

Member Burandt agreed that this would be a great idea if the City did not have to front the expenditure and believed this would be a great solution to the challenge in visibility from the corridor.

Chairperson Steffen agreed that this would be a great opportunity for businesses.

Member Riley stated that from an EDA standpoint he believes this would be a great asset for businesses. He noted that this would be the first step and from an EDA and business standpoint, this appears to be something the City should pursue. He noted that additional input will be gathered from the Planning Commission and City Council.

Member Kuzma agreed that this seems like a great opportunity for business. He stated that he would be more interested in the benefits that would be available for the City.

Assistant City Administrator Gladhill provided details related to on premise signs and off premise signs and the different regulations within City Code.

Member Heineman stated that while he agrees this could be good for the business community, he would caution against moving forward with an exclusive vendor and would want to hear from additional vendors.

It was the consensus of the EDA that this topic should move forward on this topic and the City should review the opportunities from both vendors interested.

Economic Development Manager Sullivan noted that he was unsure that a formal RFP would be required and provided the idea of using a subcommittee to further vet the vendors interested.

Assistant City Administrator Gladhill noted that currently there are two vendors interested and the City could make a statement, without using much staff time, to make a statement expressing interest which would determine whether additional vendors would be interested. He noted that the next step would be to gain the input of the Planning Commission and City Council before seeking interest from vendors.

**5. MEMBER / STAFF UPDATE**

Economic Development Manager Sullivan indicated reported that there was a lot of positive feedback from the 2020 Business Appreciation Day event. He noted that the event was well received and provided an update. He reported that he has begun conducting business visits again, focusing on businesses that have been most impacted by COVID. He provided an update on the business grant program. He stated that Anoka County has a similar program that is also available to for profit and non-profit organizations.

**6. ADJOURNMENT**

Motion by Member Burandt, seconded by Member Cords, to adjourn the meeting.

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

The regular meeting of the Economic Development Authority adjourned at 8:56 a.m.

Respectfully submitted,

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Sean Sullivan  
Economic Development Manager

ATTEST:

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Wendy Schlueter  
Economic Development Administrative Assistant

Draft by Amanda Staple  
*TimeSaver Off Site Secretarial, Inc.*

**Economic Development Authority (EDA)**

**4. 1.**

**Meeting Date:** 10/08/2020

**Submitted For:** Sean Sullivan, Community Development

**By:** Sean Sullivan, Community Development

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**Title:**

Consider Lease Agreement of 6701 Hwy 10 NW to Mille Lacs Motor Sports II (Power Lodge)  
(Portions of meeting may be closed to the public)

**Purpose/Background:**

Mille Lacs Motor Sports (Power Lodge) has requested use of an area behind the building at 6701 Hwy 10 NW for temporary storage of boats and inventory for its business for 3 temporary lease periods. The lease periods are October 15, 2020 - November 15, 2020, April 1, 2021 - May 31, 2021 and October 1, 2021 - November 30, 2021. The business continues to grow and the use of this area for the time periods requested increases efficiencies for the operation of that business. The lease ranges from \$0.59-\$0.61 which is considered market rate for outside storage. Staff has worked with the City Attorney, Premier Commercial Properties and Mille Lacs Motor Sports to draft the attached lease agreement.

**Notification:**

N/A

**Observations/Alternatives:**

**Observations:**

City Staff is still working on the exact square footage and area of the property available for the lease. The final lease calculation will be adjusted (if needed) and the square footage rate will be applied to area.

The Terms of the lease are straight forward. Here are some of the specifics based on 7,182 SF lease area :

1. Lease. Landlord leases to Tenant the area outlined in Exhibit A along the rear property line of the property located at 6701 Highway 10 NW (PID 34-32-25-12-0009) (the Leased Area).
2. Term. The Lease consists of three Lease Periods: October 15, 2020-November 15, 2020, April 1, 2021 - May 31, 2021 and October 1, 2021-November 30, 2021.
3. Use. The Leased Area may only be used for storage of Tenant's inventory and/or customer's boats. The Leased Area may not be used for employee parking or any other use without Landlord's written permission. No signage shall be installed by Tenant in or on the Leased Area. Tenant shall conduct its business and control its agents, employees, invitees and visitors in such a manner as not to create waste, odors, nuisance, or interfere with, annoy or disturb any other tenant of Landlord or Landlord's employees and agents in its operation of the 6701 Highway 10 property. Tenant acknowledges that the Leased Area is not fenced except along the rear of the property or otherwise secured in any manner and Landlord makes no representations as to the security of the Leased Area.
4. Access. To the extent reasonably practicable, the Leased Area shall be accessed by Tenant through the gate on the east fence of Outdoor Storage Area D located at the rear of 6745 Highway 10 NW. A 15-foot-wide through lane between the rear of the building at 6701 Highway 10 NW and the Leased Area must be maintained at all times for emergency vehicle access and for City access to the rear of the 6701 building.
5. Rent. A lump sum fee of \$1,814.00 shall be paid by Tenant to Landlord upon execution of this Lease in full payment of rent for the full term of Lease Periods 1, 2 and 3. The Leased Area must be clear of all inventory, customers boats and refuse during the time in between Lease Periods.
6. Maintenance and Improvements. Tenant is solely responsible for routine maintenance of the Leased Area during the term of the Lease, including trash removal. Tenant shall not damage the existing parking surface, normal wear and tear excepted. Any damage to the Leased Area by Tenant, its employees, agents, customers

or guests shall be repaired by Tenant at its sole cost. In the event Tenant does not complete said repairs, Landlord may do so and invoice the cost of such repairs to Tenant plus 15% for overhead incurred by Landlord. The Leased Area is provided "as is" and Landlord is not obligated to make any improvements to the existing property as part of this Lease. Tenant shall not make any improvements to the Leased Area without Landlord's written permission.

7. Assignment or subletting. Tenant may not assign, transfer, mortgage or encumber this Lease, and may not sublet, rent or permit occupancy or use of the Leased Area, or any part thereof, by any third party.
8. Entry by Landlord. Landlord, its employees, agents or representatives may enter the Leased Area at all reasonable hours to inspect or make repairs. Tenant waives any claim for damages or for any injury or inconvenience or for interference with Tenant's business, and any other loss occasioned thereby.
9. Hold Harmless and Liability Insurance. Except in the case of the negligence of Landlord, its agents or its employees, Tenant agrees to indemnify, save, hold harmless and defend Landlord against all claims, losses or liabilities for injury or death to any person or for damage to or loss of use of any property arising or resulting from the occupancy or use by Tenant of the Leased Area. Landlord shall not be liable to Tenant, its agents, employees, representatives, customers or invitees for any personal injury, death or damage to property caused by theft, burglary, fire or for any other cause occurring on or about the Leased Area. All property kept, stored or maintained within the Leased Area shall be so kept, stored or maintained at the sole risk of the Tenant. Tenant further agrees to defend and indemnify Landlord from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease. Further, in no event shall Landlord be liable for damages caused by Tenant or Tenant's employees or agents. The provisions of this Paragraph shall survive the expiration or termination of this Lease with respect to any damage, injury, death, breach or default occurring prior to such expiration or termination.
10. During the Lease Term and any extension thereof, Tenant shall at all times have in full force and effect a policy of general public liability insurance in the amount of the greater of \$2,000,000.00 or the maximum liability for tort liability pursuant to Minnesota Statutes Section 466.04 and any amendments thereto, which insurance shall insure Landlord and Tenant against liability for acts of Landlord and Tenant.

**Alternatives:**

1. Recommend to Approve lease, as presented. (subject to actual lease area calculation)
2. Recommend to Approve lease, with modifications
3. Not approve the lease

**Funding Source:**

N/A.

**Recommendation:**

Staff Recommendation is to recommend approval of Lease as presented subject to final lease area calculation and review by the City Attorney.

**Action:**

Motion to recommend approval of Lease of 6701 Hwy 10 NW to Mille Lacs Motor Sports II; subject to final lease area calculation and review by the City Attorney.

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**Attachments**

Site Location Map

ACTION - Draft Lease Agreement - Mille Lacs

6701 Hwy 10 General Lease Area

Other Areas Leased by Mille Lacs

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**Form Review**

**Inbox**

Sean Sullivan (Originator)  
Tim Gladhill  
Form Started By: Sean Sullivan  
Final Approval Date: 10/01/2020

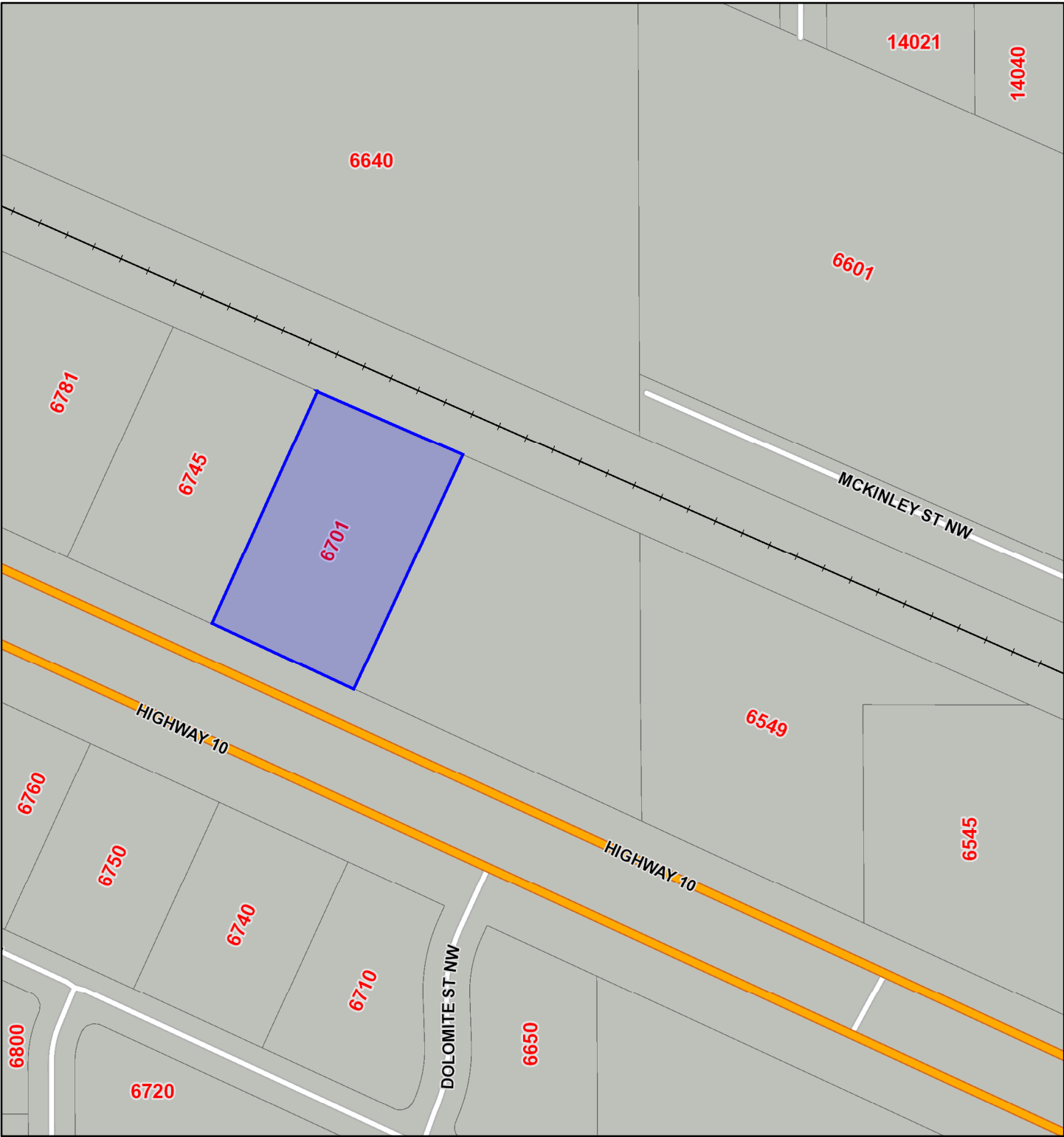
**Reviewed By**

Sean Sullivan  
Tim Gladhill

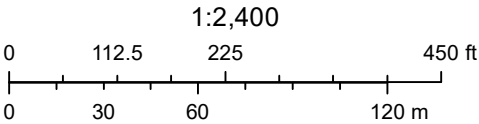
**Date**

09/30/2020 03:55 PM  
10/01/2020 03:47 PM  
Started On: 09/30/2020 02:13 PM

# 6701 Hwy 10 NW



September 30, 2020



## CITY OF RAMSEY

### TEMPORARY STORAGE LEASE

This Temporary Storage Lease is entered into by and between the **City of Ramsey**, a Minnesota municipal corporation (Landlord) and **Mille Lacs Motor Sports II, Inc.**, a Minnesota corporation (Tenant).

#### Recitals

- A. Landlord currently leases to Tenant real property located at 6781 Highway 10 in Ramsey, which contains Tenant's "Power Lodge" motorsports business.
- B. Tenant provides winter boat storage services to its customers.
- C. Landlord owns the two parcels to the southeast, namely 6745 and 6701 Highway 10. Pursuant to the existing Lease Agreement, Tenant leases Outdoor Storage Areas C and D behind and adjacent to the building located at 6745 Highway 10.
- D. Tenant desires to temporarily store customer boats and/or inventory in the row of parking spaces at the rear of the 6701 Highway 10 property.
- E. Landlord is willing to allow temporary storage of customer boats and/or inventory in said parking area pursuant to the terms of this temporary lease agreement.

#### Agreement

- 1. Lease. Landlord leases to Tenant the area outlined in Exhibit A along the rear property line of the property located at 6701 Highway 10 (PID 34-32-25-12-0009) (the Leased Area).
- 2. Term. The term of this Lease is from:
  - Lease Period 1: October 15, 2020, through November 15, 2020,
  - And;
  - Lease Period 2: April 1, 2021, through May 30, 2021,
  - And:
  - Lease Period 3: October 1, 2021, through November 30, 2021unless extended by written agreement executed by both parties.

3. Use. The Leased Area may only be used for storage of Tenant's inventory and/or customer's boats. The Leased Area may not be used for employee parking or any other use without Landlord's written permission. No signage shall be installed by Tenant in or on the Leased Area. Tenant shall conduct its business and control its agents, employees, invitees and visitors in such a manner as not to create waste, odors, nuisance, or interfere with, annoy or disturb any other tenant of Landlord or Landlord's employees and agents in its operation of the 6701 Highway 10 property. Tenant acknowledges that the Leased Area is not fenced except along the rear of the property or otherwise secured in any manner and Landlord makes no representations as to the security of the Leased Area.
4. Access. To the extent reasonably practicable, the Leased Area shall be accessed by Tenant through the gate on the east fence of Outdoor Storage Area D located at the rear of 6745 Highway 10. A 15-foot-wide through lane between the rear of the building at 6701 Highway 10 and the Leased Area must be maintained at all times for emergency vehicle access and for City access to the rear of the 6701 building.
5. Rent. A lump sum fee of \$1,814 shall be paid by Tenant to Landlord upon execution of this Lease in full payment of rent for Lease Periods 1, 2 and 3. The Leased Area must be clear of all inventory, customers boats and refuse after each lease period ends.
6. Maintenance and Improvements. Tenant is solely responsible for routine maintenance of the Leased Area during the term of the Lease, including trash removal. Tenant shall not damage the existing parking surface, normal wear and tear excepted. Any damage to the Leased Area by Tenant, its employees, agents, customers or guests shall be repaired by Tenant at its sole cost. In the event Tenant does not complete said repairs, Landlord may do so and invoice the cost of such repairs to Tenant plus 15% for overhead incurred by Landlord. The Leased Area is provided "as is" and Landlord is not obligated to make any improvements to the existing property as part of this Lease. Tenant shall not make any improvements to the Leased Area without Landlord's written permission.
7. Assignment or subletting. Tenant may not assign, transfer, mortgage or encumber this Lease, and may not sublet, rent or permit occupancy or use of the Leased Area, or any part thereof, by any third party.
8. Entry by Landlord. Landlord, its employees, agents or representatives may enter the Leased Area at all reasonable hours to inspect or make repairs. Tenant waives any claim for damages or for any injury or inconvenience or for interference with Tenant's business, and any other loss occasioned thereby.
9. Hold Harmless and Liability Insurance. Except in the case of the negligence of Landlord, its agents or its employees, Tenant agrees to indemnify, save, hold

harmless and defend Landlord against all claims, losses or liabilities for injury or death to any person or for damage to or loss of use of any property arising or resulting from the occupancy or use by Tenant of the Leased Area. Landlord shall not be liable to Tenant, its agents, employees, representatives, customers or invitees for any personal injury, death or damage to property caused by theft, burglary, fire or for any other cause occurring on or about the Leased Area. All property kept, stored or maintained within the Leased Area shall be so kept, stored or maintained at the sole risk of the Tenant. Tenant further agrees to defend and indemnify Landlord from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease. Further, in no event shall Landlord be liable for damages caused by Tenant or Tenant's employees or agents. The provisions of this Paragraph shall survive the expiration or termination of this Lease with respect to any damage, injury, death, breach or default occurring prior to such expiration or termination.

During the Lease Term and any extension thereof, Tenant shall at all times have in full force and effect a policy of general public liability insurance in the amount of the greater of \$2,000,000.00 or the maximum liability for tort liability pursuant to Minnesota Statutes Section 466.04 and any amendments thereto, which insurance shall insure Landlord and Tenant against liability for acts of Landlord and Tenant.

10. Hazardous Materials. Tenant shall not bring hazardous materials onto, or otherwise store hazardous materials on, the Leased Area other than the fuel that is properly contained and secured in fuel tanks in the boats and other equipment stored in the Leased Area. For purposes of this paragraph, Hazardous Material means and includes any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purpose of) the Comprehensive Environmental Response, Compensation and Liability Act, and so-called Superfund law, or any federal state or local statute, law, ordinance, code rule regulation, order or decree relating to or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect. Tenant will indemnify and hold harmless Landlord from any losses, liabilities, damages, costs or expenses (including reasonable attorney's fees) which Landlord may suffer or incur as a result of Tenant's introduction into or onto the Premises, of any Hazardous Material. This paragraph shall survive expiration or termination of this Lease.
11. Default. If Tenant shall be declared bankrupt or insolvent according to law or if Tenant shall make an assignment for the benefit of its creditors or if Tenant shall violate or default in any other covenants, agreements, stipulations or conditions herein and such violation or default shall continue for five days after written notice from Landlord of such violation or default, then and in such case Landlord

lawfully may immediately, or at any time thereafter, and without notice or demand, enter into and upon the Leased Are, or any part thereof, in the name of the whole, and repossess the same and expel Tenant and those claiming under it and remove their effects, forcibly if necessary, without being taken or deemed to be guilty of any manner of trespass, and prejudice, and Landlord shall have all remedies and recourse which might otherwise be used by Landlord for any breach of covenants contained in this Lease.

12. Notices. All communications, demands, notices or objections permitted or required to be given or served under this Lease shall be in writing and shall be deemed to have been duly given or served if delivered in person to the other party or its duly authorized agent or if deposited in the United States mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, and addressed to the other party to this Lease at the addresses set forth below for each party, or if to a person not a party to this Lease, to the address designated by a party to this Lease in the foregoing manner.

Landlord: City Administrator  
City of Ramsey  
7550 Sunwood Drive  
Ramsey, Minnesota 55303

Landlord's Agent Premier Commercial Realty  
299 Coon Rapids Blvd. NW  
Coon Rapids, MN 55433

Tenant: Mille Lacs Motor Sports II, Inc.  
6781 Highway 10 N.W.  
Ramsey, MN 55303

Either party may, by written notice to the other party, designate a different address to which notices must be sent. Such written notice designating a different address must state the party's newly designated address and must be provided by following the above notice requirements. Commencing on the 10th day after a party gives notice designating a new address to which notices must be sent, the newly designated address shall be the party's address for the purpose of all communication, demands, notices or objections permitted or required to be given or served under this Lease.

13. Entire Agreement. This Lease constitutes the entire agreement between the parties relating to the subject matter described herein. The terms of this Lease are contractual and are intended to be legally binding. This Lease supersedes any and all prior agreements between the parties relating to the subject matter described

herein. No party has relied upon any statements, representations, or promises that are not set forth in this Lease. No changes to this Lease will be valid or enforceable unless they are in writing and signed by both parties.

**CITY OF RAMSEY**

By: \_\_\_\_\_  
John LeTourneau, Mayor

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Kurtis G. Ulrich, City Administrator

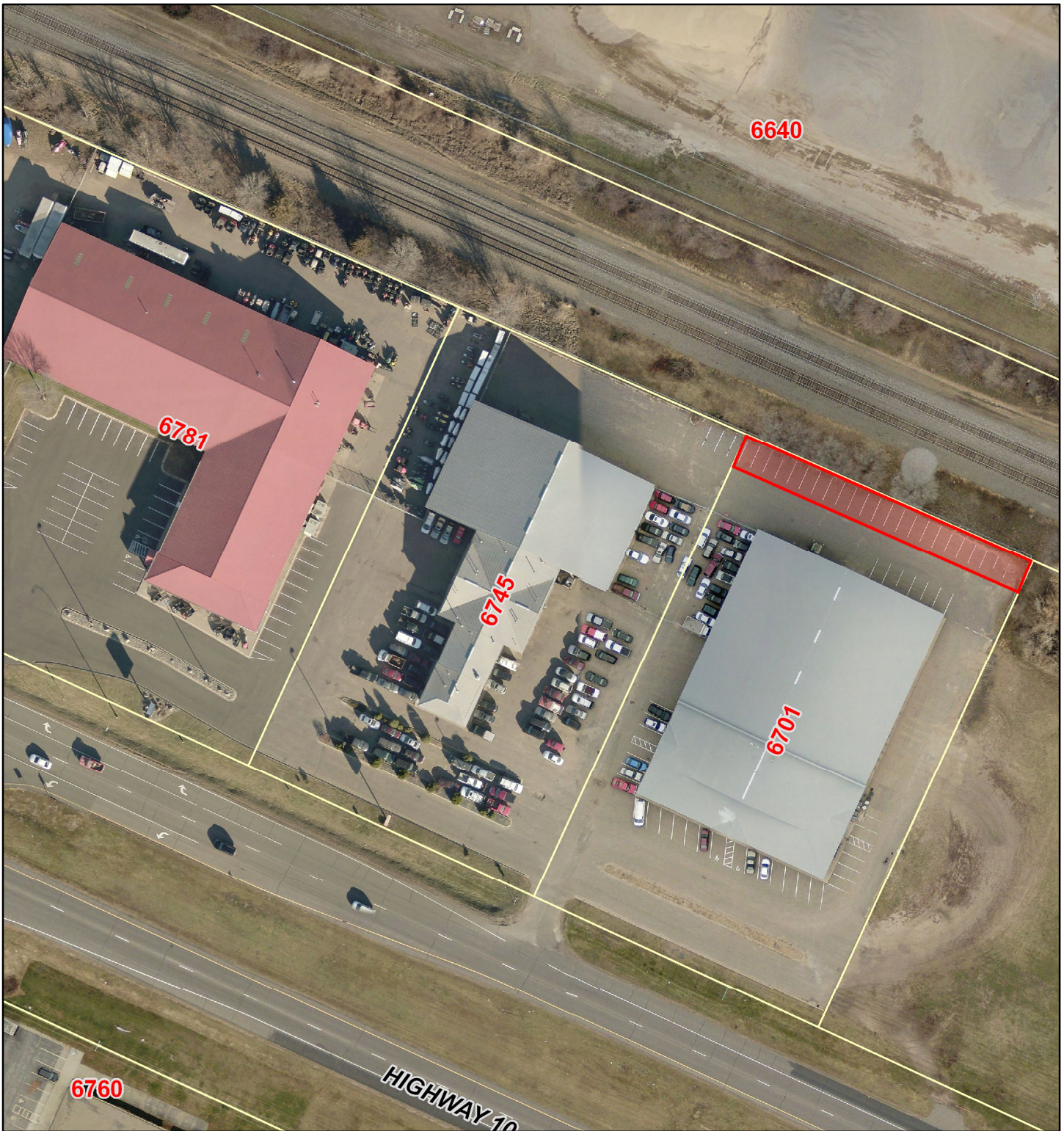
Date: \_\_\_\_\_

**MILLE LACS MOTOR SPORTS II, INC.**

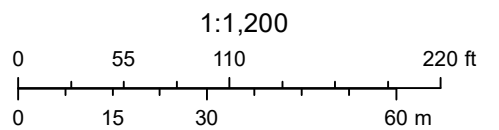
By: \_\_\_\_\_  
Tom Dehn, President

Date: \_\_\_\_\_

# Exhibit A - 6701 Hwy 10 - Temporary Storage Area



April 16, 2020



# Lease Reference Map

**A:** 22,000 SF, Power Lodge, Outdoor

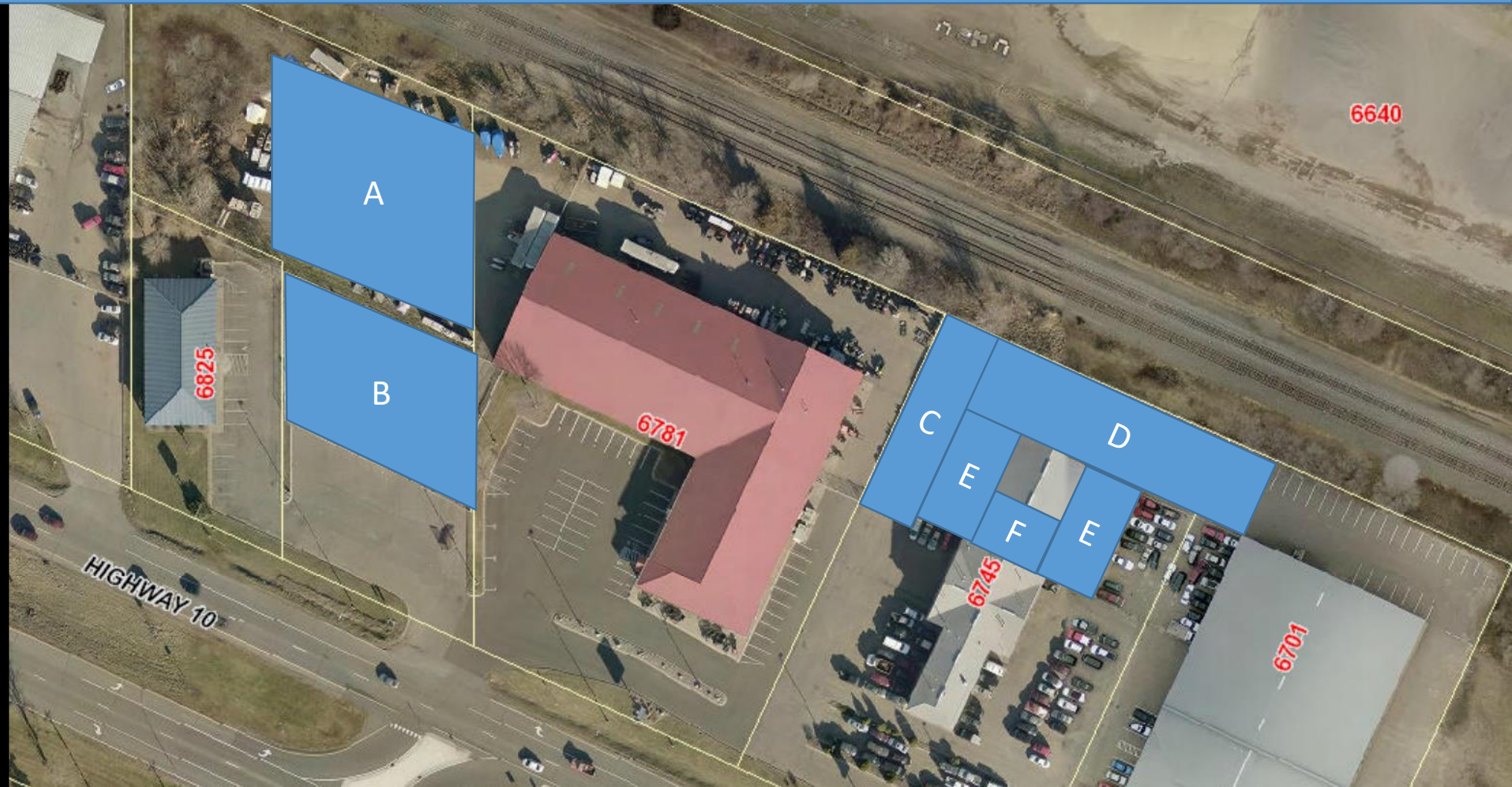
**B:** 15,000 SF, Power Lodge, Outdoor

**C:** 3,200 SF, Power Lodge, Outdoor

**D:** 12,000 SF, Power Lodge, Outdoor

**E:** 7,900 SF, Power Lodge, Indoor

**F:** 2,150 SF, RM Golf Carts, Indoor



**Economic Development Authority (EDA)**

4. 2.

**Meeting Date:** 10/08/2020

**Submitted For:** Sean Sullivan, Community Development

**By:** Sean Sullivan, Community Development

**Title:**

Consider Purchase Agreement for Outlot B, Alpha Development 2nd Addition; Case of US Home Corporation (Portions may be closed to the public)

**Purpose/Background:**

The City of Ramsey and U.S. Home Corporation (Lennar) have been negotiating the terms of a purchase agreement over the past two months. U.S. Home Corporation is in the process of reviewing attached purchase agreement and the general terms and conditions outlined on the attached Term Sheet. The proposed purchase price of \$100,000 is within the City's approved deal range for this parcel; however, it still will require site plan and plat approval through the normal planning and zoning process.

The proposed purchase agreement includes a development concept previously reviewed by the Planning Commission The Planning Commission is generally comfortable with the current concept plan, subject to full Plat Review. The time periods, and extensions outlined in the term sheet and PA are generally consistent with consistent with recent PA templates aside from the omission of the requirement of a Right of Re-Entry Agreement.

**Notification:**

Notification is not required.

**Observations/Alternatives:**

**Observations:** The site is 2.91 acres in size with a purchase price of \$100,000 (\$0.79/SF). This price is within the approved "deal range". U.S. Home Corporation (Lennar) is a housing developer and is in the process of acquiring the land adjacent to the east from Paxmar to combine with City owned land. A copy of the preliminary plat/site plan is included in the Purchase Agreement. The City land has special assessments relating to Puma Street and the Buyer has agree to pay them at closing. This was a city generated lead for a City listed city parcel. As noted above, U.S. Home Corporation is still in the process of reviewing the Purchase Agreement at the time of the drafting of this case. If additional suggested changes or comments are received it will be communicated at the EDA meeting

**Omission of Right-of Re-Entry Agreement:** Recent land sales by the City have required a form of a Right of Re-Entry Agreement as a protection from land speculation, especially in the COR and other higher valued land. In 2020, the City sold a remnant parcel (13a) to Riverstone (Capstone Homes) in order to accommodate for their plat and the re-alignment of Puma Street. This land transaction did not have a Right of Re-Entry Agreement requirement as the only value of the parcel was to attach to adjacent development. Due to the similar nature of these land transactions and the likelihood that these parcels could not be sold individually for development that is not part of a larger plat Staff is recommending that the the City not require a Right of Re-Entry Agreement for U.S. Homes Corporation.

The following items are worth highlighting:

|                   |  |
|-------------------|--|
| Earnest Money     | \$10,000, Nonrefundable after a Notice to Proceed has been given by the Buyer. |
| Inspection Period | Ends on April 7, 2020 (city requires plat / site plan approval before sale).   |
| Closing           | Within 30 days of Notice to Proceed.   |

|             |  |
|-------------|--|
| Extensions  | Developer will deposit \$5,000 in escrow for each 60 day extension (2 extensions allowed) Once extensions are made the money becomes non-refundable. |
| Performance | Plat / Site Approval. A Right of Re-Entry Agreement is not being recommended as part of this transaction.  |

**Alternatives:**

1. Recommendation to City Council to approve Purchase Agreement Outlot B, Alpha Development 2nd Addition as presented; subject to City Attorney Review (Staff recommendation)
2. Recommendation to City Council to approve Purchase Agreement with changes; subject of City Attorney Review
3. Something else.

**Funding Source:**

This case is being handled as part of normal Staff duties.

**Recommendation:**

Staff recommends approval of the attached Purchase Agreement for Outlot B, Alpha Development 2nd Addition, subject to City Attorney review.

**Action:**

Motion to recommend that the City Council approve the attached Purchase Agreement for Outlot B, Alpha Development 2nd Addition, subject to City Attorney approval.

**Attachments**

Site Location Map

Term Sheet

ACTION - Draft Purchase Agreement - Lennar

**Form Review**

| Inbox                           | Reviewed By   | Date                            |
|---------------------------------|---------------|---------------------------------|
| Sean Sullivan (Originator)      | Sean Sullivan | 09/30/2020 10:54 AM             |
| Tim Gladhill                    | Tim Gladhill  | 10/01/2020 04:16 PM             |
| Sean Sullivan (Originator)      | Sean Sullivan | 10/01/2020 04:43 PM             |
| Tim Gladhill                    | Tim Gladhill  | 10/01/2020 04:45 PM             |
| Form Started By: Sean Sullivan  |               | Started On: 09/25/2020 03:46 PM |
| Final Approval Date: 10/01/2020 |               |                                 |



## TERM SHEET FOR U.S. Home Corporation (Lennar) – 10.1.20

|                            |  |
|----------------------------|--|
| <b>Real Estate</b>         | Tax ID Number: 20-32-25-31-0004. Outlot B, Alpha Development 2 <sup>nd</sup> Addition (Parcel 13b)   |
| <b>Acreage</b>             | Approximately 2.91 acres or 126,691 SF   |
| <b>Asking Price</b>        | \$115,000 (\$0.91 / SF)  |
| <b>Offer Price</b>         | \$100,000 (\$0.79 / SF)  |
| <b>Earnest Money</b>       | \$10,000 Non-refundable upon <b>Notice to Proceed</b> being executed.  |
| <b>Inspection Period</b>   | Ends April 7, 2021 (city requires plat/ site plan approval before sale)  |
| <b>Closing</b>             | Within 30 days of Notice to Proceed.   |
| <b>Commission</b>          | <b>0%</b> . This was a City generated lead on a City listed property.  |
| <b>Extensions to Close</b> | Developer will deposit \$5,000 in escrow for each 60 day extension (2 extensions allowed) Once extensions are made the money becomes non-refundable.   |
| <b>City take care of</b>   | Provide updated Title Work. The Developer will plat the property as part of the site plan process and get their own ALTA.  |
| <b>Performance</b>         | Plat and Site plan approval and compliance with development standards. In this instance a Right of Re-Entry Agreement is <b>NOT</b> being proposed due to the small size of the parcel in relation to the project size. In addition, a Right of Re-Entry was not required for the Riverstone project parcel west of the new Puma Street. |
| <b>Assignment</b>          | Requires city approval if not same owners / company.   |
| <b>Contingencies</b>       | Buyer must have closed on (INSERT LEGAL DESCRIPTION) (the “Paxmar Property”) prior to closing on the Property.   |
| <b>Review</b>              | EDA (Sean): Land Transaction/ Purchase Agreement/ Right of Re-Entry<br><br>Planning Commission (Tim/Chloe): Land Use, Development Agreement, Site Plan, Plat<br><br>City Council: Final Approval on both items   |

## PURCHASE AGREEMENT

This Agreement is entered into by and between the **City of Ramsey**, a Minnesota municipal corporation (“Seller”), and **U.S. Home Corporation**, a Delaware Corporation (“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 \_\_\_\_\_ (the “Effective Date”).
2. **SALE OF PROPERTY.** Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller approximately 2.91 acres (126,691 square feet) of vacant land, legally described as follows:  
  
Outlot B, Alpha Development 2<sup>nd</sup> Addition, Anoka County, to be platted as:  
  
T.B.D. Anoka County, Minnesota  
  
PID Number: 20-32-25-31-0004 (“Property”)
3. **PURCHASE PRICE.** The purchase price for the Property is \$100,000 (the “Purchase Price”).
4. **EARNEST MONEY AND ADDITIONAL EARNEST MONEY.** Within five business days after the Effective Date, Buyer must deposit the sum of \$10,000.00 (the “Earnest Money”) with Commercial Partners Title Company (“Escrow Agent”), via wire transfer or delivery of a certified check payable to Escrow Agent.
  - a. If Buyer does not deposit the Earnest Money 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.** Buyer may obtain an ALTA/NSPS Land Title Survey of the Property (the “**Survey**”) prepared by a duly licensed land surveyor licensed in Minnesota and acceptable to Buyer. The Survey shall identify the Title Commitment and show all exceptions disclosed in the Title Commitment. The Survey shall be certified to Buyer and the Title Company. In the event the Survey, or any recertification thereof, shows any encroachments or any improvements upon, from, or onto the Property, or on or between any building setback line, lot line, or any easement, or other condition unacceptable to Buyer, in Buyer’s sole discretion, said encroachment, easement, or other condition shall be treated in the same manner as Title Defect(s).

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, 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 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. The payment and indemnification provisions of this Section 7 shall survive any termination or cancellation of this Agreement and are referred to herein as the “Surviving Obligations.”

**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; and
- d. The condition of the Property is fit for Buyer’s intended use.
- 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 April 7, 2021 (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: U.S. Home Corporation  
Attn: Jonathan Aune  
16305 36<sup>th</sup> Avenue North, Suite 600  
Plymouth, MN 55446 With a required copy to:

Lennar Corporation  
Office of the General Counsel  
700 N.W. 107th Avenue  
Miami, FL 33172

With a required copy to:

Vantage Law Group, PLLC  
Attn: Jerry Perron  
125 SE Main St., Suite 250  
Minneapolis, MN 55414

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 Sixty (60) days, by depositing an additional Five Thousand and 00/100 Dollars (\$5,000.00) earnest money with Escrow Agent for each extension. Each \$5,000 extension payment 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 pursuant 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;
  - 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;
- 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 shall pay all outstanding property taxes, including but not limited to, Payable 2020-21 for the Property.
  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.
  5. State Deed Tax
- 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. Buyer shall pay all special assessments levied or pending against the Property as of the Closing Date.

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 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, 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. The Seller recognizes the Buyer intends to assign this Agreement to an affiliated special purpose entity that will be registered officially with the State of Minnesota.

**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 ventures 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 11 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. 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 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.
- 29. PLATTING & DEVELOPMENT AGREEMENT.** Buyer must be in the process of obtaining 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.
- 30. CONTINGENCIES.** Buyer must have closed on (INSERT LEGAL DESCRIPTION) (the "Paxmar Property") prior to closing on the Property.

**SELLER: The City of Ramsey, a Minnesota municipal corporation**

By: \_\_\_\_\_  
John LeTourneau, Mayor

Dated: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Kurt Ulrich, City Administrator

Dated: \_\_\_\_\_, 2020

**BUYER: U.S. HOME CORPORATION**

By: \_\_\_\_\_  
Jonathan A. Aune, Vice President,  
Minnesota Land Division

Dated: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Phil Wolf, Vice President,  
Region Council

Dated: \_\_\_\_\_, 2020

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

Outlot B, Alpha Development 2<sup>nd</sup> Addition, Anoka County, Minnesota to be platted as:

T.B.D. Anoka County, Minnesota

PID Number: 20-32-25-31-0004 (“Property”)



**Economic Development Authority (EDA)**

**4.3.**

**Meeting Date:** 10/08/2020

**Submitted For:** Sean Sullivan, Community Development

**By:** Sean Sullivan, Community Development

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**Title:**

Consider Lease Agreement for 6701 Hwy 10 NW: Case of Connections Church  
(Portions of the meeting may be closed to the public)

**Purpose/Background:**

Connections Church has presented a Letter of Intent to lease the west 4,820 square feet of 6701 Hwy 10 NW. Staff, along with Premier Commercial Properties (property manager), has been negotiating with the proposed tenant over the past month. Connections Church previously leased space in Ramsey Elementary but is no longer allowed to lease there due to the Covid-19 Pandemic. They currently are meeting outdoors at Elmcrest Park Sunday mornings and are in need of another location before the weather restricts the ability to hold services outdoors. Connections Church is also in the process of purchasing land on Highway 10 to build their future church. The west 4,820 square feet of 6701 is currently vacant and has been used sporadically by Youth First over the summer.

This space was previously occupied by Northern Light Church. During the last lease period from 11/1/18-10/31/19 Northern Light Church paid \$2,962 / month and was also responsible for the Snow Plowing and clearance of snow and ice from the sidewalks

**Notification:**

N/A

**Observations/Alternatives:**

The Letter of Intent and offer of \$2,500/month by Connections Church is the offer that is on the table for consideration. Staff and the property manager have tried to negotiate a lease that is closer to market rate, and even to the reduced rate of \$2,962 / month that Northern Light Church paid in 2019 but were unable to do so. Northern Lights Church did pay for snow plowing / sidewalk clearance and the tenant has now agreed to pay its pro-rata share as part of this lease. Even though the rate of \$2,500 / month is significantly below market, there is value to having a tenant in the building and maintaining it. Based on the current office market, the short term nature of the lease and the value of having a tenant in the building, Staff and the Property Manager support accepting the offer with the key terms below.

**Key Lease Terms**

**Location:** 6701 Hwy 10 (West 4,820 SF)

**Lease Duration:** November 1, 2020 - October 31, 2021

**Lease Rate:** \$2,500 / month (\$6.22 / SF)

**Utilities:** Tenant paid

**Snow Plowing / Sidewalks:** Tenant paid (Tenant has subsequently agreed to paying "pro-rata" share)

**Alternatives:**

1. Recommend to City Council to approve Lease as presented; subject to City Attorney review.
2. Direct staff to continue negotiations with proposed tenant.
3. Recommend to City Council something else.

**Funding Source:**

This item is being handled under normal Staff duties

**Recommendation:**

Staff recommends a recommendation to City Council for approval the Lease as presented; subject to City Attorney review.

**Action:**

Motion to recommend to City Council approval of the Lease as presented; subject to City Attorney review.

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**Attachments**

Site Location Map

ACTION - Lease Connections Church

Letter of Intent Connections Church

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**Form Review**

**Inbox**

Sean Sullivan (Originator)  
Tim Gladhill  
Form Started By: Sean Sullivan  
Final Approval Date: 10/01/2020

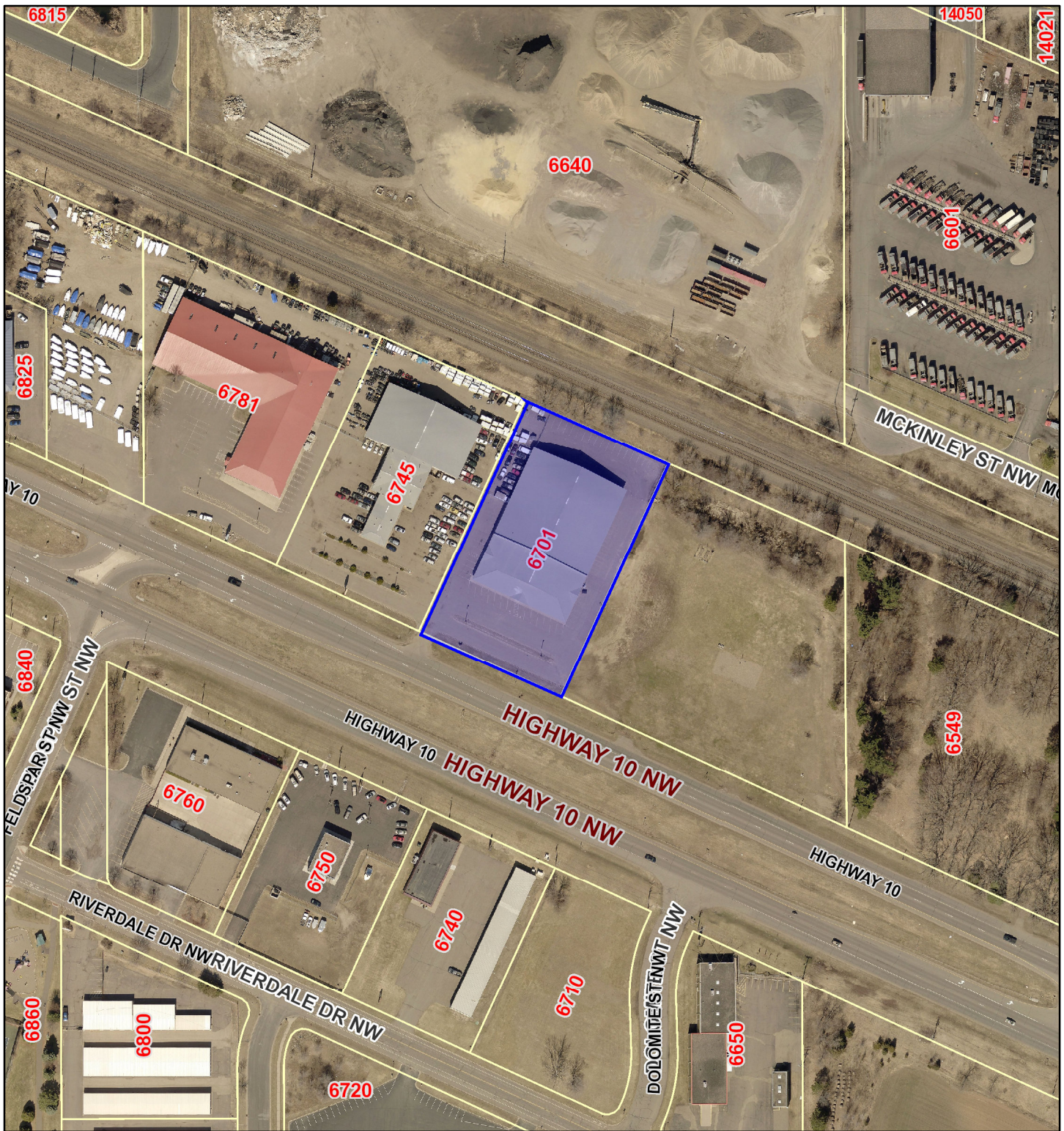
**Reviewed By**

Sean Sullivan  
Tim Gladhill

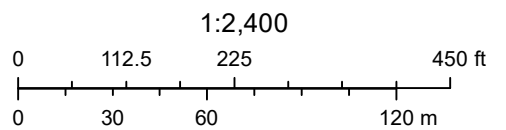
**Date**

09/30/2020 08:59 AM  
10/01/2020 03:49 PM  
Started On: 09/25/2020 04:00 PM

# Site Location Map - 6701 Hwy 10 NW



September 28, 2020



## LEASE AGREEMENT

**THIS LEASE AGREEMENT** (hereinafter “Lease”) made as of this \_\_\_\_ day of \_\_\_\_\_, 2020, is entered into by and between the **City of Ramsey**, a Minnesota municipal corporation, 7550 Sunwood Drive, Ramsey, Minnesota 55303 (“Landlord”) and **Connections Church**, a non-profit corporation organized under the laws of the State of Minnesota, 6701 U.S. Highway 10, Ramsey, Minnesota (“Tenant”). The Landlord and the Tenant are hereinafter collectively referred to as “the parties” and individually as a “party.”

**IN CONSIDERATION OF** the mutual agreements expressed herein, the parties agree as follows:

1. **Purpose.** Landlord is the fee owner of the Premises described in Paragraph 2 of this Agreement. Tenant desires to rent the Premises from Landlord for Tenant’s use as a place of worship and related uses. Landlord is willing to lease the Premises to Tenant pursuant to the terms and conditions of this Lease.

2. **Premises.** The “Premises” consists of the Westerly 4,820 square feet of the office area located in the building located at 6701 Highway 10 Northwest, in Ramsey, Minnesota and which building (“Building”) is located on the following legally described property:

Lot 3, Block 1, DEAL INDUSTRIAL PARK, Anoka County, Minnesota.

The Premises also include the nonexclusive use of the paved parking areas adjacent to the Building, excluding the fenced in area. The Tenant’s employees and invitees shall not be permitted to the use of those parking areas which interfere with the reasonable use of other tenants located within the Building.

The Premises is depicted on the attached Exhibit A hereto, and is labeled “4,820 sf Office Space” and “Parking.” Exhibit A is incorporated herein as if fully set forth in this Lease.

3. **Term.** The term of this Lease is for a period of one year, commencing on November 1, 2020 (the “Commencement Date”) and ending at midnight on October 31, 2021, unless extended by written agreement of both parties or sooner terminated as provided herein (“Lease Term”). If Tenant desires to end this Lease after a period of six months, Tenant may do so by providing Landlord with 90 days prior written notice. However, in no event may Tenant terminate this Lease earlier than April 30, 2021. Notwithstanding the Lease Term, Landlord may terminate this Lease at any time at Landlord’s sole option upon 90 days prior written notice to Tenant.

4. **Use.** The Premises shall be used by Tenant as a commercial use for worship, educational and outreach purpose programs as directed by Connections Church. Tenant will not make or suffer any unlawful or offensive use of the Premises or any use or occupancy thereof contrary to any federal law, state law or ordinance of the City of Ramsey now or subsequently hereto made. Tenant will not conduct or permit to be conducted any activity, or place any equipment in or about the Premises, which will in any way increase the rate of fire insurance or other insurance on the Premises; and if any increase in the in the rate of fire insurance or other insurance is stated by any insurance company or by the applicable Insurance Rating Bureau to be due to activity or equipment of Tenant in or about the Premises, such statement shall be conclusive evidence that such increase in such rate is due to such activity or equipment and, as a result thereof, Tenant shall be liable for such increase and shall reimburse Landlord therefore and further, shall discontinue or cause the discontinuance of such conduct or shall remove such equipment upon Landlord's demand made at any time thereafter.

5. **Rent.** Tenant covenants and agrees to pay to Landlord at the Landlord's office without demand, monthly rent in the following amounts:

Year 1 (11/1/20 through 11/30/21): \$2,500.00

All Rent shall be payable on the first day of each month during the Lease Term. If Landlord does not receive the Rent by the fifth day of the month, Tenant must pay a late fee equal to five percent of the overdue rent payment as an additional rent. Rent is "paid" when Landlord receives it, not when mailed or sent by Tenant.

6. **Additional Rent.** In addition to the Rent set forth in Paragraph 5 of this Lease, Tenant covenants and agrees to pay as additional rent all monies required to be paid by Tenant as set forth in the balance of this Lease. Specifically, but not by way of limitation, the reasonable value of any action taken or materials used by Landlord to correct or mitigate any violations of this Lease by the Tenant shall be deemed additional rent and charged to Tenant payable with the Rent as set forth in Paragraph 5.

7. **Utilities and Trash Removal.** Tenant is solely responsible for paying for all utilities servicing the Premises, including but not limited to, water, natural gas and electricity. Tenant is also responsible for paying for the removal of all trash and recycling materials generated as a result of Tenant's use of the Premises. Landlord is not responsible for any interruption in such services beyond the reasonable control of Landlord.

8. **Real Estate Taxes and Special Assessments.** Landlord is responsible for the payment of all real estate taxes and special assessments pertaining to the Premises during the Lease Term.

9. **Repair and Maintenance.** Tenant shall keep in good order and repair all glass, including plate glass, and the interior of the Premises, and heating, sprinkler, water and electric fixtures in and upon the Premises, ordinary wear and tear excepted. Tenant shall protect such systems against freezing and damage due to neglect of Tenant, and Tenant shall keep the abutting sidewalks and parking areas free of ice and snow. Tenant shall pay all costs and expenses necessary to maintain the plumbing, heating, air conditioning and electrical systems in and upon the Premises in good order and repair. Landlord shall have the plumbing, heating, air conditioning, and electrical systems in working order on the Commencement Date. Tenant shall be responsible to keep sidewalks adjacent to the Premises neat and clean and in sanitary condition, free from ice and snow, waste or debris and shall neither commit or permit and waste or nuisance thereon. Tenant shall arrange for all necessary maintenance of the Premises, including but not limited to snow removal, except that Landlord shall be responsible for all lawn (grass) maintenance on the grassy areas around the Building. Tenant shall also be responsible for any flower, shrubbery plantings, and or tree pruning it may choose on the front and east side of the Building. Except for lawn (grass) maintenance above referenced, Tenant shall pay 100% of all costs and expenses for such maintenance of any plantings it chooses and/or tree pruning. Tenant shall be solely and exclusively responsible for any and all costs and expenses of any nature or kind whatsoever attributable to the Premises except as herein otherwise provided. Tenant agrees to and shall maintain and keep the interior and exterior areas of the Premises in the same high degree of maintenance and upkeep as when the Tenant takes possession. Provided, however, that Landlord shall be responsible for repair of the foundation, the exterior walls excluding glass and doors, the roof and any defect that is pre-existing as of the date hereof.

10. **Tenant's Improvements, Alterations and Remodeling.** Tenant shall be permitted to perform improvements, alterations or remodeling on or to the Premises consistent with its intended use thereof; provided however, that such improvements shall be done at the sole expense of Tenant and provided that any single improvement reasonably expected to exceed \$2,500.00 in cost may be done only with Landlord's prior written consent. Notwithstanding the above, Tenant shall not make any alterations to the structure, plumbing, electrical, or HVAC systems of the Building without the prior written consent of Landlord.

11. **Landlord's Improvements.** Landlord agrees, at Landlord's expense, to remove the fence on the North side of the Building, allowing for access to the rear of the Building. Landlord further agrees, at Landlord's expense, to repaint the front facade of the Building.

12. **Assignment or Subletting.** Tenant may not assign, transfer, mortgage or encumber this Lease, and may not sublet, rent or permit occupancy or use of the Premises, or any part thereof, by any third party; no assignment or transfer of this Lease shall be effectuated voluntarily, by operation of law, or otherwise. Any of the foregoing will hereinafter be referred to as an “Assignment” for purposes of this Lease.

13. **Destruction of Premises.** If the Premises are totally destroyed (or so substantially damaged as to be wholly untenable) by storm, fire, earthquake or other casualty, this Lease shall terminate as of the date of such destruction or damage, and Rent shall be accounted for between Landlord and Tenant as of that date. If the Premises are damaged but not rendered wholly untenable and the damage can be fully repaired within 90 days from the date of the damage, Rent shall abate in proportion as the Premises have been damaged, and Landlord shall restore within said 90 day time limit, whereupon payment of full Rent shall re-commence. In the event Landlord fails or refuses to fully repair the Premises within said 90 days, Tenant may terminate this Lease.

14. **Removal of Fixtures.** Unless otherwise approved by Landlord, Tenant must, prior to the termination of this Lease, remove all fixtures and equipment which Tenant has placed in the Premises. Tenant must repair all damage caused by removal of fixtures or equipment.

15. **Entry by Landlord.** Landlord or its agents or representatives may enter the Premises at all reasonable hours to inspect the same, clean, make repairs, alterations and additions thereto or exhibit the Premises to prospective tenants, purchasers or others, or for other reasonable purposes as Landlord may deem necessary or desirable, and Tenant shall not be entitled to any abatement or reduction of Rent, or any other sums due. Tenant waives any claim for damages or for any injury or inconvenience or for interference with Tenant’s business, and any other loss occasioned thereby.

16. **Default.** If Tenant defaults for 10 days after written notice from Landlord in paying any Rent, including additional rent, or if Tenant shall be declared bankrupt or insolvent according to law or if Tenant shall make an assignment for the benefit of its creditors or if Tenant shall violate or default in any other covenants, agreements, stipulations or conditions herein and such violation or default shall continue for ten 10 days after written notice from Landlord of such violation or default, then and in such case Landlord lawfully may immediately, or at any time thereafter, and without notice or demand, enter into and upon the Premises, or any part thereof, in the name of the whole, and repossess the same and expel Tenant and those claiming under it and remove their effects, forcibly if necessary, without being taken or deemed to be guilty of any manner of trespass, and prejudice, and Landlord shall have all remedies and recourse which might otherwise be used by Landlord for arrears of Rent or any breach of covenants contained in this Lease.

17. **Quiet Enjoyment.** Landlord covenants and agrees to allow Tenant to peacefully have, hold and enjoy the Premises during the Lease Term, provided that Tenant pays the Rent set forth herein and performs all of Tenant's other agreements and obligations set forth herein.

18. **Nuisance.** Tenant shall conduct its business and control its agents, employees, invitees and visitors in such a manner as not to create waste, odors, nuisance, or interfere with, annoy or disturb any other tenant of Landlord in its operation of the Building or the Premises.

19. **Hold Harmless and Liability Insurance.** Except in the case of the negligence of Landlord, its agents or its employees, Tenant agrees to indemnify, save, hold harmless and defend Landlord against all claims, losses or liabilities for injury or death to any person or for damage to or loss of use of any property arising or resulting from the occupancy or use by Tenant of the Premises. Landlord shall not be liable to Tenant, its agents, employees, representatives, customers or invitees for any personal injury, death or damage to property caused by theft, burglary, water, gas, electricity, fire or for any other cause occurring on or about the Premises. All property kept, stored or maintained in the Premises shall be so kept, stored or maintained at the sole risk of the Tenant. Tenant further agrees to indemnify, defend and hold harmless Landlord from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease. Further, in no event shall Landlord be liable for damages caused by Tenant or Tenant's employees or agents. The provisions of this Paragraph shall survive the expiration or termination of this Lease with respect to any damage, injury, death, breach or default occurring prior to such expiration or termination.

During the Lease Term and any extension thereof, Tenant shall at all times have in full force and effect a policy of general public liability insurance in the amount of the greater of \$2,000,000.00 or the maximum liability for tort liability pursuant to Minnesota Statutes Section 466.04 and any amendments thereto, which insurance shall insure Landlord and Tenant against liability for acts of Landlord and Tenant.

20. **Hazard Insurance.** It shall be the responsibility of Landlord to keep the Premises and its interest therein covered by hazard insurance against loss or damage by fire and other perils. Landlord shall provide to Tenant copies of such insurance policies upon reasonable request of Tenant.

21. **Time of the Essence.** Time is of the essence with regard to this Lease and the terms therein.

22. **Relationship of Parties.** This Lease shall create the relationship of Landlord and Tenant between the parties and none other.

23. **Holding Over.** If Tenant remains in possession of the Premises, or any part thereof, after the expiration or termination of the Lease Term with the express written consent of Landlord, Tenant shall be deemed to be occupying the Premises as a Tenant at will, subject to all the conditions, provisions and obligation of this Lease insofar as the same can be applicable to a tenant at will; provided, however, that the Rent required to be paid by Tenant during any holdover period shall be a minimum of 1.5 times the monthly Rent which Tenant was obligated to pay for the month immediately preceding the end of the Lease Term, for each month or any part thereof, of any such holdover period. In the event of holding over by Tenant after expiration or termination of this Lease without the written consent of Landlord, Tenant shall be in breach of this Lease and Landlord shall be entitled to all of its rights and remedies under this Lease, in law, or in equity. No holding over by Tenant after the Lease Term shall operate to extend the Lease Term or renew this Lease. In the event of any unauthorized holding over, Tenant shall indemnify Landlord against all claims for damages by any other tenant to whom Landlord may have leased all or any part of the Premises covered hereby effective upon the expiration or termination of the Lease.

24. **Surrender of Premises.** At the termination of this Lease, Tenant shall surrender the Premises and all keys thereof to Landlord.

25. **Eminent Domain.** If the entire Premises are taken by any public authority under the power or threat of eminent domain, then the term of this Lease shall cease as of the day possession shall be taken by such public authority, and the Landlord shall make a pro rata refund of any Rent that has been paid in advance by Tenant for a period beyond the date of the taking. In the event that less than the entire Premises is so taken and provided the Premises are not rendered untenable thereby, then this Lease shall terminate only at the option of the Landlord. In the event that only a part of the Premises is so taken and that this Lease does not so terminate, there shall be a pro rata reduction in Rent to the extent that such taking interferes in any way with Tenant's use of the Premises, and all other terms and provisions of this Lease shall remain in full force and effect. All damages awarded for such taking shall belong to and be the property of the Landlord, irrespective of the basis on which they were awarded.

26. **Subordination.** Tenant agrees that, at the Landlord's election, this Lease shall be subordinate to any land Lease or mortgage now on or to be placed in the future on the Premises or Building and to any and all advances to be made thereunder and to the interest thereon and to all renewals, replacements and extensions thereof, provided that such subordination shall not materially affect either party's obligations under this Lease.

Tenant hereby appoints Landlord as its attorney-in-fact to execute such documents as may be required to accomplish such subordination.

27. **No Waiver.** No reference to any specific right or remedy shall preclude Landlord from exercising any other right or from having any other remedy or from maintaining any action to which it may otherwise be entitled either at law or in equity. Landlord's failure to insist upon a strict performance of any covenant of this Lease or to exercise any option or right herein contained shall not be a waiver or relinquishment for the future of such covenant, right or option; but the same shall remain in full force and effect.

28. **Captions.** The captions and headings herein are for convenience and reference only.

29. **Brokers.** Each of the parties represents and warrants to the other that there are no claims for brokerage commission or finder's fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from, all liabilities arising from any such claim including, without limitation, reasonable attorney's fees in connection therewith.

30. **No Partnership.** This Lease does not create a joint venture or partnership relation between the parties hereto.

31. **Notices.** All communications, demands, notices or objections permitted or required to be given or served under this Lease shall be in writing and shall be deemed to have been duly given or served if delivered in person to the other party or its duly authorized agent or if deposited in the United States mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, and addressed to the other party to this Lease at the addresses set forth below for each party, or if to a person not a party to this Lease, to the address designated by a party to this Lease in the foregoing manner.

Landlord: City Administrator  
City of Ramsey  
7550 Sunwood Drive  
Ramsey, Minnesota 55303

Tenant: Craig Norenberg  
Connections Church  
6701 Highway 10 NW  
Ramsey, Minnesota 55303

Either party may, by written notice to the other party, designate a different address to which notices must be sent. Such written notice designating a different address must state the party's newly designated address, and must be provided by following the above notice requirements. Commencing on the 10th day after a party gives notice designating a new address to which notices must be sent, the newly designated address shall be the party's address for the purpose of all communication, demands, notices or objections permitted or required to be given or served under this Lease.

32. **Force Majeure.** The time within which any of the parties hereto shall be required to perform any act or acts under this Lease, except for the payment of monies, shall be extended to the extent that the performance of such act or acts shall be delayed by acts of God, fire, windstorm, flood, explosion, collapse or structures, riot, war, labor and/or legal disputes, delays or restrictions by government bodies, inability to obtain or use necessary materials or any cause beyond the reasonable control of such party, provided however that the party entitled to such extension hereunder shall give prompt notice to the other party of the occurrence causing such delay.

33. **Minnesota Law.** This Lease shall be construed and enforced in accordance with the laws of the State of Minnesota. The parties agree that the Minnesota state courts will have exclusive jurisdiction over any dispute arising out of this Lease.

34. **Entire Agreement.** This Lease constitutes the entire agreement between the parties relating to the subject matter described herein. The terms of this Lease are contractual and are intended to be legally binding. This Lease supersedes any and all prior agreements between the parties relating to the subject matter described herein. No party has relied upon any statements, representations, or promises that are not set forth in this Lease. No changes to this Lease will be valid or enforceable unless they are in writing and signed by all of the parties.

35. **Equal Drafting.** In the event any party asserts a provision of this Lease is ambiguous, this Lease must be construed to have been drafted equally by the parties.

36. **Savings Clause.** Each provision of this Lease is separate and distinct and individually enforceable. In the event any provision hereof or the application of any such provision under any circumstance is declared to be unlawful or invalid, the enforceability of all the other provisions shall not be affected.

37. **Counterparts.** This Lease may be executed in multiple counterparts, each of which shall be an original, but all of which together shall constitute a single agreement.

38. **Security And Damage Deposit.** Tenant contemporaneously with the execution of this Lease, has deposited with Landlord the sum of Two Thousand Five Hundred

and 00/100 Dollars (\$2,500.00), receipt of which is hereby acknowledged by Landlord, which deposit is to be held by Landlord, as a security and damage deposit for the faithful performance by Tenant during the term hereof or any extension hereof. Prior to the time when Tenant shall be entitled to the return of this security deposit, Landlord may commingle such deposit with Landlord's own funds and to use such security deposit for such purpose as Landlord may determine. In the event of the failure of Tenant to keep and perform any of the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the term hereof or any extension hereof, then Landlord, either with or without terminating this Lease may (but shall not be required to) apply such portion of said deposit as may be necessary to compensate or repay Landlord for all losses or damages sustained or to be sustained by Landlord due to such breach on the part of Tenant, including, but not limited to overdue and unpaid rent, any other sum payable by Tenant to Landlord pursuant to the provisions of this Lease, damages or deficiencies in the reletting of the Leased Property, and reasonable attorney's fees incurred by Landlord. Should the entire deposit or any portion thereof, be appropriated and applied by Landlord, in accordance with the provisions of this paragraph, Tenant upon written demand by landlord, shall remit forthwith to Landlord a sufficient amount of cash to restore said security deposit to the original sum deposited, and tenant's failure to do so within five (5) days after receipt of such demand shall constitute a breach of this Lease. Said security deposit shall be returned to Tenant, less any depletion thereof as the result of the provisions of this paragraph, at the termination of this Lease. Tenant shall have no right to anticipate return of said deposit by withholding any amount required to be paid pursuant to the provision of this Lease or otherwise.





EXHIBIT A





*A Real Estate Services Company*  
299 Coon Rapids Boulevard  
Suite 200  
Coon Rapids, MN 55433  
763.862.2005 Office  
763.862.1925 Fax

**City of Ramsey**  
7550 Sunwood Drive  
Ramsey, Minnesota 55303


September 23<sup>rd</sup>, 2020

RE: Proposal to lease space at: 6701 Hwy 10 Ramsey, MN

Dear Ms. Lund,

This correspondence is to serve as a letter of intent to enter into a lease agreement for office space located at 6701 Hwy 10 Ramsey, MN. This letter of intent will allow us to move forward on a layout and to finalize a building lease agreement for the building. The general terms of the lease are anticipated to be as follows:

**TENANT:           Connections Church**  
**Craig Norenberg, Director of Operations**  
**6017 167<sup>th</sup> Avenue NW**  
**Ramsey, MN 55303**

- 1) **LOCATION:** 6701 Hwy 10 Ramsey, MN. Front office space on the west side, adjacent to Youth First.
- 2) **SIZE:** Approximately 4829 square feet.
- 3) **LEASE TERM:** One (1) year.
- 4) **COMMENCEMENT DATE:** November 1, 2020.
- 5) **BASE RENT:** **Connections Church** will pay the following **monthly** rent for the office space:  
  
Months 1-12 \$2,500.00, plus heat and electric
- 6) **IMPROVEMENTS:** Building Owner will provide the following improvements to the space prior to Lease Commencement:
- 1) Landlord to insure all electrical and mechanical and plumbing systems are in proper operation prior to the Lease Commencement.
  - 2) Balance of the space to be taken "as-is"
- 7) **SECURITY DEPOSIT:** One months gross rent (\$2,500.00) shall be due upon Lease execution.
- 8) **1<sup>st</sup> MONTH DUE:** First months gross rent (\$2,500.00) shall be due at Lease execution.
- 9) **USE:** Tenant shall use the space as a church. Should the church sub-lease space, each and every case needs to be approved by the Landlord
- 10) **SIGNAGE:** At Tenant's expense, pre-approved by Landlord and shall meet all City codes and standards.
- 11) **OPERATING COSTS:** **Connections Church** will pay for their own electrical usage, telephone, internet, trash, heat and ~~a pro-rata share of snowplowing~~. All other utilities are included in the rent. 

**14) INSURANCE:** As required by the lease, to include liability and property insurance.

Both **Connections Church** and **Landlord** intend to negotiate diligently and enter into a formal lease agreement no later than October 15<sup>th</sup>, 2020. We hope that these terms are generally acceptable and that we can move forward in finalizing a lease. We also hope you understand that this is a **non-binding letter of intent**, and that the only binding agreement between both parties will be the completed and signed Lease.

Please indicate your understanding and acceptance of these general terms by signing below and returning to my attention.

TENANT:

  
\_\_\_\_\_

Thank you,

BUILDING OWNER:

\_\_\_\_\_

Marty Fisher

Direct (763) 862-2005

Fax (763) 862-1925

**Economic Development Authority (EDA)**

4. 4.

**Meeting Date:** 10/08/2020

**Submitted For:** Sean Sullivan, Community Development

**By:** Sean Sullivan, Community Development

**Title:**

Consider Purchase Agreement for Outlot B, COR Stone Brook Academy; Case of Stories Foundation (Portions may be closed to the public)

**Purpose/Background:**

The City of Ramsey and Stories Foundation have been negotiating the terms of a purchase agreement over the past few months. Stories Foundation has agreed to the attached purchase agreement and the general terms and conditions outlined on the attached Term Sheet. The proposed purchase price is within the City's approved deal range for this parcel; however, it still will require site plan and plat approval through the normal planning and zoning process.

The proposed purchase agreement includes a mixed use development concept previously reviewed by the Planning Commission. The Planning Commission is generally comfortable with the current concept plan, subject to full Site Plan Review. The time periods, and extensions outlined in the term sheet and PA are consistent with recent PA templates.

**Notification:**

Notification is not required.

**Observations/Alternatives:**

**Observations:** The site is .52 acres in size with a purchase price of \$67,953.60. (\$3.00/SF) This price is within the approved "deal range". The mixed use project will be developed by Stories Foundation. The project will consist of a Cafe', retail store on the first floor with apartments and a patio on the second floor. A copy of the preliminary site plan and elevations are attached to the Purchase Agreement. The purchase price for this parcel is slightly less than recent transactions in the COR. (Gigi's Salon was at \$4.00/SF) This is due to the challenging site configuration for this remnant parcel. The developer is not asking for any financial assistance with this project. This was a city generated lead for a CBRE listed city parcel. Based on the current Listing Agreement with CBRE, the commission will be 3% of gross sales price if sold.

The following items are worth highlighting:

|                   |  |
|-------------------|--|
| Earnest Money     | \$1,000, Nonrefundable after a Notice to Proceed has been given by the Buyer.  |
| Inspection Period | 180 days from Effective Date (Date City Council Approves) (city requires plat/ site plan approval before sale).  |
| Closing           | Within 30 days of Notice to Proceed.   |
| Extensions        | Developer will deposit \$2,000 in escrow for each 60 day extension (2 extensions allowed) Once extensions are made the money becomes non-refundable.   |
| Performance       | City to require construction of a minimum 12,000 SF building and obtain a Certificate of Occupancy one year after Closing. If this is not done, the City may exercise the Right of Re-Entry. |

**Alternatives:**

1. Recommendation to City Council to approve Purchase Agreement for Outlot B, COR Stone Brook Academy as presented; subject to City Attorney review (Staff recommendation)
2. Recommendation to City Council to approve Purchase Agreement for Outlot B, COR Stone Brook Academy with changes; subject to City Attorney review
3. Something else.

**Funding Source:**

This case is being handled as part of normal Staff duties.

**Recommendation:**

Staff recommends approval of the attached Purchase Agreement for Outlot B, COR Stone Brook Academy as presented, subject to City Attorney approval.

**Action:**

Motion to recommend that the City Council approve the attached Purchase Agreement for Outlot B, COR Stone Brook Academy, subject to City Attorney approval.

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**Attachments**

Site Location Map

Term Sheet

ACTION - DRAFT PA Stories Foundation

Concept Plan

---

**Form Review**

**Inbox**

Sean Sullivan (Originator)  
Tim Gladhill  
Form Started By: Sean Sullivan  
Final Approval Date: 10/01/2020

**Reviewed By**

Sean Sullivan  
Tim Gladhill

**Date**

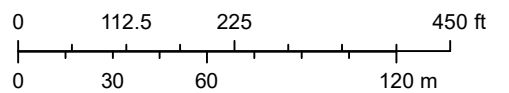
09/30/2020 09:19 AM  
10/01/2020 03:54 PM  
Started On: 09/25/2020 03:47 PM

# Site Location Map - Outlot B COR Stone Brook Academy



September 28, 2020

1:2,400



## TERM SHEET FOR STORIES FOUNDATION – 9.28.20

|                            |   |
|----------------------------|---|
| <b>Real Estate</b>         | Tax ID Number: 28-32-25-31-0023. Outlot B, COR Stone Brook Academy (Parcel 47c)   |
| <b>Acreage</b>             | Approximately .52 acres or 22,651 SF  |
| <b>Asking Price</b>        | \$135,900 (\$6.00 / SF)   |
| <b>Offer Price</b>         | \$67,953.60 (\$3.00 / SF)   |
| <b>Earnest Money</b>       | \$1,000 Non-refundable upon <b>Notice to Proceed</b> being executed.  |
| <b>Inspection Period</b>   | 180 days from Effective Date (Date City Council approves) (city requires plat/site plan approval before sale)   |
| <b>Closing</b>             | Within 30 days of Notice to Proceed.  |
| <b>Commission</b>          | This was a City generated lead for a CBRE Listed property. Per the terms of the listing agreement, the City will pay 3% of gross sales price to CBRE.   |
| <b>Extensions to Close</b> | Developer will deposit \$2,000 in escrow for each 60 day extension (2 extensions allowed) Once extensions are made the money becomes non-refundable.  |
| <b>City take care of</b>   | Provide existing ALTA Survey and updated Title Work. The Developer will contract to plat the property as part of the site plan process.   |
| <b>Performance</b>         | City to require construction of a minimum 12,000 SF commercial/retail building compliant with COR Zoning requirements and obtain a Certificate of Occupancy one year after Closing. If this is not done, the City may exercise the Right of Re-Entry. |
| <b>Assignment</b>          | Requires city approval if not same owners / company.  |
| <b>Contingencies</b>       | None at this time   |
| <b>Review</b>              | EDA (Sean): Land Transaction/ Purchase Agreement/ Right of Re-Entry<br>Planning Commission (Tim/Chloe): Land Use, Development Agreement, Site Plan, Plat<br>City Council: Final Approval on both items  |

## PURCHASE AGREEMENT

This Agreement is entered into by and between the **City of Ramsey**, a Minnesota municipal corporation (“Seller”), and **Stories Foundation**, a Minnesota Nonprofit Corporation (“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 \_\_\_\_\_ (the “Effective Date”).
2. **SALE OF PROPERTY.** Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller approximately .52 acres (22,651 square feet) of vacant land, legally described as follows:  
  
Outlot B, COR STONE BROOK ACADEMY, Anoka County, Minnesota, to be platted as:  
  
T.B.D. Anoka County, Minnesota  
  
PID Number: 28-32-25-31-0023 (“Property”)
3. **PURCHASE PRICE.** The purchase price for the Property is \$67,953.60 (the “Purchase Price”).
4. **EARNEST MONEY AND ADDITIONAL EARNEST MONEY.** Within five business days after the Effective Date, Buyer must deposit the sum of \$1,000.00 (the “Earnest Money”) with Commercial Partners Title Company (“Escrow Agent”), via wire transfer or delivery of a certified check payable to Escrow Agent.
  - a. If Buyer does not deposit the Earnest Money 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 has provided the Buyer an ALTA/NSPS 2016 survey (Table A, items 1, 2, 3, 4, 6, 8, and 11) for Outlot B, COR One (the "Survey") from a duly licensed surveyor dated April 18, 2017. 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.

The payment and indemnification provisions of this Section 7 shall survive any termination or cancellation of this Agreement and are referred to herein as the “Surviving Obligations.”

**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; and
- d. The condition of the Property is fit for Buyer’s intended use.
- 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 [REDACTED] **Date to be inserted based on 180 days from Effective Date)** (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 Central 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](mailto:kulrich@cityoframsey.com)

Buyer: Stories Foundation  
Stephanie Page  
3917 Douglas Drive N  
Crystal MN, 55422  
Email: [page.stephaniem@gmail.com](mailto:page.stephaniem@gmail.com) and [thurston0612@gmail.com](mailto:thurston0612@gmail.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 Sixty (60) days, by depositing an additional Five Thousand and 00/100 Dollars (\$2,000.00) earnest money with Escrow Agent for each extension. Each \$2,000 extension payment 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 pursuant 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;
  - iii. The Right of Re-Entry Agreement provided for in Section 28 below; and
  - iv. 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;
  - ii. Execute and deliver the Right of Re-Entry Agreement provided for in Section 28 below; and
  - iii. 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 shall pay all outstanding property taxes due at the time of Closing for the Property.

2. Seller shall pay all special assessments levied or pending against the Property as of the Closing Date.
  3. Seller's own attorney's fees.
  4. One-half the cost of any closing fees.
  5. The cost of real estate broker commission fees as prescribed in Section 14.
  6. State Deed Tax
- 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.
- 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, other than CBRE, Inc. ("Sellers Broker"). Seller shall pay Seller's Broker as required by their agreement 3% of final gross sale price. 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 ventures 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 11 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.** Within one year from the Closing Date, Buyer shall construct and obtain a certificate of occupancy from the City of Ramsey for a minimum 12,000 SF building compliant with COR Zoning requirements to be further defined by an approved Site Plan.. At Closing, a “Right of Re-Entry Agreement” shall be executed and recorded against 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.
- 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 be in the process of obtaining 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: \_\_\_\_\_, 2020

By: \_\_\_\_\_  
Kurt Ulrich, City Administrator

Dated: \_\_\_\_\_, 2020

**BUYER: STORIES FOUNDATION**

By: \_\_\_\_\_  
Stephanie Page, President

Dated: \_\_\_\_\_, 2020

**Exhibit A**

**Legal Description**

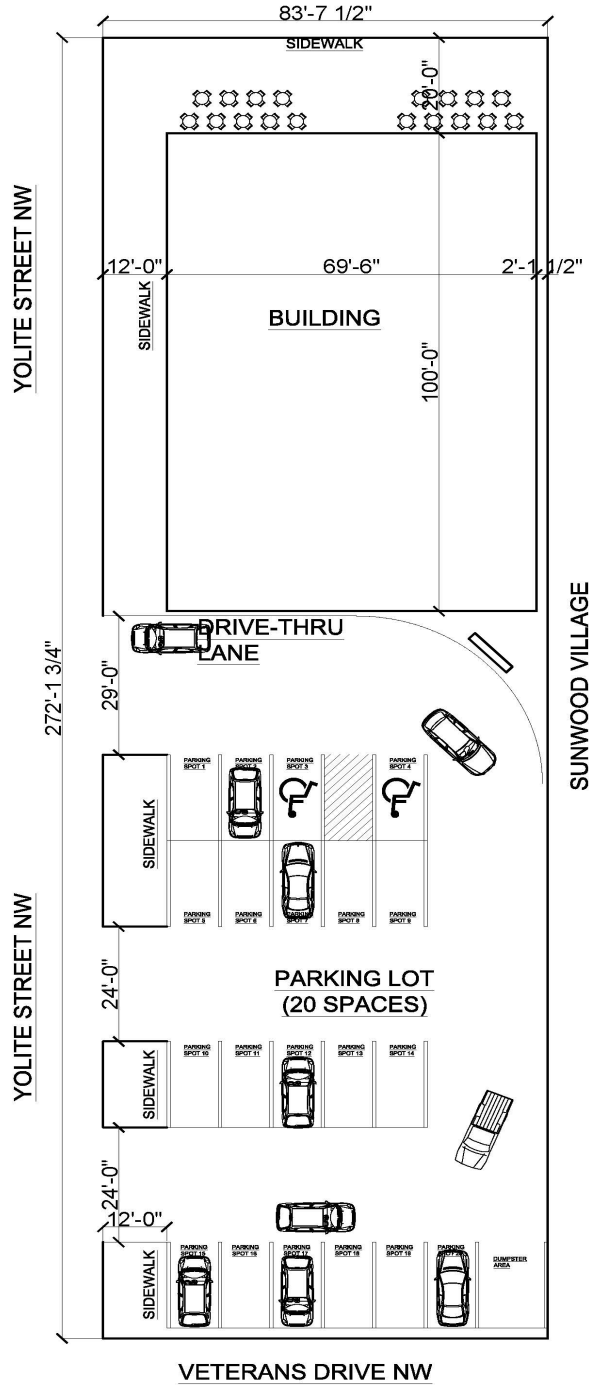
Outlot B, COR STONE BROOK ACADEMY, Anoka County, Minnesota,

To be platted as: T.B.D. Anoka County, Minnesota

PID Number: 28-32-25-31-0023 (“Property”)

# Exhibit B

## Concept Plan SUNWOOD DRIVE NW







LITTFIN | DESIGN

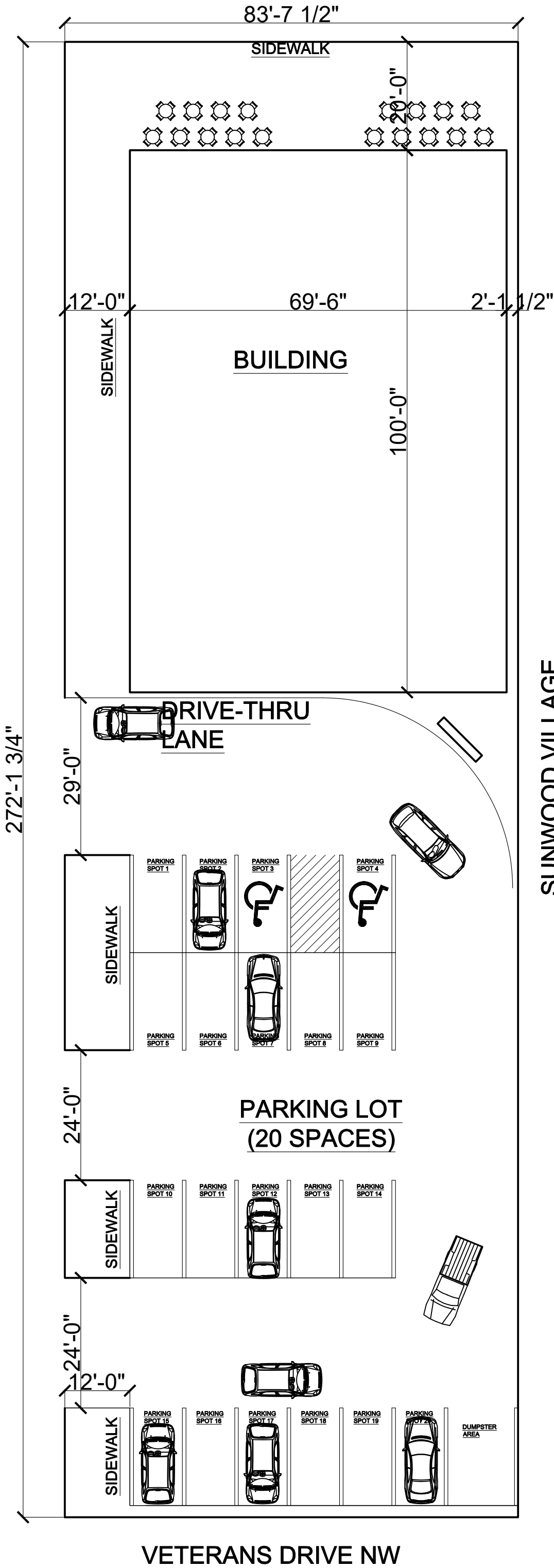
© COPYRIGHT 2020  
MLITTFIN@HOTMAIL.COM  
320-224-7844

SUNWOOD DRIVE NW

YOLITE STREET NW

YOLITE STREET NW

SUNWOOD VILLAGE

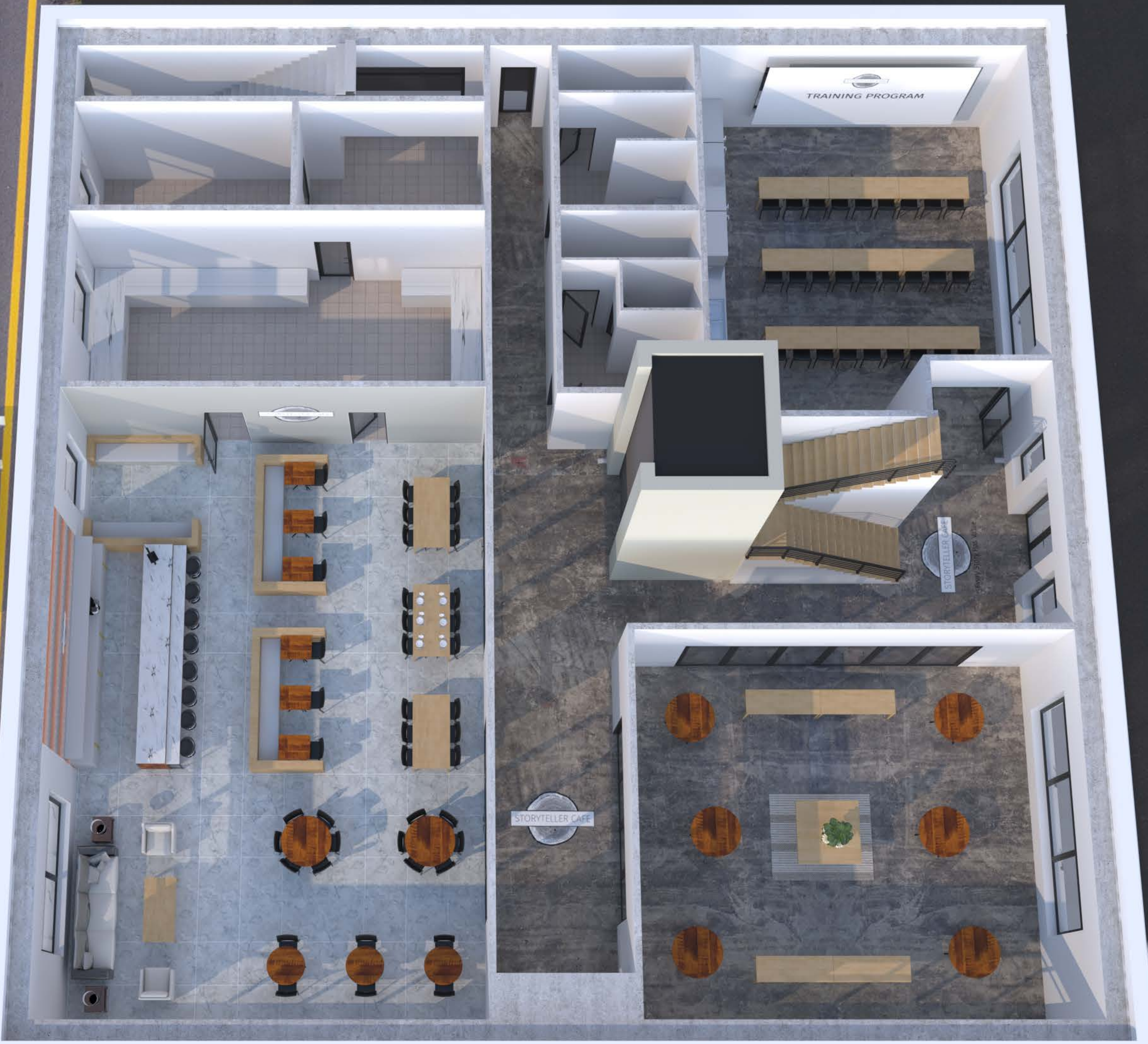


VETERANS DRIVE NW



STORYTELLER CAFE

STORYTELLER CAFE



 TRAINING PROGRAM

STORYTELLER CAFE  
Every Story Has Value

STORYTELLER CAFE



Every Story Has Value

**Economic Development Authority (EDA)**

4. 5.

**Meeting Date:** 10/08/2020

**Submitted For:** Sean Sullivan, Community Development

**By:** Sean Sullivan, Community Development

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**Title:**

Consider Recommendation of Support for Telecommuter Forward! Certification

**Purpose/Background:**

Purpose:

The City has received a request from Ramsey Resident Matt Woestehoeff to present this opportunity to EDA. To learn about Telecommuter Forward Certification and determine if the EDA would like to formulate a recommendation. Matt Woestehoeff has forwarded the attached materials and will be presenting information relating to Telecommuter Forward! Program and Certification.

**Notification:**

N/A

**Observations/Alternatives:**

Staff has done some preliminary research on this program. As of August 2020, there were 23 Telecommuter Forward! Communities. The closest communities to Ramsey include: Big Lake, Monticello, North Branch, Chisago County and Sherburne County. It should be noted that no communities in Anoka County are currently members of this program and most participating communities are located in rural underserved areas. The 2020 Provider Broadband Service Inventory Map is attached. Upon review of the map, aside from a few small areas, the City of Ramsey is considered to be well served with Wireline Broadband of least 100M/20M. Staff has reached out to staff at Monticello, Chisago County and Big Lake to get a better understanding on how the program operates and the level of the time commitment for staff. The time commitment varies from City or County, but is much higher in underserved areas like Chisago County.

Below is a summary of the actions required by the City of Ramsey if Certification is obtained:

Ramsey hereby appoints a Staff Member as the single point of contact for coordinating telecommuting opportunities within Ramsey including the following responsibilities:

1. Coordination and partnership with broadband providers, realtors, economic development professionals, employers, employees, and other telecommuting stakeholders.
2. Collaboration with broadband providers and employers to identify, develop, and market telecommuter-capable broadband packages.
3. Communication and partnership with broadband providers and economic development professionals to develop common goals.
4. Promotion of telecommuter-friendly workspaces, such as business incubators with telecommuting spaces, if such a workspace has been established in the political subdivision at the time the political subdivision adopts the resolution.
5. Familiarity with broadband mapping tools and other state-level resources.
6. Maintaining regular communication with the state broadband office.
7. Making regular reports to the City Council of the City of Ramsey.

Staff is generally supportive of the Telecommuter Forward! program, but would like to better research Staff commitment and resources. Before Staff researches this first step, Staff desires to allow this presentation for

comment.

Alternatives include:

1. Recommend that the City Council enter the program.
2. Recommend that the City Council NOT enter the program.
3. Direct Staff to conduct additional research and bring this item back to EDA for future consideration.
4. Something else.

**Funding Source:**

Based on discussion.

**Recommendation:**

Based on discussion.

**Action:**

Based on discussion.

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**Attachments**

Letter for Telecommuter Forward

Application and Sample Resolution

MN Statute 116J.9923

2020 Provider Broadband Service Inventory - Anoka County

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**Form Review**

**Inbox**

Sean Sullivan (Originator)  
Tim Gladhill  
Form Started By: Sean Sullivan  
Final Approval Date: 10/01/2020

**Reviewed By**

Sean Sullivan  
Tim Gladhill

**Date**

09/30/2020 08:46 AM  
10/01/2020 04:03 PM  
Started On: 09/25/2020 04:00 PM

FOR WARD 2 | FORWARD, TOO  
MATT WOESTEHOFF

September 10, 2020

Dear Members of the Economic Development Authority-

As a member of our community, and business leader, I ask that the City review a program put forth by the State of Minnesota Department of Employment and Economic Development.

This program is a certification that would help Ramsey identify itself as TelecommuterForward!

As I've sat on the Planning Commission over the years, I remember specifically hearing one proposal that would include a coworking space. I was particularly excited at this possibility, as I've seen them be extremely successful in my experience at my day job.

With the pandemic we're currently facing, I believe that teleworking will continue to be at the forefront of businesses in the future when a non-retail storefront is required. This is not just a short-term perspective, but one that will continue on well past COVID-19. Incubator and coworking spaces will potentially become even more popular as we find a space between our kitchen tables, and downtown office desks. This presents Ramsey an opportunity to continue to focus on what we do best – balance our rural feel with suburban amenities. Reliable high-speed internet is extremely important for this to take place.

Additionally, focusing on working with broadband providers is even more important, because of the continual pressures of distance learning on our infrastructure.

For Ramsey to achieve this certification, a resolution must be agreed upon and passed, as well as naming an individual as a point of contact on the topic. DEED has actually provided a template for such a resolution along with the Application which I've preemptively brought for your review.

As Ramsey, and the EDA continue to evolve with the new life of businesses, I'd encourage your review of this program and see if it is something that you would support and bring to City Council.

Thank you for your time, and all that you do to help move our community forward.

Sincerely yours,



Matt Woestehoff

Father/Husband/Business Leader/Ramsey Commissioner/Ward 2 Candidate  
952.484.1370 / [matt@mattwoestehoff.com](mailto:matt@mattwoestehoff.com) / 16078 Uranimite St NW Ramsey MN 55303

Resources: <https://mn.gov/deed/programs-services/broadband/telecommuter-forward/>



## Telecommuter Forward! Community Application Form & Model Resolution

Any political subdivision (city, township, or county) in Minnesota that supports and commits to promote the availability of telecommuting options is eligible for the Telecommuter Forward! Community Certification and may apply through the Office of Broadband Development. The political subdivision must demonstrate compliance with the statutory requirements under [Minn. Stat. § 116J.9923](#). The Office of Broadband Development has created a model resolution, which is available below, that satisfies the minimum statutory requirements to assist communities in this effort.

**Please submit this completed form and your community's Telecommuter Forward! resolution via email to: [deed.broadband@state.mn.us](mailto:deed.broadband@state.mn.us)**

| <b>POLITICAL SUBDIVISION</b>   |  |
|--------------------------------|--|
| Name of Political Subdivision  | City of Ramsey   |
| Address                        | 7550 Sunwood Drive NW  |
| Address                        |  |
| City                           | Ramsey   |
| Zip                            | 55303  |
| Web Address                    | <a href="http://www.cityoframsey.com">www.cityoframsey.com</a> |
| <b>SINGLE POINT OF CONTACT</b> |  |
| Name                           |  |
| Title                          |  |
| Email                          |  |
| Phone                          |  |

For more information about the application process for Telecommuter Forward! Certification or for any questions about the Telecommuter Forward! Community Model Resolution, please contact the Office of Broadband Development at [deed.broadband@state.mn.us](mailto:deed.broadband@state.mn.us) or 651-259-7610.

**RESOLUTION  
IN SUPPORT OF TELECOMMUTING OPPORTUNITIES  
AND  
TELECOMMUTER FORWARD CERTIFICATION**

AT A MEETING OF THE RAMSEY CITY COUNCIL HELD AT \_\_\_\_\_, ON \_\_\_\_\_, 20\_\_,

RESOLUTION - IN SUPPORT OF TELECOMMUTING OPPORTUNITIES AND  
TELECOMMUTER FORWARD! CERTIFICATION;

WHEREAS, Ramsey supports and commits to promote the availability of telecommuting options;

WHEREAS, Ramsey hereby appoints [employee title or department name] as the single point of contact for coordinating telecommuting opportunities within Ramsey including the following responsibilities:

1. Coordination and partnership with broadband providers, realtors, economic development professionals, employers, employees, and other telecommuting stakeholders.
2. Collaboration with broadband providers and employers to identify, develop, and market telecommuter-capable broadband packages.
3. Communication and partnership with broadband providers and economic development professionals to develop common goals.
4. Promotion of telecommuter-friendly workspaces, such as business incubators with telecommuting spaces, if such a workspace has been established in the political subdivision at the time the political subdivision adopts the resolution.
5. Familiarity with broadband mapping tools and other state-level resources.
6. Maintaining regular communication with the state broadband office.
7. Making regular reports to the City Council of the City of Ramsey.

NOW, THEREFORE, BE IT HEREBY PROCLAIMED by the City of Ramsey to support telecommuting opportunities for the City of Ramsey in its application for Telecommuter Forward! Community certification.

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

**116J.9923 TELECOMMUTER FORWARD! CERTIFICATION.**

Subdivision 1. **Definition.** In this section, "political subdivision" means a city, township, or county.

Subd. 2. **Certification.** A political subdivision may apply to the commissioner of employment and economic development for certification as a Telecommuter Forward! Community. The commissioner of employment and economic development shall prescribe the form and manner for making an application. Before approving an application, the commissioner shall consider the application and the information in subdivision 3.

Subd. 3. **Resolution.** In addition to the application in subdivision 2, a political subdivision must adopt a resolution that does both of the following:

(1) states the political subdivision's support and commitment to promote the availability of telecommuting options; and

(2) provides for a single point of contact for coordinating telecommuting opportunities that has all of the following responsibilities:

(i) coordination and partnership with broadband providers, realtors, economic development professionals, employers, employees, and other telecommuting stakeholders;

(ii) collaboration with broadband providers and employers to identify, develop, and market telecommuter-capable broadband packages;

(iii) communication and partnership with broadband providers and economic development professionals to develop common goals;

(iv) promotion of telecommuter-friendly work spaces, such as business incubators with telecommuting spaces, if such a work space has been established in the political subdivision at the time the political subdivision adopts the resolution;

(v) familiarity with broadband mapping tools and other state-level resources;

(vi) maintaining regular communication with the state broadband office; and

(vii) making regular reports to the governing body of the political subdivision.

**History:** 2019 c 13 s 1

# 2020 Provider Broadband Service Inventory

## Border-to-Border Broadband Development Grant Program

Unserved, Underserved and Served Broadband Areas

Anoka County  
Minnesota

Created April 2020



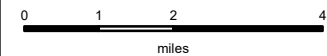
This map was prepared by Connected Nation under contract with the Minnesota Department of Employment and Economic Development. The map represents areas of broadband service availability based on provider data submitted to and analyzed by Connected Nation. This data is current as of December 31, 2019.

Additional maps and data are available at <http://mn.gov/deed/programs-services/broadband/maps>

Upon request, this information can be made available in alternate formats for people with disabilities by contacting the DEED Office of Broadband Development at 651-259-7610.



- Interstate
- US Road
- Local Road
- Municipal Boundary
- County Boundary
- Water
- Wireline Broadband of at Least 100M/20M
- Underserved Area (Wireline Broadband of at Least 25M/3M but less than 100M/20M)
- Unserved Area (No Wireline Broadband of at Least 25M/3M)



Submit questions or recommended changes to: [DEED.broadband@state.mn.us](mailto:DEED.broadband@state.mn.us)

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