



Economic Development Authority

1. Call to Order
 - a. Pledge of Allegiance
 - b. Roll Call
 - c. Agenda Modifications
 - d. Adopt Agenda
2. Approval of Meeting Minutes from April 5, 2022 Meeting
3. Public Hearing
 - a. Request from Iron Eagle Farms, LLC to purchase PID 16.115.0010 and Approval of Resolution 2022-5 Approving the Sale of EDA-Owned Industrial Land and Business Subsidy Agreement for PID 16.115.0010.
4. Business Item
 - a. Bid advertisement for Request for Quotes for Lease of EDA/City Owned Crop Land
5. Announcements
6. Adjournment

**Economic Development Authority
Meeting Minutes
April 5, 2022**

1. **Call to Order:** Chair Johnson called the meeting to order at 7:50 pm
- a. **Pledge of Allegiance**
- b. **Roll Call:** EDA Members present: Jeff Johnson, Steve Lundeen, Dan Collison, Luke Merrill, Paul Bergley
Members Absent: Jimmy Gordon
Staff Present: Community Development Director Stephanie Hillesheim, City Clerk Jaden Strand, City Administrator Josi Wood, Finance Director Mike Betker, City Engineer Jason Cook
- c. **Agenda Modifications:** None
- d. **Adopt Agenda:** Motion by Lundeen, second by Collison to adopt the agenda, motion passed 5-0.
2. **Approval of Meeting Minutes from February 2, 2022 Meeting:** Motion by Lundeen, second by Collison to approve the meeting minutes, motion passed 5-0.
3. **Public Hearing**
 - a. Request from RK Unlimited LLC to purchase PID 16.157.0030 and Approval of Resolution 2022-4 Approving Forgivable Loan for RK Unlimited

Stephanie Hillesheim explained the request to purchase the remaining 5 acres within the Centennial Complex. The resolution explained the forgivable loan, in which deals are structured through the SBA 504 loan similar to other businesses in the city. Lundeen asked if this was for a shovel ready dollar lot site. Hillesheim confirmed that it is similar to the other lots such as Wolf River Electric and Special Tools. The applicants approached the podium to answer questions from the EDA members. Luke Merrill asked what the future plan is for the 5 acres. The applicants said that they intend to construct a manufacturing facility of roughly 30,000 square ft. Mayor Johnson asked what type of manufacturing will occur in the facility. The applicants said that they do fabrication work and milling and that they have a facility in Ham Lake. Lundeen asked how many employees the company currently has and how many they plan on adding. The applicant said that they have 22 employees currently and hope to add around 10 more in the future. Hillesheim said that the number of employees requirement has been reduced in their contract given the current labor market and that the city doesn't want to hold them to a higher standard than they would be able to meet. Merrill mentioned that there may be concerns for the infrastructure in the area on E Dual Blvd for large truck and traffic circulation entering and exiting the Industrial Park. Mayor Johnson said that the County is aware of the need for a stoplight at this intersection of E Dual Blvd and Heritage Blvd. Mayor Johnson opened the public hearing. There was no one from the public present at the public hearing to speak on this item. Merrill made a motion to approve the item, and was seconded by Lundeen, motion passed 5-0.

4. Business Items

- a. Resolution 2022-5 Cancellation of Crop Lease for City Owned Land

Stephanie informed the EDA members of the cancellation of the 4-acre crop lease. A motion was made by Lundeen to approve of the cancellation of the crop lease and was seconded by Merrill, motion passes 5-0.

b. EDA Owned Industrial Land

CD Director Hillesheim explained that there is continued interest in Industrial land in Isanti and that there is currently only one 1.2-acre site available. Staff explored options for land that is currently owned by the city, and determined that a 66-acre site just north of the current industrial park would best for creating large industrial lots. Merrill asked why there is a 51-acre parcel on the provided map and what the future plans are for this. Hillesheim explained that the City of Isanti has been planned to provide a future rail park of 137 acres total which includes the current wastewater treatment plant. The plan is to create 4 rail lots of 20 acres each providing a great opportunity for the city however there is no timeline on these lots readiness hence the reason to provide immediate lots to the west of this designated area. Merrill asked if these parcels on the map are planned to be shovel ready \$1 lots. Hillesheim said that these will not be shovel ready properties and the recommendation by staff is to allow for well and septic at these sites due to the high cost in infrastructure to get utilities to these sites. Collison asked if the property to the west of Knife River is looking to sell. Hillesheim said that she has had conversation with the owners but they are not ready to sell. Lundeen said that he would like to see the city use their current owned land that has been vacant for years rather than invest money buying other people's land just to sell the lots for \$1. Collison said that his only concern for this area of the new industrial lots is that it is nearby residential areas and the soccer fields. Discussion was had on the zoning designation of industrial land around a residential area. The EDA members also discussed selling at market value with potential negotiations and determined this was the route to take when looking at who to sell the lots to. A motion was made by Merrill to move forward with the platting process as proposed and to sell the lots at market value with options for negotiations. This motion was seconded by Lundeen, motion passed 5-0.

5. **Announcements** Stephanie announced that they received a \$1,000 grant for the EDA Intern. She also announced that the city closed on a 4-acre parcel for the trucking school and that there was a ribbon cutting at the Little North Boutique site.
6. **Adjournment:** Motion by Lundeen to adjourn second by Collison, motion passed 5-0 meeting adjourned at 8:17 pm.



MEMO

To: Economic Development Authority
From: Stephanie Hillesheim, Community Development Director
Date: June 7, 2022
Subject: Approving the Sale of Property to Iron Eagle Farms, LLC and Resolution 2022-5
Approving the Sale of EDA-Owned Industrial Land and Business Subsidy Agreement for
PID 16.115.0010

The City of Isanti has received a request from Iron Eagle Farms, LLC to purchase EDA-owned parcel identified as PID 16.115.0010. Iron Eagle Farms, LLC is the real estate holding company for Blackhawk PCS currently located in East Dual Condominiums and are looking to expand.

Upon closing Iron Eagle Farms, LLC must adhere to the requirements and conditions listed in the attached Development and Subsidy Agreement.

Request:

Staff is requesting action on this item.

Action Required:

If the EDA concurs, it should by motion, approve Resolution as written, as well as the accompanying documents: Purchase Agreement and Development and Subsidy Agreement.

Attachments:

- Resolution 2022-5 Approving the Sale of EDA-Owned Industrial Land and Business Subsidy Agreement for PID 16.115.0010
- Purchase Agreement
- Business Subsidy Agreement
- Site Concept Plan

RESOLUTION 2021-5

**AUTHORIZING THE SALE OF EDA-OWNED INDUSTRIAL LAND AND BUSINESS
AND SUBSIDY AGREEMENT FOR PID 16.115.0010**

WHEREAS, the EDA owns certain real property at 706 East Dual Blvd NE PID 16.115.0010 in the City of Isanti, County of Isanti, state of Minnesota; and

WHEREAS, the subject site is part of the Certified Shovel Ready Program; and

WHEREAS, the buyer Iron Eagle Farms, LLC. proposes to build an 8,000 square foot facility within the first two years of the purchase date, allowing them to expand their existing business located in Isanti Centennial Complex; and

WHEREAS, the sale of the land is in the best interest of the city to expand tax and employment growth and furthers its general plan of economic development; and

WHEREAS, the purchase agreement and business and subsidy agreement have been reviewed by City Staff for the sale of the land from the EDA to Iron Eagle, LLC for \$1.00; and

WHEREAS, said purchase is subject to site plan approval and must adhere to the zoning ordinance as applicable and outlined in City Code.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Economic Development Authority of the City of Isanti, approves the sale of said property to Iron Eagle Farms, LLC. and authorizes staff to execute any documents necessary for the sale and recommends approval of the subsidy agreement to the City Council.

This Resolution hereby approved by the Isanti EDA this 7th day of June 2022.

Attest:

EDA President Jeff Johnson

Stephanie Hillesheim
EDA Secretary/Community Development Director

PURCHASE AGREEMENT

This Agreement is entered into by and between the **City of Isanti**, a Minnesota municipal corporation ("Seller"), Iron Eagle Farms, LLC a corporation under the laws of Minnesota ("Buyer").

1. **EFFECTIVE DATE.** The effective date of this Agreement is May 3, 2022 (the "Effective Date").
2. **SALE OF PROPERTY.** Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller the Property legally described as follows:

Lot 1 Block 1 of Isanti Centennial Complex 2nd Rearrangement, County of Isanti, State of Minnesota

Isanti County PID Number: 16.115.0010

3. **PURCHASE PRICE.** The purchase price for the Property is \$1.00 (the "Purchase Price").
4. **EARNEST MONEY.** None.
5. **SURVEY.** Buyer may, at Buyer's expense, obtain a survey (the "Survey") from a duly licensed surveyor. If so obtained, a copy shall be provided to Seller within 30 days of receipt by Buyer.
6. **TITLE COMMITMENT.**
 - a. Seller makes no representations or warranties with respect to the status of title to the Property. Within 30 business days after the Effective Date, Buyer may, at Buyer'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 30 days after the receipt of the Title Commitment to review Title 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 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 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 (**"Buyer's Title Termination Notice"**). If Buyer does not deliver a Buyer's Title Termination Notice to Seller within the three 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. Buyer (and its employees, agents, and contractors) may enter the Property for the purpose of conducting soil tests, environmental tests and additional survey work, subject to the following conditions:

- a. Within one week after the termination of this Agreement, if either Seller or Buyer terminate this Agreement in accordance with the provisions hereof prior to Closing, Buyer must repair and or restore any damage Buyer or its employees, agents or contractors cause to the Property and remove any personal property, refuse or debris Buyer or its employees, agents or contractors brought onto or authorized third parties to bring onto the Property.
- b. Buyer must defend and indemnify Seller from and against and hold Seller harmless Seller from all "Claims," as defined in Section 10, arising out of, resulting from or relating to any loss of or damage to any property or business or out of any injury to or death of any person, if the loss, damage, injury, or death arises or is alleged to arise either directly or indirectly and either wholly or in part from: (a) any action or omission of Buyer or its employees, agents, or contractors, while on the Property pursuant to this Section; or (b) actions or omissions of Buyer or Buyer's employees, agents, or contractors that cause or result in the release of any Hazardous Substance onto the Property or onto other property.
- c. Buyer must comply with and shall cause it employees, agents, and contractors to comply with all applicable laws, while on the Property.

- d. Other than a standard Phase 1 environmental assessment, Buyer may not commence any environmental testing on the Property until Buyer submits a work plan for such testing to Seller and Seller approves the work plan, in writing. Seller may not unreasonably withhold, condition or delay Seller's approval of a work plan.
- e. Buyer must, promptly and without demand from Seller, provide Seller with true and complete copies of all draft and final reports relating to Buyer's geotechnical and environmental investigations and testing of the Property including, without limitation, any reports relating to any Phase I Environmental Site Assessment of the Property.
- f. The cost of any test or additional survey work will be borne solely by Buyer.

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

- a. Seller has not made any written or oral representations or warranties of any kind with respect to the Property (including without limitation express or implied warranties of title, merchantability, or fitness for a particular purpose);
- b. Buyer has not relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the Property;
- c. Buyer has had an adequate opportunity to inspect the condition of the Property, including without limitation any environmental testing, and to inspect documents applicable thereto, and Buyer is relying solely on such inspection and testing; 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 **90 days from the 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, if applicable) 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 Isanti or any other governmental entity. The City of Isanti 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.

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: Josi Wood
City Administrator
City of Isanti
110 1st Ave. N.W.
Isanti, MN 55040
Email: jwood@cityofisanti.us

Buyer: Iron Eagle Farms, LLC
165 Bridgepoint Drive
South St. Paul, MN 55075

Email: steve@blackhawkpcs.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. The Closing shall take place at City offices 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 City 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, conveying title to the Property, subject to (A) Building, Subdivision and Zoning Ordinances; (B) Matters that would be disclosed by an accurate survey of the Property; and (C) matters that constitute Permitted Exceptions pursuant to Section 6.
- ii. A certified copy of a duly adopted Resolution authorizing Seller's sale of the Property to Buyer; and
- iii. Seller's affidavits, well disclosure certificate (if required), settlement statement approved by Seller and Buyer, and any other documents required by the Escrow Agent.

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

- i. Provide the Purchase Price; and
- ii. File or cause Escrow Agent to file an Electronic Certificate of Real Estate Value, if required and necessary.

c. **Closing Costs.**

- i. At Closing, the following Seller closing costs and expenses must be paid from the Purchase Price or, if the Purchase Price is not sufficient, paid by Seller:
 1. Seller's own attorney's fees.
 2. The cost of real estate broker commission fees as prescribed in Section 14, if any.
- ii. At Closing Buyer must pay the Purchase Price to Seller and the following costs and expenses:
 1. Property taxes payable 2021, if any.
 2. Buyer's own attorney's fees.
 3. All closing fees.
 4. Documentary and recording fees for the deed(s).
 5. State deed tax.
 6. The cost of the title commitment.

7. 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. 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 from 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, if any, 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 Isanti 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, or, in the alternative, Buyer may have this Agreement specifically enforced and recover any incidental damages. Buyer waives all claims for consequential damages against Seller based on Seller's breach or alleged default hereunder.

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

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

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

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

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

28. CONSTRUCTION DEADLINE. Buyer shall devote the Property to its intended use (Industrial) or begin work on the improvements to the Property to devote it to that use,

within two years after closing. In the event the above deadline is not met, Seller may cancel the sale and title shall return to Seller. Title to the Property may not be transferred by Buyer within one year of purchase without consent of Seller.

29. TIME PERIODS. The time for performance of any obligation or taking any action under this Agreement shall be deemed to expire at 5:00 p.m. Central 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.

SELLER: The City of Isanti

By: _____
Jeff Johnson, Mayor

Dated: _____, 2022

By: _____
Jaden Strand, City Clerk

Dated: _____, 2022

BUYER: Steve Harrison, Iron Eagle Farms, LLC

By:  _____ Dated: 4/20, 2022

Its: **President**

CITY OF ISANTI

DEVELOPMENT AND SUBSIDY AGREEMENT FOR IRON EAGLE FARMS, LLC

This Agreement (hereinafter the “Agreement”) is entered into this 7th day of June, 2022 by and between the **City of Isanti**, a Minnesota municipal corporation (the “**City**”) and Iron Eagle Farms, LLC, a corporation under the laws of Minnesota (the “**Developer**”).

1. Subject Property. Developer is, or will be, the owner of the Subject Property legally described as Lot 001 Block 001 of Isanti Centennial Complex 2nd Rearrangement, County of Isanti, State of Minnesota, PID Number 16.115.0010. Sale of the Subject Property by the City to Developer at a price below market value is the subsidy contemplated by this Agreement.
2. Conditions of Approval. The City has approved development of the Subject Property, as subsidized by the City, subject to satisfaction of the following conditions:
 - a. The Developer’s Execution of this Agreement. That the Developer enter into this Agreement.
 - b. Marketable Title. That the Developer obtain, and retain, title to the Subject Property.
 - c. Proof of Authority. That the Developer provide proof that its governing board authorized the Developer’s execution of this Agreement. This proof of authority may be satisfied by providing the City with a certified copy of the minutes of the governing board.
 - d. Site Plan. That Developer’s site plans, as required by the Isanti City Code, be completed by Developer and reviewed and approved by the City.
3. The Plans. The term “Plans” as used in this Agreement means the Site Plans prepared by Developer. The Plans are subject to: (a) Planning Commission review;

(b) approval of the City Council; and (c) such further revisions as the Developer may propose and the City approves. The Plans shall not be attached to this Agreement but are in the City's files.

4. Required Private Improvements. The private improvements the Developer will construct or install are as follows:

- a. Sanitary sewer
- b. Water
- c. Storm drainage facilities
- d. Stormwater maintenance
- e. Parking lot
- f. Concrete curb and gutter
- g. Lot grading
- h. Landscaping

5. Payment of Development Fees. Developer shall, contemporaneously with execution of this Agreement, deposit with the City an escrow of \$5,000 to cover the cost of legal fees, engineering fees, administrative expenses and other costs related to the Development. Any funds remaining in the escrow account(s) after the completion of the Development shall be refunded to the Developer. In the event the escrow account balance is reduced to \$1,000 or less, the Developer shall post additional sums of money to replenish the account to a maximum of \$2,000 to cover projected City costs as determined by the City. The escrow account shall always have a balance of no less than \$1,000.00. The Developer shall be entitled, upon request, to an itemized statement of all costs and fees charged against the Developer's escrow account. Sanitary Sewer Connection (Trunk) Fees, Water Connection (Trunk) Fees are collected at the time the building permit is issued.

6. Developer Defaults. If the Developer defaults in the performance of one or more of the Developer's obligations under this Contract, i) the City gives the Developer 30 days' written notice of the default and ii) the Developer fails to cure the default within said 30 days, then the City may pursue any and all remedies available at law or in equity including, but not limited to, the following:

- a. The City may, at its option, perform or engage one or more third parties to perform the Developer's obligations. If, in the reasonable judgment of the City's staff, the Developer's default creates an immediate risk to public health or safety, the City may perform or engage one or more third parties to perform the work before the City provides the notice described in the initial paragraph of this Section, but the City must use commercially reasonable efforts to notify the Developer as promptly as possible that the City is undertaking to perform the Developer's obligation or obligations. If the City performs one or more obligations of the Developer, the Developer must reimburse the City for any costs or expenses the City incurs, including costs and expenses for City staff time, to perform the work within 30 days

after the City notifies the Developer, in writing, of the costs and expenses the City incurred to perform the work. If the Developer does not reimburse the City within said 30-day period, the City may pursue any remedies available to the City either at law or in equity or, in the alternative, the City may draw on the financial guaranty the Developer has provided to the City pursuant to this Agreement to reimburse itself for the expenses the City incurs to perform the work. This Agreement is a license for the City to act, and it shall not be necessary for the City to seek a Court Order for permission to enter the Developer Property. As an alternative to seeking recovery from the Developer or the financial guaranty, the City may levy special assessments against the Developer Property in accordance with Minnesota Statutes Section 429, and the Developer, for itself and its successors in title, hereby expressly waives any and all substantive and procedural objections or defenses the Developer may have to such special assessments;

- b. The City may commence an action in Isanti County District Court to pursue any remedy available to the City at law or in equity including, but not limited to, injunctive relief;
- c. The City may refuse to grant building permits for improvements to be constructed on the Subject Property until the Developer has cured all of its defaults; and
- d. The City may draw upon all or any portion of the financial guaranty the Developer has provided to the City and (i) use all or any portion of the proceeds from the financial guaranty to reimburse the City pursuant to subsection (a) above; (ii) use all or any portion of the proceeds from the financial guaranty to satisfy any judgment the City obtains against the Developer pursuant to subsection (b) above; (iii) use all or any portion of the proceeds to reimburse the City pursuant to Section 11 (j) below; and (iv) hold all or any portion of the proceeds for a reasonable time for the future application as described in subsections (i), (ii) and (iii) of this paragraph.

7. Business Subsidy. As a condition of developing the Subject Property, Developer and City agree to the following terms:

- a. Subsidy. Developer acknowledges and agrees that it received a business subsidy from the City in the form of a reduced purchase price for the Subject Property. The Subject Property is valued at \$39,200. The City sold the Subject Property to Developer for \$1.00. The value of the subsidy is \$39,200.
- b. Public Purpose. The public purposes for granting the subsidy are to create jobs within the City of Isanti and to increase the City's tax base.

- c. Subsidy Goals. Developer shall at a minimum maintain their current level of full-time, or full-time equivalent, jobs within two years of the date of this Agreement. All jobs shall meet or exceed State minimum wage requirements. Developer shall continue to meet or exceed said employment goals for at least five years after the date of this Agreement. In the event these requirements are not met, Developer shall pay the City the amount of the subsidy in a single lump sum payment or as otherwise agreed to in writing by the parties.
 - d. Statement of Need. Developer represents that without the business subsidy contemplated by this Agreement, Developer would not relocate its existing business to the City.
 - e. Reporting. Developer shall provide reports to the City as required by Minnesota Statutes section 116J.994, subdivision 7, on forms provided by the City.
8. Miscellaneous.
- a. Invalidity of Any Section. If any portion, section, subsection, sentence, clause, paragraph or phrase of this Agreement is for any reason invalid, such decision shall not affect the validity of the remaining portion of this Agreement.
 - b. Written Amendments Only. The action or inaction of the City or the Developer shall not constitute a waiver or amendment to the provisions of this Agreement. To be binding, amendments or waivers shall be in writing, signed by the parties, and approved by a resolution of the City Council. The City's or the Developer's failure to promptly take legal action to enforce this Agreement shall not be a waiver or release.
 - c. Compliance with Laws and Regulations. The Developer represents to the City that the Site Plan complies with all City, County, State, and Federal laws and regulations, including but not limited to: subdivision ordinances, zoning ordinances and environmental regulations. If the City determines that the site plan does not comply, the City may, at its option, refuse to allow any construction or development work on the Subject Property until the Developer does comply. Upon the City's demand Developer shall cease work until there is compliance.
 - d. Mailbox Locations. If the Developer desires to construct a mailbox within the public right of way, the Developer agrees that the placement of a mailbox along public streets is subject to the approval by the Postmaster. Utility locates will be necessary.
 - e. Not applicable.

- f. Construction, Hours and Entrance Signs. The City restricts construction and delivery hours to Monday through Friday 7:00 a.m. to 9:00 p.m., weekends and holidays, 8:00 a.m. to 8:00 p.m. The Developer is required to provide a sign at each entrance point stating delivery and construction operation hours. Said signs are not to exceed 80 square feet in size and must be clearly visible at all times during the construction period.
- g. Construction Site Maintenance. The Developer shall adhere to all of the City ordinances relating to, but not limited to, dumping of garbage, site development, construction debris, open burning, etc. The City reserves the right to withhold permits, inspections, or certificates of occupancy to correct violations relating to construction site maintenance.
- h. Estimated Cost. It is understood and agreed that cost amounts set forth in this Agreement as to the Required Private Improvements, unless qualified as fixed amounts, are estimated. The Developer agrees to pay the entire cost of said improvements including interest, engineering and legal fees related thereto.
- i. Plat Approval Expenses. Not applicable.
- j. Reimbursement to the City. The Developer agrees to reimburse the City for all costs incurred by the City in defense or enforcement of this Agreement, or any portion thereof, including court costs and reasonable engineering and attorney's fees.
- k. Certificate of Occupancy. The term "Certificate of Occupancy" as used in this Agreement shall be defined as a document issued by the City's Building Official, which authorizes the structure to be used for its intended purposes.
- l. Notices. Required notices shall be in writing, and shall be either hand delivered to the Parties, its employees or agents, or mailed to them by certified or registered mail at the following address:

To Developer:
Iron Eagle Farms, LLC
165 Bridgeport Drive
South St. Paul, MN 55075

To The City:
Josi Wood
City Administrator
City of Isanti
110 1st Ave. N.W.
Isanti, MN 55040

[The remainder of this page is intentionally left blank.]

The Developer:

Steve Harrison, Iron Eagle Farms, LLC

By: _____

Its: President

STATE OF MINNESOTA)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2022,
by Steve Harrison, President of Iron Eagle Farms, LLC, a corporation under the laws of the State
of Minnesota on behalf of the corporation.

Notary Public

The City:

City OF ISANTI

By: _____
Its: Mayor

By: _____
Its: City Clerk

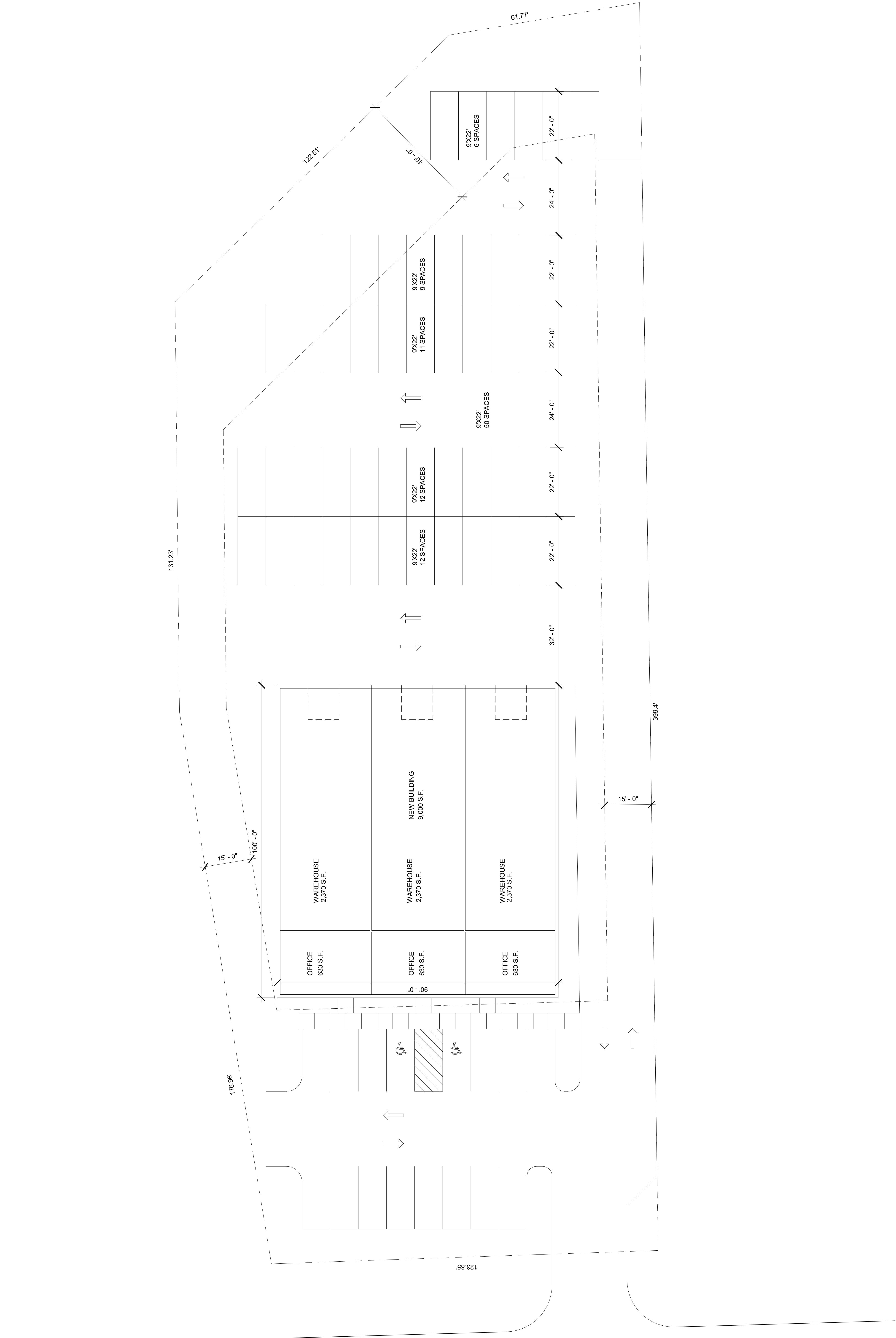
STATE OF MINNESOTA)
)ss.
COUNTY OF ISANTI)

The forgoing instrument was acknowledged before me on this _____ day of _____ 2022, by Jeff Johnson and Jaden Strand, the Mayor and the City Clerk, respectively, of the City of Isanti, a municipal corporation organized under the laws of the State of Minnesota on behalf of the City.

Notary Public

This document drafted by:
Ratwik, Roszak & Maloney, P.A
730 Second Ave. S., Suite 300
Minneapolis, MN 5540

Age (years)	Percentage (%)
18	10
20	15
25	25
30	35
35	45
40	55
45	65
50	75
55	80
60	83
65	85





MEMO

To: Economic Development Authority
From: Stephanie Hillesheim, Community Development Director
Date: April 5, 2022
Subject: Advertising for Crop Lease Bids for the EDA/City owned land

The current leases expire at the end of the 2022 growing season. Staff is requesting permission to advertise for quotes for the remaining EDA/City Owned parcels. Attached is the bid advertisement for the newly platted Isanti Railview North Industrial Park Outlot A and the land adjacent to the WWTP.

Request:

Staff is requesting action on this item.

Attachments:

Advertisement for Request for Lease Bids for EDA/City Owned Land
Map of the Crop Land

CITY OF ISANTI
REQUEST FOR QUOTES FOR LEASE OF EDA/CITY OWNED CROP LAND

The EDA/City of Isanti is accepting quotes for leasing EDA/City owned property for crop farming for the 2023 crop year. Specifications are available upon request from the Community Development Director's Office at Isanti City Hall, 110 - 1st Avenue NW, PO Box 428, Isanti MN 55040. 763-444-5512. The City of Isanti Economic Development Authority reserves the authority to waive irregularities and award in the best interest of the City of Isanti. Bids shall be submitted in sealed envelopes addressed to the Community Development Director at 110 - 1st Avenue NW, PO Box 428, Isanti MN 55040. All bids submitted must be clearly marked as "Quote for Leasing EDA/City Crop Land". Bids will be accepted until 11:00 a.m. Wednesday July 20, 2022. The EDA/City reserves the right to accept or reject any and/or all quotes.

Stephanie Hillesheim
Community Development Director

