

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY  
CITY OF GRAND RAPIDS  
ITASCA COUNTY  
STATE OF MINNESOTA**

**RESOLUTION NO. \_\_\_\_\_**

**APPROVING PURCHASE AGREEMENTS WITH THE CITY AND  
SE 7<sup>TH</sup> AVE DISTRIBUTION LLC RELATED TO THE L & M  
SUPPLY PROJECT**

WHEREAS, on September 28, 2023, the Board of Commissioners (the “Board”) of the Grand Rapids Economic Development Authority (the “Authority”) held a duly noticed public hearing on the sale of certain property located within the City of Grand Rapids, Minnesota (the “City”), legally described in Exhibit A attached hereto (the “Property”), to SE 7<sup>th</sup> Ave Distribution LLC, a Minnesota limited liability company, or an affiliate thereof or an entity related thereto (the “Developer”), for the purpose of constructing, improving and equipping thereon and on adjacent property, an approximately 210,000 square foot warehouse and distribution center (the “Project”) to be owned by the Developer and operated by L & M Supply, Inc., a Minnesota corporation (the “Tenant”), in connection with the expansion of the Tenant’s existing business; and

WHEREAS, the Property is currently owned by the City and Itasca County, Minnesota (the “County”), pursuant to a certain Airport Joint Powers Cooperative Agreement, dated October 12, 2023, between the City and the County (the “Joint Powers Agreement”) and the County will convey its interest to the City; there is now presented to the Board (i) a Purchase Agreement by and between the City and the Authority related to the Property (the “Authority Purchase Agreement”), and (ii) a Purchase Agreement by and between the Authority and the Developer related to the Property (the “Developer Purchase Agreement”), to be executed following the Authority Purchase Agreement; and

WHEREAS, the Developer has requested a land write down on the purchase price of the Property from the Authority, and tax increment financing assistance and tax abatement assistance from the City in connection with the Project (collectively, the “Assistance”), and the Authority has previously approved a Development Assistance Agreement, by and between the City, the Authority and the Developer (the “Assistance Agreement”), which includes a business subsidy agreement within the meaning of Minnesota Statutes, Sections 116J.993 to 116J.995, as amended (the “Business Subsidy Act”), on which a duly noticed public hearing was held by the Authority on September 28, 2023.

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

1. The Authority hereby approves the Authority Purchase Agreement and the Developer Purchase Agreement substantially in accordance with the terms set forth in the forms presented to the Board, together with any related documents necessary in connection therewith, including the quit claim deed and any documents required by the title company relating to the conveyance of the Property, and without limitation all documents, exhibits, certifications or consents referenced in or attached to the Authority Purchase Agreement and the Developer Purchase Agreement (collectively, the “Purchase Documents”) and hereby authorizes the President and the Executive Director to negotiate the final terms thereof and, in their discretion and at such time as they may deem appropriate, to execute the Purchase Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the Authority’s obligations thereunder when all conditions precedent thereto have been satisfied. The Board hereby approves the conveyance of the Property to the Developer in accordance with

the terms of the Purchase Documents.

2. The approval hereby given to the Purchase Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the Authority and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the Authority. The execution of any instrument by the appropriate officers of the Authority herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This Resolution shall not constitute an offer and the Purchase Documents shall not be effective until the date of execution thereof as provided herein. In the event of absence or disability of the officers, any of the documents authorized by this Resolution to be executed may be executed without further act or authorization of the Board by any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of the Authority's Attorney, may act in their behalf.

3. The powers provided to the Executive Director hereunder shall be delegated and assigned to the City's Assistant Community Development Director in the event of the Executive Director's absence. In such circumstances, the Assistant Community Development Director shall have all authority to act as the Acting Executive Director pursuant to this resolution and in connection with the closing on the conveyance of the Property to the Developer.

4. Upon execution and delivery of the Purchase Documents, the officers and employees of the Authority are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the Authority to implement the Purchase Documents.

Approved this March 28, 2024, by the Board of Commissioners of the Grand Rapids Economic Development Authority.

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President

ATTEST:

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Secretary

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

The property located in the City of Grand Rapids, Itasca County, Minnesota legally described as:

That part of the East 330.00 feet of the South Half of the Southeast Quarter of the Northeast Quarter of section 33, Township 55 North, Range 25 West, Itasca County, Minnesota, lying southwesterly of the following described line:

Commencing at the southeast corner of said Southeast Quarter of the Northeast Quarter; thence on an assigned bearing of North 01 degrees 20 minutes 08 seconds West, along the east line of said Southeast Quarter of the Northeast Quarter, a distance of 151.91 feet to the point of beginning of the line herein described; thence North 14 degrees 18 minutes 12 seconds West 523.41 feet to the north line of the South Half of the Southeast Quarter of the Northeast Quarter and said line terminating thereat.