

CITY OF GRAND RAPIDS, ITASCA COUNTY, MINNESOTA

RESOLUTION NO. ____

**RESOLUTION APPROVING AN AMENDMENT TO TAX
ABATEMENT AGREEMENT BY AND BETWEEN THE CITY OF
GRAND RAPIDS, MINNESOTA AND YANMAR COMPACT
EQUIPMENT NORTH AMERICA, INC.**

BE IT RESOLVED by the City Council (the “Council”) of the City of Grand Rapids, Itasca County, Minnesota (the “City”), as follows:

Section 1. Background.

1.01. The City entered into a Tax Abatement Agreement with Itasca County, Minnesota (the “County”), and Yanmar Compact Equipment North America, Inc. (the “Developer”) dated as of February 14, 2023 (the “Abatement Agreement”), whereby the City agreed to provide the Developer with tax abatement assistance in connection with an expansion of Developer’s existing manufacturing facility located within the City (the “Project”).

1.02. The Grand Rapids Economic Development Authority (the “Authority”) entered into a Loan Agreement Minnesota Investment Fund with the Developer, dated as of October 12, 2022 (the “MIF Loan Agreement”) regarding the Project. Pursuant to the MIF Loan Agreement, the Developer agreed to create a set number of jobs that meet an average hourly wage requirement. As a result of a scrivener’s error, the Abatement Agreement includes an incorrect hourly wage requirement.

1.03. The City and the Developer wish to enter into a First Amendment to Tax Abatement Agreement (the “First Amendment to Abatement Agreement”) which will correct the average hourly wage requirement so that the Abatement Agreement is in accordance with the average hourly wage set forth in the MIF Loan Agreement.

1.04. The Council has reviewed the First Amendment to the Abatement Agreement and finds that the approval and execution thereof and performance of the City’s obligations thereunder are in the best interest of the City and its residents.

Section 2. Approval of First Amendment to Abatement Agreement.

2.01. The Council approves the First Amendment to Abatement Agreement and authorizes and directs the Mayor and City Administrator to execute the First Amendment to Abatement Agreement in substantially the form on file, subject to modifications that do not alter the substance of the transaction and are approved by the Mayor and City Administrator, provided that execution of the First Amendment to Abatement Agreement by such officials will be conclusive evidence of their approval.

2.02. City staff are authorized and directed to take all other actions necessary to carry out the intent of this resolution.

Approved by the City Council of the City of Grand Rapids, Minnesota this [____], 2025.

Tasha Connelly
Mayor

Attest:

Kimberly Gibeau
City Clerk