



## ECONOMIC DEVELOPMENT AUTHORITY

Tuesday, May 28, 2019, 5:15PM

Le Sueur City Hall, 203 South 2nd Street

### Meeting Agenda

1. Call to Order
2. Approval of Agenda
3. Approval of Minutes – April 22, 2019
4. Approval of the Bills – May 23, 2019
5. New Business
  - 5.1. REV: Visit Summary
  - 5.2. Vacant Land Purchase Agreement with INH Property Management
  - 5.3. Valleygreen Sq. Mall
6. Other Business
7. Adjournment

Next Meeting: Monday, June 24, 2019

A Regular Meeting of the Le Sueur Economic Development Authority was held on Monday, April 22, 2019 at 5:15pm in the City Council Chambers of the Le Sueur City Hall, 203 South Second Street, Le Sueur, Minnesota. Members present: Ruth Vortherms, Brian Pfarr, Jesse Wenisch, Marvin Sullivan, Shawn Kirby, Melissa Meger and Dan Mahoney. Members absent: None.

**Motion** by Member Sullivan, seconded by Member Wenisch to approve the agenda as written. Voting in favor: Member Vortherms, Pfarr, Wenisch, Sullivan, Kirby, Meger and Mahoney. Voting no: none. Motion carried.

**Motion** by Member Sullivan, seconded by Member Mahoney approving the minutes of the March 25, 2019 meeting. Voting in favor: Member Vortherms, Pfarr, Wenisch, Sullivan, Kirby, Meger and Mahoney. Voting no: none. Motion carried.

**Motion** by Member Sullivan, seconded by Member Meger, approving the list of bills for April 22, 2019. Voting in favor: Member Vortherms, Pfarr, Wenisch, Sullivan, Kirby, Meger and Mahoney. Voting no: none. Motion carried.

Item 5.1, REV: Resources for Entrepreneurs: Linda Wallace, from Region 9, attended the meeting and joined in the REV discussion relating to the Ripple Mapping event and its outcomes. The core themes from the Ripple Mapping were; creating a strong and business friendly community, connecting entrepreneurs with each other and resources, awakening (or re-energizing) the Chamber and service clubs and promoting an attitude shift about local business.

Item 5.2, First Amendment to the Cambria Purchase Agreement: The EDA discussed the need for the purchase agreement with Cambria to be amended to include an Alta Survey. A **motion** was made by Member Meger, seconded by Member Sullivan, authorizing Bolton and Menk to conduct an Alta Survey and for the First Amendment to the Purchase Agreement to be signed. Voting in favor: Member Vortherms, Pfarr, Wenisch, Sullivan, Kirby, Meger and Mahoney. Voting no: none. Motion carried.

Item 5.3, 169 Farm Lease: Scott and Douglas Kiewatt are proposing to rent the land owned by the EDA at 169 for farming purposes for the 2019 season for a total price of \$16,205.10. A **motion** by Member Sullivan, seconded by Member Wenisch, authorizing the execution of a farm lease for the land owned at 169. Voting in favor: Member Vortherms, Pfarr, Wenisch, Sullivan, Kirby, Meger and Mahoney. Voting no: none. Motion carried.

A **Motion** by Member Sullivan, seconded by Member Mahoney, to adjourn until Tuesday, May 28, 2019. Voting in favor: Member Vortherms, Pfarr, Wenisch, Sullivan, Kirby, Meger and Mahoney. Voting no: none. Motion carried.

Respectfully submitted,  
Samantha DiMaggio, Community Development Director



City of Le Sueur, MN

# EDA Approval Report for May 28, 2019

By Fund

Post Dates 04/23/2019 - 05/28/2019

Account Number	Vendor Name	Description (Item)	Payable Number	Account Number	Amount
<b>Fund: 380 - EDA GENERAL FUND</b>					
<b>Department: 46500 - ECONOMIC DEVELOPMENT ASSIST</b>					
380-46500-101	CITY OF LESUEUR	APR PAYROLL EXPENSE	INV0008705	380-46500-101	5,550.99
380-46500-121	CITY OF LESUEUR	APR PAYROLL EXPENSE	INV0008705	380-46500-121	584.96
380-46500-122	CITY OF LESUEUR	APR PAYROLL EXPENSE	INV0008705	380-46500-122	454.92
380-46500-125	CITY OF LESUEUR	APR PAYROLL EXPENSE	INV0008705	380-46500-125	106.40
380-46500-131	CITY OF LESUEUR	APR PAYROLL EXPENSE	INV0008705	380-46500-131	1,123.26
380-46500-133	CITY OF LESUEUR	APR PAYROLL EXPENSE	INV0008705	380-46500-133	20.72
380-46500-207	CARDMEMBER SERVICE	EDA APRIL CREDIT CARD	INV0008706	380-46500-207	315.00
380-46500-433	CARDMEMBER SERVICE	MINNESOTA MARKETING	INV0008545	380-46500-433	625.00
380-46500-437	CITY OF LESUEUR	2018 SAC/WAC NEW	INV0008674	380-46500-437	21,000.00
<b>Department 46500 - ECONOMIC DEVELOPMENT ASSIST Total:</b>					<b>29,781.25</b>
<b>Fund 380 - EDA GENERAL FUND Total:</b>					<b>29,781.25</b>
<b>Grand Total:</b>					<b>29,781.25</b>

## Report Summary

### Fund Summary

Fund	Payment Amount
380 - EDA GENERAL FUND	29,781.25
<b>Grand Total:</b>	<b>29,781.25</b>

### Account Summary

Account Number	Account Name	Payment Amount
380-46500-101	FULL-TIME EMPLOYEES-	5,550.99
380-46500-121	PERA CONTRIBUTIONS	584.96
380-46500-122	FICA CONTRIBUTIONS	454.92
380-46500-125	MEDICARE	106.40
380-46500-131	HEALTH INSURANCE	1,123.26
380-46500-133	LIFE INSURANCE	20.72
380-46500-207	TRAINING &	315.00
380-46500-433	DUES & SUBSCRIPTIONS	625.00
380-46500-437	MISCELLANEOUS EXPENSE	21,000.00
	<b>Grand Total:</b>	<b>29,781.25</b>

### Project Account Summary

Project Account Key	Payment Amount
**None**	29,781.25
<b>Grand Total:</b>	<b>29,781.25</b>



ECONOMIC DEVELOPMENT AUTHORITY  
**Item 5.1**

TO: Economic Development Authority  
FROM: Samantha DiMaggio  
SUBJECT: REV – Visit Summary  
DATE: Tuesday, May 28, 2019

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**PURPOSE/ACTION REQUESTED**

Summary of Surveys and Visits.

**SUMMARY**

Staff will review the list of who's received the entrepreneurship survey, who's returned the survey and who's been visited.

**RECOMMENDATION**

The EDA should have a discussion about the REV Surveys and visits.



ECONOMIC DEVELOPMENT AUTHORITY  
**Item 5.2**

TO: Economic Development Authority  
FROM: Samantha DiMaggio  
SUBJECT: Vacant Land Purchase Agreement with INH Property Management  
DATE: Tuesday, May 28, 2019

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**PURPOSE/ACTION REQUESTED**

Consider approval of the attached vacant land purchase agreement with INH Property Management.

**SUMMARY**

At the April 22, 2019, EDA meeting, staff was directed to work with INH Property Management to develop a purchase agreement for approximately 19 acres adjacent to Kingsway Drive. This land is part of a potentially larger deal between INH Property Management, the Le Sueur Economic Development Authority, and the City of Le Sueur. The land acquired by the EDA will be used for single family home development.

Purchase Agreement Details

Total Purchase Price: \$494,000 (\$26,000/acre)  
Ernest Money: \$5,000  
Closing Date: September 1, 2019

The City Council approved purchasing 7.5 acres for storm water ponds, it's proposed that the EDA use their 19 acres for single family home development and INH is proposing to build a market rate and 55+ apartment complexes on the remaining 10 acres. Once the purchase agreements are executed, staff will work with INH Property Management on the following tasks that are required before closing can occur.

Site Survey (cost split between INH, City of Le Sueur, and EDA)  
Pre-Plat  
Final Plat  
Rezone of INH Parcels (R-3 to R-4)  
Rezone of City of Le Sueur Parcel (R-3 to P)

Legal counsel has reviewed the attached purchase agreement and is agreeable to the terms.

**RECOMMENDATION**

Staff recommends entering into the attached purchase agreement with INH Property Management for approximately 19 acres of land for the purpose of single family home development. Staff is also requesting authorization to work with INH Property Management on the additional steps related to the pre-platting, final platting, and rezoning of the land being purchasing.

**Expense Form - King Property EDA Development**

Land Purchase	\$494,000.00	EDA
Roadway and Sidewalk	\$1,010,000.00	City
Sanitary Sewer	\$248,000.00	City
Watermain	\$324,000.00	City
Stormwater	\$469,000.00	City
Restoration & Administration	\$211,000.00	City
Contingency	\$225,000.00	City
Administration	\$80,000.00	City
Engineering	\$400,000.00	City
	<b>\$3,461,000.00</b>	

**Revenue Form - King Property EDA Development**

39 Lots @ \$10,000 per lot average*	\$	390,000.00	EDA
TIF Split Contribution of \$5.385M**	\$	2,500,000.00	City
Building Permit Fees (Apartments)	\$	74,000.00	City
Building Permit Fees (Houses)	\$	78,000.00	City
SAC and WAC Fees (39 houses)***	\$	234,000.00	City
SAC and WAC Fees (2 Apartments)****	\$	360,000.00	City
Park Dedication (2 Apartments)	\$	24,000.00	City
Stormwater Requirements (Apartments)*****	\$	150,000.00	City
	\$	<b>3,810,000.00</b>	

	<b>Expenses</b>		<b>Revenue</b>		<b>Net</b>
EDA Cash Flow	\$494,000.00	\$	390,000.00	\$	(104,000.00)
City Cash Flow	\$2,967,000.00	\$	3,420,000.00	\$	453,000.00
Overall Cash Flow	\$3,461,000.00	\$	3,810,000.00	\$	349,000.00

\* Lot price determined by EDA (\$12,700 required to break even)

\*\* TIF split will be negotiated by City Staff with INH

\*\*\* Currently there is a program for ten (10) house per year to receive SAC/WAC assistance

\*\*\*\* SAC/WAC for apartments will be negotiated by City Staff with INH

\*\*\*\*\* Stormwater will be negotiated by City Staff with INH

## VACANT LAND PURCHASE AGREEMENT

**INH Property Management, Inc.**, a Minnesota business corporation, d/b/a INH Properties, having its principal office at 175 7<sup>th</sup> Avenue South, Waite Park, Minnesota 56387, and/or its successors and assigns (the “Seller”), and **City of Le Sueur Economic Development Authority**, a Minnesota political subdivision, with a postal address of 203 South 2<sup>nd</sup> St, Le Sueur, MN 56058 (the “Buyer”), make and enter into this Vacant Land Purchase Agreement (this “Agreement”) effective as of May 28, 2019 (the “Effective Date”).

In consideration of the parties’ mutual covenants and representations in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. SALE OF PROPERTY. Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, all of Seller’s right, title, and interest in the real property located in Le Sueur County, Minnesota, and legally described in the attached Exhibit A (the “Land”), consisting of approximately nineteen (19) acres (the “Land”), together with any building, structure, facility, fixture, and improvement (including all replacements and additions) constructed or located on the Land, and any and all easements, privileges and rights appurtenant to the Land (collectively, the “Property”).
2. PURCHASE PRICE. The total purchase price Buyer will pay to Seller for the Property will be Four Hundred Ninety-four Thousand and No/100 Dollars (\$494,000.00) (the “Purchase Price”).
  - a. Earnest Money. Five Thousand and No/100 Dollars (\$5,000.00.00) earnest money (the “Earnest Money”) shall be payable by Buyer to Seller within two (2) business days following the full execution of this Agreement. The Earnest Money shall be made payable to \_\_\_\_\_ as the closing agent.
  - b. Closing Payment. The balance of the Purchase Price (\$489,000.00) shall be payable, as adjusted by prorations, reductions, and credits as provided in this Agreement (the “Closing Payment”), payable in cash or wire funds on the Closing Date.
3. CLOSING DATE; POSSESSION. This Agreement shall close (the “Closing”) on or before September 1, 2019 (the “Closing Date”), or as may be reasonably extended from time to time pursuant to the mutual agreement of the parties. Possession of the Property shall be delivered at the conclusion of Closing on the Closing Date.
4. CLOSING DOCUMENTS. Upon performance by Buyer, Seller shall deliver a limited warranty deed (the “Deed”) conveying the Property, including any easements beneficial to the Property, to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances, and Buyer shall deliver the Closing Payment to Seller. Additionally, on or before the Closing Date, the parties shall provide such affidavits or other documents as may be reasonably required by a title company identified by Buyer (the “Title Company”)

in order to record the Deed and issue a Title Policy (if any), including an Owner's Affidavit in a form acceptable to the Title Company. Finally, each party shall execute and deliver a closing statement showing the amounts by which any cash adjustments or prorations shall be made between Buyer and Seller as of the Closing in accordance with the terms of this Agreement.

5. TITLE EXAMINATION. The title examination for the Property will be conducted as follows:
  - a. Seller's Title Evidence. Seller shall furnish to Buyer, at Seller's sole cost and expense, a title commitment (the "Title Commitment") to issue an owner's title insurance policy (the "Title Policy") issued by the Title Company. The Title Commitment will commit the Title Company to insure that Buyer will have good and marketable title to the Property and its appurtenances on the Closing Date free and clear of all liens, mortgages and encumbrances, except the Permitted Encumbrances, and shall be updated prior to Closing.
  - b. Buyer's Objections. Within 30 days of the execution of this Agreement by both parties, Buyer will make written objections (the "Objections") to the form and/or contents of the Title Commitment and the status of title. Buyer shall have the right to make Objections to any encumbrance included in the Title Commitment, and the provisions of this Section shall apply to such Objections. Any matter shown on the Title Commitment to which Buyer has not made an Objection shall be a "Permitted Encumbrance" under this Agreement. Seller shall use commercially reasonable efforts to correct all Objections within thirty (30) days after receiving the Objections (the "Cure Period"), during which period the Closing will be postponed as necessary. If the Objections are not cured within the Cure Period and on the Closing Date and Seller cannot deliver good and marketable title acceptable to Buyer, Buyer will have the option to do any of the following:
    - (i) Terminate this Agreement, and the Earnest Money shall be returned to the Buyer and Buyer shall not be liable for damages; or
    - (ii) Waive the Objections and proceed to close, in which case Buyer shall be deemed to have accepted the Property subject to any and all uncured Objections and waived any rights against Seller related thereto, and such accepted Objections shall be deemed Permitted Encumbrances.
  - c. Title Policy. At the Closing, Buyer may obtain, at Buyer's expense, a Title Policy issued by the Title Company, or a suitably marked up title commitment initiated by the Title Company undertaking to issue such title policy required by the commitment as approved by Buyer.

6. REAL ESTATE TAXES AND SPECIAL ASSESSMENTS. Seller shall pay all general real estate taxes and installments of special assessments payable in all years prior to Closing. Real estate taxes and special assessments due and payable in and for the year of Closing shall be prorated through the Closing Date. Buyer will pay all real estate taxes and special assessments due and payable in the year following Closing and thereafter. Seller will promptly notify Buyer of all notices of proposed or final tax valuations and assessments that Seller receives after the Effective Date and after Closing. Seller shall pay all “green acres,” “greenbelt,” “recapture taxes,” or other “recapture agreement” fees or assessments which may become payable as a result of the sale contemplated by this Agreement. Delinquent real estate taxes shall be paid in full by Seller prior to Closing, together with all penalties, interest, and costs payable in the year of closing and all prior years.
7. CLOSING FEE; TRANSFER TAX; RECORDING FEES. Seller and Buyer will each pay one-half (1/2) of any reasonable and customary closing fees or charges imposed by the Title Company. Seller shall pay all fees and transfer taxes and/or deed taxes due in connection with the Property’s transfer. Seller shall pay the cost of recording all documents necessary to place record title in the condition warranted and requested of Seller in this Agreement. Buyer will pay the cost to draft and record the Deed and all other documents. Each party will pay their own attorney’s fees. The parties will pay any other closing fees and charges pursuant to standard local customs where the Property is located.
8. SELLER WARRANTIES. Seller represents and warrants to Buyer now and as of the Closing Date, upon which Buyer may rely, as follows:
  - a. Authority. (i) Seller has the requisite power and authority to own the Property, and to enter into, and perform its obligations under, this Agreement; (ii) as of the Closing Date, this Agreement and any other document reasonably necessary for the Closing of this transaction shall have been duly authorized by all necessary action on the part of Seller and shall have been duly executed and delivered; (iii) such execution, delivery and performance by Seller of this Agreement and any other closing documents shall not conflict with or result in a violation of Seller’s contractual or other obligations of Seller or any judgment, order, or decree of any court or arbiter by which Seller is bound; and (iv) this Agreement and all other closing documents executed by Seller shall be valid and binding obligations of Seller and enforceable in accordance with their terms.
  - b. Public Road Access. There is a right of access to the Property from a public right of way.
  - c. Labor and Materials. No materials have been delivered nor any work or labor performed on the Property under contracts with Seller that have not been fully paid for, and no person or entity acting by or at the direction of Seller presently has any lien, or right of lien, against the Property for labor or materials.

- d. Rights of Others to Property. Except for and as set forth in this Agreement, there are no contracts in force for the purchase of the Property, and Seller has not and will not enter into any other contracts for the sale of the Property, nor are there or will there be any rights of first refusal, options to purchase, or rights to build regarding the Property.
- e. Proceedings. There is no litigation or administrative action, claim or demand pending, and to Seller's knowledge, there is no litigation or administrative action threatened against or relating to any of the Property or Seller's ability to convey the Property pursuant to this Agreement, and there are no pending, or to Seller's knowledge, threatened or contemplated condemnation actions with respect to the Property. Seller has not received any written request from any governmental entity with regard to dedication of any of the Property.
- f. Well Disclosure. To Seller's knowledge, no wells are located on or serving the Property.
- g. Individual Sewage Treatment System and Sewer Disclosure. To Seller's knowledge, no individual sewage treatment systems are located on or serving the Property.
- h. Storage Tanks. To Seller's knowledge, no underground or aboveground storage tanks are located on the Property.
- i. Environmental Assessment. To Seller's knowledge, there are no pending or threatened actions or proceedings against Seller relating to the presence or suspected presence of Hazardous Substances in or upon the Property by the local municipalities, any sewer districts, water districts, state agencies or federal agencies having jurisdiction over such matters, the U.S. Environmental Protection Agency or any other governmental entity. For purposes of this Agreement, "Hazardous Substances" means any material or substance that, as of the date of this Agreement, is defined or classified under federal, state or local laws as: (a) a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601(14), Section 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1321; (b) a "hazardous waste" pursuant to Section 1004 of Section 3001 of the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6903 and 6921; (c) a toxic pollutant under Section 307(a)(1) of the Federal Water Pollution Control Act, 33 U.S.C. § 1317(a)(1); (d) a "hazardous air pollutant" under Section 112 of the Clean Air Act, 42 U.S.C. § 7414; (e) a "hazardous material" under the Hazardous Materials Transportation Uniform Safety Act of 1990, 49 U.S.C. § 1802(4); (f) toxic or hazardous pursuant to regulations promulgated under the aforementioned laws; or (g) presenting a risk to the environment under other applicable federal, state or local laws, ordinances or regulations. "Toxic or Hazardous Substances" specifically includes, but is not limited to, asbestos, polychlorinated

biphenyls (“PCBs”), petroleum and petroleum-based derivatives, and urea formaldehyde.

- j. Methamphetamine Production. Seller is not aware of any methamphetamine production occurring on the Property. This representation is intended to satisfy the requirements of Minn. Stat. § 152.0275, Subd. 2(m).
9. BUYER WARRANTIES. Buyer represents and warrants to Seller now and as of the Closing Date, upon which Seller may rely, as follows:
  - a. Buyer is duly qualified to do business in Minnesota and has the requisite power and authority to enter into and perform this Agreement.
  - b. Buyer’s execution, delivery, and performance of this Agreement will not conflict with or result in a violation of any contract or court judgment or order to which Buyer is a part.
10. “AS-IS” Condition. Except as otherwise specifically provided in this Agreement, Buyer is purchasing and acquiring the Property in its “**AS-IS, WHERE-IS**” condition and “with all faults,” and Buyer agrees that Buyer is relying upon no warranties, representations, or statements by Seller or any other person acting by or on behalf of Seller in entering into this Agreement or in Closing the transaction contemplated herein. Buyer’s Closing on the acquisition of the Property shall constitute conclusive evidence that Buyer has waived or satisfied any survey, title, inspection or other contingencies, and Buyer will have relied exclusively upon its own inspections and reviews and not upon any representation or warranty of Seller or its agents. Seller makes no representations, warranties, or statements whatsoever, express or implied, concerning or relating to the Property, including without limitation, the income or expenses of the Property, the environmental condition of the Property, or the physical condition of the Property. Buyer hereby agrees that following the Closing, Seller shall be fully and finally released from any and all claims or liabilities against the Seller related to or arising on account of the condition of or title to the Property, including without limitation any matters specifically referenced in this Agreement.
11. DAMAGE. If, on or before the Closing Date, all or a substantial part of the Property is damaged by fire, casualty, the elements, or any other cause, the risk of loss is on Seller, and Seller shall immediately give notice to Buyer of such damage and at Buyer’s option (to be exercised within ten (10) business days after receipt of Seller’s notice), this Agreement may terminate, in which event neither party will have any further obligations under this Agreement. Upon Buyer's timely written notice of termination, the Earnest Money shall be refunded to Buyer, this Agreement shall be null and void, and neither Seller or Buyer shall be liable to the other for any damages. If Buyer fails to elect to terminate this Agreement despite such damage, the parties shall proceed to Closing pursuant to this Agreement’s terms and conditions.

12. CONDEMNATION. If, on or before the Closing Date, eminent domain proceedings are commenced against all or any part of the Property, Seller will immediately give notice to Buyer of such fact, together with a legal description of the property being taken, and Buyer shall have the right at its option to terminate this Agreement by giving notice to Seller within ten (10) business days after receiving Seller's notice or to purchase any remaining part of the Property that has not been so taken by condemnation or eminent domain, with a reduction in the Purchase Price equal to the amount of the condemnation proceeds actually received by Seller. Upon termination of this Agreement pursuant to this Section, neither party will have further obligations under this Agreement. If this Agreement is terminated under this Section, any awards from such condemnation or eminent domain proceedings shall belong to Seller. Before the Closing Date, Seller will not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without providing Buyer with written notice and obtaining Buyer's consent, which shall not be unreasonably withheld.
13. DEFAULT; REMEDIES. If Buyer defaults under this Agreement, Seller shall have the right to terminate this Agreement by giving ten (10) days written notice to Buyer. If Buyer fails to cure the default within ten (10) days of service of the notice, Seller may terminate this Agreement, and (i) Buyer shall be liable to Seller for any and all damages incurred by Seller and Seller shall retain the Earnest Money, and (ii) Buyer may seek specific performance of this Agreement. If Seller defaults under this Agreement, Buyer may terminate this Agreement without liability to Buyer, recoup the Earnest Money, and Buyer may seek damages and/or specific performance from Seller. In the event legal action is taken by either party to enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover from the other party all costs and expenses incurred as a result of such enforcement efforts, including attorneys' fees and costs.
14. BROKERAGE FEES. Buyer acknowledges that Seller is a licensed real estate brokerage firm, and James E. Illies, Vice President of INH Property Management, Inc. is a licensed real estate agent and is not requesting any brokerage commission. Further, Buyer and Seller agree that they have not incurred, and will not incur, any real estate brokerage fees, finders' fees, commissions or any other fees to any third party in connection with the purchase and sale contemplated by this Agreement, and Buyer and Seller shall indemnify, defend, and hold the other party to this Agreement harmless from any claim whatsoever (including without limitation reasonable attorneys' fees, court costs, and costs of appeal) from anyone claiming by or through the indemnifying party any fee, commission or compensation on account of this Agreement, its negotiation, or the sale hereby contemplated.
15. SURVIVAL. All of this Agreement's terms will survive and be enforceable after the Closing as and to the extent herein provided.
16. NOTICES. Any notice required or permitted to be given by any party upon the other is given in accordance with this Agreement when it is (a) delivered personally to an officer of a party, (b) deposited in the United States mail, certified mail, postage prepaid, (c)

deposited cost paid with a nationally recognized, reputable overnight courier, or (d) faxed or emailed, provided an original is personally delivered or deposited as provided herein, properly addressed to the addresses described above. Notices will be deemed effective on the earlier of the date of receipt or three (3) days after the date of notice is placed in the mail or deposited with an overnight courier as aforesaid; provided, however, that if notice is given by deposit, that the time for response to any notice by the other party will commence to run one business day after any such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified, five (5) days prior to the effective date of such change.

17. CAPTIONS. The Section 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.
18. CONTROLLING LAW. Minnesota law shall govern this Agreement.
19. TIME OF ESSENCE. Time is of the essence in this Agreement.
20. ENTIRE AGREEMENT. This Agreement, any attached exhibits and any addenda or amendments signed by the parties, shall constitute the entire Agreement between Seller and Buyer, and supersedes any other written or oral agreements between Seller and Buyer. This Agreement can be modified only in writing signed by Seller and Buyer.
21. WAIVER. Except as expressly provided herein, (i) the waiver by a party of any breach of this Agreement or of any warranty or representation made herein, or (ii) the acceptance of payment or performance by a party after any such breach, shall not be deemed to be a waiver of any other breach of any kind, whether preceding or succeeding.
22. SEVERABILITY. The unenforceability or invalidity of any provision of this Agreement shall not render any other provision contained herein unenforceable or invalid.
23. COOPERATION. Each of the parties, without further consideration, agrees after the Closing to execute such additional documents as may reasonably be necessary to carry out the purposes and intent of this Agreement and to fulfill the obligations of the respective parties under this Agreement.
24. BINDING EFFECT. This Agreement binds upon and inures to the benefit of the parties and their respective heirs, administrators, successors and assigns.
25. COUNTERPARTS. This Agreement may be executed in any number of counterparts, all of which together shall constitute the Agreement. Facsimile, scanned PDF or other electronic signatures shall be sufficient for all purposes.

26. NO CONSTRUCTION AGAINST DRAFTER. Each party acknowledges and agrees that they have participated in negotiating and drafting this Agreement, and therefore if an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if the parties had drafted it jointly, as opposed to being construed against a party because it was responsible for drafting one or more of this Agreement's provisions.

The parties have executed this Agreement as of the Effective Date.

**SELLER:**

INH PROPERTY MANAGEMENT, INC.

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James E. Illies, Vice President

**BUYER:**

CITY OF LE SUEUR ECONOMIC  
DEVELOPMENT AUTHORITY

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Ruth Vortherms  
Its: President

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Samantha DiMaggio  
Its: Community Development Director

This instrument was drafted by: Marc W. Sugden  
**PEMBERTON LAW, P.L.L.P.**  
203 22<sup>nd</sup> Avenue West, Alexandria, MN 56308  
Telephone: 320-759-3143 | [www.pemlaw.com](http://www.pemlaw.com)

MWS:dw | 2019-7076.333

**EXHIBIT A**  
**Legal Description**



ECONOMIC DEVELOPMENT AUTHORITY  
**Item 5.3**

TO: Economic Development Authority  
FROM: Samantha DiMaggio  
SUBJECT: ValleyGreen Square Mall  
DATE: Tuesday, May 28, 2019

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**PURPOSE/ACTION REQUESTED**

Discuss continuation of altered loan repayment terms on Loan Number 11241115 (ValleyGreen Square, Inc.) for payments due May, 2019 and thereafter.

**SUMMARY**

<b>VALLEYGREEN SQUARE, INC. TIMELINE</b>	
January 22, 2001	The City Council Authorized the first loan, #13525, with Res. No. 01-008 allowing for a \$400,000 from the revolving loan fund.
April 16, 2001	EDA authorized the loan noted above with Res. No. 01-003.
February 9, 2004	The City Council Authorized a second Loan, #241115, with \$400,000 from the revolving loan fund.
2014	The first loan, #13525, was paid off some time in 2014.
June 23, 2014	The EDA granted a "temporary change" to the Revolving Loan Funds loan #241115, allowing for interest only for 90 days.
June 23, 2016	The EDA authorized payments to be reduced to interest only payments at an interest rate of 3% on payments due July 1, 2016 through and including January 1, 2017.
May 22, 2017	Interest only payments at 3% interest were extended for an additional three months.
September 25, 2017	Interest only payments at 3% interest were extended for an additional six months.
April 23, 2018	Interest only payments at 3% interest were extended for an additional six months.
October 22, 2018	Interest only payments at 3% interest were extended for an additional six months.

**RECOMMENDATION**

Staff recommends extending the interest only payments at 3% for an additional six months.