CITY OF SOUTH ST. PAUL
MEETING AGENDA

ECONOMIC DEVELOPMENT AUTHORITY

Council Chambers
125 3rd Avenue North
South St. Paul, MN 55075

Monday, December 1, 2025
IMMEDIATELY FOLLOWING THE CONCLUSION OF THE 7:00 P.M. MEETING OF THE CITY COUNCIL

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. CONSENT AGENDA

All items listed on the Consent Agenda are items, which are considered routine and will be approved by one motion. There will be no separate discussion of these items unless requested by a member of the governing body or citizen, in which case the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

A. Approve Minutes of the November 3rd, 2025 EDA Meeting

B. Approve Termination Agreement

C. Amendment #1 - Loan Origination Agreement with Center for Energy and Environment

D. Amendment #3 to Preliminary Development Agreement

5. PUBLIC HEARINGS

A. Approving the Sale of 1031 Concord Street South

6. GENERAL BUSINESS

7. ITEMS FOR FUTURE FOLLOW-UP

General communications of the President and Commissioners are provided and may be considered for inclusion on a future agenda. There will be no discussion or decisions made related to these items at this meeting.

8. ADJOURNMENT

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE:	December 1, 2025
DEPARTMENT:	City Clerk
PREPARED BY:	Deanna Werner
AGENDA ITEM NUMBER:	4.A.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Approve Minutes of the November 3rd, 2025 EDA Meeting

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Approve as presented by consent.

OVERVIEW
Approval of meeting minutes of the South St. Paul Economic Development Authority held on Monday, November 3, 2025.

SOURCE OF FUNDS
N/A

ATTACHMENTS
1. 11-03-2025 EDA Minutes Rvsd

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY MINUTES OF NOVEMBER 3, 2025

1. CALL TO ORDER

President Jimmy Francis called the regular meeting of the Economic Development Authority to order at 8:07 PM on Monday, November 3, 2025.

2. ROLL CALL

Present: Tom Seaberg, Jimmy Francis, Lori Hansen, Pam Bakken, Todd Podgorski, Matt Thompson, Joe Kaliszewski

Absent: None

Staff Present:
Ryan Garcia, EDA Executive Director/City Administrator
Kori Land, City Attorney
Deanna Werner, EDA Secretary/City Clerk
Brian Wicke, Chief of Police

3. APPROVAL OF AGENDA

Moved by: Joe Kaliszewski / Matt Thompson
Moved: To Approve the Agenda as presented
Vote: 7 ayes / 0 nays, motion Passed

4. CONSENT AGENDA:

All items listed on the Consent Agenda are items, which are considered routine by the City Council and will be approved by one motion. There will be no separate discussion of these items unless a Council member or citizens requests, in which case the item will be removed from the consent agenda and considered at the end of the Consent Agenda.

A. EDA Meeting Minutes of October 6th, 2025.

B. Approve Proposals related to Petroleum Tank Removal at 417 Concord Street North

C. Approve Proposal for Building Demolition at 417 Concord Street North

Moved by: Pam Bakken / Matt Thompson
Moved: To approve the Consent Agenda as presented.
Vote: 7 ayes / 0 nays, motion Passed

5. GENERAL BUSINESS:

A. Approve Proposal for Deconstruction of Gatehouse Structures at Armour Avenue / Hardman Avenue and Retention of Remnant Masonry Elements

Moved by: Pam Bakken / Matt Thompson
Moved: To approve Proposal for Deconstruction of Gatehouse Structures at Armour Avenue / Hardman Avenue and Retention of Remnant Masonry Elements

Vote: 6 ayes / 1 nays, motion Passed

6. ITEMS FOR FUTURE FOLLOW-UP:

General communications of the President and Commissioners are provided and may be considered for inclusion on a future agenda. There will be no discussion or decisions made related to these items at this meeting.

7. ADJOURNMENT

Moved by: Tom Seaberg / Pam Bakken
Moved: To Adjourn
Vote: 7 ayes / 0 nays, motion Passed

The meeting was adjourned at 9:10 PM.

Deanna Werner

/s/: Deanna Werner
City Clerk

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE:	December 1, 2025
DEPARTMENT:	Economic Development
PREPARED BY:	Ryan Garcia
AGENDA ITEM NUMBER:	4.B.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Approve Termination Agreement

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Motion to approve a termination agreement.

OVERVIEW
The City's Draft 2026 - 2030 Capital Improvement Plan lists the Verderosa Avenue Extension and the New Public Works Building as two major capital investments for 2026. At the May 19, 2025 City Council meeting, Council approved a contract with Kimley-Horn (KH) for final design services (including preparation of a preliminary mass grading plan) for the Verderosa Extension project and at the August 4, 2025 City Council meeting a design services contract with Hagen Christensen & McIlwain Architects (HCM) was approved for the design of the replacement public works facility. As we proceed through design development for both of these projects, we have confirmed that a significant amount of clean fill material will need to be imported to this site to support grading of the site for construction of both projects.

At their March 3, 2025 meeting, the EDA approved a Temporary Storage Agreement with Designing Earth Contracting (DEC). That agreement provided DEC with the ability to continue to store a large volume of clean fill material which had been placed - at their expense - on the site in 2023 - 2024 while they were working for Capital Partners Development, who had the site under control through a Preliminary Development Agreement and License Agreement at the time. The Temporary Storage Agreement has a term end date of November 30, 2025, and Staff and DEC have agreed that it is in neither party's best interest to extend the Agreement beyond that date, given the City's pending capital improvement projects on and around the site. Because Staff recognizes a significant benefit to our future projects in the availability of this material (the material would meet more than 50% of our anticipated import needs to the site) and the potential savings that can be realized by having this material available (KH estimates a savings of about $540,000 in the site mass grading budget by having this material onsite), Staff is recommending approval and execution of a Termination Agreement by the EDA. The Termination Agreement would sever DEC's continued claim to the material at the site in consideration of a termination payment of $495,000. Upon approval of this agreement, the City would be free to incorporate this material as a commodity into future bid letting for either or both of the Verderosa and Public

Works projects. While there will most likely still be a need for additional soil import to support overall site grading, having the material readily available on-site not only saves the City a significant amount of money but also a significant amount of time (which could actually compound financial savings down the line as the project(s) are underway).

SOURCE OF FUNDS
Infrastructure Fund

ATTACHMENTS
1. Termination Agreement

MUTUAL TERMINATION AGREEMENT

THIS MUTUAL TERMINATION AGREEMENT ("Agreement") is made, entered into and effective this _30th_ day of ____November____, 2025, ("Effective Date") by and between the South St. Paul Economic Development Authority, a public body corporate and politic organized under the laws of Minnesota ("EDA"), and Designing Earth Contracting, Inc., a Minnesota corporation ("Designing Earth").

RECITALS

A. The EDA and Designing Earth entered into that Temporary Storage Agreement Relating to Exterior Material on City Property on March 4, 2025 ("Original Agreement"), regarding the following real property owned by the EDA, identified as Dakota County Parcel ID Number 36-83210-01-020, legally described as Lot 2, Block 1, Wakota North (the "EDA Property");

B. The Original Agreement terminated on November 30, 2025 and Designing Earth is required to remove all material from the EDA Property and restore the EDA Property to its previous condition;

C. The EDA is willing to allow the material to remain on the EDA Property and not require Designing Earth to remove it and restore the EDA Property;

D. Designing Earth is willing to accept compensation for the material in the mutually agreed amount stated in this Agreement.

E. The EDA and Designing Earth have determined it would be mutually beneficial to terminate the Original Agreement for the Property, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants of the parties set forth in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the EDA and Designing Earth agree as follows:

1. Designing Earth shall not be required to remove the material on the EDA Property or restore the EDA Property to its previous condition.

2. **Payment.** The EDA agrees to pay $________495,000______ to Designing Earth in exchange for the materials on the EDA Property by __December 31_, 2025. For purposes of this Agreement, "materials" means the stockpile of clean soil, rock, sand and gravel. Upon completion of the payment, the materials shall become the sole property of the EDA and Designing Earth shall have no further rights to the materials.

3. **Termination.** The Original Agreement is hereby terminated as the Effective Date.

4. **Term.** The term of this Agreement shall be from the Effective Date until the parties have fulfilled their obligations under this Agreement.

4. **Miscellaneous.**

a. **Assignment.** This Agreement is not assignable without mutual written consent of the parties.

b. **Binding Agreement.** The parties mutually recognize and agree that all terms and conditions of this Agreement shall run with the EDA Property and shall be binding upon the heirs, successors, administrators and assigns of the parties.

c. **Notices.** Notices shall be deemed effective upon delivery to the following:

If to EDA:	South St. Paul Economic Development Authority Attn: Executive Director 125 3rd Avenue North South St. Paul, MN 55075
If to Designing Earth:	Designing Earth Contracting Attn: Jesse Neumann 1282 187th Ln. E East Bethel, MN 55011

d. **Amendment; Waiver.** The parties hereto may by mutual written agreement amend this Agreement in any respect. Any party hereto may extend the time for the performance of any of the obligations of another, waive any inaccuracies in representations by another contained in this Agreement, waive compliance by another with any of the covenants contained in this Agreement and performance of any obligations by the other or waive the fulfillment of any condition that is precedent to the performance by the party so waiving of any of its obligations under this Agreement. Any agreement on the part of any party for any such amendment, extension or waiver must be in writing. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provisions, whether or not similar, nor shall any waiver constitute a continuing waiver.

e. **Governing Law.** This Agreement shall be governed by and construed in accord with the laws of the State of Minnesota. The venue for any action to enforce this Agreement shall be in Dakota County District Court.

f. **Headings.** The subject headings of the sections this Agreement are included for purposes of convenience only and shall not affect the construction of interpretation of any of its provisions.

g. **Data Practices Compliance.** All data collected by the City pursuant to this Agreement shall be subject to the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement the year and day first set forth above.

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY

____

James P. Francis
President

____

Ryan Garcia
Executive Director

DESIGNING EARTH CONTRACTING, INC.

By: ______________________

Its: President

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE:	December 1, 2025
DEPARTMENT:	Economic Development
PREPARED BY:	Ryan Garcia
AGENDA ITEM NUMBER:	4.C.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Amendment #1 - Loan Origination Agreement with Center for Energy and Environment

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Through Consent, Motion to approve Amendment #1 to a Loan Origination Agreement with Center for Energy and Environment.

OVERVIEW
In September 2023, the EDA approved a loan origination agreement with the Center for Energy and Environment (CEE) for the purpose of having CEE administer the loan application, underwriting, and closing process for the city's revamped housing reinvestment fund (City Staff administers loan servicing). The original term of the agreement is set to expire on December 31, 2025, and staff recommends extending the agreement for an additional year (through 12/31/2026). The partnership has been invaluable, as the city's home improvement loan program has proven to be extremely popular and administration of the program "in-house" likely would have significantly strained existing staff capacity.

SOURCE OF FUNDS
Fund 20298 (Housing Reinvestment Fund) is a dedicated revolving loan fund specifically administered to provide low interest home improvement loans to elibile applicants in the City.

ATTACHMENTS
1. Amendment to Loan Origination Agreement
2. Loan Program Guidelines
3. Program Budget

AMENDMENT 1 to the LOAN ORIGINATION AGREEMENT
Between
SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY
And
CENTER FOR ENERGY AND ENVIRONMENT

City of South St. Paul Home Improvement Loan Program

The Original Agreement made the 17th day of September, 2023 by and between the South St. Paul Economic Development Authority, with offices at 125 3rd Ave N, South St. Paul, MN 55075, (the "Authority"), and CENTER FOR ENERGY AND ENVIRONMENT, with its offices at 212 3rd Avenue North, Suite 560, Minneapolis, Minnesota 55401 ("CEE") is hereby amended.

Exhibit A1 shall replace Exhibit A
Exhibit B1 shall replace Exhibit B

5. Term and Termination of the agreement shall read:

5.1 Unless earlier terminated as provided in the following paragraphs, this Amendment shall become effective on January 1, 2026 and continue through December 31, 2026.

All other sections of the contract shall remain as written in the original and amended agreements.

IN WITNESS WHEREOF, the parties hereunder set their hands as of the date written below:

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY	CENTER FOR ENERGY AND ENVIRONMENT
By ____________________________ James P. Francis, President	By ____________________________ Stephanie Haddad, Chief Operating Officer
Date___________________________	Date___________________________ #
By ____________________________ Ryan Garcia, Executive Director	TAX ID 41-1647799
Date___________________________	

EXHIBIT A1

PROGRAM GUIDELINES

This document includes guidelines for the
South St Paul Loan Programs

SOUTH ST PAUL LOAN PROGRAM GUIDELINES

The South St. Paul Economic Development Authority is making funds available for homeowners to make improvements to their properties. Center for Energy and Environment shall serve as the administrator for the South St. Paul Loan Programs and will secure the most beneficial financing based on the borrower's needs independent of the funding source.

Home Improvement Loan

Interest Rate: 3.875% fixed

Amortization Type: Amortizing (Monthly Payments Required)

Loan Amount: Up to $25,000

Total Project Cost: The borrower must have sufficient funds necessary to cover the cost of the entire project (as outlined in the bid(s).

Loan term: Up to 15 years. The loan is 100% due when the borrower sells, transfers ownership, cash-out refinances or no longer occupies the property as the borrower's primary residence.

Eligible Properties: 1-4 unit owner-occupied properties located within the geographical boundaries of the City of South St. Paul. Townhomes and Condominiums are eligible.

Ineligible Properties: Dwellings that are more than 4 units, cooperatives, properties held in a Trust and properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States.

Ineligible Borrowers: Including but not limited to: - Foreign Nationals, Non-Occupant Co-Borrowers, business entities and Properties held in the name of a Trust.

Ownership/Occupancy: Non-Owner-occupied.

Loan - to - Value Ratio: The ratio of all loans secured by the property, including the new loan, should not exceed 110% of the property value. Half of the improvement value may be added to the initial property value.

Income Limit: 120% AMI based on family size. Income shall be determined by the adjusted gross income from the most recent Federal Tax Return. If a tax return is not required to be filed by the borrower(s) the income will be based on projected income for the next 12 months.

Debt - to - Income Ratio: 50%

Credit Requirements: 1) All mortgage payments must be current and reflect no 30 day late payments history in the past 12-month period (without reasonable explanation) 2) All real estate taxes must be current. 3) No outstanding judgements or collections. 4) Chapter 7 Bankruptcy must have been discharged for at least 18 months prior to loan closing. Chapter 13 Bankruptcy does not need to be discharged but needs to have no late payments and approval by the Trustee. 5) The redemption period on prior foreclosures must have occurred at least 18 months prior to the loan application date. 6) Generally, no more than two 60-day late payments on credit report (without reasonable explanation) 7) No defaulted government loans.

Multiple Loans per Property: More than one loan per property is allowed, however, the outstanding balance(s) cannot exceed $25,000.

Eligible Use of Funds: Most permanent exterior or interior projects, including but not limited to roofing, siding, windows/doors, insulation, solar, HVAC, electrical, plumbing, garage repair-replacement or new construction, interior remodeling, driveways, sidewalks/steps, painting, fences and permanent landscaping.

Contractors must be properly licensed, and permits must be obtained when required. Assessments from an Association are NOT eligible.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances, and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed. CEE will refer to the City of South St. Paul whenever eligibility of a project is questionable.

Bids: A minimum of 1 bid is required, however two bids are encouraged. All contractors must be properly licensed.

Sweat Equity / Homeowner Labor: Work may be performed by property owners on a “sweat equity” basis. Loan funds may be used only for the purchase of materials, including rental of tools and equipment. Loan funds cannot be used to compensate for labor.

Remodeling Advisor Visit (RAV)/Property Inspection(PI): The Remodeling Advisor Visit provides rehabilitation and/or remodeling advice and to determine eligible improvements. The intent is to help residents improve their property by providing technical assistance before and during the bidding and construction process. All residents are eligible for this service regardless if applying for the South St. Paul Loan Program or not.

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by CEE to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a mortgage in favor of the the South St. Paul Economic Development Authority. Borrower will pay all applicable title and filing fees, which may be financed in the loan amount.

Borrower Fees: Borrower will be responsible for a 1% origination Fee, Document Preparation Fee, mortgage filing and service fees, flood certificate and credit report fees all which may be financed in the loan amount.

Underwriting Decision: Applicants must have acceptable credit history. CEE will approve or deny loans based on a credit report, income verification and other criteria as deemed necessary through CEE's underwriting guidelines. CEE's decision shall be final. Appeals can be made to the South St. Paul Economic Development Authority.

Work Completion: All work must be completed within 120 days of the loan closing. However, when warranted, CEE may authorize exceptions on a case-by-case basis.

Multi-Family Home Improvement Loan

Interest Rate: 6.5% fixed

Amortization Type: Amortizing (Monthly Payments Required)

Loan Amount: Up to $50,000

Total Project Cost: The borrower must have sufficient funds necessary to cover the cost of the entire project (as outlined in the bid(s).

Loan term: Up to 15 years.

Eligible Properties: 2-16 owner or non-owner-occupied properties located within the geographical boundaries of the City of South St. Paul. Townhomes and Condominiums are eligible.

Ineligible Properties: Single Family and properties that are more than 16 units, cooperatives, properties held in a Trust and properties used for commercial purposes.

Eligible Borrowers: All borrowers must be legal residents of the United States or a business registered with the MN Secretary of State. Business must have been in business for at least 2 years and have a positive cash flow on the most recent Federal Tax Return.

Ineligible Borrowers: Including but not limited to: - Foreign Nationals, Non-Occupant Co-Borrowers and Properties held in the name of a Trust. Tenants or renters are not eligible.

Ownership/Occupancy: Owner or Non-Owner occupied.

Loan - to - Value Ratio: The ratio of all loans secured by the property, including the new loan, should not exceed 110% of the property value. Half of the improvement value may be added to the initial property value.

Income Limit: 120% AMI based on family size. Income shall be determined by the adjusted gross income from the most recent Federal Tax Return. If a tax return is not required to be filed by the borrower(s) the income will be based on projected income for the next 12 months. There is no income limit if the borrower is a business.

Debt - to - Income Ratio: 50% for properties owned by a individual. If property is owned by a business the business must show a positive cash flow on the most recent Federal Tax Return.

Credit Requirements: 1) All mortgage payments must be current and reflect no 30 day late payments history in the past 12 month period (without reasonable explanation) 2) All real estate taxes must be current. 3) No outstanding judgements or collections. 4) Chapter 7 Bankruptcy must have been discharged for at least 18 months prior to loan closing. Chapter 13 Bankruptcy does not need to be discharged, but needs to have no late payments and approval by the Trustee. 5) The redemption period on prior foreclosures must have occurred at least 18 months prior to the loan application date. 6) Generally, no more than two 60-day late payments on credit report (without reasonable explanation) 7) No defaulted government loans.

Multiple Loans per Property: More than one loan per property is allowed, however, the outstanding balance(s) cannot exceed $50,000.

Eligible Use of Funds: Most permanent exterior or interior projects, including but not limited to roofing, siding, windows/doors, insulation, solar, HVAC, electrical, plumbing, garage repair-replacement or new construction, interior remodeling, driveways, sidewalks/steps, painting, fences and permanent landscaping.

Contractors must be properly licensed, and permits must be obtained when required. Assessments from an Association are NOT eligible.

Ineligible Use of Funds: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances, and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed. CEE will refer to the City of South St. Paul whenever eligibility of a project is questionable.

Bids: A minimum of 1 bid is required, however two bids are encouraged. All contractors must be properly licensed.

Sweat Equity / Homeowner Labor: Work may be performed by property owners on a "sweat equity" basis. Loan funds may be used only for the purchase of materials, including rental of tools and equipment. Loan funds cannot be used to compensate for labor.

Remodeling Advisor Visit (RAV)/Property Inspection(PI): The Remodeling Advisor Visit provides rehabilitation and/or remodeling advice and to determine eligible improvements. The intent is to help residents improve their property by providing technical assistance before and during the bidding and construction process. All residents are eligible for this service regardless if applying for the South St. Paul Loan Program or not.

Post Installation Inspection: Permits must be obtained and signed off by a City inspector where required; when not required, a post installation inspection will be performed by CEE to ensure the work has been completed before any funds will be released.

Loan Security: All loans will be secured with a mortgage in favor of the South St. Paul Economic Development Authority. Borrower will pay all applicable title and filing fees, which may be financed in the loan amount.

Borrower Fees: Borrower will be responsible for a 1% origination Fee, Document Preparation Fee, mortgage filing and service fees, flood certificate and credit report fees all which may be financed in the loan amount.

Underwriting Decision: Applicants must have acceptable credit history. CEE will approve or deny loans based on a credit report, income verification and other criteria as deemed necessary through CEE's underwriting guidelines. CEE's decision shall be final. Appeals can be made to the South St. Paul Economic Development Authority.

Work Completion: All work must be completed within 120 days of the loan closing. However, when warranted, CEE may authorize exceptions on a case by case basis.

Senior Deferred Loan

Interest Rate: 0%

Loan Amount: Up to $25,000.

Loan term: The loan is 100% due when the borrower sells, transfers ownership, cash-out refinance or no longer occupies the property as the borrower's primary residence.

Eligible Properties:
1-4 unit owner-occupied properties located within the geographical boundaries of the City of South St. Paul. Townhomes and Condominiums are eligible.

Ineligible Properties: Dwellings that are more than 4 units, cooperatives, mobile homes, properties held in a Trust and properties used for commercial purposes.

Eligible Borrowers: **At least one borrower must be at least 55 years of age and have owned and occupied the property for at least the past 5 years prior to loan application.** All borrowers must be legal residents of the United States.

Ineligible Borrowers: Include but are not limited to nonresident owners, non-occupant co-borrowers, business entities and properties held in the name of a Trust.

Ownership / Occupancy: Owner-occupied. Contract for Deeds are eligible.

Loan- to-Value Ratio: 110%

Income Limit: 120% AMI based on family size. Income shall be determined by the adjusted gross income from the most recent Federal Tax Return. If a tax return is not required to be filed by the borrower(s) the income will be based on projected income for the next 12 months.

Debt- to-Income Ratio: Not applicable

Multiple Loans per Property/Borrower: Multiple Senior Deferred Loans are allowed if the outstanding balance is within the maximum loan limit.

Eligible Improvements: Most permanent exterior or interior projects, including but not limited to: roofing, siding, windows/doors, insulation, solar, HVAC, electrical, plumbing, garage repair-replacement or new construction, interior remodeling, driveways, sidewalks/steps, painting, fences and permanent landscaping.

Contractors must be properly licensed, and permits must be obtained when required. Assessments from an Association are NOT eligible.

Ineligible Improvements: Payment for work initiated prior to the loan being approved and closed, unless due to emergency. Recreation or luxury projects (pools, lawn sprinkler systems, playground equipment, saunas, whirlpools, etc.), furniture, non-permanent appliances, and funds for working capital, debt service, homeowner labor or refinancing existing debts are NOT allowed.

Bidding: 1 bid is required. Bids must detail the scope of the work to be completed, the associated cost(s) and any rebates. All contractors must be properly licensed.

Sweat Equity: Not permitted.

Property Inspection: Required. Eligible improvements will be determined through an analysis of the inspection of the property. A CEE representative will perform the analysis to prioritize the project eligibility.

Post Installation Inspection: Properties are subject to a post installation inspection by a CEE representative when a permit is not required. Where a permit is required, the work must be signed-off by a City inspector prior to release of funds.

Work Completion: All work must be completed within 120 days of loan closing. Extensions may be granted by CEE.

Borrower Fees: Borrower will be responsible for a 1% Origination Fee, Document Preparation Fee, title work, mortgage filing and service fees, flood certificate, credit report fees and any other applicable fees. All may be financed in the loan amount.

Underwriting Decision: Borrowers must be current on all mortgage payments and property taxes.

Loan Security: All loans will be secured with a mortgage (lien for manufactured homes) in favor of the South St. Paul Economic Development Authority.

General Program Conditions

Application Processing: Loans will be distributed on a first come first serve basis as borrowers qualify. **Applicants must provide a completed application package including the following in order to be considered for funding.**

- Completed and signed application form
- Proof of income
- Bids or estimates for proposed projects
- Other miscellaneous documents loan officers may require.

Contractors/Permits: Contractors must be properly licensed to work in the City of South St. Paul. Permits must be obtained when required by city ordinance.

Program Costs: Loan origination, post installation inspection and remodeling advisor visit fees ARE NOT paid out of the Program Budget. Loan program marketing efforts will be billed directly to the South St. Paul EDA and is a separate expense should the EDA choose to commission CEE for marketing support. Borrowers will pay all mortgage filing fees and related closing costs.

Disbursement Process: Payment to the contractor (or owner in sweat equity situations) will be made upon completion of work. An inspection will be performed by a City Inspector and/or CEE to verify the completion of the work. The following items must be received prior to final disbursement of funds:

- Final invoice or proposal from contractor (or materials list from supplier);
- Final inspection verification by a City Inspector (or CEE);
- Completion certificate(s) signed by borrower and contractor;
- Lien waiver for entire cost of work;
- Evidence of city permit (if required)

EXHIBIT B1

South St. Paul Program Budget

South St. Paul Program Budget Allocation (includes Loans plus Annual Administration Fee, Post-Installation Inspection Fees, One Time Set-Up Fee and Loan Origination Fees): $725,000

TOTAL PROGRAM BUDGET: $725,000

Budget Notes:

1. CEE shall submit monthly invoices for grants, origination fees and post-installation inspections for that period.

2. Services performed by CEE will initially be funded from the Total Program Budget as stated above and paid in accordance with the following schedule.

(1) Annual Administration Fee	$5,000
(2) Home Improvement Loan Origination Fee:	$775 per loan closed
(3) Sr. Deferred Loan Origination Fee:	$775 per loan closed
(4) Multi-Family Loan Origination Fee:	$975
(5) Remodeling Advisor (RAV) or Prioritization Visit	$275
(6) Post Installation Inspection	$175

*Annual Administration Fee is pro-rated the first year of the contract and determined by the date the contract is executed. Annual Administration Fee shall be due January 1 each year thereafter.

3. Marketing
Marketing efforts outside of CEE's website and Loan information are not included in the administrative budget. Hourly rates are inclusive of all overhead expenses and will be charged only for hours directly related to the labor of all additional program marketing. CEE will also be reimbursed by City of South St. Paul for any non-labor, out-of-pocket expenses relating to these services on a dollar-for-dollar basis.

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE: December 1, 2025
DEPARTMENT: Economic Development
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 4.D.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Amendment #3 to Preliminary Development Agreement

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Approve Amendment #3 to Preliminary Development Agreement

OVERVIEW
On November 4, 2024, the EDA approved a Preliminary Development Agreement (PDA) with the City of South St. Paul and ZAS, LLC for a proposed mixed-use redevelopment of the approximately 5.6-acre site at the northeast corner of Grand Avenue East and Concord Street North. The Developer's proposed concept envisions transforming the site, which is currently vacant but was previously developed with industrial uses including the Dakota County Technical College's meatcutting school, 20/20 Brand Solutions, yard space for Twin City Pallet Co., and more historically several ag-industrial buildings of the former Swift & Co. packinghouse campus. ZAS's concept aligns closely to the mixed-use, walkable, livable vision for this area as identified in numerous City plans over the past 25 years: they propose adding an independent restaurant, "destination retail" (currently vetting an indoor pickleball center), and more than 150 units of market-rate housing at the site in a two-phase development program. Given the conditions of the site, including challenging geotechnical and environmental conditions, for the project to be economically viable we anticipate the necessity of utilizing a creative funding approach involving Tax Increment Financing and the leveraging of state and regional grant programs.

ZAS and the EDA continue to make significant progress towards the advancement of this development; however the executed PDA, as Amended by Amendment #2 in October 2025, is set to terminate on December 31, 2025. Due to outstanding issues related to site control, stormwater and other infrastructure, and Response Action Plan preparation and approval, the Developer and EDA agree that the project is not yet ripe for a formal purchase and development agreement(s). With this in mind, we have mutually resolved that a 90-day extension (through March 31, 2026) to the PDA is desirable as we continue to collaborate on these elements.

SOURCE OF FUNDS
The PDA as executed required an option payment, payable in installments to a total of $30,000,

by the developer to retain the exclusive option to negotiate a purchase and development agreement and to assist with the City's administrative costs. The Developer has satisfied this obligation.

ATTACHMENTS

1. Preliminary Development Agreement (ZAS - Hardman Triangle)
2. Amendment #3 to Preliminary Development Agreement

THE SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY,
THE CITY OF SOUTH ST. PAUL
AND
ZAS LLC

PRELIMINARY DEVELOPMENT AGREEMENT

THIS PRELIMINARY DEVELOPMENT AGREEMENT (this "Agreement"), dated the _4th_ day of November, 2024, by and between the City of South St. Paul, a public body corporate and politic under the laws of the State of Minnesota (the "City"), the South St. Paul Economic Development Authority, a public body corporate and politic under the laws of the State of Minnesota (the "EDA") and ZAS LLC, a South Dakota limited liability company (the "Developer");

WITNESSETH:

WHEREAS, the EDA owns and desires to promote the development of certain property known as 125, 135, and 139 Grand Avenue East, South St. Paul, Dakota, County, Minnesota, as further described and depicted on Exhibit A attached hereto and incorporated by reference herein (the "Property"); and

WHEREAS, the EDA has determined that it is in the best interests of the EDA that the Developer be designated as the sole developer of the Property during the term of this Agreement; and

WHEREAS, the EDA intends that the site design for the Property be generally consistent with the 2040 Comprehensive Plan, the 2020 Hardman Triangle Redevelopment Plan, and the Concord Gateway Mixed-Use Zoning District and the current site design for the Property includes the following uses on the Property:

1. An approximately 4-story, market-rate residential apartment building with an estimated 145 residential units and not fewer than 140 garage parking stalls and adequate surface parking to, when combined with the garage parking stalls, meets a ratio of one stall per bedroom (the "Market-Rate Building");

2. A 1- to 2- story, "destination retail" building to include experience-based commercial and/or retail uses, including a 1-story, full-service restaurant located near the northeast corner of Grand Avenue and Concord Street North (the "Commercial Building");

3. An approximately 5-story, potentially independent senior-focused or workforce-focused apartment building with an estimated 40 to 110 residential units and adequate parking to meet a ratio of one stall per bedroom (the "Senior/Workforce Building"); and

4. A shared surface parking facility with an estimated 75 surface parking spaces serving the improvements described above (the "Parking"); and

WHEREAS, the Developer desires to acquire and develop all or a portion of the Property for purposes of constructing thereon the aforementioned mixed-use development (collectively the "Development"); and

WHEREAS, the EDA and Developer are interested in further planning and negotiation for the Developer's proposal for the Development; and

WHEREAS, Developer has indicated to the EDA that it will seek financial assistance from the City and/or the EDA to make the Development feasible; and

WHEREAS, the City or the EDA will need to determine if various studies, as may be determined to be reasonably necessary, should be conducted, including without limitation an environmental impact or related study, an infrastructure feasibility study, an economic impact study, and any other required analysis of the Development (the "Studies") and will need to determine that the proposed Development of the Property will have a positive impact on the City; and

WHEREAS, the City and the EDA will discuss with the Developer available financial assistance, grants, gifts or loans for the Development; and

WHEREAS, various land use, zoning, and subdivision issues and actions related to the Development and the Property are required to be approved by the City in order to facilitate the Development by the Developer; and

WHEREAS, the City and EDA agree to cooperate with the Developer to review and process various land use, zoning, and subdivision issues and actions related to the Development and the Property in order to facilitate the Development by the Developer; and

WHEREAS, the City, the EDA and the Developer are willing to undertake the Development if (i) a satisfactory agreement can be reached regarding EDA's commitment for public costs necessary for the Development; (ii) satisfactory mortgage and equity financing, or adequate equity resources for the Development can be secured by Developer; (iii) the parties reach a satisfactory resolution of zoning, land use, public infrastructure and site design issues; and (iv) the feasibility and soundness of the Development and other necessary preconditions have been determined to the satisfaction of the parties.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and obligations set forth herein, the parties agree as follows:

1. Future Negotiations.

The parties agree to continue negotiations in an attempt to formulate a definitive plan for review and approval of all land use, zoning and subdivision approvals and any necessary development agreements or contracts based on the following:

(a) Developer's current proposal for the Development, which shows the scope of the proposed Development in its latest form as of the date of this Agreement, together with such changes or modifications to the proposal as agreed to by the Developer, the City and the EDA;

(b) Financial projections for the Development and related financial analysis of necessary public assistance;

(c) Other terms and conditions of this Agreement.

2. Statement of Intent.

Although not conclusive or binding on either party beyond the designation of Developer as the sole developer of the Property as set forth herein, it is the intention of the parties that this Agreement: (a) documents the present understanding and commitments of the parties; (b) will provide the EDA and City with the necessary information to determine the amount of available financial assistance for the Development, following receipt of pertinent financial projections related to the Development and subsequent, independent review by the City's financial consultants; (c) will lead to negotiation and execution of a mutually satisfactory development agreements or contracts prior to the termination date of this Agreement; and (d) will lead to an appropriate land use, zoning, and subdivision application or applications. The development agreements or contracts (together with any other agreements entered into between the parties hereto contemporaneously therewith) when executed and any land use, zoning, and subdivision approvals, will supersede all obligations of the parties hereunder.

3. Term; Duties.

(a) During the term of this Agreement, EDA and City agree to:

(i) Proceed to seek all necessary information with regard to the anticipated public costs, if any, associated with the Development.

(ii) Provide to the Developer copies of all due diligence items in EDA's and City's possession, including without limitation: title, survey, environmental (Environmental Phase I & Phase II reports), soils, and market studies.

(iii) Use good faith efforts to negotiate and enter into one or more development agreements with the Developer for the phased development of the Market Rate Building, the Commercial Building, the Senior/Workforce Building, and the Parking (and, if applicable, any future phases of Development).

(b) During the term of this Agreement, Developer agrees to:

(i) Develop and submit its detailed proposal, including the plans and specifications, for the Development.

(ii) Conduct additional due diligence review of the Property. It is mutually understood and agreed that the EDA has completed, without Developer's assistance or financial contribution, Geotechnical Assessments and Phase I and Phase II environmental site assessments prior to execution of this Agreement, which assessments have been and / or will be provided to Developer.

(iii) Use good faith efforts to obtain approval by the EDA and the City (including its Engineer, Planning and Inspection Department, and any other necessary governing authority) for approval of the site plan, exterior elevations and finishes, and such other zoning approvals as may be required.

(iv) Use good faith efforts to obtain any other necessary governmental approval from any governing authority.

(v) Use good faith effort to obtain financing on terms acceptable to Developer, in its sole discretion, which may include, but are not limited to public financial assistance (such as pay-as-you-go tax increment financing ("TIF") in a mutually agreeable amount), grants from other governmental entities (as applicable), private loans and equity investment for the Development.

(vi) Use good faith efforts to negotiate and enter into one or more development agreements with the EDA for the phased development of the Market Rate Building, the Commercial Building, the Senior/Workforce Building, and the Parking (and, if applicable, any future phases of Development).

4. Financial Assistance; TIF.

(a) EDA understands that the Developer is seeking financial assistance from the City and/or the EDA. During the term of this Agreement, Developer shall:

(i) Submit to EDA a design proposal to be reviewed by EDA showing the location, size, and nature of the proposed Development, including layouts, renderings, elevations, and other graphic or written explanations of the Development. The design proposal shall be accompanied by a proposed schedule for the starting and completion of the Development.

(ii) Submit an overall cost estimate for the design and construction of the Market-Rate Building, Parking, Commercial Building, and if applicable, a separate overall cost estimate for any subsequent phases.

(iii) Submit an anticipated time schedule for each planned phase of the Development.

(iv) Undertake and obtain such other preliminary economic feasibility studies, income and expense projections, and such other economic information as Developer may desire to further confirm the economic feasibility and soundness of the Development.

(v) Submit to EDA the Developer's financing plan showing that the proposed initial phase of the Development is financially feasible, and if applicable, a separate financial plan for any subsequent phases.

(vi) Furnish information in its possession or provide additional information as reasonably requested by the City or EDA to assist the City and EDA's determination of the appropriate amount of financial assistance needed for the Development, including good faith cooperation with the City or EDA's financial consultants and legal counsel.

(b) Developer understands that the TIF sought for the proposed Development must comply with state statute and the EDA's TIF policy. The EDA agrees in any development agreement or contract entered into as contemplated herein that the EDA will review and consider such financing as allowed by law, but no provision shall be construed as an affirmative approval of such financing until such time that a separate TIF agreement is entered into by both parties.

5. Feasibility.

It is expressly understood that execution and implementation of any development agreement or contract (together with any other agreements entered into between the parties hereto contemporaneously therewith) and any land use, zoning and subdivision approvals shall be subject to:

(a) A determination by the City and the EDA in their sole discretion that the undertakings are feasible based on (i) satisfaction of City Code requirements; (ii) the purposes and objectives of any development plan created or proposed for the Development; (iii) the Studies, if any; and (iv) the best interests of the City and the EDA.

(b) A determination by Developer in its sole discretion that the Development is feasible and in the best interests of Developer.

6. Costs; Exclusive Option and Administrative.

Developer shall be solely responsible for all costs incurred by Developer. Within five business days of full execution of this Agreement, the Developer agrees to submit a non-refundable option payment to the EDA in the amount of $15,000, with additional payments of $5,000 each due to the EDA on or before each the following subsequent dates: January 1, 2025, April 1, 2025, and July 1, 2025, as long as this Agreement has not been terminated or replaced with a formal development agreement for the Development prior to any such date. For the purposes of this Agreement, the term "Administrative Costs" means out of pocket costs incurred by the EDA or the City, together with consultants (including engineering, surveys, legal, financial advisor, acquisition specialist, relocation consultant, environmental analysis, environmental advisor, planning advisor, etc.), all attributable to or incurred in connection with the review of the development agreement, Development or other related contracts or agreements (together with any other agreements entered into between the parties hereto contemporaneously therewith), the negotiation and preparation of the definitive development agreement or agreements, and other documents and agreements in connection with the Development. Any application or escrow fees generally collected by the City for planning applications such as the Developer may file in relation to the Development will be collected separately pursuant to the City's applicable ordinances.

7. Effective Date; Expiration.

This Agreement is effective from the date hereof through August 31, 2025. After such date, neither party shall have any obligation hereunder except as expressly set forth to the contrary herein.

8. Termination.

This Agreement may be terminated upon fourteen (14) days written notice by EDA to Developer, or Developer to EDA, if:

(a) An essential precondition to the execution of a contract cannot be met; or

(b) If, in the respective sole discretion of the City, EDA or Developer, an impasse has been reached in the negotiation or implementation of any material term or condition of this Agreement, and the parties have been unable to resolve such impasse through good-faith negotiations within 30 days after the party determining the impasse has notified the other party in writing of such determination.

9. Sole Developer.

Developer is hereby designated by the City and the EDA as the sole developer of the Property during the term of this Agreement and the City and the EDA agree to negotiate solely with Developer with respect to the acquisition or development of the Property. The City and EDA agree not to market the Property or to make, accept, negotiate, or otherwise pursue any other offers for sale, purchase or development of the Property until this Agreement expires or is terminated pursuant to Section 7 or Section 8 herein.

10. Right of Entry.

In connection with this Agreement, EDA hereby grants to the Developer, its agents, employees, officers, and contractors (the "Authorized Parties") a right of entry on the Property for the purpose of performing all due diligence work and inspections deemed necessary by the Developer to fulfill its obligations under this Agreement (the "Permitted Activities"). Developer is responsible for any and all costs related to the Permitted Activities conducted on the Property. Developer agrees to indemnify, save harmless, and defend the Authority and its officers and employees, from and against any and all claims, actions, damages, liability and expense in connection with personal injury and/or damage to the Property arising from or out of any occurrence in, upon or at the Property to the extent caused by the act or omission of the Authorized Parties in conducting the Permitted Activities on the Property, except (a) to the extent caused by the negligence, gross negligence, willful misrepresentation or any willful or wanton misconduct by the City or the EDA, or their officers, employees, agents or contractors; and (b) to the extent caused by a "Pre-Existing Condition" as defined in this paragraph 10. "Pre-Existing Condition" shall mean any geologic or soil condition, any defect in the condition of improvements located on the Property, or any condition caused by the existence of hazardous substances or materials in, on, or under Property, including without limitation hazardous substances released or discharged into the drainage systems, soils, groundwater, waters or atmosphere, which condition existed as of the date of this Agreement and became known or was otherwise disclosed or discovered by reason of the Authorized Parties' entry onto the Property.

11. Severability.

If any portion of this Agreement is held invalid by a court of competent jurisdiction, such decision shall not affect the validity of any remaining portion of the Agreement.

12. Breach; Waiver.

In the event any covenant contained in this Agreement should be breached by one party and subsequently waived by another party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach.

13. Notice.

Notice or demand or other communication between or among the parties shall be sufficiently given if sent by email (provided such message is not rejected and does not otherwise "bounceback"), by mail, postage prepaid, return receipt requested, by nationally recognized overnight courier or delivered personally to the following address (which may be changed by either party by notice provided in accordance with this section):

(a) As to EDA/City: South St. Paul Economic Development Authority
125 3rd Avenue N
South St. Paul, MN 55075
Attn: Executive Director
Email: rgarcia@southstpaul.org

(b) As to Developer: ZAS LLC
5605 Tracy Avenue
Edina, MN 55436
Attn: Alex Gese
Email: alex@zavidevelopment.com

14. Assignment.

Developer may assign its rights and obligations under this Agreement to an affiliate or subsidiary of Developer, or to any entity under common control with Developer, without the prior consent of the City or EDA.

15. Counterparts.

This Agreement may be executed simultaneously in any number of counterparts (and counterparts may be exchanged by electronic transmission (including by email)), all of which shall constitute one and the same instrument.

16. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

17. Incorporation.

The Recitals set forth in the preamble to this Agreement and the Exhibits attached to this Agreement are incorporated into this Agreement as if fully set forth herein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the parties hereto have caused this Agreement to be duly executed in its name and behalf as of the day and year first above written.

DEVELOPER:

ZAS LLC.
a South Dakota limited liability company

By: Alex Gese
Name: Alex Gese
Its: Owner

CITY:

CITY OF SOUTH ST. PAUL

By: ______________________
James P. Francis
Its Mayor

By: ______________________
Deanna Werner
Its Clerk

EDA:

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY

By: ______________________
James P. Francis
Its President

By: ______________________
Ryan Garcia
Its Executive Director

EXHIBIT A

PARCEL ID NUMBERS AND DEPICTION OF PROPERTY

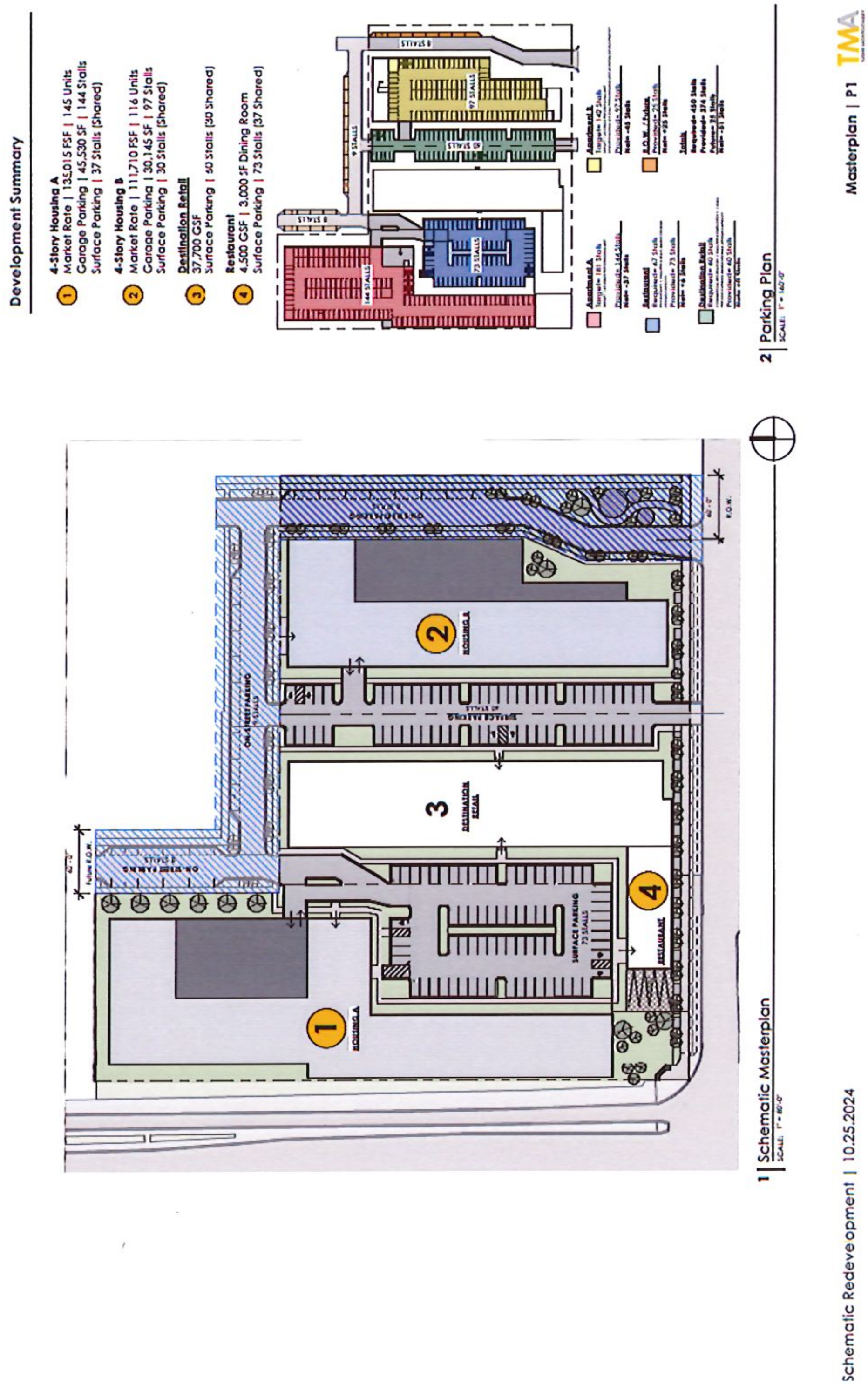
36-03800-00-062
36-03800-00-061
36-03800-00-073
36-03800-00-072

(Full Legal Description of Development Property to be prepared prior to Development Agreement)

A-2

EXHIBIT B

DRAFT DEVELOPMENT PROPOSAL (PRELIMINARY DRAFT - SUBJECT TO UPDATE AND REVISION)



THE SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY,
THE CITY OF SOUTH ST. PAUL
AND
ZAS LLC

THIRD AMENDMENT TO PRELIMINARY DEVELOPMENT AGREEMENT

THIS THIRD AMENDMENT TO PRELIMINARY DEVELOPMENT AGREEMENT (this “Amendment”), is made as of the 1st day of December, 2025, by and between the City of South St. Paul, a public body corporate and politic under the laws of the State of Minnesota (the “City”), the South St. Paul Economic Development Authority, a public body corporate and politic under the laws of the State of Minnesota (the “EDA”) and ZAS LLC, a South Dakota limited liability company (the “Developer”).

WITNESSETH:

WHEREAS, the EDA, City and Developer are parties to that certain Preliminary Development Agreement dated November 4, 2024, as amended by that certain Amendment to Preliminary Development Agreement dated August 5, 2025, and that certain Second Amendment to Preliminary Development Agreement dated October 6, 2025 (collectively, the “Agreement”), with respect to the development of certain property known as 125, 135, and 139 Grand Avenue East, South St. Paul, Dakota County, Minnesota, as further described in the Agreement; and

WHEREAS, the EDA, City and Developer are working in good faith to modify and update the Agreement to reflect current circumstances and conditions and wish to enter into this Amendment to provide additional time to do so.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and obligations set forth herein, the parties agree as follows:

1. Extension of Term. Section 7 of the Agreement is hereby amended to provide that the term of the Agreement is extended through March 31, 2026.

2. Counterparts. This Amendment may be executed simultaneously in any number of counterparts (and counterparts may be exchanged by electronic transmission (including by email)), all of which shall constitute one and the same instrument.

3. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota.

4. Incorporation. The Recitals set forth in the preamble to this Amendment are incorporated into this Amendment as if fully set forth herein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the parties hereto have caused this Amendment to be duly executed in its name and behalf as of the day and year first above written.

DEVELOPER:

ZAS LLC.
a South Dakota limited liability company

By: ______________________________
Name: Alex Gese
Its: Owner

CITY:

CITY OF SOUTH ST. PAUL

By: ______________________________
James P. Francis
Its Mayor

By: ______________________________
Deanna Werner
Its Clerk

EDA:

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY

By: ______________________________

James P. Francis
Its President

By: ____________________________

Ryan Garcia

Its Executive Director

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE:	December 1, 2025
DEPARTMENT:	Economic Development
PREPARED BY:	Ryan Garcia
AGENDA ITEM NUMBER:	5.A.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Approving the Sale of 1031 Concord Street South

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Following a public hearing, motion to approve the sale of real property at 1031 Concord Street South to Leonard Investments, LLC. and approval of the associated purchase agreement, subject to minor modification by the City Attorney.

OVERVIEW
The EDA owns the property on the east side of South Concord Street between Malden and Richmond. Leonard Investments LLC, the real estate holding company affiliated with Fury Motors, has leased the property from the HRA/EDA since August of 2014 for the purposes of employee parking. In 2014, Leonard Investments LLC paid the entire cost of designing, paving, fencing the parking lot, and performs all maintenance and repair as needed.

In early 2025, City staff worked with our PFAS consultant (AE2S) to identify potential sites for an off-site water treatment facility to service Well #4, as the Well #4 site unfortunately is constrained by its size and slope and unable to accommodate the facility on-site. Given that Well #4 is in a densely developed area, finding a large enough vacant site in close proximity was particularly challenging, and the City's preferred site (a vacant MnDOT-owned parcel) was deemed "unavailable" by the state after a few months of analysis. As such, staff identified a privately owned parcel just to the south and up the bluff from Well #4 which is owned by Leonard Investments, LLC. as the preferred option. Leonard was amenable to conveying their vacant property to the City as long as the City / EDA were willing to convey the South Concord Street parking lot property to them.

A purchase agreement has been prepared by the City Attorney identifying a purchase price of $138,315, or approximately $3.00 per square foot. The agreement provides a closing date of on or before June 30, 2026, and includes conditions related to the buyer needing to obtain approvals through the City's planning and zoning processes related to the continued use of the site as a parking lot. Further, the agreement stipulates that the Warranty Deed to the property will include restrictions on the use (employee parking), subdivision (can't be subdivided for 25 years from closing) and sale (can't be sold for a period of 5 years from closing without consent).

Given the importance of this property to the operation of this existing business along with the City's need for a proximate site solution for future PFAS treatment, the sale of this property to Leonard Investments LLC serves the long-term operational needs of both entities. The Concord Street property, while it could conceivably be tied into future redevelopment of the 316 Malden Street property, is for all intents and purposes stand-alone as there is about an 8 foot elevation change between the two properties and an unimproved alley separating the properties. In other words, sale of this property is not anticipated to in any way inhibit the EDA's ability to sell the 316 Malden property for redevelopment in the future.

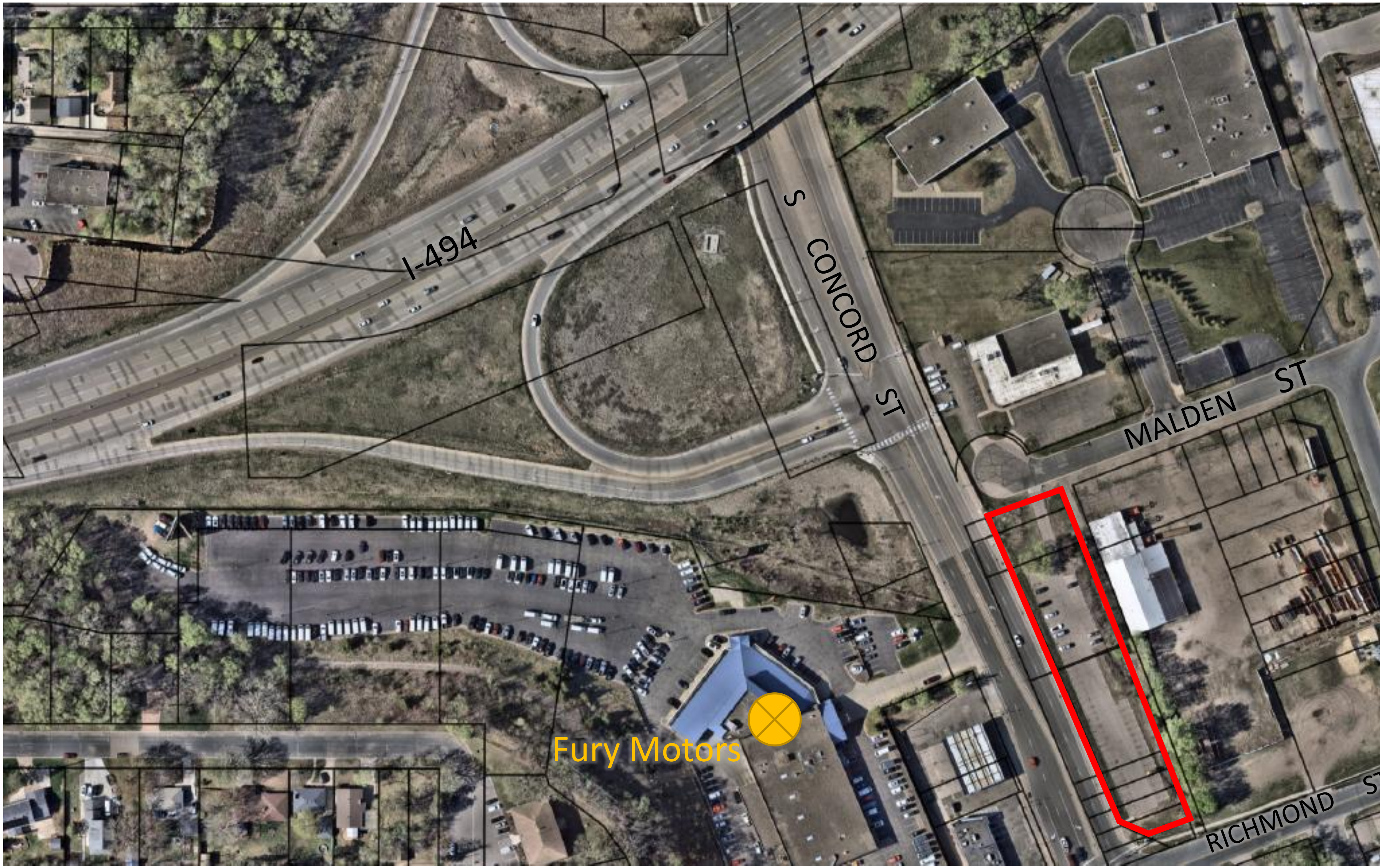
SOURCE OF FUNDS

The property is located within the Concord Street Redevelopment Project Area and within the boundary of the decertified Concord Street Tax Increment Finance District. Sales proceeds will go to the Concord TIF Fund (40490).

ATTACHMENTS

1. Orientation Map
2. Purchase Agreement - 1031 Concord Street South
3. Resolution 2025-22

6-A



1031 Concord Street South

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (this "Agreement") is entered into as of __________ ______, 2025 (the "Effective Date"), by and between the Economic Development Authority of the City of South St. Paul, a public body corporate and politic organized under the laws of Minnesota ("EDA" or "Seller"), and Leonard Investments, LLC, a Minnesota limited liability company ("Leonard" or "Buyer").

RECITALS

A. EDA was created pursuant to Minnesota Statutes, Sections 469.001 through 469.047 and 469.090 through 469.108, and authorized to transact business and exercise its powers by a resolution of the City Council of the City of South St. Paul ("City").

B. EDA is the owner of approximately 1.06 acres of land located in South St. Paul, Dakota County, Minnesota, legally described on Exhibit A (the "Property"), attached hereto, and incorporated herein by reference.

C. Buyer desires to purchase the Property from EDA.

D. EDA will sell the Property to Buyer for an accessory use in conjunction with its car dealership and service business on the terms and conditions of this Agreement, including Buyer completing the improvements to the Property as required by any planning approval conditions required by the City ("Improvements"), including making improvements to the existing condition of the parking lot.

E. EDA believes that the sale of the Property pursuant to and in general fulfillment of this Agreement is in the vital and best interests of the City, will promote the health, safety, morals, and welfare of its residents, and will be in accord with the public purposes and provisions of the applicable State and local laws and requirements.

NOW, THEREFORE, in consideration of the covenants and the mutual obligations contain herein, the parties hereby covenant and agree with each other as follows:

1. **Sale**.

1.1. **Sale**. Subject to the terms and provisions of this Agreement, EDA shall sell the Property to Buyer, and Buyer shall purchase the Property from EDA.

1.2. **Purchase Price**. The purchase price to be paid by Buyer to EDA for the Property shall be $3.00 per square foot or approximately $138,315.00, provided the final purchase price will be determined after the survey is prepared for the Property (the "Purchase Price") payable as follows: (a) $10,000, as "Earnest Money," to be paid to DCA Title, 750 Main Street, Suite 280, Mendota Heights, MN 55118 ("Title") within 5 days of this Agreement to be held in escrow by Title ("Earnest Money"); and (b) the balance of the Purchase Price on the Closing Date (as defined in Section 6) subject to those adjustments, prorations and credits described in this Agreement, in cash or certified funds or by wire transfer pursuant to instructions from EDA or Title. The Earnest Money is only refundable in connection with an uncured default by EDA or as expressly provided in this Purchase Agreement. Buyer and EDA agree to execute such escrow instructions as the Title reasonably requests to establish the Title as escrow agent to hold the Earnest Money.

2. **Available Surveys, Tests, and Reports.** Within ten (10) days of the Effective Date, EDA shall cause to be delivered to Buyer (a) copies of any surveys, soil tests, environmental reports, and any other studies and/or site analyses previously conducted on the Property and in the possession of EDA, and (b) copies of existing title work for the Property and in the possession of EDA (the "Due Diligence Materials"). EDA makes no representations or warranties regarding the accuracy of the Due Diligence Materials. If Buyer so requests, EDA shall request the preparers of any such surveys, soil tests, environmental reports, and any other studies and/or site analyses to re-issue or re-certify the same for the direct benefit of Buyer, at Buyer's expense except as otherwise provided in this Agreement, so that Buyer may rely on such site analyses or surveys as if prepared for Buyer in the first instance, but EDA makes no representation as to whether any such reissuance or recertification will be available.

3. **Buyer's Investigations.** Up to the Closing Date, EDA shall allow Buyer and Buyer's agents access to the Property without charge and at all times for the purpose of Buyer's investigation and testing of the Property, including surveying and testing of soil and groundwater ("Buyer's Investigations"); provided, however, Buyer shall not perform any invasive testing unless (a) EDA gives its prior written approval of Buyer's consultant that will perform the testing, which approval shall not be unreasonably withheld, conditioned or delayed, and (b) Buyer gives EDA 24-hour prior notice of such testing. EDA shall have the right to accompany Buyer during any of Buyer's Investigations of the Property. Buyer shall provide to EDA copies of all third-party, non-confidential written test results and reports conducted as part of Buyer' Investigations. Except as otherwise provided herein, Buyer agrees to pay all of the costs and expenses associated with Buyer's Investigations, to cause to be released any lien on the Property arising as a result of Buyer's Investigations and to repair and restore, at Buyer' expense, any damage to the Property caused by Buyer's Investigations. Buyer shall indemnify and hold EDA and the Property harmless from all costs and liabilities, including, but not limited to, reasonable attorneys' fees, arising from Buyer' Investigations, provided Buyer shall have no obligation to defend, indemnify, save and hold harmless EDA from EDA's own negligence. The indemnification obligations provided herein shall survive the termination or cancellation of this Agreement. If this Agreement is terminated based upon any environmental condition as herein provided, and EDA requests, Buyer shall give EDA copies of any and all environmental reports obtained by Buyer, if any.

4. **Insurance; Risk of Loss.** EDA assumes all risk of destruction, loss, or damage to the Property prior to the Closing Date. If, prior to the Closing Date, all or any portion of the Property or access thereto is condemned, taken by eminent domain, or damaged by cause of any nature, EDA shall immediately give Buyer written notice of such condemnation, taking or damage. After receipt of written notice of such condemnation, taking or damage (from EDA or otherwise), Buyer shall have the option (to be exercised in writing within thirty (30) days of receipt of such written notice from EDA) either (a) to require EDA to (i) convey the Property at Closing (as defined in Section 6) to Buyer in its damaged condition, upon and subject to all of the other terms

and conditions of this Agreement without reduction of the Purchase Price, (ii) assign to Buyer at Closing all of EDA's right, title and interest in and to any claims EDA may have to insurance proceeds, condemnation awards and/or any causes of action with respect to such condemnation or taking of or damage to the Property or access thereto, and (iii) pay to Buyer at Closing by certified or official bank check all payments made prior to the Closing Date under such insurance policies or by such condemning authorities, or (b) to terminate this Agreement by giving written notice of such termination to EDA, whereupon this Agreement shall be terminated, the Earnest Money shall be refunded to Buyer and thereafter neither party shall have any further obligations or liabilities to the other, except for such obligations as survive termination of this Agreement. If the right to terminate this Agreement is not exercised in writing within such thirty (30) day period, such right shall be deemed to have been waived. EDA shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without Buyer' prior written consent, which consent shall not be unreasonably withheld.

5. **<u>Contingencies</u>**.

5.1 **<u>Buyer's Contingencies</u>**.

A. Unless waived by Buyer in writing, Buyer's obligation to proceed to Closing shall be subject to (a) performance by EDA of its obligations hereunder, (b) the continued accuracy of EDA's representations and warranties provided in Section 9.1, and (c) Buyer's satisfaction, in Buyer's sole discretion, as to the contingencies described in this Section 5.1 within the time periods set forth below:

(1) On or before the Closing Date, Buyer shall have determined, in its sole discretion, that it is satisfied with (a) the results of, and matters disclosed by, Buyer's Investigations, surveys, soil tests, engineering inspections, hazardous substance and environmental reviews of the Property; (b) the municipal utility services, including sewer and water, are available to the Property, and (c) all other inspections and due diligence regarding the Property, including any Due Diligence Materials. If Buyer has not terminated this Agreement on or before the Closing Date, the contingency set forth in this paragraph shall be deemed waived.

(2) On or before the Closing Date, Buyer shall have determined the acceptability of the Property for its intended use as a parking lot for employee parking to serve its Automotive Dealership and Service business at 1000 Concord Street South and related improvements (collectively, the "Proposed Use"). All costs and expenses related to applying for and obtaining any governmental permits and approvals for the Property for the Proposed Use shall be the responsibility of the Buyer. If Buyer has not terminated this Agreement on or before the Closing Date, the contingency set forth in this paragraph shall be deemed waived.

(3) On or before the Closing Date, Buyer shall have obtained all appropriate approvals and permits necessary for the Proposed Use on the

Property, which approvals may include, without limitation, access permits, building permits, and any other required licenses (collectively, the “Approvals”). All costs and expenses related to the preparation of any documentation necessary to create any plans, specifications or the like shall be the responsibility of the Buyer.

(4) On or before the Closing Date, Buyer shall have obtained all Land Use Entitlements. “Land Use Entitlements” means planning applications, including but not limited to, conditional use permit, variance, Plat, Site Plan, Comprehensive Plan Amendment and Rezoning Approvals, obtained by Buyer for the Proposed Use.

(5) On or before the Closing Date, Buyer shall have satisfied themselves, in Buyer’s sole discretion, that water and gas mains, electric power lines, sanitary and storm sewers, and any other utilities are available to the Property, and are adequate for the Proposed Use, such that only service lines must be extended to service the Property for water, gas, electric, sanitary and storm sewer and other utilities.

(6) On or before the Closing Date, Buyer shall have received from the Title an irrevocable commitment to issue a title insurance policy for the Property in a form and substance satisfactory to Buyer, in Buyer’s sole discretion, not disclosing any encumbrance not acceptable to Buyer in Buyer’s sole discretion (the “Approved Commitment”). If Buyer has not terminated this Agreement on or before the Closing Date, the contingency set forth in this paragraph shall be deemed waived.

(7) On or before the Closing Date, Buyer shall have received from the Title an irrevocable commitment to issue a title insurance policy for the Property in the form of the Approved Commitment, subject only to such changes in title as are Permitted Encumbrances or as are acceptable to Buyer in Buyer’s sole discretion.

(8) On or before the Closing Date, EDA shall have obtained releases from any and all mortgages or other monetary liens affecting any of the Property.

(9) On or before the Closing Date, Buyer shall have determined that it is satisfied with the books and records in EDA’s possession, if any, including site plans, surveys, engineering, or environmental reports associated with the Property.

(10) On or before the Closing Date, Buyer shall have secured financing from a qualified lender and provided proof to EDA of such financing in an amount that is sufficient for the purpose of acquiring and constructing the Proposed Use.

(11) On or before the Closing Date, Buyer shall obtain a Survey of the Property.

(12) On or before the Closing Date, Buyer shall approve the forms of all closing documents.

(13) EDA shall have performed and satisfied all agreements, covenants and conditions required pursuant to this Agreement to be performed and satisfied by EDA prior to the Closing Date.

(14) All representations and warranties of EDA contained in this Agreement shall be accurate as of the Closing Date.

The foregoing contingencies are for Buyer's sole and exclusive benefit, and may be waived, in whole or in part, in writing, by Buyer in its sole discretion. EDA shall reasonably cooperate with Buyer's efforts to satisfy such contingencies, at no out of pocket cost to EDA, or assumption of any of Buyer's obligations or liabilities except as otherwise provided herein. Buyer shall bear all costs and expenses of satisfying Buyer's contingencies. If any of the foregoing contingencies have not been satisfied on or before the applicable date, then this Agreement may be terminated, at Buyer's option, by written notice from Buyer to EDA. Such written notice must be given on or before the applicable date, or Buyer's right to terminate this Agreement pursuant to this Section shall be waived. If Buyer terminates this Agreement pursuant to this Section on or before the applicable date, the Earnest Money shall be refunded to Buyer. Upon termination, neither party shall have any further rights or obligations against the other regarding this Agreement, or the Property, except for such obligations as survive termination of this Agreement.

B. If Buyer elects not to exercise any of the contingencies set out herein, such election may not be construed as limiting any representations or obligations of EDA set out in this Agreement, including, without limitation, any indemnity, or representations with respect to environmental matters.

5.2 **EDA's Contingencies**. EDA's obligation to proceed to Closing shall be subject to the satisfaction, on or prior to the Closing Date, of each of the following conditions:

A. On or before the Closing Date, EDA shall approve the sale of the Property for the Purchase Price after a public hearing.

B. On or before the Closing, if necessary, Buyer shall have secured financing from a qualified lender and provided proof to EDA of such financing.

C. On or before the Closing Date, Buyer shall agree to the following deed restrictions in the Warranty Deed that the Property:

(1) Is limited to employee parking use;

(2) Cannot be subdivided for a period of twenty-five (25) years from the Closing Date;

(3) Cannot be sold for a period of five (5) years from the Closing Date, without prior written consent from the EDA; and

(4) EDA's right to revest title in Section 14.3.

D. Buyer shall have performed and satisfied all agreements, covenants and conditions required pursuant to this Agreement to be performed and satisfied by Buyer prior to the Closing Date.

E. All representations and warranties of Buyer contained in this Agreement shall be accurate as of the Closing Date.

F. There shall be no uncured default by Buyer of any of its obligations under this Agreement, not otherwise waived by EDA, as of the Closing Date.

If any contingency contained in this Section 5.2 has not been satisfied on or before the date described herein, then this Agreement may be terminated by written notice from EDA to Buyer. If termination occurs, all documents deposited by Buyer shall be immediately returned to Buyer, and all documents deposited by EDA shall be immediately returned to EDA, and neither party will have any further rights or obligations with respect to this Agreement or the Property, except for such obligations that survive termination of this Agreement. If EDA terminates this Agreement pursuant to this Section, the Earnest Money shall be retained by EDA. All contingencies in this Section 5.2 are specifically for the benefit of EDA, and EDA shall have the right to waive any contingency in this Section 6.2 by written notice to Buyer.

6. **Closing**. The closing of the purchase and sale contemplated by this Agreement (the "Closing") shall occur on or before June 30, 2026, at the Title (the "Closing Date"). If the parties proceed to Closing, all of the Earnest Money will be applied to the Purchase Price. EDA agrees to deliver legal and actual possession of the Property to Buyer on the Closing Date.

6.1 **EDA's Closing Documents and Deliveries**. On the Closing Date, EDA shall execute and/or deliver, as applicable, to Buyer the following:

A. **Warranty Deed**. A general warranty deed conveying title to the Property to Buyer, subject to easements for access and utilities (sanitary sewer, watermain, gas, electric, cable, etc.) together will all other easements and rights-of-way appurtenant thereto, and all improvements thereon with the deed restrictions in Section 14.3 (the "Deed"). The Deed shall include, as a covenant running with the land, the condition of Minn. Stat. Sections 469.090 to 469.108 relating to the use of the Property. If the covenant is violated, the authority may declare a breach of the covenant and seek a judicial decree from the district court declaring a forfeiture and a cancellation of the Deed.

B. **Bring Down Certificate**. EDA shall provide Buyer with a document recertifying that the representations and warranties of EDA contained in this Agreement are true and correct as of the Closing Date.

C. **FIRPTA Affidavit**. An affidavit of EDA certifying that EDA is not a "foreign person," "foreign partnership," foreign trust," "foreign estate" or "disregarded entity" as those terms are defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

D. **EDA's Affidavit**. A standard (ALTA form) owner's affidavit from EDA which may be reasonably required by Title to issue an owner's policy of title insurance with respect to the Property with the so-called "standard exceptions" deleted.

E. **Settlement Statement**. A settlement statement with respect to this transaction.

F. **Copies of Resolutions**. EDA shall provide Buyer with copies of the resolutions for all public meetings showing EDA and/or various City commissions and/or councils have approved this transaction.

G. **General Deliveries**. All other documents reasonably determined by Title to be necessary to transfer the Property to Buyer, and to evidence that EDA (a) has satisfied all monetary indebtedness with respect thereto, (b) has obtained such termination statements or releases from such secured creditors as may be necessary to ensure that the Property is subject to no monetary liens, (c) has obtained all consents from third parties necessary to effect EDA's performance of the terms of this Agreement, including, without limitation, the consents of all parties holding an interest in the Property, (d) has provided such other documents as are reasonably determined by Title to be necessary to issue policies of title insurance to Buyer with respect to the Property with the so-called "standard exceptions" deleted, and (e) has duly authorized the transactions contemplated hereby.

6.2 **Buyer Closing Documents and Deliveries**. On the Closing Date, Buyer shall execute and/or deliver, as applicable, to EDA the following:

A. **Payment of Purchase Price**. The Purchase Price, in accordance with the terms of Section 1.2.

B. **Bring-Down Certificate**. A certificate dated as of the Closing Date, signed by an authorized officer of Buyer, certifying that the representations and warranties of Buyer contained in this Agreement are true as of the Closing Date.

C. **Settlement Statement**. A settlement statement with respect to this transaction.

D. **Buyer's Affidavit**. A standard owner's affidavit (ALTA form) from Buyer which may be reasonably required by Title to issue an owner's policy of title insurance with respect to the Property with the so-called "standard exceptions" deleted.

E. **General Deliveries**. All other documents reasonably determined by Title to be necessary to evidence that Buyer has duly authorized the transactions contemplated hereby and evidence the authority of Buyer to enter into and perform this Agreement and the documents and instruments required to be executed and delivered by Buyer pursuant to this Agreement, or may be required of Buyer under applicable law, including any purchaser's affidavits or revenue or tax certificates or statements.

7. **Prorations**. EDA and Buyer agree to the following prorations and allocation of costs regarding this Agreement:

7.1 **Real Estate Taxes and Special Assessments**. General real estate taxes applicable to any of the Property, due and payable in the year of Closing, shall be prorated between EDA and Buyer on a daily basis as of 12:00 a.m. CT on the Closing Date based upon a calendar fiscal year, with EDA paying those allocable to the period prior to the Closing Date and Buyer being responsible for those allocable to the Closing Date and subsequent thereto. EDA shall pay in full all special assessments (and charges in the nature of or in lieu of such assessments) certified, levied, pending, postponed, deferred, or constituting a lien against the Property with respect to any of the Property as of the Closing Date. Buyer shall be responsible for any special assessments that are levied or become pending against the Property after the Closing Date, including, without limitation, those related to Buyer's development of the Property.

7.2 **Title Evidence, Survey and Closing Fee**.

A. EDA shall pay all costs of the Commitment with respect to the Property.

B. Buyer shall pay all costs of all premiums for any title insurance policy it desires with respect to the Property.

C. Buyer and EDA shall each pay one half (1/2) of any reasonable closing fee or charge imposed by the Title.

7.3 **Recording Costs**. EDA shall pay the cost of all documents necessary to cure any Objections, as hereinafter defined. Buyer shall pay all recording costs with respect to the recording of the Deed. Buyer shall pay all recording costs of any related development documents, and for the recording of any mortgage required by Buyer, if any, and any mortgage registration tax, if any.

7.4 **Transfer Taxes.** EDA shall pay all state deed tax regarding the Deed.

7.5 **Utilities**. All utility expenses, including water, fuel, gas, electricity, sewer and other services furnished to or provided for the Property, if any, shall be prorated between EDA and Buyer on a daily basis as of the Closing Date, with EDA paying those allocable to the period prior to the Closing Date and Buyer being responsible for those allocable to the Closing Date and subsequent thereto.

7.6 **Attorneys' Fees**. EDA and Buyer shall each pay its own attorneys' fees incurred in connection with this transaction, except as otherwise specifically set forth in this Agreement.

7.7 **Administrative Costs.** Buyer shall pay the Administrative Costs in Section 15.1 at Closing.

7.8 **Survival**. The obligations set forth in this Section 7 survive the Closing.

8. **Title Examination**. (i) EDA shall, at EDA's expense, order a current and updated title commitment for an owner's title insurance policy (ALTA Form 2006) issued by Title for the Property, and copies of all encumbrances described in the commitment (the "Commitment"); and, if desired, (ii) by the Closing Date, Buyer may at its sole option obtain, at Buyer's expense, an ALTA-certified survey bearing the legal description of the Property, and showing the area, dimensions and location of the Property and the matters shown in the Commitment (the "Survey" and, together with the Commitment, the "Title Evidence").

8.1 **Buyer's Objections**. Within thirty (30) days after Buyer's receipt of the last of the Title Evidence, Buyer may make written objections ("Objections") to the form or content of the Title Evidence. The Objections may include, without limitation, any easements, restrictions, or other matters which may interfere with the Proposed Use of the Property or matters which may be revealed by the Survey. Any matters reflected on the Title Evidence which are not objected to by Buyer within such time period or waived by Buyer in accordance with Section 8.2(B) shall be deemed to be permitted encumbrances ("Permitted Encumbrances"). Notwithstanding the foregoing, the following items shall be deemed Permitted Encumbrances: (a) Covenants, conditions, restrictions (without effective forfeiture provisions) and declarations of record which do not interfere with the Proposed Use, if any; (b) Reservation of minerals or mineral rights by the State of Minnesota, if any; (c) Utility and drainage easements which do not interfere with the Proposed Use; and (d) Applicable laws, ordinances, and regulations. Buyer shall have the renewed right to object to the Title Evidence as the same may be revised or endorsed from time to time.

8.2 **EDA's Cure**. EDA shall be allowed twenty (20) days after the receipt of Buyer's Objections to cure the same but shall have no obligation to do so. If such cure is not completed within said period, or if EDA elects not to cure such Objections, Buyer may, but is not required to, at its discretion, do one or more of the following:

A. Terminate this Agreement with respect to all of the Property.

B. Waive one or more of its objections, accept title subject to the Objections, and proceed to Closing.

If Buyer so terminates this Agreement, neither EDA nor Buyer shall be liable to the other for any further obligations under this Agreement (except for such obligations as survive termination of this Agreement) and the Earnest Money shall be refunded to Buyer.

9. **Warranties and Representations**.

9.1 **By EDA**. EDA warrants and represents the following to Buyer, and acknowledges that Buyer has relied on such representations and warranties in agreeing to enter into this Agreement:

A. This Agreement has been duly executed and delivered and constitutes the legal, valid, and binding obligation of EDA enforceable in accordance with its terms. EDA has been duly formed under the laws of the State of Minnesota and is in good standing under the laws of the jurisdiction in which the Property is located, is duly qualified to transact business in the jurisdiction in which the Property is located, and has the requisite power and authority to enter into and perform this Agreement and the documents and instruments required to be executed and delivered by EDA pursuant hereto. This Agreement and the documents and instruments required to be executed and delivered by EDA pursuant hereto have each been duly authorized by all necessary action on the part of EDA and such execution, delivery and performance does and will not conflict with or result in a violation of EDA's organizational agreement or any judgment or order.

B. The execution, delivery and performance by EDA of this Agreement will not (a) violate any provision of any law, statute, rule or regulation or any order, writ, judgment, injunction, decree, determination or award of any court, governmental agency or arbitrator presently in effect having applicability to EDA, or (b) result in a breach of or constitute a default under any indenture, loan or credit agreement or any other agreement, lease or instrument to which EDA is a party or by which it or any of its properties may be bound.

C. To EDA's knowledge, except as contemplated herein, no order, consent, approval, license, authorization or validation of, or filing, recording or registration with, or exemption by, any governmental or public body or authority, or any other entity, is required on the part of EDA to authorize, or is required in connection with, the execution, delivery and performance of, or the legality, validity, binding effect or enforceability of, this Agreement.

D. To EDA's knowledge, there are no actions, suits or proceedings pending or threatened against or affecting EDA or any of its properties, before any court or arbitrator, or any governmental department, board, agency or other instrumentality which in any of the foregoing (a) challenges the legality, validity or enforceability of this Agreement, or (b) if determined adversely to EDA, would have a material adverse effect on the ability of EDA to perform its obligations under this Agreement.

E. EDA has not received written notice, and has no knowledge, of (a) any pending or contemplated annexation or condemnation proceedings, or purchase in lieu of the same, affecting or which may affect all or any part of the Property, (b) any proposed or pending proceeding to change or redefine the zoning classification of all or any part of the Property, (c) any proposed changes in any road patterns or grades which would adversely and materially affect access to the roads providing a means of ingress or egress to or from all or any part of the Property, or (d) any uncured violation of any legal requirement, restriction, condition, covenant or agreement affecting all or any part of the Property or the use, operation, maintenance or management of all or any part of the Property.

F. To EDA's knowledge, there are no wells, underground or above ground storage tanks of any size or type, or sewage treatment systems located on any portion of the Property. To EDA's knowledge, there has been no methamphetamine production on or about any portion of the Property. To EDA's knowledge, the sewage generated by the Property, if any, goes to a facility permitted by the Minnesota Pollution Control Agency and there is no "individual sewage treatment system" (as defined in Minnesota Statutes § 115.55, Subd. 1(g)) located on the Property.

G. EDA is not a "foreign person," "foreign corporation," "foreign trust," "foreign estate" or "disregarded entity" as those terms are defined in Section 1445 of the Internal Revenue Code.

H. To EDA's knowledge, except as may be disclosed as part of the Due Diligence Materials, (i) no condition exists on the Property that may support a claim or cause of action under any Environmental Law (as defined below) and there are no Hazardous Substances (as defined below) on the Property, (ii) there has been no release, spill, leak or other contamination or otherwise onto the Property, and (iii) there are no restrictions, clean ups or remediation plans regarding the Property. To EDA's knowledge, except as may be disclosed as part of the Due Diligence Materials, there is no buried waste or debris on any portion of the Property. "Environmental Law" shall mean (a) the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. § 9601-9657, as amended, or any similar state law or local ordinance, (b) the Resource Conservation and

Recovery Act of 1976, 42 U.S.C. § 6901, et seq., (c) the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., (d) the Clean Air Act, 42 U.S.C. § 7401, et seq., (e) the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., (f) the Safe Drinking Water Act, 42 U.S.C. § 300(f) et seq., (g) any law or regulation governing aboveground or underground storage tanks, (h) any other federal, state, county, municipal, local or other statute, law, ordinance or regulation, including, without limitation, the Minnesota Environmental Response and Liability Act, Minn. Stat. § 115B.01, et seq., (i) all rules or regulations promulgated under any of the foregoing, and (j) any amendments of the foregoing. "Hazardous Substances" shall mean polychlorinated biphenyls, petroleum, including crude oil or any fraction thereof, petroleum products, heating oil, natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, and shall include, without limitation, substances defined as "hazardous substances," "toxic substances," "hazardous waste," "pollutants or contaminants" or similar substances under any Environmental Law.

I. To EDA's knowledge, there are no leases, tenancies unrecorded agreements or other contracts of any nature or type relating to, affecting, or serving the Property that will not be terminated as of the Closing Date. The Lease on the Property will terminate at Closing.

J. There will be no indebtedness or sums due attributable to the Property which will remain unpaid after the Closing Date.

As used in this Agreement, the term "to EDA's knowledge" shall mean and refer to only the current actual knowledge of the designated representative of EDA and shall not be construed to refer to the knowledge of any other officer, manager, director, agent, authorized person, employee or representative of EDA, or any affiliate of EDA, or to impose upon such designated representative any duty to investigate the matter to which such actual knowledge or the absence thereof pertains, or to impose upon such designated representative any individual personal liability. As used herein, the term "designated representative" shall refer to Ryan Garcia. EDA represents and warrants that the foregoing individual is the representative of EDA most knowledgeable regarding the Property.

The representations, warranties and other provisions of this Section 9.1 shall survive Closing; provided, however, EDA shall have no liability with respect to any breach of a particular representation or warranty if Buyer shall fail to notify EDA in writing of such breach within two (2) years after the Closing Date, and provided further that EDA shall have no liability with respect to a breach of the representations and warranties set forth in this Agreement if Buyer has actual knowledge of EDA's breach thereof prior to Closing and Buyer consummates the acquisition of the Property as provided herein.

Buyer acknowledges and agrees that, except as expressly specified in this Agreement and/or in any documents executed and delivered by EDA at Closing, EDA has not made, and EDA hereby specifically disclaims, any representation, warranty or covenant of any kind, oral or written, expressed or implied, or rising by operation of law, with respect to the Property, including, but not limited to, any warranties or representations as to the habitability, merchantability, fitness for a particular purpose, title, zoning, tax consequences, physical or environmental condition, utilities, valuation, governmental approvals, the compliance of the Property with governmental laws, or any other matter or item regarding the physical condition of the Property. Buyer agrees that except as expressly specified in this Agreement and/or in any documents executed and delivered by EDA at Closing, Buyer shall accept the Property and acknowledges that the sale of the Property as provided for herein is made by Seller on an "AS IS," "WHERE IS," and "WITH ALL FAULTS" basis. Buyer is an experienced purchaser of property such as the Property and Buyer has made or will make its own independent investigation of the Property. The limitations set forth in this paragraph shall survive the Closing and shall not merge in the deed.

9.2 **By Buyer**. Buyer warrants and represents the following to EDA, and acknowledges that EDA has relied on such representations and warranties in agreeing to enter into this Agreement:

A. Buyer is a limited liability company, duly organized and in good standing under the laws of the state of Minnesota and is not in violation of any provisions of its company documents or its operating agreement.

B. Buyer has all requisite authority to enter into this Agreement and to perform all of its obligations under this Agreement.

C. The execution, delivery and performance by Buyer of this Agreement will not (a) violate any provision of any law, statute, rule or regulation or any order, writ, judgment, injunction, decree, determination or award of any court, governmental agency or arbitrator presently in effect having applicability to Buyer, (b) violate or contravene any provision of the articles of incorporation or bylaws of Buyer, or (c) result in a breach of or constitute a default under any indenture, loan or credit agreement or any other agreement, lease or instrument to which Buyer is a party or by which it or any of its properties may be bound.

D. Buyer has received no notice or communication from any local, state, or federal official that the activities of the Buyer or EDA on the Property may be or will be in violation of any environmental law or regulation. Buyer is aware of no facts, the existence of which would cause it to be in violation of any local, state, or federal environmental law, regulation, or review procedure or which give any person a valid claim under any of the foregoing.

E. Buyer shall have satisfied the terms and conditions contained in this Agreement prior to the Closing Date.

The representations, warranties and other provisions of this Section 9.2 shall survive Closing; provided, however, Buyer shall have no liability with respect to any breach of a particular representation or warranty if EDA shall fail to notify Buyer in writing of such breach within two (2) years after the Closing Date.

10. **Additional Obligations of EDA**.

10.1 **Licenses and Permits**. EDA shall transfer to Buyer all transferable rights, if any, in any permits or licenses held by EDA with respect to the Property.

10.2 **Condition of the Property at Closing**. On the Closing Date, EDA shall deliver to Buyer exclusive vacant possession of the Property.

10.3 **Further Assurances**. From and after the Closing Date, EDA agrees to execute, acknowledge, and deliver to Buyer such other documents or instruments of transfer or conveyance as may be reasonably required to carry out its obligations pursuant to this Agreement.

10.4 **Mortgages**. On or before the Closing Date, EDA shall satisfy all mortgage and/or lien indebtedness with respect to all or any portion of the Property and shall obtain recordable releases of the Property from any and all such mortgages or other liens affecting all or any portion of the Property.

10.5 **Zoning; Other Approvals**. EDA, at no out-of-pocket cost to EDA, or the assumption of any obligations or liabilities by EDA, will reasonably cooperate with Buyer's efforts to obtain the zoning or other land use entitlements required by local or statement government at or prior to Closing.

11. **Prohibition Against Sale; Encumbrances**.

11.1 **Prohibition Against Sale of Property for Five (5) Years**. Buyer represents and agrees that their use of the Property and other undertakings pursuant to the Agreement, are, and will be, for the purpose of development of the Property for the Proposed Use and not for speculation in land holding. Buyer further recognizes that in view of the importance of the construction of the Proposed Use and Improvements on the Property to the general welfare of the City and the substantial assistance that has been made available by EDA for the purpose of making such development possible, the fact that any act or transaction involving or resulting in a significant change in the identity of Buyer are of particular concern to EDA. Buyer further recognizes that it is because of such qualifications and identity that EDA is entering into the Agreement with Buyer, and, in so doing, is further willing to accept and rely on the obligations of Buyer for the faithful performance of all undertakings and covenants hereby by it to be performed. For the foregoing reasons, Buyer represents and agrees that for five (5) years from the Closing Date, there shall be no sale of the Property by Buyer nor shall Buyer suffer any such sale to be made, without the prior written approval of EDA.

A. Buyer or any Successor Buyer may not sell or convey the Property and its rights and obligations under this Agreement with respect to such parcel to another entity, whether or not such Successor Buyer is under common management and control with Buyer, or is related to Buyer, except in accordance with the terms of this Agreement. Except as provided in Section 12.1 no such sale, transfer, conveyance, or lease shall be effective or recognized for any purpose hereunder, unless:

(1) The Successor Buyer will assume all of Buyer's obligation under any agreement relative to a credit provider and the Successor Buyer is approved by the credit provider and enters into a written assumption agreement reasonably acceptable to the credit provider; and

(2) The Successor Buyer will assume all of Buyer's financial obligations to EDA and the Successor Buyer is approved by EDA and enters into a written assumption agreement in form and substance reasonably acceptable to EDA.

11.2 **Limitation Upon Encumbrance of Property**. Except for a first mortgage lien for acquisition and development as contemplated pursuant to Section 5.1(A)(10), Buyer agrees not to engage in any financing creating any mortgage or other encumbrance or lien upon the Property or the Improvements, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attached to the Property or the Improvements, other than the liens or encumbrances directly and solely related to construction of the Improvements and approved by EDA, which approval shall not be withheld or delayed unreasonably if EDA determines that such lien or encumbrance will not threaten its security in the Property or the Improvements.

This Section 11 shall survive Closing.

12. **Commissions**. EDA and Leonard each represent and warrant to the other party that it has dealt with no brokers, finders or the like in connection with this Agreement or the transactions contemplated hereby.

13. **Notice**. Any notice to be given by one party hereto shall be personally delivered (including messenger delivery), by email at the address set forth below, or be sent by registered or certified mail, or by a nationally recognized overnight courier which issues a receipt, in each case postage prepaid, to the other party at the addresses in this Section (or to such other address as may be designated by notice given pursuant to this Section), and shall be deemed given upon personal delivery, three (3) days after the date postmarked, one (1) business day after delivery to such overnight courier, or immediately upon personal delivery or delivery by email. Attorneys for each party shall be authorized to give and receive notices for each such party.

If to Leonard: Leonard Investments, LLC
1000 Concord Street South
South St. Paul, MN 55075
Attn: Tom Leonard
E-mail: tjl@furymotors.com

If to EDA: South St. Paul Economic Development Authority

125 Third Avenue North
South St. Paul, Minnesota 55075
Attention: Executive Director
E-mail: rgarcia@southstpaul.org

With a Copy to: South St. Paul City Attorney
LeVander, Gillen and Miller, PA
1305 Corporate Center Drive, Suite 300
Eagan, MN 55121
Attention: Kori Land
E-mail: kland@levander.com

14. **Default; Remedies**.

14.1 **Events of Default Defined**. Each and every one of the following shall be an Event of Default under this Agreement:

A. Failure by EDA or Buyer to proceed to Closing on the Property after compliance with or the occurrence of all conditions precedent to Closing;

B. Failure by Buyer to commence and complete construction of the Improvements unless such failure is caused by an Unavoidable Delay. "Unavoidable Delays" means delays beyond the reasonable control of the party seeking to be excused, which are the direct result of strikes, other labor troubles, weather, fire, terrorism, or other casualty to the Improvements; litigation commenced by third parties which, by injunction or other similar judicial action, results in delays, or acts of any federal, state or local governmental unit (other than EDA in exercising its rights under this Agreement) that result in delays;

C. Failure by Buyer to pay real estate taxes or special assessments on the Property and Improvements as they become due;

D. Use by Buyer or others of the Improvements for purposes other than the Proposed Use;

E. Sale of the Property or the Improvements or any part thereof by Buyer in violation of Section 11.1 of this Agreement without the prior written permission by EDA;

F. If Buyer shall file a petition in bankruptcy, or shall make an assignment for the benefit of its creditors or shall consent to the appointment of a receiver; or

G. Failure by any party to observe or perform any material covenant, condition, obligation, or agreement on its part to be observed or performed under this Agreement.

14.2 **Remedies on Default**. Whenever any Event of Default referred to in Section 14.1 of this Agreement occurs, the non-defaulting party may take any one or more of the following actions after providing thirty (30) days' written notice to the defaulting party of the Event of Default, but only if the Event of Default has not been cured within said thirty (30) days or, if the Event of Default is by its nature incurable within thirty (30) days, the defaulting party does not provide assurances to the non-defaulting party reasonably satisfactory to the non-defaulting party that the Event of Default will be cured and will be cured as soon as reasonably possible:

A. Suspend its performance under this Agreement, including refusing to close on the Property, until it receives assurances from the defaulting party, deemed adequate by the non-defaulting party, that the defaulting party will cure its default and continue its performance under this Agreement;

B. Terminate or rescind this Agreement;

C. If the default occurs prior to completion of the Improvements and remains uncured following the cure period, EDA may repurchase the Property at a price that is determined by an appraisal prepared by an appraiser selected by the EDA; or

D. Take whatever action, including legal or administrative action, which may appear necessary or desirable to the non-defaulting party to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant of the defaulting party under this Agreement.

14.3 **Revesting Title in the EDA on Failure to Commence Construction Subsequent to Conveyance to Buyer**. Pursuant to Minn. Stat. §469.105 subd. 5, if Buyer fails to complete the Improvements pursuant to this Agreement within one (1) year from the Closing Date, EDA shall have the right to re-enter and take possession of the Property and to terminate the estate conveyed in the Deed to Buyer, it being the intent of this provision that the conveyance of the Property to Buyer shall be made upon and a deed containing a condition subsequent to the effect that in the event that Buyer fails to commence construction pursuant to this Agreement and fails to request and receive additional time for commencement, EDA at is option, may declare a termination in favor of EDA of the title and of all the rights and interests in and to the Property conveyed to Buyer. In such circumstances, all title, rights and interests of Buyer and any assigns or successors in interest to and in the Property, shall revert to EDA. If Buyer does commence construction pursuant to this Agreement within one year from the Closing Date, a Release of Right to Re-enter and Revest shall be filed with Office of the County Recorder in and for the County of Dakota and State of Minnesota memorializing the commencement of Improvements and releasing Buyer from EDA's right to re-enter and take possession of the parcel and to terminate the estate conveyed in the Deed to Buyer pursuant to Minn. Stat. §469.105, subd. 5, although all additional covenants and provisions of this Agreement and the Deed shall remain in effect. This provision shall survive closing.

14.4 **Resale of Reacquired Property; Disposition of Proceeds**. Upon the revesting in EDA of title to and/or possession of the Property or any part thereof as provided above, EDA shall, pursuant to its responsibilities under law, use its best efforts to sell the Property or part thereof as soon and in such manner as EDA shall find feasible to a qualified and responsible party, who will assume the obligation of making or completing Improvements or such other improvements in their stead as shall be satisfactory to EDA in accordance with the uses specified for such parcel or part thereof. During any time while EDA has title to and/or possession of a parcel obtained by reverter, EDA will not disturb the rights of any tenants under any leases encumbering such parcel. Upon resale of the Property or any part thereof, the proceeds thereof shall be applied:

A. First, to reimburse EDA for all reasonable costs and expenses incurred by EDA, including but not limited to brokerage fees, all taxes, assessments and water and sewer charges accrued with respect to the Property or part thereof prior to revesting of title; any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in EDA or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of Buyer, or Successor Buyer; any expenditures made or obligations incurred by EDA with respect to the making or completion of the Improvements; and any amounts otherwise owing EDA by Buyer or its Successor Buyer; and

B. Second, to reimburse Buyer or Successor Buyer, up to the amount equal to (i) the Purchase Price paid by Buyer; plus (ii) the amount actually invested by it in making any of the subject improvements on the Property or part thereof, less (iii) any gains or income withdrawn or made by it from the Agreement or the Property.

C. Any balance remaining after such reimbursements shall be retained by the EDA as its property.

Nothing in this Section 14 shall in any way affect or diminish Buyer's right to terminate this Agreement in accordance with Section 5.1. These provisions in Section 14.3 and 14.4 shall survive Closing.

14.5 **No Remedy Exclusive**. No right or remedy herein conferred upon or reserved to the parties is intended to be exclusive of any other available right or remedy herein or provided by law, but each and every such remedy shall be cumulative and shall be in addition to every other right or remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle EDA or Buyer to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in Section 14.2 of this Agreement.

14.6 **No Additional Waiver Implied by One Waiver**. In the event any covenant or agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

15. **Other Obligations of Buyer**.

15.1. **Administrative Costs**. EDA has incurred and will continue to incur administrative costs in reviewing, analyzing, negotiating, and studying the Improvements and this Agreement. In consideration of the time, effort, and expenses to be incurred in pursuing the undertakings set forth herein, Buyer agrees to pay $5,000 for the costs of consulting fees, including financial, attorneys, surveys and any special meetings. This fee shall be due at Closing.

16. **Cumulative Rights**. No right or remedy conferred or reserved to EDA or Buyer is intended to be exclusive of any other right or remedy herein or by law provided, but each shall be cumulative in and in addition to every other right or remedy existing at law, in equity or by statute, now or hereafter.

17. **Assignment.** Buyer may assign this Agreement with the prior written consent of the EDA; provided that an assignment simultaneous with Closing to a special purpose entity formed to acquire the Property shall be allowed. No assignment shall relieve Buyer from its obligations under this Agreement.

18. **Entire Agreement; Modification**. This written Agreement constitutes the complete agreement between the parties with respect to this transaction and supersedes any prior oral or written agreements between the parties regarding this transaction. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in writing executed by the parties.

19. **Binding Effect; Survival**. This Agreement binds and benefits the parties and their respective successors and assigns. All representations and warranties, and indemnification obligations of the parties hereto shall survive the Closing.

20. **Governing Law**. The provisions of this Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. Any legal action related to this Agreement shall be venued in Dakota County District Court.

21. **Rules of Interpretation**. The words “herein” and “hereof” and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than any particular section or subdivision hereof. References herein to any particular section or subdivision hereof are to the section or subdivision of this Agreement as originally executed.

22. **<u>Titles of Sections</u>**. Any titles of the sections, or any subsections, of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

23. **<u>Counterparts</u>**. This Agreement may be executed in any number of counterparts, and all of the signatures to this Agreement taken together shall constitute one and the same agreement, and any of the parties hereto may execute such agreement by signing any such counterpart. "PDF" signatures on this Agreement shall be treated as originals until the actual original signatures are obtained.

24. **<u>Time of the Essence</u>**. Time is of the essence of this Agreement.

[remainder of page intentionally blank]

IN AGREEMENT, the parties hereto have hereunto set their hands as of the Effective Date.

EDA:
ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF SOUTH ST. PAUL

By ______________________________
James P. Francis
Its President

By ______________________________
Ryan Garcia
Its Executive Director

LEONARD INVESTMENTS, LLC.:

By: ___________________________
Tom Leonard
Its: Manager

<u>EXHIBIT A</u>
<u>PROPERTY</u>

The following real property situated in the City of Sout St. Paul, Dakota County, Minnesota legally described as follows:

<u>PID 36-71500-18-060</u>:
Lot 6, Block 18, Spring Park, Dakota Co., Minn., according to the plat thereof now on file and of record in the office of the County Recorder within and for Dakota County, Minnesota.

<u>PID 36-71500-18-080</u>:
Lots Seven (7) and Eight (8) Block Eighteen (18), Spring Park, Dakota Co., Minn., according to the plat thereof now on file and of record in the office of the County Recorder within and for Dakota County, Minnesota, together with that part of vacated Concord Street adjacent which accrued thereby by reason of the vacation thereof.

<u>PIDs 36-71500-18-143, 36-71500-18-200, 36-71500-18-210, 36-71500-18-220, 36-71500-18-230, 36-71500-18-240</u>:

Lots 9 through 24, Block 18 Spring Park, Dakota County Minnesota, according to the recorded plat thereof, Dakota County, Minnesota EXCEPTING therefrom DAKOTA COUNTY ROAD RIGHT OF WAY MAP NO. 293.

Abstract Property

Survey to govern

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY
DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 2025 - 22

RESOLUTION APPROVING THE SALE OF PROPERTY TO LEONARD INVESTMENTS LLC AND APPROVING THE RELATED PURCHASE AGREEMENT

WHEREAS, the South St. Paul Economic Development Authority ("EDA") owns certain real property located in the City of South St. Paul, County of Dakota, State of Minnesota, legally described on the attached Exhibit A ("Property"); and

WHEREAS, the EDA desires to sell the Property; and

WHEREAS, LEONARD INVESTMENTS, LLC, a Minnesota limited liability company ("Developer"), desires to purchase the Property for the purpose of maintaining and improving an approximately 66-stall off-site employee surface parking lot for Fury Motors, and related improvements, as articulated in the Purchase Agreement between the EDA and Developer; and

WHEREAS, on December 1, 2025, the EDA held a public hearing on the sale of the Property and the EDA considered all of the information presented at the public hearing.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the South St. Paul Economic Development Authority as follows:

1. The sale of the Property to Developer is in the public interest of the City and its people, furthers its general plan of economic development and furthers the aims and purposes of Minn. Stat. Sections 469.090 to 469.108; and the appropriate officials are authorized to take such action so as to effectuate such sale.

2. The EDA approves the Purchase Agreement, subject to minor modification as approved by the City Attorney, and the appropriate officials are authorized to take such action as to effectuate its execution and implementation.

Adopted this 1st day of December, 2025.

____________________________	____________________________
James P. Francis, President	Ryan D. Garcia, Executive Director

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

The following real property situated in the City of Sout St. Paul, Dakota County, Minnesota legally described as follows:

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Abstract Property

Survey to govern