CITY OF SOUTH ST. PAUL
MEETING AGENDA

ECONOMIC DEVELOPMENT AUTHORITY

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

Monday, April 6, 2026
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. Minutes of the March 2nd, 2026 EDA Meeting

5. PUBLIC HEARINGS

A. Convey Lot 2, Block 1 and Outlot A of Wakota Crossing to the City of South St. Paul

B. Approving the Sale of 316 Malden Street

C. Approving the Sale of 106 Third Avenue North

6. GENERAL BUSINESS

A. Approving a Gap Loan - Bester Brothers Moving & Storage

B. Livable Communitities Demonstration Account Application

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:	April 6, 2026
DEPARTMENT:	City Clerk
PREPARED BY:	Deanna Werner
AGENDA ITEM NUMBER:	4.A.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Minutes of the March 2nd, 2026 EDA Meeting

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

OVERVIEW
Approval of meeting minutes for March 3rd, 2026.

SOURCE OF FUNDS
N/A

ATTACHMENTS
1. 03-02-2026 EDA Minutes

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY MINUTES OF MARCH 2, 2026

1. CALL TO ORDER

President Jimmy Francis called the regular meeting of the City Council to order at 8:16 PM on Monday, March 3, 2026.

2. ROLL CALL

Present: Tom Seaberg, Jimmy Francis, Lori Hansen, Pam Bakken, Todd Podgorski, Matt Thompson
Absent: Joe Kaliszewski
Staff Present:
Ryan Garcis, EDA Executive Director
Kori Land, City Attorney
Deanna Werner, EDA Secretary
Brian Wicke, Chief of Police

3. APPROVAL OF AGENDA

Moved by: Tom Seaberg / Matt Thompson
Moved: To approve the Agenda as presented.
Vote: 6 ayes / 0 nays, motion Passed

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. Minutes of the January 5, 2026 EDA Meeting

B. Mortgage Satisfactions - HRA Rehab Loan Applicant #812

Moved by: Lori Hansen / Matt Thompson
Moved: To approve the consent agenda as presented.
Vote: 6 ayes / 0 nays, motion Passed

5. PUBLIC HEARINGS

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

Moved by: Pam Bakken / Lori Hansen

Moved: To Approve
Vote: 6 ayes / 0 nays, motion Passed
The meeting was adjourned at 8:20 PM.

Deanna Werner

/s/: Deanna Werner
City Clerk

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE:	April 6, 2026
DEPARTMENT:	City Administrator
PREPARED BY:	Ryan Garcia
AGENDA ITEM NUMBER:	5.A.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Convey Lot 2, Block 1 and Outlot A of Wakota Crossing to the City of South St. Paul

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

- Hold Public Hearing as required by Minn. Stats. 469.105 Subd. 2
- Motion to Approve Resolution 2026 - 8

OVERVIEW
Under a 1970 Agreement between the City and the Metropolitan Sewer Board (predecessor agency to the Environmental Services Division of today's Metropolitan Council), the former South St. Paul Municipal Sanitary Sewer Treatment Works was conveyed from the City to the Sewer Board, thereby ending the City's long-standing ownership and operation of a wastewater treatment plant within the City. The 1970 agreement provided that when such time came that any or all of the property was deemed to be no longer needed for regional wastewater treatment purposes, such property would be transferred back to the ownership of the City. Beginning in 2018, the Met Council undertook projects to remove the last of remaining sanitary sewer infrastructure from the northern and eastern portion of a roughly 18-acre parcel to the south of their current lift station at 680 Verderosa Avenue, with the intention of transferring back to the City Lot 2, Block 1 and Outlot A of the "Wakota North" Plat. In September of 2023, the property was re-conveyed to the City in accordance with the Agreement.

In July 2024, the City conveyed the Property to the South St. Paul Economic Development Authority so that the EDA could act as controlling agent of the property in efforts to redevelop the site with the private market. As Council is aware, two separate private development proposals fell through at the site in 2024 and since 2025 Staff has been progressing with plans to redevelop the eastern 1/3 of the Property for the future Public Works Central Maintenance and Storage facility. Earlier this year, the Property was included in a comprehensive replatting of more than 40 acres of land including the MCES L65 Lift Station property, the Wakota Trailhead, and the DNR Boat Launch facilities and creating the platted public right-of-way for Verderosa Avenue extension. To simplify the recording of the plat with Dakota County, staff and our surveyor (EFN) agree that Lot 2, Block 1 and Outlot A of Wakota North should be conveyed back to the City prior to recording the plat.

SOURCE OF FUNDS
The EDA acquired the property via Quit Claim Deed at no cost in 2024, and is proposing conveying the property to the City at no cost via Quit Claim Deed.

ATTACHMENTS
1. Resolution 2026-08
2. Location/Orientation Map

South St. Paul Economic Development Authority
Dakota County, Minnesota

RESOLUTION NO. 2026-8

WHEREAS, the South St. Paul Economic Development Authority ("EDA") is the fee owner of real property legally described as follows:

Lot 2, Block 1, Wakota North and Outlot A, Wakota North,

Dakota County, Minnesota

Abstract Property
PID: 36-83210-01-020 and 36-83210-00-010

(the "Property"); and

WHEREAS, the EDA desires to convey the Property to the City of South St. Paul ("City") for redevelopment purposes.

WHEREAS, on April 6, 2026, the EDA held a public hearing on the conveyance of the Property to the City and the EDA considered all of the information presented at the public hearing.

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

1. The EDA hereby authorizes the conveyance of the Property to the City of South St. Paul.

2. The required officers of the EDA are authorized to execute the necessary documents to transfer and convey title of the Property to the City and record deeds accordingly.

Adopted this 6th day of April, 2026.

____
President, James P. Francis

____
Executive Director, Ryan Garcia


DETAIL AREA
INTERSTATE
494
VERDEROSA AVENUE
INTERSTATE
494
CONCORD STREET
HARDMAN AVENUE
Kinder-Morgan

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE:	April 6, 2026
DEPARTMENT:	Economic Development
PREPARED BY:	Ryan Garcia
AGENDA ITEM NUMBER:	5.B.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Approving the Sale of 316 Malden Street

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Hold Public Hearing as required by Minnesota Statutes to dispose of real property located at 316 Malden Street.
Following Public Hearing, Motion to approve Resolution 2026 – 9.

OVERVIEW
At the January 12, 2026 City Council Worksession, Council discussed disposition options for the City-owned property located at 316 Malden Street, ultimately resolving that the Council's preferred disposition strategy was to engage the private development market through the City's Economic Development Authority (EDA) in an effort to redevelop the site for light industrial use akin to the Bridgepoint Business Park development. Since that time, City Staff has worked with Endeavor Development towards a purchase agreement, which will be presented at the April 6 public hearing for review and consideration. Endeavor proposes to acquire the property from the EDA and prior to closing negotiate a development agreement and seek other approvals to allow for the development of an approximately 65,000 square foot office-warehouse building at the site. As the EDA is aware from our previous environmental investigations at this site, redevelopment of the site will require the abatement and demolition of the existing structure at the site as well as mitigation of environmental contamination within soils and groundwater at the site prior to construction.

A Purchase Agreement has been negotiated between Endeavor Holdings, LLC and the EDA for the purchase and development of the property. Staff is recommending approval of Resolution 2026-9, and thereby authorization to execute the Agreement and move this project forward. Staff notes the following essential elements of the agreement:

- **Purchase Price (Section 1.2, Page 1) –** The agreement establishes a purchase price of $823,284 for the site (approximately $5 per square foot), payable with $8,000 due within three days of execution of the Agreement and the balance due at closing.
- **Timeline** –The Agreement suggests the following "Key Dates" for the project:
    - **April 6, 2027 (Due Diligence Period, Section 3, Page 2)** – The agreement

requires that all surveys, inspections, testing, title commitment, and governmental approvals must be completed by this date. Staff acknowledges that this is a longer-than-usual contingency period. However, we make this recommendation in full view of the site's environmental and geotechnical challenges, which the developer and EDA agree carry enough financial risk to the project that cleanup and/or redevelopment grants will be necessary for the development to be economically viable. At this point, that means that it will be at least December of 2026 before the EDA/Developer have an opportunity to be awarded sufficient grant funding from potential grant sources to support the project.

  - **May 6, 2027 (Closing - est., Section 6, Page 6 - 8)** – The agreement requires that the date of closing shall be no later than 30 days after the expiration of the Due Diligence Period.

- **Development Agreement (Seller's Contingencies, Section 5.2.B, Page 6)** - the agreement requires the parties to enter into a Development Agreement, which will be recorded at Closing. The terms of the Development Agreement are not yet finalized, as the developer continues in their due diligence to clearly define the best way to approach redevelopment of the property (from a geotech, environmental, and stormwater standpoint).
- **Approvals (Section 10.5, Page 14 - 15)** - While most of the language here should look familiar as it relates to zoning and land use approvals, this section also includes language to confirm that the Buyer intends to pursue grants and rely upon tour previous environmental and geotechnical investigations to support their applications for funding assistance.

SOURCE OF FUNDS

The EDA has a pending application with the Dakota County Community Development Agency (CDA) to assist with asbestos abatement and demolition at the property. It is anticipated that additional funding assistance will be requested from any combination of CDA, the Minnesota Department of Employment and Economic Development (DEED), and the Metropolitan Council to address soil and groundwater contamination, geotechnical, and stormwater management challenges present at the site. Any funding applications would be presented for consideration at future EDA or Council meetings.

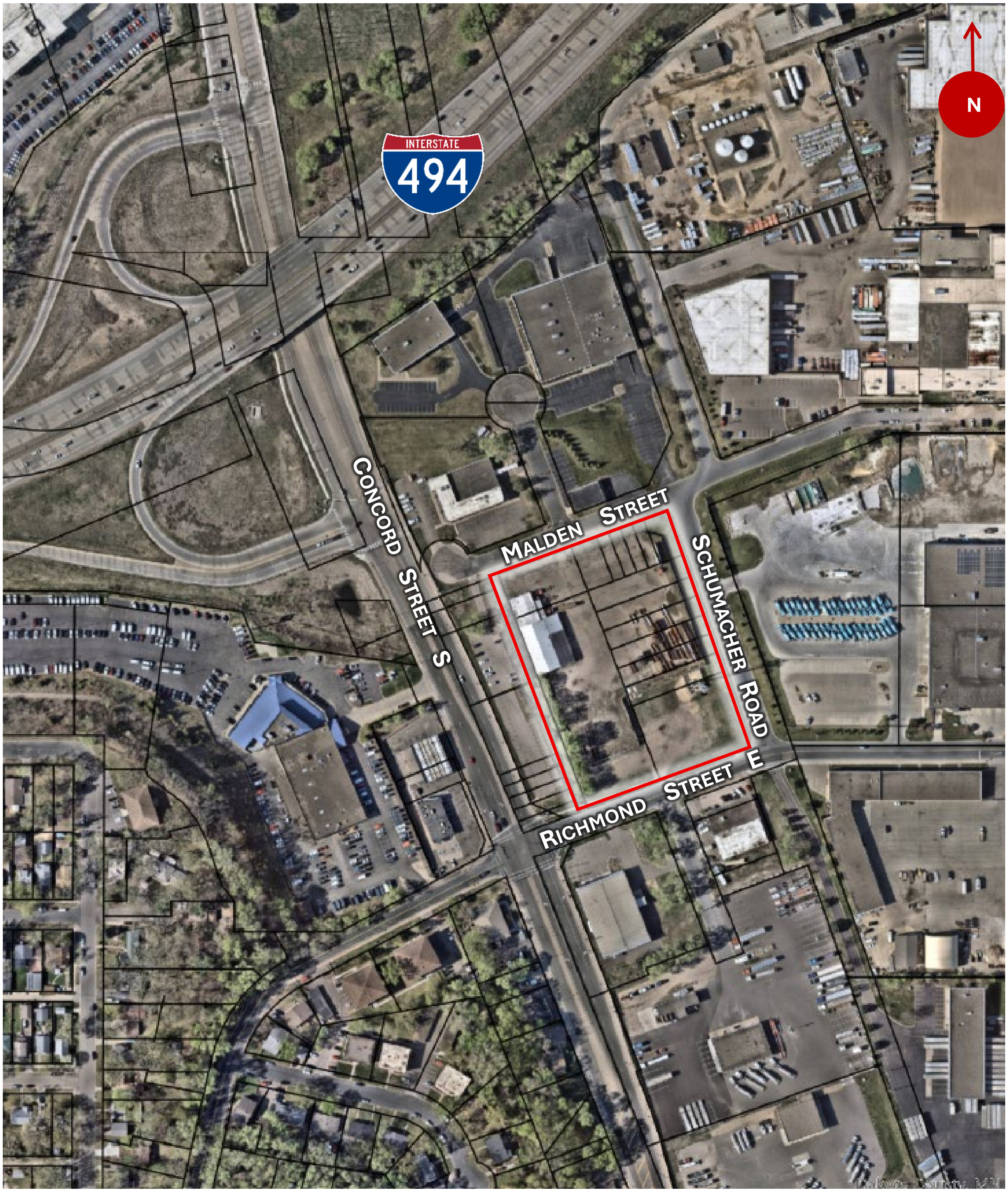
Sales proceeds will be directed from the EDA to the City's Capital Programs Fund, with the intention of supporting the Public Works project's construction costs.

ATTACHMENTS

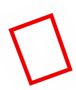
1. Location Map
2. 316 Malden - Purchase_Agreement
3. Proposed Site Plan
4. Resolution 2026-9

ATTACHMENT B – Location Map

316 Malden Street Redevelopment – South St. Paul



1 inch equals 300 feet

 **: 316 Malden Street E.**

PURCHASE AGREEMENT
(316 Malden Street)

THIS PURCHASE AGREEMENT (this "Agreement") is entered into as of _________ ______, 2026 (the "Effective Date"), by and between the South St. Paul Economic Development Authority, a public body corporate and politic organized and existing under the laws of the State of Minnesota ("EDA" or "Seller"), and Endeavor Holdings LLC, a Minnesota limited liability company ("Buyer").

RECITALS

Recital No. 1. The EDA was created pursuant to Minnesota Statutes, Sections 469.090 to 469.1082, and was authorized to transact business and exercise its powers by a resolution of the City Council of the City of South St. Paul ("City").

Recital No. 2. The Seller is the owner of certain real property with improvements located at 316 Malden Street in South St. Paul, Dakota County, Minnesota, legally described on Exhibit A (the "Property"), attached hereto and incorporated herein by reference.

Recital No. 3. Buyer desires to purchase the Property from the Seller.

Recital No. 4. The Seller will sell the Property to Buyer on the terms and conditions of this Agreement.

Recital No. 5. The Seller 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 Seller.

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, Seller shall sell the Property to Buyer, and Buyer shall purchase the Property from Seller.

1.2. **Purchase Price**. The purchase price to be paid by Buyer to Seller for the Property shall be Eight Hundred Twenty-Three Thousand Two Hundred Eighty-Four and no/100ths Dollars ($823,284.00) (the "Purchase Price").

1.3. **Earnest Money** Buyer will deposit cash in the amount of Eight Thousand and zero/100 Dollars $8,000.00(the "Earnest Money"), with First American Title Insurance Company, 121 South 8th Street, Suite 1250, Minneapolis, MN 55402 ("Title" or "Title Company") within three (3) business days of the Effective Date. The Earnest Money is fully refundable to Buyer during the Due Diligence Period as defined in Section 3. Upon Closing and Seller's full performance of Seller's obligations, all Earnest Money will be applied toward payment of the Purchase Price pursuant to Section 1.2.

2. **Available Surveys, Tests, and Reports.** Within ten (10) business days following the Effective Date, the Seller 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 or control of Seller, (b) copies of existing title work for the Property and in the possession or control of Seller, and (c) copies of all notices, if any, received by Seller from any governmental entity or authority, or insurer with respect to violations or alleged violations of law or need for repairs or improvements (collectively the "Due Diligence Materials"). The Seller makes no representations or warranties regarding the accuracy of the Due Diligence Materials, other than that they are true and correct copies of documents in the possession of Seller. If Buyer so requests, the Seller 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 the Seller makes no representation as to whether any such reissuance or recertification will be available.

3. **Due Diligence Period.** For a period of three hundred sixty five (365) days following the Effective Date, the Seller shall allow Buyer and Buyer's agents access to the Property without charge and at all times for the purpose of Buyer's inspections and testing of the Property, including, but not limited to, surveying and testing of soil and groundwater ("Buyer Inspections"); provided, however, Buyer shall not perform any invasive testing unless (a) the Seller 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 Seller shall respond to any written requests for such approval within ten (10) business days, or such request shall be deemed approved, and (b) Buyer gives the Seller reasonable prior notice of such testing provided Seller's accompaniment shall not unreasonably interfere with Buyer Inspections. The Seller shall have the right to accompany Buyer during any of Buyer Inspections of the Property. Buyer shall provide to the Seller copies of all third-party, non-confidential written test results and reports conducted as part of Buyer Inspections. Except as otherwise provided herein, Buyer agrees to pay all of the costs and expenses associated with Buyer Inspections, to cause to be released any lien on the Property arising as a result of Buyer Inspections and to repair and restore, at Buyer's expense, any damage to the Property caused by Buyer Inspections (provided the mere discovery or release of an existing condition shall not constitute damage). Buyer shall indemnify and hold the Seller and the Property harmless from all costs and liabilities, including, but not limited to, reasonable attorneys' arising from Buyer Inspections, excluding those arising from the mere discovery or release of an existing condition. 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 the Seller requests, Buyer shall give the Seller copies of any and all environmental reports obtained by Buyer. The Buyer will have a one (1) time right to extend the Due Diligence Period for a period of up to one hundred eighty (180) days upon written notice to the Seller.

4. **Insurance; Risk of Loss.** The Seller 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, the Seller shall immediately give Buyer written notice of such condemnation, taking or damage. After receipt of written notice of such condemnation, taking or damage (from the Seller or otherwise), Buyer shall have the option (to be exercised in writing within sixty (60) days of receipt of such written notice from the Seller) either (a) to require the Seller 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 the Seller's right, title and interest in and to any claims the Seller 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 the 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 the Seller, whereupon this Agreement shall be terminated, the Earnest Money shall be refunded to Buyer within two (2) business days after Title Company's receipt of Buyer's termination notice and thereafter neither party shall have any further obligations or liabilities to the other, except for such obligations as expressly survive termination of this Agreement. If the right to terminate this Agreement is not exercised in writing within such sixty (60) day period, such right shall be deemed to have been waived. The Seller 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. **Contingencies**.

5.1 **Buyer's Contingencies**.

A. Unless waived by Buyer in writing, Buyer's obligation to proceed to Closing shall be subject to (a) performance by the Seller of its obligations hereunder, (b) the continued accuracy of the Seller's representations and warranties provided in Section 10.1, 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 Inspections, surveys, soil tests, engineering inspections, hazardous substance and environmental reviews of the Property and (b) all other inspections and due diligence regarding the Property, including any Due Diligence Materials.

(2) On or before the Closing Date, Buyer shall have determined the suitability of the Property for its intended use and other associated uses, including but not limited to office uses, light industrial uses, manufacturing and assembly uses, warehousing uses and other incidental or related uses (collectively, the "Proposed Use").

(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 include, but are not limited to, access permits, signage permits, grant funding approvals, building permits, required licenses (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. 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.

(4) On or before the Closing Date, Buyer shall have obtained all Land Use Entitlements. "Land Use Entitlements" means planning applications and approvals, including but not limited to, Plat, Site Plan, and Rezoning Approvals, obtained by Buyer for the Proposed Use.

(5) On or before the Closing Date, and without limitation of the terms of Sections 5.1(A)(3) and 5.1(A)(4), Buyer shall be satisfied that they may develop the Property in accordance with a site plan, architectural plan, building plan, grading and drainage plan and other plans and specifications satisfactory to Buyer in their sole discretion.

(6) On or before the Closing Date, Buyer shall have satisfied themselves, in Buyer's sole discretion, that access to and from roads and the Property is adequate for the Proposed Use, including without limitation, access to the Property from the adjacent road, median cuts and curb cuts.

(7) 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 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.

(8) On or before the Closing Date, Buyer shall have received from 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. If Buyer has not terminated this Agreement on or before the Closing Date, the contingency set forth in this paragraph shall be deemed waived.

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

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

(11) On or before the Closing Date, Buyer shall have secured financing that is satisfactory to Buyer in Buyer's sole discretion for the purpose of acquiring and constructing the Proposed Use.

(12) On or before the Closing Date, Buyer may obtain a Survey for the Property certified to Buyer and Title.

(13) On or before the Closing Date, Buyer shall have obtained any necessary company approval of the transaction.

(14) On or before the Closing Date, Buyer shall have approved the forms of all closing documents.

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

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

The foregoing contingencies are for Buyer's sole and exclusive benefit and one (1) or more may be waived in writing by Buyer in its sole discretion. The Seller shall reasonably cooperate with Buyer's efforts to satisfy such contingencies, at no out of pocket cost to the Seller or assumption of any obligation or liability by Buyer except as otherwise provided herein. Buyer shall bear all cost and expense 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 the Seller. 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 immediately 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 the Seller set out in this Agreement, including, without limitation, any indemnity or representations with respect to environmental matters.

5.2 **The Seller's Contingencies**. The Seller'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. Seller has authorized the sale of Property after a public hearing.

B. Buyer and Seller shall have entered into a Development Agreement that will govern the development and use of the Property, which final form shall be mutually agreeable between all parties.

C. Buyer and Seller shall have entered into an Assignment and Assumption of Lease Agreement for the existing telecommunications facility located on the Property. Seller shall deliver the proposed Assignment and Assumption of Lease form to Buyer within thirty (30) business days after the Effective Date for Buyer's review.

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 default by Buyer of any of its obligations under this Agreement as of the Closing Date which remains uncured following written notice to Buyer and expiration of a grace or cure period of not less than thirty (30) days, and not otherwise waived by the Seller.

If any of the foregoing contingencies have not been satisfied on or before the applicable date, then this Agreement may be terminated by written notice from the Seller to Buyer. If termination occurs pursuant to this Section, all documents deposited by Buyer shall be immediately returned to Buyer, and all documents deposited by the Seller shall be immediately returned to the Seller 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 the Seller terminates this Agreement pursuant to this Section, the Earnest Money shall be retained by the Seller. All the contingencies in this Section 5.2 are specifically for the benefit of the Seller, and the Seller shall have the right to waive any contingency in this Section 5.2 by written notice to Buyer.

6. **Closing**. The closing of the purchase and sale of the subject Property ("Closing") shall occur thirty (30) days after the expiration of the Due Diligence Period (the "Closing Date") unless this agreement is earlier terminated or extended pursuant to the terms thereof.

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

A. **Warranty Deed**. A warranty deed conveying title to the Property to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances (the "Deed").

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

C. **FIRPTA Affidavit**. An affidavit of the Seller certifying that the Seller 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. **The Seller's Affidavit**. A standard owner's affidavit (ALTA form) from the Seller that 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. **Development Agreement**. The Development Agreement, which final form (including Buyer's approved construction drawings which will be attached as Exhibits thereto) shall be mutually agreeable between all parties.

G. **Copies of Resolution(s)**. The Seller shall provide Buyer with the resolutions for the various public meetings showing the City of South St. Paul and the EDA have approved this transaction and such other governmental approvals as may be required for Buyer's Proposed Use.

H. **Assignment and Assumption of Lease**. An Assignment and Assumption of Lease for the existing telecommunications facility located upon the Property, executed by the City of South St. Paul.

I. **General Deliveries**. All other documents reasonably determined by Title to be necessary to transfer the Property to Buyer and to evidence that the Seller (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 the Seller'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 the Seller the following:

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

B. **FIRPTA Affidavit**. An affidavit of Buyer certifying that Buyer is not a "foreign person," "foreign partnership," foreign trust," "foreign estate," nor a "disregarded entity" as those terms are defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

C. **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.

D. **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.

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

F. **Evidence of Authority**. Buyer shall provide the Seller with copies of the resolutions showing Buyer has met with necessary requirements to acquire the Property in accordance with this Agreement together with such proceedings, instruments and documents as may be reasonably required by Title as a condition precedent to issuing the Title Policy in Buyer's name.

G. **Development Agreement**. The Development Agreement, which final form shall be mutually agreeable between all parties.

H. **Lease**. An Assignment and Assumption of Lease for the existing telecommunications facility located upon the Property, signed by Buyer.

I. **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**. For purposes of calculating prorations, Buyer shall be deemed to be in title to the Property and therefore entitled to the income therefrom and responsible for the expenses thereof, for the entire day upon which the Closing occurs. Except as specifically provided otherwise herein, items of income and expense for the period prior to the Closing Date will be for the account of the Seller and items of income and expense for the period on and after the Closing Date will be for the account of Buyer, all as determined by the accrual method of accounting. The Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement:

7.1 **Title Evidence, Survey and Closing Fee**. The Seller shall pay all costs of the Commitment with respect to the Property. Buyer will pay all costs of the Survey, if any, and all premiums for any title insurance policy it desires with respect to the Property. Buyer and the Seller shall each pay one half (1/2) of any reasonable closing fee or charge imposed by Title.

7.2 **Transfer Taxes.** The Seller shall pay all state deed tax regarding the Deed.

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

7.4 **Real Estate Taxes and Special Assessments**. The Property is currently exempt from real estate taxes. Buyer shall be responsible for real estate taxes levied subsequent to 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.

7.5 **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 the Seller and Buyer on a daily basis as of the Closing Date, with the Seller paying those allocable to the period prior to the Closing Date and, except as otherwise provided in the Lease, Buyer being responsible for those allocable to the Closing Date and subsequent thereto.

7.6 **Attorneys' Fees**. The Seller 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 **Survival**. The obligations set forth in this Section 7 survive the Closing.

8. **Title Examination**. (i) Within a reasonable period following the Effective Date, the Seller shall, at the Seller's expense, order an updated title commitment for an owner's title insurance policy (ALTA Form) issued by Title for the Property, and copies of all encumbrances described in the commitment (the "Commitment"); and, if desired, (ii) 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 **The Seller's Cure**. The Seller 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 the Seller elects not to cure such Objections, Buyer shall have the option to do any of the following:

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

B. Waive one or more of its objections and proceed to Closing.

If Buyer so terminates this Agreement, neither the Seller 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 the Seller**. The Seller 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 the Seller enforceable in accordance with its terms. The Seller has been duly incorporated 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 the Seller pursuant hereto. This Agreement and the documents and instruments required to be executed and delivered by the Seller pursuant hereto have each been duly authorized by all necessary action on the part of the Seller and such execution, delivery and performance does and will not conflict with or result in a violation of the City Charter or any judgment or order.

B. The execution, delivery and performance by the Seller 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 the Seller, 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 the Seller is a party or by which it or any of its properties may be bound.

C. To the Seller'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 the Seller 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 the Seller's knowledge, there are no actions, suits or proceedings pending or threatened against or affecting the Seller 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 the Seller, would have a material adverse effect on the ability of the Seller to perform its obligations under this Agreement.

E. The Seller 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 the Seller'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 the Seller's knowledge, there has been no methamphetamine production on or about any portion of the Property. To the Seller'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. The Seller 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 the Seller's knowledge, except as expressly disclosed in writing to Buyer prior to the Effective Date (the "Disclosed Environmental Conditions"), (i) no condition exists on the Property that may support a claim, breach 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 the Seller'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. Seller represents that Seller has disclosed to Buyer in writing all known environmental reports, agency communications, and notices of violation in Seller's possession or control relating to the Property, and Seller has not received any written notice of environmental enforcement action relating to the Property other than the Disclosed Environmental Conditions.

I. Besides the existing telecommunications lease, 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.

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 the Seller's knowledge" shall mean and refer to only the current actual knowledge of the designated representative of the Seller and shall not be construed to refer to the knowledge of any other officer, manager, director, agent, authorized person, employee or representative of the Seller, or any affiliate of the Seller, 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. The Seller represents and warrants that the foregoing individual is the representative of the Seller most knowledgeable regarding the Property.

The representations, warranties and other provisions of this Section 9.1 shall survive Closing; provided, however, the Seller shall have no liability with respect to any breach of a particular representation or warranty if Buyer shall fail to notify the Seller in writing of such breach within two (2) years after the Closing Date. Buyer's knowledge of any matter shall not waive Seller's liability for breach of Seller's representations unless Buyer expressly waives such breach in a writing signed at Closing.

Buyer acknowledges and agrees that, except as expressly specified in this Agreement and/or in any documents executed and delivered by the Seller at Closing, the Seller has not made, and the Seller 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 the Seller at Closing, Buyer shall accept the Property and acknowledges that the sale of the Property as provided for herein is made by the 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 the Seller, and acknowledges that the Seller 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 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.

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 the Seller shall fail to notify Buyer in writing of such breach within two (2) years after the Closing Date.

10. **Additional Obligations of the Seller**.

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

10.2 **Further Assurances**. From and after the Closing Date, the Seller 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.

10.3 **Non-Assumption of Contracts or Other Obligations**. The parties understand and agree that Buyer is only acquiring certain of the Seller's real property assets and that this Agreement, and any related agreements shall not be construed to be in any manner whatsoever an assumption by Buyer of any agreements, indebtedness, obligations or liabilities of the Seller which are owing with respect to the operation of the Property prior to the Closing Date.

10.4 **Mortgages**. On or before the Closing Date, the Seller shall satisfy all mortgage, monetary and/or lien indebtedness with respect to all or any portion of the Property and shall obtain and record 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**. Buyer may elect to seek certain Approvals as defined in Section 5.1(A)(3) and Land Use Entitlements as defined in Section 5.1(A)(4) in order for Buyer to develop the Property for the Proposed Use. The Seller, at no out-of-pocket cost to the Seller, or the assumption of any obligations or liabilities by the Seller, will reasonably cooperate with Buyer's efforts to obtain the Approvals and Land Use Entitlements at or prior to Closing. The Seller hereby grants Buyer the right to file and prosecute applications and petitions for the Approvals, Land Use Entitlements and any special use permits and variances desired by Buyer; provided, however, any special use permits or variances shall be contingent on the occurrence of the Closing and shall not be binding upon the Seller or the Property unless and until the Closing occurs. The Seller, at no out-of-pocket cost to the Seller, or the assumption of any obligations or liabilities by the Seller, agrees to cooperate with Buyer in the filing and prosecution of such applications and petitions, including the filing of the same in the Seller's name, if required.

Seller acknowledges that Buyer intends to pursue environmental investigation, remediation, and redevelopment of the Property and may apply for grants, tax increment financing, brownfield funding, or other financial assistance from the Minnesota Pollution Control Agency ("MPCA"), the Minnesota Department of Employment and Economic Development ("DEED"), the Metropolitan Council, the United States Environmental Protection Agency ("EPA"), or other governmental or quasi-governmental authorities (collectively, "Governmental Authorities").

Seller hereby authorizes Buyer to use, reproduce, submit, and rely upon any environmental reports, assessments, studies, investigations, or related materials included in the Due Diligence Materials (collectively, the "Environmental Reports") in connection with applications to Governmental Authorities for environmental grants, financial assistance, regulatory review, voluntary cleanup programs, or other redevelopment-related approvals.

Seller agrees to reasonably cooperate with Buyer in connection with such applications and submissions, including executing customary access agreements, authorization forms, reliance acknowledgments, or owner consent forms reasonably required by Governmental Authorities, provided that such cooperation shall not require Seller to incur out-of-pocket expense or assume additional liability beyond that expressly set forth in this Agreement.

Notwithstanding the foregoing, Buyer acknowledges that Seller makes no representation or warranty regarding the accuracy or completeness of the Environmental Reports except as expressly provided in this Agreement, and Buyer's use of the Environmental Reports for grant or regulatory purposes shall not expand Seller's representations, warranties, or indemnification obligations under this Agreement.

11. **Commission**. The parties warrant to one another that they have not deal with any broker or realtor in connection with this Agreement other than Jeff Przytarski with CBRE ("Buyer's Broker"). Any commission payable to Buyer's Broker in connection herewith shall be payable pursuant to a separate written agreement between Buyer and Buyer's Broker.

12. **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 the Seller:	South St. Paul Economic Development Authority Attn: Ryan Garcia 125 Third Avenue North South St. Paul, Minnesota 55075 rgarcia@southstpaul.org
with a copy to:	Korine L. Land LeVander, Gillen & Miller, P.A. 1305 Corporate Center Drive, Suite 300 Eagan, MN 55121
If to Buyer:	Endeavor Holdings LLC Attn: Joshua J. Budish 200 Southdale Center Minneapolis, MN 55435 josh@endeavorshield.com

13. **Default; Remedies**. In addition to the rights granted to the parties pursuant to Minn. Stat. § 559.21, if either the Seller or Buyer fails to perform any of its obligations under this Agreement in accordance with its terms, and such failing party does not cure such failure within thirty (30) days after written notice thereof from the other party (provided that no notice or cure period shall be required for obligations to be performed at Closing), then the other party shall have the right to terminate this Agreement by giving the failing party written notice of such election. In the case of any default by Buyer, the Seller's sole and exclusive remedies shall be termination of this Agreement as provided above and, upon any such termination, the Earnest Money shall be forfeited to the Seller as agreed and final liquidated damages. In the case of any default by the Seller, Buyer' sole and exclusive remedies shall be (i) specifically enforce this Agreement, or (ii) terminate this Agreement, in which case the Earnest Money shall be returned to Buyer, or (iii) seek monetary damages, including all of Buyer's costs and expenses related to the negotiation of this Agreement, Buyer's diligence investigations and financing related costs. In no event shall Buyer be entitled to record a notice of Lis Pendens against the Property, unless Buyer is pursuing specific performance of this Agreement. In any action or proceeding to enforce this Agreement or any term hereof, the prevailing party shall be entitled to recover its reasonable costs and attorneys' fees.

14. **Cumulative Rights**. No right or remedy conferred or reserved to the Seller 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.

15. **Assignment**. Buyer may freely assign its rights and obligations under this Agreement to an affiliate of Endeavor Holdings, LLC or to a single-purpose entity created by Buyer for the purpose of owning and developing the Property, without the consent of the Seller, provided and on the condition that Buyer shall provide the Seller written notice of the assignment and the identity of the assignee prior to the Closing Date and such assignee shall have assumed Buyer's obligations hereunder by a written instrument of assumption.

16. **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.

17. **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.

18. **Governing Law**. The provisions of this Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

19. **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.

20. **Titles of Sections**. 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.

21. **Counterparts; Facsimiles**. 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. Facsimile or "PDF" signatures on this Agreement shall be treated as originals until the actual original signatures are obtained.

22. **Represented by Counsel**. Each party has been represented and advised by counsel in the transaction contemplated hereby.

23. **Time of the Essence**. 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.

SELLER:
SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY

By ______________________________
James P. Francis, President

____
Ryan Garcia, Executive Director

BUYER:
ENDEAVOR HOLDINGS LLC,

By: ______________________
Name: Joshua J. Budish
Title: Authorized Signer

EXHIBIT A

Real property and improvements located in the County of Dakota, State of Minnesota, legally described as follows:

Lots Four (4), Five (5), Eight (8), Nine (9), Ten (10) and Eleven (11) in Block Eleven (11) in Spring Park, Dakota Co., Minn., according to the plat thereof on file and of record in the office of the County Recorder in and for Dakota County, Minnesota.

Torrens Property.

And

Lots 1, 2, 3, 6, 7, 12, 13, 14, 15 and 16, Block 11, Spring Park Addition, Dakota County, Minnesota.

And

Lots 1-5 and Lots 26-35, Block 18, Spring Park Addition, Dakota County, Minnesota.

Abstract Property.

[Commitment legal description to govern]

ATTACHMENT F – Proposed Site Plan (Endeavor Concept)

316 Malden Street Redevelopment – South St. Paul

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY
DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 2026 -9

RESOLUTION APPROVING THE SALE OF PROPERTY TO ENDEAVOR HOLDINGS LLC FOR REDEVELOPMENT PURPOSES 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, ENDEAVOR HOLDINGS, LLC, a Minnesota limited liability company ("Developer"), desires to purchase the Property for the purpose of constructing an approximately 65,000 square foot commercial-industrial building, including office, production and warehouse facilities and related improvements, as articulated in the Purchase Agreement between the EDA and Developer; and

WHEREAS, on April 6, 2026, 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 6th day of April, 2026.

______________________________ ______________________________

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

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

Real property and improvements located in the County of Dakota, State of Minnesota, legally described as follows:

Lots Four (4), Five (5), Eight (8), Nine (9), Ten (10) and Eleven (11) in Block Eleven (11) in Spring Park, Dakota Co., Minn., according to the plat thereof on file and of record in the office of the County Recorder in and for Dakota County, Minnesota.

Torrens Property.

And

Lots 1, 2, 3, 6, 7, 12, 13, 14, 15 and 16, Block 11, Spring Park Addition, Dakota County, Minnesota.

And

Lots 1-5 and Lots 26-35, Block 18, Spring Park Addition, Dakota County, Minnesota.

Abstract Property.

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE: April 6, 2026
DEPARTMENT: Economic Development
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 5.C.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Approving the Sale of 106 Third Avenue North

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

- Hold Public Hearing as required by Minnesota Statutes to dispose of real property located at 106 Third Avenue North.
- Following Public Hearing, Motion to approve Resolution 2026 – 10.

OVERVIEW
The building at 106 3rd Avenue North served the City of South St. Paul as its public library building from the time of its construction in 1927 until its closure as a public library in December 2023. Between 2016 – 2018, the City conducted various assessments and studies for the modernization, upgrade, and expansion of the building to continue use as a public library. Ultimately, the site's and building's limitations, coupled with the financial commitment required to successfully operate a public library in an era where regional/county libraries are the "norm", led the Council to conclude that a partnership with Dakota County for a transition of library services to a County model was in the best interests of the community. In partnership with Dakota County, further analysis of building, program, and site requirements resulted in the conclusion that the property and building at 106 3rd Avenue North would not meet the needs of a new County library, and the Kaposia Library concept emerged for the corner of 7th and Marie Avenues. With that, in 2023 the City began to shift its attention to the future of the building after it was vacated, ultimately resolving through an intensive assessment of the building and the local market including a robust public engagement effort that the property should be positioned for sale and re-use by a private sector partner. At the April 6 meeting, a proposed Purchase Agreement to govern the sale of the property to Kingdom Consulting, LLC will be presented for consideration at a public hearing. If approved, a Development Agreement and Loan Agreement will be finalized between the EDA and Developer and considered at the next EDA meeting.

2024 Facilities Master Plan
In 2023 and 2024, the City enlisted BKV Architects, Oertel, and Kraus-Anderson to undertake a comprehensive assessment of City Facilities. In addition to a detailed physical conditions

analysis of the City's buildings, this study included an assessment of relocating some existing City departments/functions from City Hall to the vacant Library, but the team came to the conclusion that such a relocation would not "solve" current issues with City Hall or Police Department space needs without significant additional investment in City Hall. Further, the study acknowledged that relocating departments/functions to the Library would introduce additional separation which may negatively impact the effectiveness of service delivery and organizational culture. Ultimately, the Facilities Master Plan recommended divestment (sale) of the property for adaptive reuse or redevelopment. Given the significant investment required to address deferred maintenance at the facility and the lack of "low hanging fruit" or justification to repurpose the Library for a City function, the City decided to take a closer look at alternatives for adaptive reuse and sale of the building.

2025 Library Repurposing Study
In 2024, the City received funding through a grant from the Minnesota Department of Employment and Economic Development (DEED) to help study options for repurposing the former South St. Paul Library. At the August 5, 2024 City Council meeting, the City Council awarded the project to New History, and New History delivered the Final Report in late-May 2025. The purpose of the reuse study was to explore practical reuse strategies based on the physical condition of the building, community input, and market information. New History conducted a "deep dive" into the physical condition of the building, the building's neighborhood context, and historical significance to better define the building within the context of potential reuse or redevelopment. This step revealed that overall, the building's physical condition is generally good but that deferred maintenance and replacement of core building systems and remedial work would be necessary for *any* reuse. The work identified through the study includes updates to the mechanical systems (including a new boiler), a new roof, hazardous material abatement, and waterproofing of the building.

In addition to their examination of the building's condition and context, New History looked at how the building could be repurposed, exploring both the most practical uses for the physical space as well as developing some basic, theoretical operating model assumptions for various uses. This step involved extensive community engagement that started at On the Road Again in 2024 and spanned through an Open House in February 2025. Community engagement ranged from surveys to in-person discussions to open houses. Targeted engagement of key stakeholders such as community leaders and representatives was also leveraged to understand their level of support and opportunities for reuse. Finally, the project team engaged with a handful of private developers to get a read on the level of interest in taking on this type of reuse project and how market forces impact the potential for the project. The community and stakeholder engagement revealed a strong interest in reusing the building and a general interest in using the space for public/community/recreational use or a commercial use such as a restaurant, coffee shop or other commercial use. While many private developers thought the building was charming, a common refrain was that market conditions were a barrier to matching a tenant mix with the financials (renovation costs and rents necessary to support that level of investment) and generally speaking developers were not interested in taking on the property (and certainly not speculatively and without significant public subsidy). Although discouraged by the lack of immediate private developer interest, Council's preference was to continue to keep the door open for eventual sale to a private owner under a development agreement.

Re-imagining the Building: Kingdom Consulting/Minneapolis Gymnastics
In November 2025 a Letter of Intent to purchase the property was received from a joint venture represented by Peter Corniea / Kingdom Consulting, LLC (an Edina-based commercial investor/developer) and the founders of Minneapolis Gymnastics, whose proposal to renovate the space for an indoor community-centered family recreational facility aligned well to the community's interests as stated during the 2025 Library Study. Following Council discussion and direction on the proposed LOI at a January 2026 Worksession, Staff worked with the City Attorney to draft a Purchase Agreement, Development Agreement, and Loan Agreement to guide the public-private partnership. Following a public hearing as required by State Statutes, the EDA is asked to consider adoption of Resolution 2026 - 10 and the approval of the proposed Purchase Agreement.

Key Dates

- **June 1, 2026 (Buyer's Contingencies)** – The agreement requires that all surveys, inspections, title insurance, construction plans, development agreement, loan agreement, and governmental approvals must be completed by this date.
- **July 1, 2026** – **(Closing)** – The agreement requires that the date of closing shall be no later than this date.
- **Commencement and Completion (not a PA item, but presented for information)** – While not a Purchase Agreement condition, the development agreement will include a commencement date and both a "target" and "outside" completion date for all of the work. The commencement date is on or before 8/1/2026, and the "target" completion date is 9/1/2027 with an "outside" completion date of 12/31/2027.

Other Notable Provisions

- **Purchase Price –** The agreement establishes a purchase price of $250,000 for the property, which represents a significantly lower purchase price than Dakota County’s estimated market value for the property ($639,800). This reduction (a little over 60%) is similar (as a percentage) to the EDA's sale of 820 Southview Boulevard, which was an existing vacant building in need of significant investment for a new private user to make use of it for their business.
- **Buyer's Intended Use –** The agreement establishes that the buyer will renovate the existing approximately 12,000 square foot building and related site improvements to accommodate a commercial indoor family play facility, in accordance with approved plans (anticipated within the next 4 - 6 weeks).
- **Development Agreement and Loan Agreement**- The purchase agreement establishes that the buyer and the EDA will execute a Development Agreement and Loan Agreement at closing. While these agreements are not presented for approval at the April 6 meeting, a few foundational terms of the agreements are notable so that the Board and community have a general understanding of the structure of the proposed public-private partnership:
    - *Preliminary and Final Plans* - the developer will be required to receive written approval by the City/EDA of preliminary and final plans for the project, including

a project budget.
- *Financing for Improvements* - the essence of the Agreements is the extension of a forgivable loan by the EDA for up to **$2,300,000** in rehabilitation, renovation and buildout costs at the Property. The loan amount is derived directly from the City's completed assessment and budget estimate for the necessary renovations to the building to change the use and occupancy and put it to (any legal) new use as approved by the City Council in May 2025. Staff reminds the Board and public that the City's 2026 - 2030 CIP (see Page 33), approved via Council Resolution 2026 - 10 on January 20, 2026, allocated $2,300,000 from the Capital Programs Fund for the purpose of renovating the library.
- *Business Subsidy* - because the EDA is proposing more than $150,000 in assistance to the project, the Development Agreement will serve as a Business Subsidy Agreement, and a separate public hearing will be held to consider the Agreement/Business Subsidy at the next EDA meeting.
- *Continuous Occupancy/Ownership* - The Agreements embed within them requirements that the proposed use will maintain occupancy for a minimum of five years at the Property. Further, the agreements establish that if the property is sold to any unrelated anytime within 5 years of closing, all unpaid principal balance on the loan becomes due and payable to the EDA at their closing.
- *Community Program Space* - The agreement also establishes that the Developer agrees to dedicate space within the building (most likely the lower level) for City-programmed use free of charge. A separate lease/use agreement will be drafted as this concept matures.
- *Right of First Refusal* - the Development Agreement will include a right of first refusal clause that provides the City/EDA an exclusive right of first refusal for any sale contemplated by the buyer for a period of ten years following Closing.

SOURCE OF FUNDS

The EDA's Development Fund will pay the City's Capital Programs Fund for the Property.

ATTACHMENTS

1. Purchase Agreement--106 3rd Avenue North
2. Resolution 2026-10

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (**Agreement**) is entered into as of March _________, 2026 (the "**Effective Date**"), by and between KINGDOM CONSULTING, L.L.C. a Minnesota limited liability company (**Buyer**) and/or its successors or assigns, and the SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic organized and existing under the laws of the State of Minnesota (**Seller**).

RECITALS

A. Seller is the owner of certain real property located at 106 Third Avenue North in South St. Paul, Minnesota with a Parcel Identification Number of 36-72850-07-150 and legally described on **Exhibit A** attached hereto (the "**Real Estate**"), together with all improvements and buildings located thereon (the "**Improvements**") (the Real Estate and the Improvements are the collectively the "**Property"**).

B. Buyer desires to purchase the Property from Seller, and Seller desires to sell the same to Buyer, all on the terms and conditions of this Agreement.

NOW, THEREFORE, Buyer and Seller agree as follows:

1. **Sale**.

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

1.2 **Purchase Price**. The purchase price to be paid by Buyer to Seller for the Property shall be Two Hundred Fifty Thousand Dollars **($250,000.00)** (the **"Purchase Price"**), payable as follows: (a) Five Thousand and No/100 Dollars (**$5,000**), as earnest money (the "**Earnest Money**"), to be paid to Commercial Partners Title LLC **("Title")** upon execution of this Agreement; and (b) the balance 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 Seller.

2. **Available Surveys, Tests, and Reports.** Within fifteen (15) days after the Effective Date, Seller shall provide Buyer with (a) copies of all surveys, soil tests and environmental reports previously conducted on the Property, (b) all reports or test results relating to the physical condition of all or any portion of the Property and (c) contracts and all other documents and material information relating to the Property and its condition (the **"Due Diligence Materials"**) which may be in the possession of Seller or to which Seller may have immediate access.

3. **Buyer's Investigations.** At any time following the Effective Date, Seller 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 (**"Buyer's Investigations"**). If Buyer terminates this Agreement pursuant to Section 5.1 hereof, Buyer shall deliver to Seller upon such termination copies of all written test results and reports conducted as part of Buyer's Investigations. 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's expense, the Property to the condition that existed prior to the Buyer's Investigations. Notwithstanding the foregoing, Buyer shall not be liable for the restoration of the Property if the cause for the need of such restoration results from an underlying fault or condition of the Property.

4. **Insurance; Risk of Loss.** Seller 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, or the Property is rendered untenantable, Seller shall immediately give Buyer notice of such condemnation, taking, or damage. After receipt of notice of such condemnation, taking or damage (from Seller or otherwise), Buyer shall have the option (to be exercised within thirty (30) days after Seller's written notice) either (a) to require Seller 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 Seller's right, title and interest in and to any claims Seller may have to insurance proceeds, the right to make insurance claims, 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 Seller, whereupon this Agreement shall be terminated, any amount previously paid by Buyer to Seller shall be refunded to Buyer and thereafter neither party shall have any further obligations or liabilities to the other. If the right to terminate this Agreement is not exercised within such thirty (30) day period, such right shall be deemed to have been waived and the parties shall close the transaction in the manner set forth in subparagraph (a) hereof. Seller shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without Buyer's prior written consent, which consent shall not be unreasonably withheld.

5. **Contingencies**.

5.1 **Buyer's Contingencies**.

5.1.1 Unless waived by Buyer in writing, Buyer's obligation to proceed to Closing shall be subject to (a) performance by Seller of its obligations hereunder, (b) the continued accuracy of Seller'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 (each a "**Buyer's Contingency**" and collectively the "**Buyer's Contingencies**"):

5.1.1.1 Inspection. On or before the Buyer's Contingency Date (defined below), Buyer shall have determined, in its sole discretion, that it is satisfied with (a) the results of and matters disclosed by Buyer's Investigations, physical inspection, surveys, soil tests, engineering inspections, hazardous substance and environmental reviews of the Property, and all other inspections and due diligence regarding the Property, including any association rules or regulations applicable to any of the Property or any Due Diligence Materials. Notwithstanding the foregoing, any acceptance by Buyer pursuant to this Section 5.1.1.1 shall be subject to Section 11.2.

5.1.1.2 Governmental Approvals. On or before the Buyer's Contingency Date, Buyer shall have obtained on terms reasonably satisfactory to Buyer: (i) any rezoning, permits or other governmental approvals necessary at the Property for the renovation of the approximately 12,000 square foot building and related site improvements to accommodate a commercial indoor family play facility ("**Buyer's Intended Use**"); (ii) all easements for utilities, services and access necessary for the construction and operation of Buyer's Intended Use of the Property; and (iii) all utilities or services necessary for the construction and operation of Buyer's Intended Use of the Property.

5.1.1.3 Access. On or before the Buyer's Contingency Date, Buyer shall have satisfied itself, in Buyer's sole discretion, that access to and from roads and the Property is adequate for Buyer's Intended Use of the Property, including without limitation, access to the Property from median cuts and curb cuts.

5.1.1.4 Utilities. On or before the Buyer's Contingency Date, Buyer shall have satisfied itself, in Buyer's sole discretion, that water and gas mains, electric power lines, sanitary and storm sewers and other utilities are available to the Property.

5.1.1.5 Plans and Pricing. On or before the Buyer's Contingency Date, Buyer shall have (a) obtained construction plans for the Minimum Improvements set forth in the Development Agreement (the "**Plans**") from a Minnesota registered architect selected by Buyer and reasonably acceptable to Seller, (b) received from the Seller approval of the Plans and (c) shall have obtained construction cost pricing for the Minimum Improvements (the "**Project Cost**") in an amount acceptable to Buyer it is sole determination.

5.1.1.6 Title Insurance. On or before the Closing Date, Buyer shall have received from 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.

5.1.1.7 Development Agreement and Loan Agreement. On or before the Closing Date, Seller shall have received all necessary approvals to execute at Closing (a) the Development Agreement (the "**Development Agreement**") (b) the Loan Agreement and all exhibits thereto (the "**Loan Agreement**").

The Buyer's Contingencies are for Buyer's sole and exclusive benefit and one (1) or more of the Buyer's Contingencies may be waived in writing by Buyer in its sole discretion. Seller shall reasonably cooperate with Buyer's efforts to satisfy the Buyer's Contingencies. Unless otherwise expressly stated herein, Buyer shall bear all cost and expense of satisfying Buyer's Contingencies. If any of the Buyer's Contingencies have not been satisfied to Buyer's sole satisfaction on or before the applicable contingency date, then this Agreement may be terminated, at Buyer's option, by written notice from Buyer to Seller. Such written notice must be given on or before the applicable contingency date for the Applicable Buyer's Contingency, or, Buyer's right to terminate this Agreement with respect to that Buyer's Contingency pursuant to this Section shall be waived. If Buyer terminates this Agreement pursuant to this Section, then any amount previously paid by Buyer to Seller shall immediately be refunded to Buyer and neither party shall have any further rights or obligations against the other regarding this Agreement or the Property.

5.1.2 If Buyer elects not to terminate this Agreement pursuant to any of the Buyer's Contingencies, such election may not be construed as limiting any representations or obligations of Seller set out in this Agreement, including without limitation any indemnity or representations with respect to environmental matters. Further, Buyer shall not be deemed to have waived any of the Buyer's Contingencies on account of its execution of this Agreement.

5.1.3 As used in this Agreement, the **"Buyer's Contingency Date"** shall mean no later than 11:59 p.m. on June 1, 2026.

5.2 **Seller's Contingencies**. Seller'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 (each a "**Seller's Contingency**" and collectively the "**Seller's Contingencies**"):

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

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

5.2.3 Development Agreement and Loan Agreement Approval On or before the Closing Date, Seller shall have received all necessary approvals to execute at closing (a) the Development Agreement and (b) the Loan Agreement and all exhibits thereto.

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

If any contingency contained in this Section 5.2 has not been satisfied on or before the date described herein, and if no date is specified, then the Closing Date, then this Agreement may be terminated by written notice from Seller to Buyer. If termination occurs all documents deposited by Buyer shall be immediately returned to Buyer, and all documents deposited by Seller shall be immediately returned to Seller and neither party will have any further rights or obligations with respect to this Agreement or the Property. All the contingencies in this Section 5.2 are specifically for the benefit of Seller, and Seller shall have the right to waive any contingency in this Section 5.2 by written notice to Buyer.

6. **Closing**. The Closing of the purchase and sale contemplated by this Agreement (**Closing)** shall occur on or before July 1, 2026 (**Closing Date**). Seller shall deliver legal and actual possession of the Property to Buyer on the Closing Date.

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

6.1.1 **Warranty Deed**. A warranty deed, with state deed tax paid, conveying title to the Property to Buyer, free and clear of all encumbrances, except the Permitted Encumbrances (the **"Deed"**). Such Deed shall include as a covenant running with the land the conditions of Minnesota Statutes, Sections 469.090 to 469.108 relating to the use of the land. 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.

6.1.2 **FIRPTA Affidavit**. An affidavit of Seller certifying that Seller 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.

6.1.3 **Seller's Affidavit**. A standard owner's affidavit (ALTA form) from Seller 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.

6.1.4 **Bring-Down Certificate**. A certificate dated as of the Closing Date, signed by an authorized officer of Seller, certifying that the representations and warranties of Seller contained in this Agreement are true as of the Closing Date (the "**Seller's Bring-Down Certificate**").

6.1.5 **<u>Settlement Statement</u>**. A settlement statement with respect to this transaction.

6.1.6 **<u>Development Agreement</u>**. The Development Agreement.

6.1.7 **<u>Loan Agreement.</u>** The Loan Agreement and all exhibits to the Loan Agreement to be executed by Seller pursuant to the terms and conditions of the Loan Agreement.

6.1.8 **<u>General Deliveries</u>**. All other documents reasonably determined by Title to be necessary to transfer the Property to Buyer and to evidence that Seller (a) has satisfied all 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 liens or encumbrances, (c) has obtained all consents from third parties necessary to effect 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. **<u>Buyer Closing Documents and Deliveries</u>**. On the Closing Date, Buyer shall execute and/or deliver, as applicable, to Seller the following:

6.2.1 **<u>Payment of Purchase Price</u>**. The Purchase Price, in accordance with the terms of Section 1.3.

6.2.2 **<u>Buyer's Affidavit</u>**. 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.

6.2.3 **<u>Settlement Statement</u>**. A settlement statement with respect to this transaction.

6.2.4 **<u>Development Agreement</u>**. The Development Agreement.

6.2.5 **<u>Loan Agreement.</u>** The Loan Agreement and all exhibits to the Loan Agreement to be executed by Buyer pursuant to the terms and conditions of the Loan Agreement.

6.2.6 **<u>Bring-Down Certificate</u>**. 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 (the "**Buyer's Bring-Down Certificate**")

6.2.7 **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**. Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement:

7.1 **Title Evidence and Closing Fee**. Seller will pay all costs of the Title Commitment with respect to the Property. Buyer will pay all costs of the Survey, if any, and all premiums for any title insurance policy it desires with respect to the Property. Each party will pay fifty percent (50%) any and all reasonable closing fees or charges imposed by Title.

7.2 **Transfer Taxes; Sales Taxes.** Seller shall pay all state deed tax and conservation fee regarding the Deed. Seller shall pay all sales tax due, if any, regarding this transaction.

7.3 **Recording Costs**. Seller will pay the cost of recording all documents necessary to place record title to the Property in Seller including, but not limited to, costs of recording any documents necessary to cure any Objections, as hereinafter defined. Buyer will pay all recording costs with respect to the recording of the Deed.

7.4 **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 Seller and Buyer on a daily basis as of 12:00 a.m. CST on the Closing Date based upon a calendar fiscal year, with Seller 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. Seller shall pay all real estate taxes that exist against the Property for any year prior to Closing. At Closing, Seller shall pay in full all special assessments levied or pending as of the Closing Date with respect to any of the Property.

7.5 **Utilities**. All utility expenses, including water, fuel, gas, electricity, sewer and other services furnished to or provided for the Property shall be prorated between Seller and Buyer on a daily basis as of the Closing Date, with Seller 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 **Operating Costs and Income**. All other operating costs and income of the Property shall be prorated between Seller and Buyer as of 12:01 a.m. CT on the Closing Date, with Seller 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.

7.7 **Attorneys' Fees**. Seller and Buyer shall each pay its own attorneys' fees incurred in connection with this transaction.

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

8. **Title Examination**. Within a reasonable time following the Effective Date, Buyer shall obtain the following: (i) a 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**"), which Commitment shall be a Seller's expense; and, if Buyer elects, (ii) an ALTA-certified survey bearing the legal description of the Property, and showing the area, dimensions and location of the Property (the "**Survey**") (the Survey together with the Commitment shall be known as the **"Title Evidence"**).

8.1 **Buyer's Objections**. Within twenty (20) calendar days after Buyer's receipt of the last of the Title Evidence, Buyer may make written objections (the "**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 Buyer's Intended Use of the Property or matters which may be revealed by the Survey. Any matters reflected on the Commitment which are not objected to by Buyer within such time period shall be deemed to be permitted encumbrances (the "**Permitted Encumbrances**"). Buyer shall have the renewed right to object to the Commitment as the same may be revised or endorsed from time to time.

8.2 **Seller's Cure**. Seller shall be allowed twenty (20) calendar 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 Seller elects not to cure such Objections, Buyer shall have the option to do any of the following:

8.2.1 Terminate this Agreement with respect to all of the Property; or

8.2.2 Waive one (1) or more of its Objections and proceed to Closing.

If Buyer so terminates this Agreement, neither Seller nor Buyer shall be liable to the other for any further obligations under this Agreement and (a) any amount previously paid by Buyer to Seller shall be refunded to Buyer.

9. **Warranties and Representations**.

9.1 **By Seller**. Seller 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:

9.1.1 Seller is a public body corporate and politic under the laws of the State of Minnesota and has all requisite corporate power and authority to carry on its business as now conducted, to enter into this Agreement and to perform all of its obligations under this Agreement. Seller acknowledges that it has authority of its governing board to perform all of its obligations and agreements under this Agreement.

9.1.2 The execution, delivery and performance by Seller 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 Seller, 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 Seller is a party or by which it or any of its properties may be bound.

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

9.1.4 Seller 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.

9.1.5 There are no development agreements or other agreements or understandings with respect to public or private improvements regarding the Property.

9.1.6 There are no wells or sewage treatment systems located on any portion of the Property. There has been no methamphetamine production on or about any portion of the Property. 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.

9.1.7 Seller 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.

9.1.8 There are no leases or tenancies with respect to the Property. There are no agreements or other contracts of any nature or type relating to, affecting or serving the Property and there shall be none as of the Closing Date.

9.1.9 There will be no indebtedness attributable to the Property which will remain unpaid after the Closing Date.

9.1.10 The representations, warranties, and other provisions of Sections 9.1 – 9.1.9 shall survive closing.

Buyer acknowledges and agrees that, except as expressly specified in this Section 9 of this Agreement, Seller has not made, and Seller 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 Conditions (as the same is defined in Section 11 hereof), utilities, valuation, governmental approvals, the compliance of the Property with governmental laws, the truth, accuracy or completeness of any information provided by or on behalf of Seller to Buyer, or any other matter or item regarding the Property. Subject to the Environmental Investigation or Study and the Environmental Mitigation or Remediation as stated in Sections 11.2.1 and 11.2.2 respectively, Buyer agrees to 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 Seller, and acknowledges that Seller has relied on such representations and warranties in agreeing to enter into this Agreement:

9.2.1 This Agreement has been duly executed and delivered and constitutes the legal, valid and binding obligation of Buyer enforceable in accordance with its terms. Buyer 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 Buyer pursuant hereto. This Agreement and the documents and instruments required to be executed and delivered by Buyer pursuant hereto have each been duly authorized by all necessary action on the part of Buyer and such execution, delivery and performance does and will not conflict with or result in a violation of Buyer's organizational agreement or any judgment or order.

9.2.2 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.

The representations, warranties and other provisions of this Section 9.2 shall survive Closing.

10. **Additional Obligations of Seller**.

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

10.2 **Condition of Property at Closing**. On the Closing Date, Seller shall deliver to Buyer exclusive vacant possession of the Property, free and clear of personal property, waste, and debris of any kind located on the surface of the Property.

10.3 **Further Assurances**. From and after the Closing Date, Seller 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 **Non-Assumption of Contracts or Other Obligations**. The parties understand and agree that Buyer is only acquiring certain of Seller's real property assets and that this Agreement and any related agreements shall not be construed to be in any manner whatsoever an assumption by Buyer of any agreements, indebtedness, obligations or liabilities of Seller which are owing with respect to the operation of the Property prior to the Closing Date.

10.5 **Approvals**. Buyer may elect to seek certain approvals in order for Buyer to develop the Property for Buyer's Intended Use, including rezoning the Property or receipt of a conditional use permit (**Approvals**). Seller, at no out-of-pocket cost to Seller, will reasonably cooperate with Buyer's efforts to obtain the Approvals at or prior to Closing. Seller hereby grants Buyer the right to file and prosecute applications and petitions for the Approvals and any special use permits and variances desired by Buyer; provided, however, any special use permits or variances shall (a) be contingent on the occurrence of the Closing and shall not be binding upon Seller or the Property unless and until the Closing occurs, or (b) be approved in writing in advance by Seller.

11. **Environmental Matters**.

11.1 **Definitions**. For purposes of this Agreement,

11.1.1 **"Hazardous Substances"** shall include, without limitation, 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, as hereinafter defined.

11.1.2 **"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.

11.1.3 **"Environmental Conditions"** shall mean any release or threatened release of any Hazardous Substances into the drainage systems, soils, groundwater, waters or atmosphere, which release is the result of the control, use, occupancy and/or operation of the Property prior to the Closing Date.

Buyer acknowledges and agrees that Seller has not made, and Seller 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 Environmental Conditions of the Property. Buyer is aware that a Non-Destructive Hazardous Building Materials Inspection Report was completed by Braun Intertec Corporation in October 2024. Buyer is aware of the results of the Non-Destructive Hazardous Building Materials Inspection Report. Subject to the Environmental Investigation or Study and the Environmental Mitigation or Remediation, as stated in Sections 11.2.1 and 11.2.2 respectively, Buyer agrees to 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.

11.2 Any environmental investigation and/or study of the Property shall be pre-approved by a representative of the Seller and then completed by Buyer at the Buyer's sole cost and expense.

11.3 **Reporting Requirements**. Seller and Buyer agree to comply with all reporting requirements set out in any Environmental Law.

12. **General Indemnification**.

12.1 **Indemnity by Seller**. Seller agrees to indemnify Buyer and to hold Buyer harmless from and against any and all loss, liability, damage, cost, expense (including attorneys' fees and expenses), cause of action, regulatory proceeding, suit, claim, demand or judgment arising out of or relating to (a) the inaccuracy of any of the warranties and representations made by Seller pursuant to this Agreement and any related agreements, or (b) the operation of the Property prior to the Closing Date, including, without limitation, all liabilities, losses and claims with respect to federal, state and local tax and other obligations, in each case which accrue prior to the Closing Date, or (c) claims by adjacent property owners for damages resulting from the environmental contamination of adjacent properties due to the migration of any Environmental Conditions which occurred prior to the Closing Date. Seller's obligations hereunder shall survive the Closing or any termination of this Agreement. Consummation of this Agreement and any related agreements by Buyer with knowledge of any of the foregoing shall not constitute a waiver or release by Buyer of any claims with respect thereto.

12.2 **Indemnity by Buyer**. In addition to the Buyer's indemnification obligation set forth in Section 11.2.3, Buyer agrees to indemnify Seller and to hold Seller harmless from and against any and all loss, liability, damage, cost, expense (including attorneys' fees and expenses), cause of action, regulatory proceeding, suit, claim, demand or judgment arising out of or relating to (a) subject to Section 3, any Buyer's Investigations, (b) the inaccuracy of any of the warranties and representations made by Buyer pursuant to this Agreement and any related agreements which accrue prior to the Closing Date or (c) the operation of the Property after to the Closing Date, including, without limitation, all liabilities, losses and claims with respect to federal, state and local tax and other obligations, in each case which accrue after to the Closing Date. Buyer's obligations hereunder shall survive the Closing or any termination of this Agreement. Consummation of this Agreement and any related agreements by Seller with knowledge of any of the foregoing shall not constitute a waiver or release by Seller of any claims with respect thereto.

13. **Commissions**. Each party represents that all negotiations on its behalf relative to this Agreement and the transactions contemplated by this Agreement have been carried on directly between the parties, without the intervention of any party as broker, finder or otherwise. Each party hereby indemnifies the other from and against all losses, damages, costs, expenses (including reasonable fees and expenses of attorneys), causes of action, suits or judgments of any nature arising out of any claim, demand or liability to or asserted by any broker, agent or finder, claiming to have acted on behalf of the indemnifying party in connection with this transaction.

15. **Notice**. Any notice to be given by one party hereto shall be (a) personally delivered (including messenger delivery); (b) be sent by registered or certified mail, (c) delivered or by a nationally recognized overnight courier which issues a receipt or (d) delivered by email, except in the case of a notices of termination or default hereunder, any notice delivered by email shall also be delivered to the other party by one of the other means of delivery set forth herein)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 or upon receipt of email notice, three (3) days after the date postmarked or one (1) business day after delivery to such overnight courier.

If to Buyer:
Kingdon Consulting, L.L.C.
4616 Drexel Avenue
Edina, MN 55424
Attn: Peter Corniea
email: peter.corniea@gmail.com

If to Seller:
South St. Paul Economic Development Authority
125 Third Avenue North
South St. Paul, Minnesota 55075
Attn: Executive Director
email: ___________________________

16. **Default; Remedies**.

16.1 **Default by Buyer**. If Buyer defaults under this Agreement and such default is not cured within thirty (30) days of written notice thereof from Seller to Buyer in accordance with Minnesota Statutes Section 559.21, Seller shall have the right as its sole and exclusive remedy to terminate this Agreement by giving written notice to Buyer. Upon such termination, and provided Seller is not in default of this Agreement, the Earnest Money will be paid to Seller as liquidated damages and Buyer and Seller will have no further rights or obligations under this Agreement, except those rights and obligations that expressly survive such termination. Seller and Buyer acknowledge the difficulty and inconvenience of ascertaining Seller's actual damages in the event of Buyer's default and agree that the Earnest Money and interest, if any, paid to Seller is a fair and reasonable estimate of such damages. The termination of this Agreement and retention of the Earnest Money and interest, if any, will be the sole remedy available to Seller for such default by Buyer, and Buyer will not be liable for any other damages or specific performance except as specifically provided for herein.

16.2 **Default by Seller**. If Seller defaults under this Agreement and such default is not cured within thirty (30) days of written notice thereof from Buyer to Seller, Buyer may elect to: (i) enforce the specific performance of this Agreement (provided that a claim for specific performance must be filed with the Dakota County, Minnesota District Court within one hundred eighty (180) days of Buyer's written notice to Seller), or (ii) terminate this Agreement and be relieved of its obligations hereunder, in which event Buyer shall be entitled to recover its reasonable costs and attorneys' fees and the Earnest Money.

17. **Cumulative Rights**. No right or remedy conferred or reserved to Seller 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.

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 a writing executed by the parties.

19. **Binding Effect; Survival**. This Agreement binds and benefits the parties and their respective successors and assigns. Buyer may not assign this Agreement without the prior written consent of the Seller, including, without limitation, to any franchisee of Buyer. 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. **Counterparts; Facsimiles**. 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. Facsimile or "PDF" signatures on this Agreement shall be treated as originals.

22. **Time of the Essence**. Time is of the essence of this Agreement.

[remainder of page intentionally left blank]

IN AGREEMENT, the parties hereto have hereunto set their hands as of the date hereinbefore first written.

SELLER:

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY

By ______________________________
James P. Francis
Its: President

By ______________________________
Ryan Garcia
Its: Executive Director

BUYER:

KINGDOM CONSULTING, L.L.C.,
a Minnesota limited liability company

By: ______________________________

Peter Corniea

Its: President

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Real property located in the City of South St. Paul, Dakota County, Minnesota legally described as follows:

> Lots Twelve (12), Thirteen (13), Fourteen (14) and Fifteen (15), Block Seven (7), Stockyards RE-arrangement of Blocks one (1) to twelve (12) inclusive, South St. Paul.
>
> PID: 36-72850-07-150

EXHIBIT B
DEVELOPMENT AGREEMENT

(see attached)

EXHIBIT C
LOAN AGREEMENT

(see attached)

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY
DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 2026 -10

RESOLUTION APPROVING THE SALE OF PROPERTY TO KINGDOM CONSULTING LLC FOR REDEVELOPMENT PURPOSES AND APPROVING THE RELATED PURCHASE AGREEMENT

WHEREAS, the South St. Paul Economic Development Authority ("EDA") owns certain real property and improvements situated thereupon 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, Kingdom Consulting, LLC, a Minnesota limited liability company ("Developer"), desires to purchase the Property for the renovation and occupancy of the existing building for a commercial indoor family recreational facility; and

WHEREAS, on April 6, 2026, 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 6th day of April, 2026.

____
James P. Francis, President

____
Ryan D. Garcia, Executive Director

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

Real property and improvements located in the County of Dakota, State of Minnesota, legally described as follows:

Lots Twelve (12), Thirteen (13), Fourteen (14) and Fifteen (15), Block Seven (7), Stockyards RE-arrangement of Blocks one (1) to twelve (12) inclusive, South St. Paul.

PID: 36-72850-07-150

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE: April 6, 2026
DEPARTMENT: Economic Development
PREPARED BY: Ryan Garcia
AGENDA ITEM NUMBER: 6.A.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Approving a Gap Loan - Bester Brothers Moving & Storage

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Motion to approve Resolution 2026 - 7.

OVERVIEW
Bester Brothers Moving & Storage is a longtime family-owned company in South St. Paul that is undergoing a transition in ownership from one generation of the family to the next. John and Elizabeth Gullerud, who are in the process of buying the business from Lisa's father, are also seeking to purchase the business' real estate at 260 Hardman Avenue South for continued operation of the moving and storage business.

For the past several months, Staff has been working with the buyers and their SBA lending team (Amplio / Lakeview Bank) to help the Gulleruds put together a financing package to assist with their acquisition of the real estate. They have received preliminary financing approval for a commercial loan (through Lakeview Bank) and an SBA loan (through Amplio) for 90% of the acquisition cost. The Gulleruds and Amplio have approached Staff to request that the EDA, through its business loan program, assist in meeting the 10% SBA equity requirement.

Staff has reviewed business and personal financial information related to the request for gap financing, and is prepared to recommend that the EDA extend an amortizing loan from the EDA's Business Development Fund for the acquisition. The following factors influence Staff's recommendation:

- The proposal supports Goal #1 of the City's 2022 Economic Development Strategy, which is to "Support existing SSP businesses".
- While the loan does not represent a "Business Subsidy" by statutory definition, the proposal meets a number of the purposes found in the City's Subsidy Policy and other policies for financial assistance:
    1. Retain high quality local jobs in the City that offer stable employment and attractive wages and benefits

2. Enhance the economic diversity of the City and provide essential products and services within the City.

Resolution 2026 - 7 is presented and if approved would authorize a loan to the business in an amount not to exceed $135,000 for assistance with site acquisition costs.The loan will be structured with a 15-year amortization term at a 5.25% fixed interest rate.

SOURCE OF FUNDS

The City's Development Loan Fund has sufficient cash balance to fully support the proposed credit facility. Project Sources & Uses are summarized below:

Source	**Amount**	[redacted]	**Use**	**Amount**
Bank/SBA Loans	$1,377,000		Property Acquisition	$1,530,000
Owner Cash (Equity)	$18,000			
EDA Loan	$135,000			
Total	*$1,530,000*		*Total*	*$1,530,000*

ATTACHMENTS

1. Resolution 2026-07

South St. Paul Economic Development Authority
Dakota County, Minnesota

RESOLUTION NO. 2026-7

WHEREAS, the South St. Paul Economic Development Authority (the "EDA") has determined that the acquisition of property at 260 Hardman Avenue South within the City of South St. Paul (the "Property") by ZENM Properties, LLC ("Borrower") will benefit the City of South St. Paul (the "City") by retaining job opportunities within the City and sustaining the opportunity for businesses to provide desirable services to the community; and

WHEREAS, the Borrower has requested that the EDA utilize certain funds from the Development Loan Fund Program to assist the Borrower with financing certain costs related to the acquisition of the Property ("Project Costs"), subject to the execution of a loan agreement between the EDA and the Borrower ("Loan Agreement"); and

WHEREAS, among the terms of any Loan Agreement will be a provision that the EDA would provide financing for not more than $135,000 in Project Costs, to be fully repaid in equal installments with interest by the Borrower over a period of 15 years.

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority of the City of South St. Paul that the EDA approves the extension of a credit facility to the Borrower, and authorizes its Executive Director to prepare, execute, and record all required documentation to extend financing and secure the EDA's interests.

Adopted this 6th day of April, 2026.

________________________________	________________________________
President, James P. Francis	Executive Director, Ryan Garcia

ECONOMIC DEVELOPMENT AUTHORITY AGENDA REPORT

DATE:	April 6, 2026
DEPARTMENT:	Economic Development
PREPARED BY:	Ryan Garcia, Monika Miller
AGENDA ITEM NUMBER:	6.B.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Livable Communitities Demonstration Account Application

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Motion to approve Resolution 2026 - 11.

OVERVIEW
In the 1995 Legislative session, the Minnesota Legislature enabled the Metropolitan Council Livable Communities Fund (Minn. Stat. §473.251). As a result, the Livable Communities grant program advances the regional development guide by increasing housing choice, improving safety, and helping ensure that residents can meet their needs in their community. The Livable Communities program helps local governments within the 7-County Metro Area by supporting development projects that add affordable housing, create community-centered commercial spaces, or clean up contaminated land. Recent conversations with Livable Communities program staff revealed an opportunity to apply for a Livable Communities grant for assistance with the renovation and repurposing of the EDA-owned property at 106 Third Avenue North (the former South St. Paul Library). Eligible activities under the grant include hazardous materials abatement, general construction and site improvements. If awarded, these funds would be used to reimburse the City for renovation costs necessary to repurpose the building as an indoor commercial family play center.

SOURCE OF FUNDS
Livable Communities Grants are reimbursement grants. The Current CIP suggests that the Capital Programs Fund is the source for the estimated $2,300,000 in core and shell renovation costs for the building; the grant would be used to reimburse this fund.

ATTACHMENTS
1. Resolution 2026-11

SOUTH ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY
DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 2026 -11

RESOLUTION AUTHORIZING APPLICATION FOR THE LIVABLE COMMUNITIES GRANT PROGRAM

WHEREAS, the City of South St. Paul is a participant in the Livable Communities Act's Local Housing Incentives Account Program for 2026 as determined by the Metropolitan Council, and is eligible to make an application and apply for funds under the Livable Communities program guidelines; and

WHEREAS, the City, through its Economic Development Authority ("EDA") has identified a project within the City that meets the Livable Communities program purposes and criteria and is consistent with and promotes the purposes of the Metropolitan Livable Communities Act and the policies of the Metropolitan Council's adopted metropolitan development guide; and

WHEREAS, the EDA has the institutional, managerial, and financial capability to ensure adequate project and grant administration; and

WHEREAS, the EDA certifies that it will comply with all applicable laws and regulations as stated in the contract grant agreements; and

WHEREAS, the EDA finds that the project will not occur through private or other public investment within the reasonably foreseeable future without Livable Communities grant funding; and

WHEREAS, represents that it has undertaken reasonable and good faith efforts to procure funding for the activities for which Livable Communities funding is sought but was not able to find or secure from other sources funding that is necessary for project completion and states that this representation is based on the following reasons and supporting facts:

1. The project does not meet the Statutory Requirements for Tax Increment Financing.
2. Project costs related to the age and condition of the building exceed the amount of private financing that can be obtained for the project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the South St. Paul Economic Development Authority that it authorizes Monika Miller to submit an application for the South St. Paul Library Repurposing Project in the amount not to exceed $2,000,000 and, if the EDA is awarded a Livable Communities grant for this project, the EDA will be the grantee and agrees to act as legal sponsor to administer and be responsible for grant funds expended for the project contained in the grant application submitted on or before April 15, 2026.

Adopted this 6th day of April, 2026.

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

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

Real property and improvements located in the County of Dakota, State of Minnesota, legally described as follows:

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PID: 36-72850-07-150