



Housing & Redevelopment Authority

Board Meeting Agenda

5:00pm Tuesday May 9th, 2023

**Crow Wing County Land Services Building, Meeting Room 2 (Lower Level)
322 Laurel St. Brainerd, MN 56401**

*Commissioner Craig Nathan attending via WebEx at
8986 Sugarberry Creek, Brainerd, MN 56401

Join from browser:

<https://brainerdhra.my.webex.com.brainerdhra.my/j.php?MTID=meb161ffec2c0fe500df3cfb70deb31e8>

Join by phone: 415-655-0001

Meeting number (access code): 2555 079 2634

Meeting password: tRRqpB23Kk7

"Our mission is to support the creation and preservation of affordable housing, economic development, and redevelopment projects towards a more vibrant Crow Wing County."

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF AGENDA**
- 4. Public Hearing: Proposed Sale of Lots 4 & 6, Block 2, Lots 6 & 8, Block 3 of Jasperwood East and South ½ of Lot 13, Block 1 of Kirkwood (Attachment 1) Pg. 3**
 - a.** Accept and Enter into a Purchase and Redevelopment Agreement with Lakes Area Habitat for Humanity
 - b.** Approve Resolution No. 2023-03
- 5. APPROVE MINUTES (Attachment 2) Pg. 59**
 - a.** Approval of the Tuesday, April 11th, 2023 Meeting Minutes

6. REVIEW & ACCEPT FINANCIAL STATEMENTS (*Attachment 3*) Pg.63

- a.** CWC HRA Combined Balance Sheet April 2023
- b.** CWC HRA Combined Operating Statement April 2023
- c.** CWC HRA April 2023 Payments

7. UNFINISHED BUSINESS

8. NEW BUSINESS

- a.** Purchase and Redevelopment Agreement Between CWC HRA and Level Contracting (*Attachment 4*) Pg.69

9. REPORTS/UPDATES:

- a.** Executive Director (*Attachment 5*) Pg.71
- b.** Housing Trust Fund (*Attachment 6*) Pg.73
- c.** Brainerd HRA/Rehab Programs (*Attachment 7*) Pg.75
- d.** BLAEDC/CREDI (*Attachment 8*) Pg.79
- e.** CWCP

10. COMMISSIONER COMMENTS

11. NEXT MEETING Tuesday June 13th, 2023

12. ADJOURNMENT

CWC HRA Commissioners

Zach Tabatt, Chair - District 3 (12-31-24)
Richard (George) Burton, Vice Chair - District 1 (12-31-27)
Michael Morford, Secretary/Treasurer - District 2 (12-31-23)
Michael Aulie, Commissioner - District 5 (12-31-26)
Craig Nathan, Commissioner - District 4 (12-31-25)



Housing & Redevelopment Authority

To: CWC HRA Board Members

From: John Schommer, Rehab Director

Date: May 5, 2023

Re: Public Hearing and Approval of Resolution 2023-03 Approving the Purchase and Development Agreement for sale of the Tax Forfeited lot(s) to Lakes Area Habitat for Humanity

The board previously approved LAHFH (Lakes Area Habitat for Humanity), a local non-profit organization, acquiring a tax forfeited tract through our tax forfeited property policy. In order to sell the property, we are required to hold a public hearing to allow comments from the public. A Notice of Public Hearing was published in the Brainerd Dispatch on April 22nd (Attachment 1a).

Attachment 1b is the Purchase and Development Agreement and Resolution 2023-03 approving the Purchase and Development Agreement between the CWC HRA and LAHFH for the Board's review and approval.

Action Requested: Hold a public hearing regarding the sale of tax forfeited parcels to Lakes Area Habitat For Humanity and approve Resolution No. 2023-03 allowing staff to execute a Purchase and Development Agreement with Lakes Area Habitat For Humanity for the sale of these parcels.

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NOTICE OF PUBLIC HEARING

HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING

NOTICE IS HEREBY GIVEN that the Board of Commissioners (the "Board") of the Housing and Redevelopment Authority in and for the County of Crow Wing (the "HRA"), will hold a public hearing on Tuesday, May 9, 2023, at or after 5:00 P.M. at the Crow Wing County Land Services Building in the Meeting Room 2 (Lower Level), 322 Laurel Street, Brainerd, Minnesota, to consider a proposal for the conveyance of land located in the City of Baxter in Crow Wing County, Minnesota and legally described as follows:

PID	Legal Description
40060839	South 1/2 of Lot 13, Block 1 – Kirkwood
40240508	Lot 8, Block 3 – Jasperwood East
40240510	Lot 6, Block 3 – Jasperwood East
40240519	Lot 6, Block 2 – Jasperwood East
40240521	Lot 4, Block 2 – Jasperwood East

The proposed terms of the conveyance are available for review by the public at the office of the Executive Director of the HRA on and after the date of this notice.

At the time and place fixed for the public hearing, the Board will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may direct any questions or file written comments respecting the proposal with the Executive Director of the HRA, at or prior to said public hearing.

Dated: 4/22/2023

BY ORDER OF THE BOARD OF
COMMISSIONERS OF THE HOUSING AND
REDEVELOPMENT AUTHORITY IN AND
FOR THE COUNTY OF CROW WING

/s/ Eric Charpentier
Executive Director

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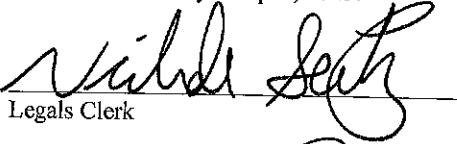
MN Affidavit No. 214889

AFFIDAVIT OF PUBLICATION**STATE OF MINNESOTA****ss.****COUNTY OF CROW WING**

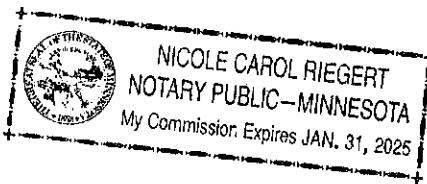
Nichole Seitz, being first duly sworn, on oath states as follows:

1. I am the publisher of the BRAINERD DISPATCH, or the publisher's designated agent. I have personal knowledge of the facts stated in this Affidavit, which is made pursuant to Minnesota Statutes §331A.07.
2. The newspaper has complied with all of the requirements to constitute a qualified newspaper under Minnesota law, including those requirements found in Minnesota Statutes §331A.02.
3. The dates of the month and the year and day of the week upon which the public notice attached/copied below was published in the newspaper are as follows: Saturday, April 22, 2023.
4. The publisher's lowest classified rate paid by commercial users for comparable space, as determined pursuant to § 331A.06, is as follows: \$14.60 per column inch.
5. Pursuant to Minnesota Statutes §580.033 relating to the publication of mortgage foreclosure notices: The newspaper's known office of issue is located in CROW WING County. The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

Dated this 22nd day of April, 2023.


Nichole Seitz
Legals Clerk


Nichole Riegert
Notary Public



**NOTICE OF PUBLIC HEARING
HOUSING AND REDEVELOP-
MENT AUTHORITY
IN AND FOR THE COUNTY OF
CROW WING**

NOTICE IS HEREBY GIVEN that the Board of Commissioners (the "Board") of the Housing and Redevelopment Authority in and for the County of Crow Wing (the "HRA"), will hold a public hearing on Tuesday, May 9, 2023, at or after 5:00 P.M. at the Crow Wing County Land Services Building in the Meeting Room 2 (Lower Level), 322 Laurel Street, Brainerd, Minnesota, to consider a proposal for the conveyance of land located in the City of Baxter in Crow Wing County, Minnesota and legally described as follows:

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40240521	Lot 4, Block 2 – Jasperwood East

The proposed terms of the conveyance are available for review by the public at the office of the Executive Director of the HRA on and after the date of this notice.

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Dated: 4/22/2023

BY ORDER OF THE BOARD OF
COMMISSIONERS OF THE HOUS-
ING AND REDEVELOPMENT AU-
THORITY IN AND FOR THE
COUNTY OF CROW WING

/s/ Eric Charpentier
Executive Director
(April 22, 2023) 214889



Housing & Redevelopment Authority

Application to Acquire Tax Forfeited Property

GENERAL INFORMATION

Business Name: LAKES AREA HABITAT FOR HUMANITY

Address: PO BOX 234, BRainerd, MN 56401

Type (Partnership): _____

Authorized Representative: KEVIN PELKEY

Description of Business: AFFORDABLE HOMEOWNERSHIP

Previous experience with this type of development: _____

PROPERTY INFORMATION

Tract Number(s) 400100839

Do any of the tracts contain occupied buildings? NO

Acquisition price of property _____

PROJECT INFORMATION

Tax forfeited properties may only be purchased through the CWC HRA if they eliminate blight or for the construction of affordable housing.

Will the project eliminate blight? Yes No

If yes, please explain how. Include pictures with your explanation.

Does the proposed project include the construction of "affordable" housing (115% of AMI)?

Yes No

Description of the Proposed Project: _____

Will there be relocation as part of the project? NO

Who will be responsible for improvements and maintenance after closing?

Name KEVIN PEKEY
Phone 218-828-8517 Email info@lakesareahabit.org

Will all improvements be complete within 12 months after closing? _____

PLEASE INCLUDE:

1. Plans and drawing of project
2. Print out of each tract from Crow Wing County tax forfeit list
3. Maintenance and holding cost fee of \$1,000 payable to Crow Wing County HRA
4. Non-refundable administrative fee of \$500 payable to Crow Wing County HRA

SIGNATURE

Applicant's signature:



Date:

8-9-22



LAKES AREA HABITAT FOR HUMANITY
PO BOX 234
BRAINERD, MN 56401
(218) 828-8517

BREMER BANK, N.A.
BRAINERD OFFICE
PO BOX 687 (218) 829-8781
BRAINERD, MN 56401
75-1041/960

23633

8/9/2022

PAY TO THE BRAINERD HRA

\$ **1,000.00

One Thousand and 00/100*****

DOLLARS

BRAINERD HRA
324 EAST RIVER ROAD
BRAINERD, MN 56401

MEMO


Lura Walker
AUTHORIZED SIGNATURE

102363310096010415100600152081

LAKES AREA HABITAT FOR HUMANITY

23633

BRAINERD HRA
OTHER ASSETS:1250 · LAND AVAILAB Lynwood Drive

8/9/2022

1,000.00



LAKES AREA HABITAT FOR HUMANITY
PO BOX 234
BRAINERD, MN 56401
(218) 828-8517

BREMER BANK, N.A.
BRAINERD OFFICE
PO BOX 687 (218) 829-8781
BRAINERD, MN 56401
75-1041/960

23634

8/9/2022

PAY TO THE BRAINERD HRA

\$ **500.00

Five Hundred and 00/100*****

DOLLARS

BRAINERD HRA
324 EAST RIVER ROAD
BRAINERD, MN 56401

MEMO


Lura Walker
AUTHORIZED SIGNATURE

102363410096010415100600152081

LAKES AREA HABITAT FOR HUMANITY

23634

BRAINERD HRA
OTHER ASSETS:1250 · LAND AVAILAB Lynwood Drive-BOND refundable

8/9/2022

500.00

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Parcel

Assessment Year: 2022
Pay Year: 2023
Property Address:
City:
State: MN
Zip:
Multiple Addresses: No
Owner Mailing: CROW WING COUNTY LAND SERVICES
Mailing City: 322 LAUREL ST STE 15
Legacy Parcel ID: 03127001013A009
Market NBHD: 03_3 - BAXTER NEIGHBORHOOD #3
Class: 960 - 5E TAX FORFEITURE NOT REPORTED
Lake:
Deeded Acres: .34
Plat: 03127 - KIRKWOOD
Lot: 013
Block: 001
Section-Twp-Range: 06 - 133 - 028
Tax District: 40100 - 40 - CITY OF BAXTER
Town/City: 010100 - CITY OF BAXTER
School District: 020181 - BRAINERD
Fire District:
Rural Service:
Watershed:
Sewer District:
Hospital:
HRA: 080121 - CROW WING COUNTY HRA
Commissioner District: 4
TIF Project #: -

Values

Tax Market Value: 0
Estimated Market Value: 15,200
Ref Market Value:
New Construction Value: 0

Parcel Status

In Forfeiture: No
Escrow Company:
ACH: No
Delinquent: No
Homestead: N - Non-Homestead
Relative:

Legal

Plat Name: KIRKWOOD S 1/2 OF LOT 13 BLOCK 1

Sales

Sale Date	Sale Price	Instr. Type	CRV #	Grantor/Seller	Grantee/Buyer
06/02/2016		OTH			VLECK, DANIEL P & AMY M
02/03/2016		OTH	1600772		VLECK, DANIEL
02/03/2016	50,000	SWD	464388E	BASIS INVESTMENTS LLC	VLECK, DANIEL
08/27/2015		OTH	1506412		BASIS INVESTMENTS LLC
08/27/2015	41,800	WD	415414E	US BANK NA	BASIS INVESTMENTS, LLC
05/22/2014		OTH	1403719		US BANK NA BY MERGER US BANK NA ND
01/01/1800		OTH			BACON, MARK A

Sale Details

1 of 7

Instrument Type: OTHER TYPE OF TRANSFER
Grantor/Seller:
Grantee/Buyer: VLECK, DANIEL P & AMY M
Instrument/Sale Date: 06/02/2016
Transfer Date: 06/02/2016
Recorded Date: 07/08/2016
Improved/Vacant:
State Validity Code: *Crow Wing County HRA Board Meeting Packet ~ Tuesday, May 9th, 2023*
Sale Property Use:
CRV #:

Old Document Number:

Total Sale Price:

of Pcs:

Adjusted Sale Price:

Land Summary

Line	Class	Rec #	Code	Land Description	Square Feet	Acres	Land Type	Value
1		1	HWD	HIGH WOODED ACREAGE	14,810	.34	A - ACREAGE	15,200
Total:								.34

Land

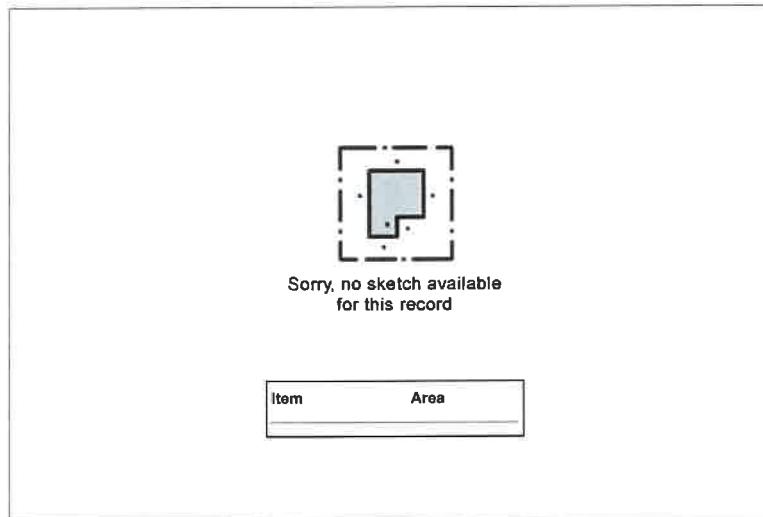
Line: 1
Class:
Rec #: 1
Land Type: A - ACREAGE
Land Code: HWD
Square Feet: 14,810
Acres: .34
Land Value: 15,200
Frontage:
Depth:
Influence 1:
Influence 2:
Influence 3:
Influence 4:

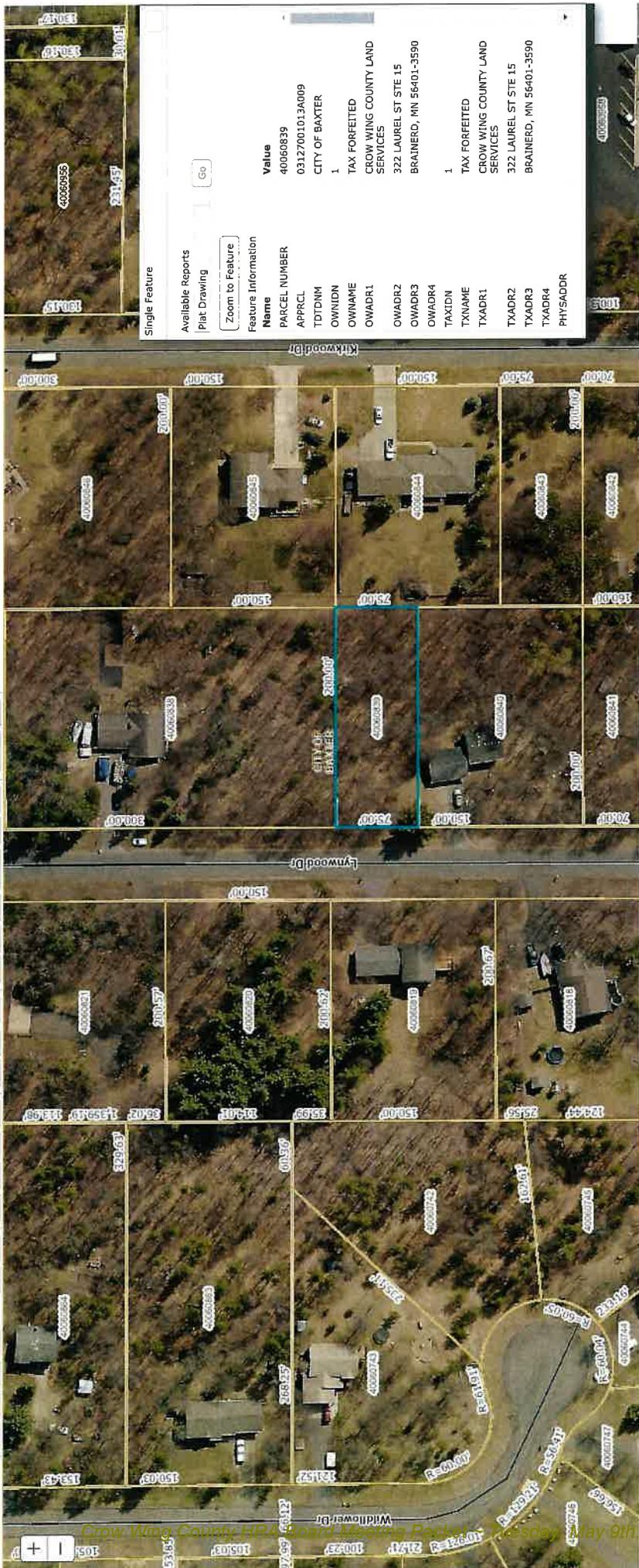
Green Acres/Rural Preserve

Land Program:

Total Land Program EMV 0
Tillable Land 0
Land Program Tillable .00
Acres .00
Tillable Acres .00
Land Program Tillable Acres .00

Values shown effective as of: August 10, 2022





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Housing & Redevelopment Authority

Application to Acquire Tax Forfeited Property

GENERAL INFORMATION

Business Name: LAKES AREA HABITAT FOR HUMANITYAddress: PO BOX 234, BRAINERD, MN 56401

Type (Partnership): _____

Authorized Representative: KEVIN BELKEYDescription of Business: AFFORDABLE HOME OWNERSHIPPrevious experience with this type of development: 24+ YEARS

PROPERTY INFORMATION

Tract Number(s) 40240521, 40240519, 40240511, 40240510 *Not Available*Do any of the tracts contain occupied buildings? * 40240508

Acquisition price of property _____

PROJECT INFORMATION

Tax forfeited properties may only be purchased through the CWC HRA if they eliminate blight or for the construction of affordable housing.

Will the project eliminate blight? Yes No

If yes, please explain how. Include pictures with your explanation.

Does the proposed project include the construction of "affordable" housing (115% of AMI)?

Yes No

Description of the Proposed Project: Homes for families w/incomes
less than 60% AMI

Will there be relocation as part of the project? NO

Who will be responsible for improvements and maintenance after closing?

Name KEVIN POLKEY

Phone 218-828-8517

Email info@lakesareahabitat.org

Will all improvements be complete within 12 months after closing? YES

PLEASE INCLUDE:

1. Plans and drawing of project
2. Print out of each tract from Crow Wing County tax forfeit list
3. Maintenance and holding cost fee of \$1,000 payable to Crow Wing County HRA
4. Non-refundable administrative fee of \$500 payable to Crow Wing County HRA

SIGNATURE

Applicant's signature: 

Date: _____



LAKES AREA HABITAT FOR HUMANITY
PO BOX 234
BRAINERD, MN 56401
(218) 828-8517

BREMER BANK, N.A.
BRAINERD OFFICE
PO BOX 687 (218) 829-8781
BRAINERD, MN 56401
75-1041/960

23528

6/27/2022

PAY TO THE
ORDER OF
Crow Wing County HRA

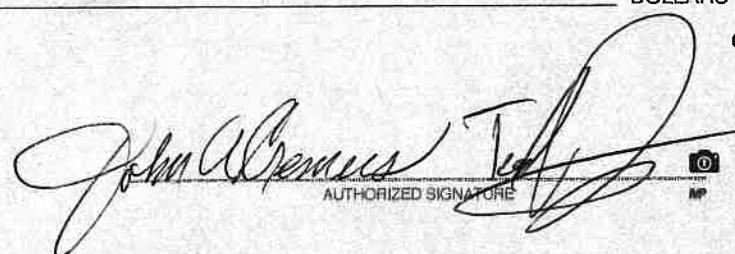
\$ **6,000.00

Six Thousand and 00/100*****

DOLLARS

CROW WING COUNTY HRH
324 EAST RIVER ROAD
BRAINERD, MN 56401

MEMO



John Bremer T
AUTHORIZED SIGNATURE

1102352811 109601041511 060011520811

LAKES AREA HABITAT FOR HUMANITY

23528

Crow Wing County HRA
6/27/2022
OTHER ASSETS:1250 · LAND AVAILAB 40240510
OTHER ASSETS:1250 · LAND AVAILAB 40240511 → Taken Replaced w/ 40240508 1,500.00
OTHER ASSETS:1250 · LAND AVAILAB 40240519 1,500.00
OTHER ASSETS:1250 · LAND AVAILAB 40240521 1,500.00

Jasperwood E.
Lot 8
Block 3
40240508

BREMER

6,000.00

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Parcel

Assessment Year: 2023
Pay Year: 2024
Property Address:
City:
State: MN
Zip:
Multiple Addresses: No
Owner Mailing: CROW WING COUNTY LAND SERVICES
Mailing City: 322 LAUREL ST STE 15
Legacy Parcel ID: 033270030080009
Market NBHD: 03_5 - BAXTER NEIGHBORHOOD #5
Class: 960 - 5E TAX FORFEITURE NOT REPORTED
Lake:
Deeded Acres: .35
Plat: 03327 - JASPERWOOD EAST
Lot: 8
Block: 3
Section-Twp-Range: 24 - 133 - 029
Tax District: 40100 - 40 - CITY OF BAXTER
Town/City: 010100 - CITY OF BAXTER
School District: 020181 - BRAINERD
Fire District:
Rural Service:
Watershed:
Sewer District:
Hospital:
HRA: 080121 - CROW WING COUNTY HRA
Commissioner District: 3
TIF Project #: -

Values

Tax Market Value: 0
Estimated Market Value: 30,700
Ref Market Value:
New Construction Value: 0

Parcel Status

In Forfeiture: No
Escrow Company:
ACH: No
Delinquent No
Homestead N – Non-Homestead
Relative

Legal

Plat Name: JASPERWOOD EAST LOT 8 BLOCK 3

Sales

Sale Date	Sale Price	Instr. Type	CRV #	Grantor/Seller	Grantee/Buyer
10/01/2013		OTH	TF2013		TAX FORFEITED
01/06/2006		OTH	PLT03327		NAVILLUS LAND COMPANY
01/13/2004		OTH	0400478		NAVILLUS LAND COMPANY

Sale Details

Instrument Type: OTHER TYPE OF TRANSFER

Grantor/Seller:
 Grantee/Buyer:
 Instrument/Sale Date:
 Transfer Date:
 Recorded Date:
 Improved/Vacant:
 State Validity Code:
 Sale Property Use:
 CRV #:
 Old Document Number:
 Total Sale Price:
 # of Pcls:
 Adjusted Sale Price:

Ownership History

Assessment Year:	Name:
2024	TAX FORFEITED
2023	TAX FORFEITED
2022	TAX FORFEITED
2021	TAX FORFEITED
2020	TAX FORFEITED
2019	TAX FORFEITED
2018	TAX FORFEITED

Property Values & Taxes by Year

Asmt Year	Pay Year	EMV Land	EMV Bldg	EMV Total	TMV	Tax	Special Assessment	Total Tax & SA
2023	2024	30,700	0	30,700	0			
2022	2023	17,400	0	17,400	0	0	0	0
2021	2022	14,700	0	14,700	0	0	0	0
2020	2021	15,100	0	15,100	0	0	0	0
2019	2020	13,700	0	13,700	0	0	0	0
2018	2019	13,700	0	13,700	0	0	0	0

Property Values Details

Asmt Year	Pay Year	Class	LP	Rec #	EMV Land	EMV Bldg	EMV HGA	New Construction	EMV Total	TMV Land	TMV Bldg	TMV Total
2023	2024 960			1	30,700	0 0	0		30,700	0	0	0
2022	2023 960			1	17,400	0 0	0		17,400	0	0	0
2021	2022 960			1	14,700	0 0	0		14,700	0	0	0
2020	2021 960			1	15,100	0 0	0		15,100	0	0	0
2019	2020 960			1	13,700	0 0	0		13,700	0	0	0
2018	2019 960			1	13,700	0 0	0		13,700	0	0	0

Land Summary

Line	Class	Rec #	Code	Land Description	Square Feet	Acres	Land Type	Value
1		1	HGHOPN	HIGH OPEN/MEADOW/PASTURE	14,810	.34	A – ACREAGE	30,700
						.34		30,700

Land

Line:	1
Class:	
Rec #	1
Land Type:	A – ACREAGE
Land Code:	HGHOPN
Square Feet:	14,810
Acres:	.34
Land Value:	30,700



1 Items

PARCEL NUMBER	APPRCL	TDTDNM	OWNIDN	OWNNAME	OWADR1	OWADR2	OWADR3
40240508	03327003	CITY OF BAXTER	1	TAX FORFEITE	CROW WING COUNTY LAND SERVICES	322 LAUREL ST STE 15	BRainerd, MN 56401-3590

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Parcel

Assessment Year: 2023
Pay Year: 2024
Property Address:
City:
State: MN
Zip:
Multiple Addresses: No
Owner Mailing: CROW WING COUNTY LAND SERVICES
Mailing City: 322 LAUREL ST STE 15
Legacy Parcel ID: 033270030060009
Market NBHD: 03_5 - BAXTER NEIGHBORHOOD #5
Class: 960 - 5E TAX FORFEITURE NOT REPORTED
Lake:
Deeded Acres: .35
Plat: 03327 - JASPERWOOD EAST
Lot: 6
Block: 3
Section-Twp-Range: 24 - 133 - 029
Tax District: 40100 - 40 - CITY OF BAXTER
Town/City: 010100 - CITY OF BAXTER
School District: 020181 - BRAINERD
Fire District:
Rural Service:
Watershed:
Sewer District:
Hospital:
HRA: 080121 - CROW WING COUNTY HRA
Commissioner District: 3
TIF Project #: -

Values

Tax Market Value: 0
Estimated Market Value: 31,300
Ref Market Value:
New Construction Value: 0

Parcel Status

In Forfeiture: No
Escrow Company:
ACH: No
Delinquent No
Homestead N – Non-Homestead
Relative

Legal

Plat Name: JASPERWOOD EAST LOT 6 BLOCK 3

Sales

Sale Date	Sale Price	Instr. Type	CRV #	Grantor/Seller	Grantee/Buyer
10/01/2013		OTH	TF2013		TAX FORFEITED
01/06/2006		OTH	PLT03327		NAVILLUS LAND COMPANY
01/13/2004		OTH	0400478		NAVILLUS LAND COMPANY

Sale Details

Instrument Type: OTHER TYPE OF TRANSFER

Grantor/Seller:
 Grantee/Buyer:
 Instrument/Sale Date:
 Transfer Date:
 Recorded Date:
 Improved/Vacant:
 State Validity Code:
 Sale Property Use:
 CRV #:
 Old Document Number:
 Total Sale Price:
 # of Pcls:
 Adjusted Sale Price:

Ownership History

Assessment Year:	Name:
2024	TAX FORFEITED
2023	TAX FORFEITED
2022	TAX FORFEITED
2021	TAX FORFEITED
2020	TAX FORFEITED
2019	TAX FORFEITED
2018	TAX FORFEITED

Property Values & Taxes by Year

Asmt Year	Pay Year	EMV Land	EMV Bldg	EMV Total	TMV	Tax	Special Assessment	Total Tax & SA
2023	2024	31,300	0	31,300	0			
2022	2023	17,900	0	17,900	0	0	0	0
2021	2022	15,100	0	15,100	0	0	0	0
2020	2021	15,500	0	15,500	0	0	0	0
2019	2020	14,100	0	14,100	0	0	0	0
2018	2019	14,000	0	14,000	0	0	0	0

Property Values Details

Asmt Year	Pay Year	Class	LP	Rec #	EMV Land	EMV Bldg	EMV HGA	New Construction	EMV Total	TMV Land	TMV Bldg	TMV Total
2023	2024 960			1	31,300	0 0	0		31,300	0	0	0
2022	2023 960			1	17,900	0 0	0		17,900	0	0	0
2021	2022 960			1	15,100	0 0	0		15,100	0	0	0
2020	2021 960			1	15,500	0 0	0		15,500	0	0	0
2019	2020 960			1	14,100	0 0	0		14,100	0	0	0
2018	2019 960			1	14,000	0 0	0		14,000	0	0	0

Land Summary

Line	Class	Rec #	Code	Land Description	Square Feet	Acres	Land Type	Value
1		1	HGHOPN	HIGH OPEN/MEADOW/PASTURE	15,246	.35	A – ACREAGE	31,300
						.35		31,300

Land

Line:	1
Class:	
Rec #	1
Land Type:	A – ACREAGE
Land Code:	HGHOPN
Square Feet:	15,246
Acres:	.35
Land Value:	31,300

Frontage: *Crow Wing County HRA Board Meeting Packet ~ Tuesday, May 9th, 2023*

Pg. 26 of 134



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Parcel

Assessment Year: 2023
Pay Year: 2024
Property Address:
City:
State: MN
Zip:
Multiple Addresses: No
Owner Mailing: CROW WING COUNTY LAND SERVICES
Mailing City: 322 LAUREL ST STE 15
Legacy Parcel ID: 033270020060009
Market NBHD: 03_5 - BAXTER NEIGHBORHOOD #5
Class: 960 - 5E TAX FORFEITURE NOT REPORTED
Lake:
Deeded Acres: .45
Plat: 03327 - JASPERWOOD EAST
Lot: 6
Block: 2
Section-Twp-Range: 24 - 133 - 029
Tax District: 40100 - 40 - CITY OF BAXTER
Town/City: 010100 - CITY OF BAXTER
School District: 020181 - BRAINERD
Fire District:
Rural Service:
Watershed:
Sewer District:
Hospital:
HRA: 080121 - CROW WING COUNTY HRA
Commissioner District: 3
TIF Project #: -

Values

Tax Market Value: 0
Estimated Market Value: 38,800
Ref Market Value:
New Construction Value: 0

Parcel Status

In Forfeiture: No
Escrow Company:
ACH: No
Delinquent No
Homestead N – Non-Homestead
Relative

Legal

Plat Name: JASPERWOOD EAST LOT 6 BLOCK 2

Sales

Sale Date	Sale Price	Instr. Type	CRV #	Grantor/Seller	Grantee/Buyer
10/01/2013		OTH	TF2013		TAX FORFEITED
01/06/2006		OTH	PLT03327		NAVILLUS LAND COMPANY
01/13/2004		OTH	0400478		NAVILLUS LAND COMPANY

Sale Details

Instrument Type: OTHER TYPE OF TRANSFER

Grantor/Seller:
 Grantee/Buyer: **TAX FORFEITED**
 Instrument/Sale Date: **10/01/2013**
 Transfer Date: **10/01/2013**
 Recorded Date: **10/01/2013**
 Improved/Vacant: **-**
 State Validity Code: **-**
 Sale Property Use: **-**
 CRV #: **TF2013**
 Old Document Number:
 Total Sale Price:
 # of Pcls:
 Adjusted Sale Price:

Ownership History

Assessment Year:	Name:
2024	TAX FORFEITED
2023	TAX FORFEITED
2022	TAX FORFEITED
2021	TAX FORFEITED
2020	TAX FORFEITED
2019	TAX FORFEITED
2018	TAX FORFEITED

Property Values & Taxes by Year

Asmt Year	Pay Year	EMV Land	EMV Bldg	EMV Total	TMV	Tax	Special Assessment	Total Tax & SA
2023	2024	38,800	0	38,800	0			
2022	2023	22,900	0	22,900	0	0	0	0
2021	2022	19,600	0	19,600	0	0	0	0
2020	2021	20,000	0	20,000	0	0	0	0
2019	2020	18,200	0	18,200	0	0	0	0
2018	2019	18,200	0	18,200	0	0	0	0

Property Values Details

Asmt Year	Pay Year	Class	LP	Rec #	EMV Land	EMV Bldg	EMV HGA	New Construction	EMV Total	TMV Land	TMV Bldg	TMV Total
2023	2024 960			1	38,800	0 0	0		38,800	0	0	0
2022	2023 960			1	22,900	0 0	0		22,900	0	0	0
2021	2022 960			1	19,600	0 0	0		19,600	0	0	0
2020	2021 960			1	20,000	0 0	0		20,000	0	0	0
2019	2020 960			1	18,200	0 0	0		18,200	0	0	0
2018	2019 960			1	18,200	0 0	0		18,200	0	0	0

Land Summary

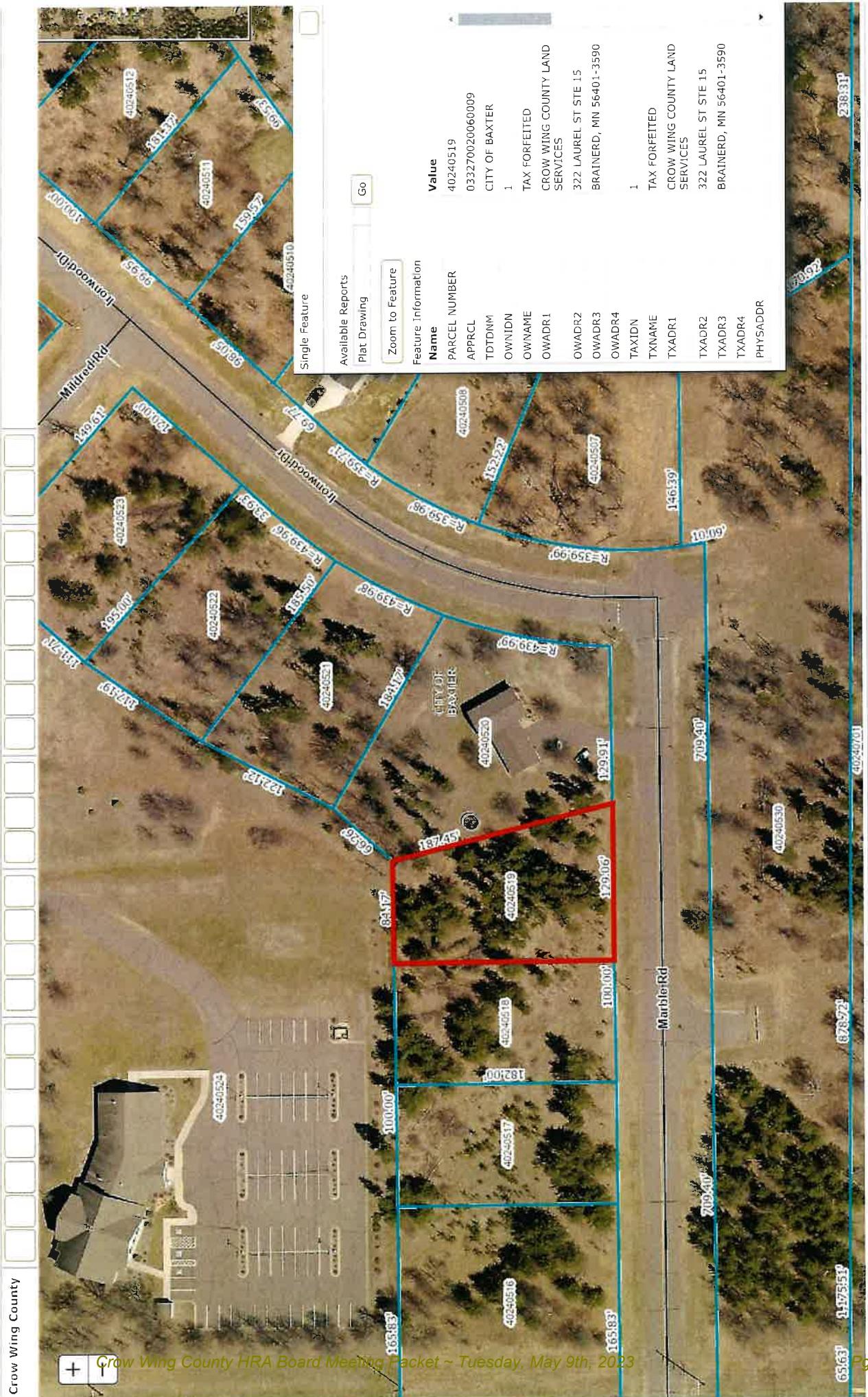
Line	Class	Rec #	Code	Land Description	Square Feet	Acres	Land Type	Value
1		1	HWD	HIGH WOODED ACREAGE	19,166	.44	A – ACREAGE	38,800
				Total:		.44		38,800

Land

Line:	1
Class:	
Rec #	1
Land Type:	A – ACREAGE
Land Code:	HWD
Square Feet:	19,166
Acres:	.44
Land Value:	38,800

Frontage: *Crow Wing County HRA Board Meeting Packet ~ Tuesday, May 9th, 2023*

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Parcel

Assessment Year: 2023
Pay Year: 2024
Property Address:
City:
State: MN
Zip:
Multiple Addresses: No
Owner Mailing: CROW WING COUNTY LAND SERVICES
Mailing City: 322 LAUREL ST STE 15
Legacy Parcel ID: 033270020040009
Market NBHD: 03_5 - BAXTER NEIGHBORHOOD #5
Class: 960 - 5E TAX FORFEITURE NOT REPORTED
Lake:
Deeded Acres: .46
Plat: 03327 - JASPERWOOD EAST
Lot: 4
Block: 2
Section-Twp-Range: 24 - 133 - 029
Tax District: 40100 - 40 - CITY OF BAXTER
Town/City: 010100 - CITY OF BAXTER
School District: 020181 - BRAINERD
Fire District:
Rural Service:
Watershed:
Sewer District:
Hospital:
HRA: 080121 - CROW WING COUNTY HRA
Commissioner District: 3
TIF Project #: -

Values

Tax Market Value: 0
Estimated Market Value: 37,500
Ref Market Value:
New Construction Value: 0

Parcel Status

In Forfeiture: No
Escrow Company:
ACH: No
Delinquent No
Homestead N – Non-Homestead
Relative

Legal

Plat Name: JASPERWOOD EAST LOT 4 BLOCK 2

Sales

Sale Date	Sale Price	Instr. Type	CRV #	Grantor/Seller	Grantee/Buyer
10/01/2013		OTH	TF2013		TAX FORFEITED
01/06/2006		OTH	PLT03327		NAVILLUS LAND COMPANY
01/13/2004		OTH	0400478		NAVILLUS LAND COMPANY

Sale Details

Instrument Type: OTHER TYPE OF TRANSFER

Grantor/Seller:
 Grantee/Buyer:
 Instrument/Sale Date:
 Transfer Date:
 Recorded Date:
 Improved/Vacant:
 State Validity Code:
 Sale Property Use:
 CRV #:
 Old Document Number:
 Total Sale Price:
 # of Pcls:
 Adjusted Sale Price:

Ownership History

Assessment Year:	Name:
2024	TAX FORFEITED
2023	TAX FORFEITED
2022	TAX FORFEITED
2021	TAX FORFEITED
2020	TAX FORFEITED
2019	TAX FORFEITED
2018	TAX FORFEITED

Property Values & Taxes by Year

Asmt Year	Pay Year	EMV Land	EMV Bldg	EMV Total	TMV	Tax	Special Assessment	Total Tax & SA
2023	2024	37,500	0	37,500	0			
2022	2023	23,000	0	23,000	0	0	0	0
2021	2022	19,400	0	19,400	0	0	0	0
2020	2021	19,900	0	19,900	0	0	0	0
2019	2020	18,100	0	18,100	0	0	0	0
2018	2019	18,100	0	18,100	0	0	0	0

Property Values Details

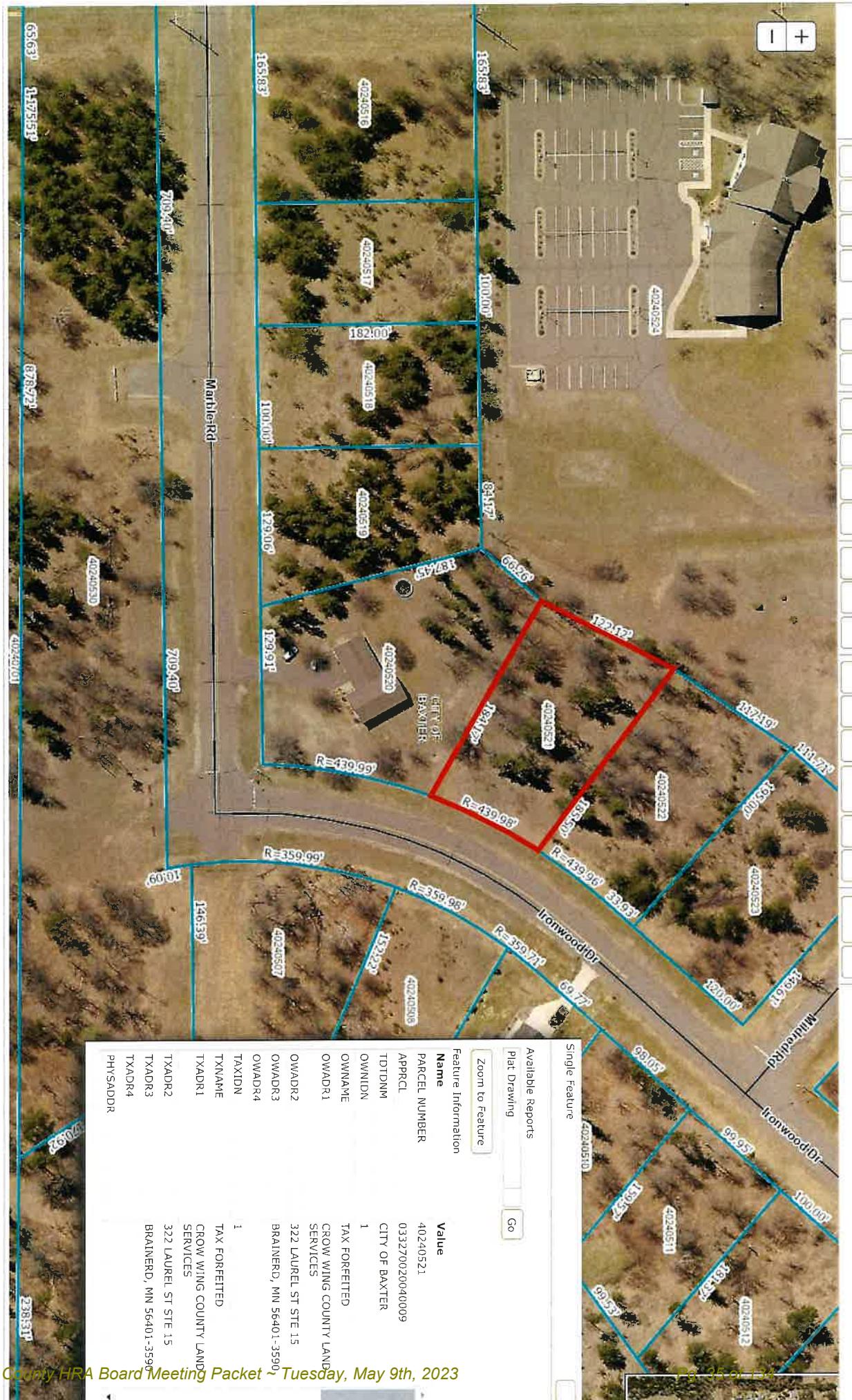
Asmt Year	Pay Year	Class	LP	Rec #	EMV Land	EMV Bldg	EMV HGA	New Construction	EMV Total	TMV Land	TMV Bldg	TMV Total
2023	2024 960			1	37,500	0 0	0		37,500	0	0	0
2022	2023 960			1	23,000	0 0	0		23,000	0	0	0
2021	2022 960			1	19,400	0 0	0		19,400	0	0	0
2020	2021 960			1	19,900	0 0	0		19,900	0	0	0
2019	2020 960			1	18,100	0 0	0		18,100	0	0	0
2018	2019 960			1	18,100	0 0	0		18,100	0	0	0

Land Summary

Line	Class	Rec #	Code	Land Description	Square Feet	Acres	Land Type	Value
1		1	HGHOPN	HIGH OPEN/MEADOW/PASTURE	20,038	.46	A – ACREAGE	37,500
				Total:		.46		37,500

Land

Line:	1
Class:	
Rec #	1
Land Type:	A – ACREAGE
Land Code:	HGHOPN
Square Feet:	20,038
Acres:	.46
Land Value:	37,500



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DEVELOPMENT AGREEMENT

By and Between

CITY OF BAXTER, MINNESOTA

and

LAKES AREA HABITAT FOR HUMANITY

Dated as of: December 6, 2022

This document was drafted by:
KENNEDY & GRAVEN, Chartered (JSB)
150 South 5th Street, Suite 700
Minneapolis, Minnesota 55402
Telephone: 612-337-9300

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SIGNATURES S-1

EXHIBIT A Description of Development Property

EXHIBIT B Form of Promissory Note

EXHIBIT C Certificate of Completion

EXHIBIT D Compliance Certificate

DEVELOPMENT AGREEMENT

THIS AGREEMENT, made on or as of the 6th day of December, 2022, by and between CITY OF BAXTER, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the “City”); and LAKES AREA HABITAT FOR HUMANITY, a Minnesota nonprofit corporation (“Developer”).

WITNESSETH:

WHEREAS, the City is a municipal corporation duly organized and existing under the laws of the State; and

WHEREAS, the City has established certain tax increment financing districts, including Tax Increment Financing District Nos. 6, 7, and 9 (the “TIF Districts”) all pursuant to Minnesota Statutes, Sections 469.174 to 469.1794 (the “TIF Act”); and

WHEREAS, the City believes that the development of certain property described in **Exhibit A** (collectively, the “Development Property”) pursuant to this Agreement, and fulfillment generally of this Agreement, are in the vital and best interests of the City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of applicable State and local laws and requirements.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

“Affiliate” means with respect to any entity (a) any corporation, partnership, limited liability company or other business entity or person controlling, controlled by or under common control with the entity, and (b) any successor to such party by merger, acquisition, reorganization or similar transaction involving all or substantially all of the assets of such party (or such Affiliate). For the purpose hereof the words “controlling”, “controlled by” and “under common control with” shall mean, with respect to any corporation, partnership, limited liability company or other business entity, the ownership of 50% or more of the voting interests in such entity or possession, directly or indirectly, of the power to direct or cause the direction of management policies of such entity, whether through ownership of voting securities or by contract or otherwise.

“Agreement” means this Agreement, as the same may be from time to time modified, amended, or supplemented.

“Certificate of Completion” means the certification in substantially the form set forth as **Exhibit C**, provided to Developer, or the purchaser of any part, parcel or unit of the Development Property, pursuant to Section 4.3 of this Agreement.

“City” means the City of Baxter, Minnesota.

“City Representative” means the City Administrator, or any person designated by the City Administrator to act as the City Representative for the purposes of this Agreement.

“Construction Plans” means the plans, specifications, drawings and related documents on the construction work to be performed by Developer on the Development Property which (a) shall be as detailed as the plans, specifications, drawings and related documents which are submitted to the appropriate building officials of the City, and (b) shall include at least the following for each building: (1) site plan; (2) foundation plan; (3) basement plans; (4) floor plan for each floor; (5) cross sections of each (length and width); (6) elevations (all sides); (7) landscape plan; and (8) such other plans or supplements to the foregoing plans as the City may reasonably request to allow it to ascertain the nature and quality of the proposed construction work.

“County” means the County of Crow Wing, Minnesota.

“Developer” means Lakes Area Habitat for Humanity or its permitted successors and assigns.

“Development Property” means the real property so described in **Exhibit A** attached hereto.

“Event of Default” means an action by Developer listed in Article VII of this Agreement.

“Minimum Improvements” means the acquisition and construction of the Qualified Housing Units.

“Mortgage” means any mortgage made by Developer which is secured, in whole or in part, with the Development Property, and any modification, supplement, extension, renewal or amendment thereof.

“Owner Occupants” has the meaning set forth in Section 4.4.

“Qualified Housing Units” means the construction on the Development Property of five single family homes as provided in Section 4.2.

“State” means the State of Minnesota.

“Tax Increment” means that portion of the real property taxes which is paid with respect to the TIF Districts and which is remitted to the City as tax increment pursuant to the Tax Increment Act.

“Tax Official” means any County assessor; County auditor; County or State board of equalization, the commissioner of revenue of the State, or any State or federal district court, the tax court of the State, or the State Supreme Court.

“TIF Act” means the Tax Increment Financing Act, Minnesota Statutes, Sections 469.174 to 469.1794, as amended.

“TIF Districts” means the City’s Tax Increment Financing District Nos. 6, 7, and 9; or any one of those districts, as the context requires.

“TIF Loan” means the loan from the City to the Developer in an amount not to exceed \$66,877.58 funded with Tax Increment from the TIF Districts to pay certain costs of the acquisition of the Development Property as provided in Section 3.1 hereof.

“Termination Date” means the date on which (i) the Qualified Housing Units have been conveyed to Owner Occupants in accordance with Section 4.4 or (ii) the Promissory Note is paid or deemed paid in full.

“Unavoidable Delays” means unexpected delays which are the direct result of: (i) adverse weather conditions, (ii) shortages of materials, (iii) strikes, other labor troubles, (iv) fire or other casualty to the Qualified Housing Units, (v) litigation commenced by third parties which, by injunction or other judicial action, directly results in delays, (vi) acts of any federal or state governmental unit, including legislative and administrative acts, (vii) approved changes to the Construction Plans that result in delays (viii) delays caused by the discovery of any adverse environmental condition on or within the Development Property to the extent reasonably necessary to comply with federal and state environmental laws, regulations, orders or agreements, (ix) delay in the issuance of any license or permit by any governmental entity, provided application therefor is timely made and diligently pursued by Developer and (x) any other cause or force majeure beyond the control of Developer which directly results in delays.

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations by the City. The City makes the following representations as the basis for the undertaking on its part herein contained:

(a) The City is a municipal corporation duly organized and existing under the laws of the State. Under the provisions of Minnesota Statutes, Section 469.185, the City has the power to enter into this Agreement and carry out its obligations hereunder.

(b) The activities of the City are undertaken to foster the development of certain real property which for a variety of reasons is presently underutilized, to create increased tax base in the City, to provide for decent, safe, sanitary and affordable housing, and to stimulate further development of the City as a whole.

Section 2.2 Representations and Warranties by Developer. Developer represents and warrants that:

(a) Developer is a nonprofit corporation duly organized and in good standing under the laws of the State of Minnesota, is not in violation of any provisions of its articles of incorporation or bylaws or, to the best of its knowledge, the laws of the State, is duly authorized to transact business within the State, has power to enter into this Agreement and has duly authorized the execution, delivery and performance of this Agreement by proper action of its members.

(b) Developer will undertake the Minimum Improvements in accordance with the terms of this Agreement and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations).

(c) Developer has received no written notice or communication from any local, state or federal official that the activities of Developer on the Development Property would be in violation of any environmental law or regulation (other than those notices or communications of which the City is aware). Developer is aware of no facts the existence of which would cause the Development Property to be in violation of or give any person a valid claim under any local, state or federal environmental law, regulation or review procedure.

(d) Developer will timely apply for and diligently pursue all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully undertaken.

(e) To the best of Developer's knowledge and belief, neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any partnership or company restriction or any evidences of indebtedness, agreement or instrument of whatever nature to which Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(f) The proposed development by the Developer hereunder would not occur but for the financial assistance being provided by the City hereunder.

ARTICLE III TAX INCREMENT ASSISTANCE

Section 3.1 Conditions of Advance of TIF Loan.

(a) The City's obligation to advance proceeds of the Loan to the Developer, is subject to and contingent upon satisfaction of the following terms and conditions:

(i) The Developer having provided the City a plan of financing for the acquisition of the Development Property and the construction of the Minimum Improvements.

(ii) the Developer shall have received all necessary rezoning, variances, environmental clearances, subdivision approvals, conditional use permits and other permits, site plan and other approvals needed to permit the construction of the Minimum Improvements;

(iii) the Developer shall have obtained approval of the Construction Plans from the City for the Minimum Improvements in accordance with Section 4.1 hereof; and;

(vi) the Developer shall not then be in default of its obligations under this Agreement.

(b) Upon the closing by the Developer on the acquisition of each parcel of the Development Property, the City shall advance proceeds of the TIF Loan to pay or reimburse the portion of the acquisition cost of such parcel of the Development Property allocable to outstanding special assessments paid in connection with such closing as evidenced by a settlement statement delivered by the Developer to the City and the Promissory Note will be deemed outstanding in the amount of the stated principal amount.

Section 3.2 Exemption from Business Subsidy Act. The parties agree and understand that all financial assistance to Developer under in this Agreement represents assistance for housing, and accordingly is not subject to Minnesota Statutes, Sections 116J.993 to 116J.995, as amended.

ARTICLE IV MINIMUM IMPROVEMENTS

Section 4.1 Construction Plans.

(a) Before commencement of construction of each of the Qualified Housing Units, Developer shall submit to the City Construction Plans. The City will approve such Construction Plans in writing only if: (i) such Construction Plans conform to the terms and conditions of this Agreement; (ii) such Construction Plans conform to all applicable federal, state and local laws, ordinances, rules and regulations; (iii) such Construction Plans are adequate to provide for construction of the Qualified Housing Units; (iv) the Construction Plans do not provide for expenditures in excess of the funds available to Developer for construction of the Qualified Housing Units; and (v) no Event of Default has occurred. No approval by the City shall relieve Developer of the obligation to comply with the terms of this Agreement or of applicable federal, state and local laws, ordinances, rules and regulations, or to construct the Qualified Housing Units in accordance therewith. No approval by the City shall constitute a waiver of an Event of Default. If the City rejects any Construction Plans in whole or in part, Developer shall submit new or corrected Construction Plans within 30 days after written notification to Developer of the rejection. The provisions of this Section relating to approval, rejection and resubmission of corrected Construction Plans shall continue to apply until the Construction Plans have been approved by the City. The City's approval shall not be unreasonably withheld. Said approval shall constitute a conclusive determination that the Construction Plans (and the Qualified Housing Units, constructed in accordance with said plans) comply to the City's satisfaction with the provisions of this Agreement relating thereto but any approvals by the City hereunder will not constitute approval by any City officials regarding any City requirement related to construction of the Qualified Housing Units, rather such approvals shall be governed by City ordinances, policies and procedures.

The Developer hereby waives any and all claims and causes of action whatsoever resulting from the review of the Construction Plans by the City and/or any changes in the Construction Plans requested by the City. Neither the City, nor any employee or official of the City shall be responsible in any manner whatsoever for any defect in the Construction Plans or in any work done pursuant to the Construction Plans, including changes requested by the City.

(b) If Developer desires to make any material change in the Construction Plans after their approval by the City, Developer shall submit the proposed change to the City for its approval. If the Construction Plans, as modified by the proposed change, conform to the requirements of this Section 4.1 of this Agreement with respect to such previously approved Construction Plans, the City shall approve the proposed change and notify Developer in writing of its approval. The City's approval of any such change in the Construction Plans will not be unreasonably withheld. Nothing in this paragraph will relieve the Developer of the obligation to comply with any City ordinances or procedures regarding changes in Construction Plans, and any approvals by the City hereunder will not constitute approval by any City officials regarding any City requirement related to construction of the Qualified Housing Units.

Section 4.2 Completion of Construction. Subject to Unavoidable Delays, the Developer must substantially complete construction of the five Qualified Housing Units by December 31, 2024. All work with respect to the Qualified Housing Units to be constructed on the Development Property shall substantially conform to the Construction Plans as submitted by Developer and approved by the City.

Developer agrees for itself, its successors and assigns, and every successor in interest to the Development Property, or any part thereof, that Developer, and such successors and assigns, shall promptly begin and diligently prosecute to completion the development of the Development Property through the construction of the Qualified Housing Units thereon, and that such construction shall in any event be commenced within the period specified in this Section 4.2. Until completion of construction of the Qualified Housing Units has been completed, Developer shall make reports, in such detail and at such times as may reasonably be requested by the City, as to the actual progress of Developer with respect to such construction.

Section 4.3 Certificate of Completion.

(a) Promptly after substantial completion of each of the Qualified Housing Units in accordance with those provisions of the Agreement relating solely to the obligations of Developer to construct such Qualified Housing Unit (including the dates for commencement and completion thereof), the City will furnish Developer with a Certificate of Completion with respect to such Qualified Housing Unit. Such Certificate of Completion by the City shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement with respect to the obligations of Developer, and its successors and assigns, to construct such Qualified Housing Unit.

(b) The certificate provided for in this Section 4.3 shall be in such form as will enable it to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Development Property. If the City shall refuse or fail to provide any certification in accordance with the provisions of this Section 4.3, the City shall, within 30 days after written request by Developer, provide Developer with a written statement, indicating in adequate detail in what respects Developer has failed to complete any of the Qualified Housing Units in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the City, for Developer to take or perform in order to obtain such certification.

(c) The construction of the Qualified Housing Units shall be deemed to be commenced when a building permit is issued by the City, and shall be deemed to be substantially completed when Developer has received a certificate of occupancy issued by the City for the Qualified Housing Units.

Section 4.4 Conveyance of Qualified Housing Units. Subject to all other terms and conditions of this Agreement, Developer agrees that it will convey each Qualified Housing Unit and the related portion of the Development Property after issuance of the Certificate of Completion solely to a person or persons for residential occupancy (an “Owner Occupant”) whose household income does not exceed (i) 100% of median income in the case of one or two person household Owner Occupants, or (ii) 115% of median income in the case of three or more person household Owner Occupants. The term “median income” means the median income in the County or the State as a whole, whichever is greater, using income data available from the Minnesota Housing Finance Agency as of the date of closing on sale to the Owner Occupant. The covenant in this Section applies only to the first sale of each Qualified Housing Unit to an Owner Occupant, and does not apply to any subsequent sale by an Owner Occupant to any other person or party. Prior to closing on sale of each Qualified Housing Unit by Developer to an Owner Occupant, Developer shall:

- (a) Notify the City in writing that the proposed Owner Occupant will meet the income qualifications under this paragraph; and
- (b) Submit to the City a certification in the form attached hereto as **Exhibit D** (the “Compliance Certificate”) evidencing compliance with the income limits described above.

ARTICLE V **INSURANCE**

Section 5.1 Insurance.

(a) The Developer will provide and maintain at all times during the process of constructing the Qualified Housing Units an All Risk Broad Form Basis Insurance Policy and, from time to time during that period, at the request of the City, furnish the City with proof of payment of premiums on policies covering the following:

(i) Builder's risk insurance, written on the so-called "Builder's Risk -- Completed Value Basis," in an amount equal to 100% of the insurable value of the Qualified Housing Units at the date of completion, and with coverage available in nonreporting form on the so-called "all risk" form of policy. The interest of the City shall be protected in accordance with a clause in form and content satisfactory to the City;

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner's Policy with limits against bodily injury and property damage of not less than \$2,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used). The City shall be listed as an additional insured on the policy; and

(iii) Workers' compensation insurance, with statutory coverage.

(iv) Employer's liability insurance, with minimum limits as follows:

(A) \$500,000 bodily injury by disease per employee,

(B) \$500,000 bodily injury by disease aggregate, and

(C) \$500,000 bodily injury by accident; and

(v) Business automobile liability insurance (including coverage for owned, hired, and non-owned automobiles) in the minimum amount of \$2,000,000 per occurrence, combined single limit for bodily injury and property damage.

(b) Upon completion of construction of the Qualified Housing Units and prior to the conveyance thereof to Owner Occupants, the Developer shall maintain, or cause to be maintained, at its cost and expense, and from time to time at the request of the City shall furnish proof of the payment of premiums on, insurance as follows:

(i) Property insurance against physical loss and/or damage to the Qualified Housing Units under a policy or policies covering such risks as are ordinarily insured against by similar businesses. The City shall be listed as a loss payee on the policy.

(ii) Commercial general public liability insurance, including personal injury liability (with employee exclusion deleted), against liability for injuries to persons and/or property, in the minimum amount of \$2,000,000 for each occurrence and as an annual aggregate, and shall be endorsed to show the City as an additional insured.

(c) All insurance required in this Article V shall be taken out and maintained in responsible insurance companies selected by the Developer that are authorized under the laws of the State to assume the risks covered thereby. Upon request, the Developer will deposit annually with the City policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. In lieu of separate policies, the Developer or its contractor, as applicable, may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required to be provided and maintained by Developer herein, in which event the Developer or its contractor, as applicable, shall deposit with the City a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Qualified Housing Units.

(d) The Developer agrees to notify the City immediately in the case of damage exceeding \$100,000 in amount to, or destruction of, any of the Qualified Housing Units or any portion thereof resulting from fire or other casualty and prior to the conveyance thereof to Owner Occupants. In such event the Developer will forthwith repair, reconstruct, and restore the Qualified Housing Units to substantially the same or an improved condition or value as it existed prior to the event causing such damage and, to the extent necessary to accomplish such repair, reconstruction, and restoration, the Developer will apply the net proceeds of any insurance relating to such damage received by the Developer to the payment or reimbursement of the costs thereof.

The Developer shall complete the repair, reconstruction and restoration of the Qualified Housing Units, regardless of whether the net proceeds of insurance received by the Developer for such purposes are sufficient to pay for the same. Any net proceeds remaining after completion of such repairs, construction, and restoration shall be the property of the Developer.

ARTICLE VI

PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER; INDEMNIFICATION

Section 6.1 Representation as to Development. Developer represents and agrees that its purchase of the Development Property or portions thereof, and its other undertakings pursuant to the Agreement, are, and will be used, for the purpose of development of the Development Property and not for speculation in land holding.

Section 6.2 Prohibition Against Transfer of Property and Assignment of Agreement. Developer represents and agrees that prior to the Termination Date, other than sales of the Qualified Housing Units to Owner Occupants in accordance with Section 4.4 hereof, the Developer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to, the Qualified Housing Units or the Development Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity (collectively, a "Transfer"), unless the Developer prepays the Promissory Note in the amounts set forth therein with respect to the Qualified Housing Unit the Developer proposes to so Transfer. The term "Transfer" does not include (i) encumbrances made or granted by way of security for, and only for, the purpose of obtaining construction financing necessary to enable Developer to construct the Qualified Housing Units, or (ii) any Transfer to an Affiliate. In addition, the Developer shall not Transfer its interest in this Agreement without the prior written consent of the City.

Section 6.3 Release and Indemnification Covenants.

(a) Developer releases from and covenants and agrees that the City and the governing body members, officers, agents, servants and employees thereof (collectively, the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the City and Indemnified Parties against any loss or any damage to property or any injury to or death of any person occurring at or about the Development Property or resulting from any defect in the Qualified Housing Units.

(b) Except for willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Developer agrees (to protect and defend the City and the Indemnified Parties, now or forever, and further agrees to hold the Indemnified Parties harmless from any claim, demand, suit, action or other proceeding whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, maintenance and operation of the Qualified Housing Units.

(c) The Indemnified Parties shall not be liable for any damage or injury to the persons or property of Developer or its officers, agents, servants or employees or any other person who may be about the Development Property or Qualified Housing Units.

(d) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City in the individual capacity thereof.

ARTICLE VII EVENTS OF DEFAULT

Section 7.1 Events of Default Defined. The following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless the context otherwise provides), any failure by the Developer, that has not been cured within 30 days’ written notice of such failure, to observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement or under any other agreement entered into between Developer and the City in connection with development of the Development Property.

Section 7.2 Remedies on Default. Whenever any Event of Default referred to in Section 7.1 of this Agreement occurs, the City may exercise its rights under this Section 7.2, but only if the Event of Default has not been cured within 30 days after written notice specified in Section 7.1 or, if the Event of Default is by its nature incurable within 30 days, the Developer does not provide assurances reasonably satisfactory to the City that the Event of Default will be cured and will be cured as soon as reasonably possible:

- (a) Suspend its performance under the Agreement until it receives assurances that the Developer will cure its default and continue its performance under the Agreement
- (b) Cancel and rescind or terminate the Agreement; provided however, that no such termination will terminate the Developer’s obligations under the Promissory Note;
- (c) Demand repayment of the outstanding principal balance of the Promissory Note;
- (d) Take whatever action, including legal, equitable or administrative action, which may appear necessary or desirable to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement, or covenant under this Agreement.

Section 7.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be required in this Article VII.

Section 7.4 No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Agreement should be breached by the Developer and thereafter waived by the City, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 7.5 Attorney Fees. Whenever any Event of Default occurs and if the City employs attorneys or incurs other expenses for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the Developer under this Agreement, the Developer shall, within 10 days of written demand by the non-defaulting party, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

ARTICLE VIII ADDITIONAL PROVISIONS

Section 8.1 Conflict of Interests; City Representatives Not Individually Liable. The City and Developer, to the best of their respective knowledge, represent and agree that no member, official, or employee of the City shall have any personal interest, direct or indirect, in the Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is, directly or indirectly, interested. No member, official, or employee of the City shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to Developer or successor or on any obligations under the terms of the Agreement.

Section 8.2 Equal Employment Opportunity. Developer, for itself and its successors and assigns, agrees that during the construction of the Qualified Housing Units provided for in the Agreement it will comply with all applicable federal, state and local equal employment and non-discrimination laws and regulations.

Section 8.3 Restrictions on Use. Developer agrees that until the Termination Date, Developer, and such successors and assigns, shall devote the Development Property to the development and conveyance of the Qualified Housing Units as provided in Article IV of this Agreement, and shall not discriminate upon the basis of race, color, creed, sex or national origin in the sale, lease, or rental or in the use or occupancy of the Development Property or any improvements erected or to be erected thereon, or any part thereof.

Section 8.4 Merger; Superseding Effect. This Agreement constitutes the entire agreement between the parties and supersedes in all respects all prior agreements of the parties, whether written or otherwise, with respect to the development of the Development Property. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement.

Section 8.5 Titles of Articles and Sections. Any titles of the several parts, Articles, and Sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 8.6 Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally; and

(a) in the case of Developer, is addressed to or delivered personally to Developer at P.O. Box 234, 1110 Wright Street, Brainerd, MN 56401; and

(b) in the case of the City, is addressed to or delivered personally to the City at 13190 Memorywood Drive, Baxter, MN 56425, Attention: City Administrator,

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the others as provided in this Section.

Section 8.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 8.8 Recording. The City may record this Agreement and any amendments thereto with the Crow Wing County recorder. Developer shall pay all costs for recording.

Section 8.9 Amendment. This Agreement may be amended only by written agreement approved by the City and Developer.

Section 8.10 City Approvals. Unless otherwise specified, any approval required by the City under this Agreement may be given by the City Representative.

Section 8.11 Termination. This Agreement terminates on the Termination Date; provided however Sections 6.3, 7.5 and 8.12 shall survive any rescission, termination or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof; and provided further, that no such termination will terminate the Developer's obligations under the Promissory Note until paid or deemed paid in full.

Section 8.12 Choice of Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf and its seal to be hereunto duly affixed and Developer has caused this Agreement to be duly executed in its name and behalf on or as of the date first above written.

CITY OF BAXTER, MINNESOTA

By 
Darrel Olson, its Mayor

By 
Kelly Steele, its Assistant City Administrator/Clerk

STATE OF MINNESOTA)
) SS.
COUNTY OF CROW WING)

The foregoing instrument was acknowledged before me this 21st day of December, 2022, by Darrel Olson and Kelly Steele, the Mayor and Assistant City Administrator/Clerk, respectively, of the City of Baxter, a Minnesota municipal corporation, on behalf of the City.

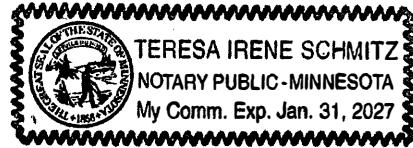

Notary Public



LAKES AREA HABITAT FOR HUMANITY

By Lori Pelkey
Its EXECUTIVE DIRECTOR

STATE OF MINNESOTA)
) SS.
COUNTY OF CROW WING)



The foregoing instrument was acknowledged before me this 8th day of December, 2022 by Kevin Pelkey, the Executive Dir of Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation, on behalf of the company.

Teresa Irene Schmitz
Notary Public

EXHIBIT A
DEVELOPMENT PROPERTY

The Development Property consists of the real property situated in the City of Baxter, County of Crow Wing, State of Minnesota, described as

Lot 4, Block 2 Jasperwood East (Parcel 40240521)
Lot 6, Block 2 Jasperwood East (Parcel 40240519)
Lot 6, Block 3 Jasperwood East (Parcel 40240510)
Lot 8, Block 3 Jasperwood East (Parcel 40240508)
South 1/2 of Lot 13, Block 1, Kirkwood (Parcel 40060839)

EXHIBIT B
FORM OF PROMISSORY NOTE

Date: December ___, 2022

Amount: \$66,877.58

FOR VALUE RECEIVED, the undersigned (the "Borrower") promises to pay to the order of the CITY OF BAXTER, MINNESOTA, a municipal corporation and public body corporate and politic, organized and existing under the laws of the State of Minnesota (the "City"), its successors or assigns, at 13190 Memorywood Drive, Baxter, MN 56425, Attention: City Finance Director the sum of SIXTY-SIX THOUSAND EIGHT HUNDRED SEVENTY-SEVEN AND 58/100 DOLLARS, (\$66,877.58) (the "Loan"), to the extent advanced and outstanding pursuant to that certain Development Agreement, dated December 6, 2022 between the Borrower and the City (the "Agreement), the terms and conditions of which Agreement are incorporated herein, in legal tender of the United States, without interest, as provided below. Defined terms used in this note have the meanings as defined in either this note or in the Agreement.

1. This Note may be prepaid at any time without penalty.
2. If the Borrower fails to convey the Qualified Housing Unit located at Lot 4, Block 2 Jasperwood East (Parcel 40240521) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Borrower shall repay the Loan to the City in an amount equal to \$11,501.52 immediately upon any conveyance which fails to satisfy Section 4.4 of the Agreement.
3. If the Borrower fails to convey the Qualified Housing Unit located at Lot 6, Block 2 Jasperwood East (Parcel 40240519) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Borrower shall repay the Loan to the City in an amount equal to \$11,501.52 immediately upon any conveyance which fails to satisfy Section 4.4 of the Agreement.
4. If the Borrower fails to convey the Qualified Housing Unit located at Lot 6, Block 3 Jasperwood East (Parcel 40240510) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Borrower shall repay the Loan to the City in an amount equal to \$11,501.52 immediately upon any conveyance which fails to satisfy Section 4.4 of the Agreement.
5. If the Borrower fails to convey the Qualified Housing Unit located at Lot 8, Block 3 Jasperwood East (Parcel 40240508) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Borrower shall repay the Loan to the City in an amount equal to \$11,501.52 immediately upon any conveyance which fails to satisfy Section 4.4 of the Agreement.
6. If the Borrower fails to convey the Qualified Housing Unit located at South 1/2 of Lot 13, Block 1, Kirkwood (Parcel 40060839) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Borrower shall repay the Loan to the City in an amount equal to \$20,871.50 immediately upon any conveyance which fails to satisfy Section 4.4 of the Agreement.

7. If the Borrower conveys the Qualified Housing Unit located at Lot 4, Block 2 Jasperwood East (Parcel 40240521) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Loan shall be forgiven by the City and deemed paid in an amount equal to \$11,501.52 immediately upon any conveyance which satisfies Section 4.4 of the Agreement.

8. If the Borrower conveys the Qualified Housing Unit located at Lot 6, Block 2 Jasperwood East (Parcel 40240519) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Loan shall be forgiven by the City and deemed paid in an amount equal to \$11,501.52 immediately upon any conveyance which fails to satisfy Section 4.4 of the Agreement.

9. If the Borrower conveys the Qualified Housing Unit located at located Lot 6, Block 3 Jasperwood East (Parcel 40240510) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Loan shall be forgiven by the City and deemed paid in an amount equal to \$11,501.52 immediately upon any conveyance which fails to satisfy Section 4.4 of the Agreement.

10. If the Borrower conveys the Qualified Housing Unit located at Lot 8, Block 3 Jasperwood East (Parcel 40240508) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Loan shall be forgiven by the City and deemed paid in an amount equal to \$11,501.52 immediately upon any conveyance which satisfies Section 4.4 of the Agreement.

11. If the Borrower conveys the Qualified Housing Unit located at South 1/2 of Lot 13, Block 1, Kirkwood (Parcel 40060839) in the City to Owner Occupants in accordance with Section 4.4 of the Agreement, the Loan shall be forgiven by the City and deemed paid in an amount equal to \$20,871.50 immediately upon any conveyance which satisfies Section 4.4 of the Agreement.

12. In the event the principal on this Note, or any part thereof, is not paid when due, at the Maturity Date, or upon acceleration, or as otherwise provided herein or in the Agreement, and is placed in the hands of an attorney or debt collector for collection, the Borrower, its successors and assigns, will repay on demand all costs and expenses of collection so incurred, including reasonable attorney's fees, whether or not suit or legal proceeding is actually commenced for the collection thereof.

13. If default be made in the payment of this Note or any part thereof when due, at the Maturity Date, or upon acceleration, or as otherwise provided herein or in the Agreement, then the whole sum or sums herein agreed to be paid, shall at the option of the City, become immediately due and payable, without notice, and no omission or delay on the part of the City to exercise such option shall be construed as a waiver of such right. Such option shall be a continuing right and may be exercised as often as any such default may occur.

14. Demand, protest and notice of demand and protest are hereby waived, and the undersigned further hereby waives, to the extent authorized by law, any and all exemption rights which otherwise would apply to the debt evidenced by this note.

15. This Note may not be modified orally, but only by an agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought, and is made with reference to and is to be construed in accordance with the laws of the State of Minnesota.

IN WITNESS WHEREOF, this note has been duly executed by the undersigned as of the above-listed date.

LAKES AREA HABITAT FOR HUMANITY,
a Minnesota nonprofit corporation

By: _____
Its _____

EXHIBIT C
CERTIFICATE OF COMPLETION

20

WHEREAS, the CITY OF BAXTER, MINNESOTA, a municipal corporation and political subdivision of the State of Minnesota (the “City”) and LAKES AREA HABITAT FOR HUMANITY, a Minnesota nonprofit corporation (“Developer”) have entered into a Development Agreement dated December __, 2022 (the “Development Agreement”); and

WHEREAS, the Development Agreement requires the Developer to construct certain Qualified Housing Units (as that term is defined in the Development Agreement);

WHEREAS, the Developer has constructed the applicable Qualified Housing Unit (as that term is defined in the Development Agreement) in a manner deemed sufficient by the City to permit the execution of this certification and the release of the following property from the terms and conditions of the Development Agreement: **[SELECT ONE]**

- Lot 4, Block 2 Jasperwood East
- Lot 6, Block 2 Jasperwood East
- Lot 6, Block 3 Jasperwood East
- Lot 8, Block 3 Jasperwood East
- South 1/2 of Lot 13, Block 1, Kirkwood

NOW, THEREFORE, this is to certify that the Developer has constructed the Qualified Housing Unit on the property identified above. Any remaining obligations under the Development Agreement with respect to the property identified above shall be solely contractual obligations of the Developer. The remaining covenants of the Developer under the Development Agreement are not intended to run with title to the property identified above or bind successors in title to the property identified above. This Certificate of Completion shall be a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement with respect to the obligations of Developer, and its successors and assigns, to construct such Qualified Housing Unit on the property identified above.

IN WITNESS WHEREOF, the City has caused this Certificate of Completion to be executed with by its duly authorized officer as of the date first written above.

CITY OF BAXTER, MINNESOTA

By _____
Darrel Olson, its Mayor

By _____
Kelly Steele, its Assistant City Administrator/Clerk

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING))

This instrument was acknowledged before me on this _____ day of _____, 2022, by Darrel Olson and Kelly Steele, the Mayor and Assistant City Administrator/Clerk, respectively, of the City of Baxter, Minnesota, a municipal corporation and public body corporate and politic under the laws of Minnesota, on behalf of the municipal corporation.

Notary Public

This instrument was drafted by:

Kennedy & Graven, Chartered (JSB)
150 South 5th Street, Suite 700
Minneapolis, Minnesota 55402

EXHIBIT D
CERTIFICATE OF COMPLIANCE

Project: [Address] _____

Owner: _____

1. I/We, the undersigned, being first duly sworn, state that I/we have read and answered fully, frankly and personally each of the following questions for all persons (including minors) who are to occupy house located at the address set forth above for which application for acquisition is made, all of whom are listed below:

Name of Members of the Household	Relationship To Head of Household	Age	Place of Employment

Income Computation

2. The anticipated income of all the above persons during the 12-month period beginning this date,

(a) including all wages and salaries, overtime pay, commissions, fees, tips and bonuses before payroll deductions; net income from the operation of a business or profession or from the rental of real or personal property (without deducting expenditures for business expansion or amortization of capital indebtedness); interest and dividends; the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts; payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay; the maximum amount of public assistance available to the above persons; periodic and determinable allowances, such as alimony and child support payments and regular contributions and gifts received from persons not residing in the dwelling; and all regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is the head of the household or spouse; but

(b) excluding casual, sporadic or irregular gifts; amounts which are specifically for or in reimbursement of medical expenses; lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workmen's compensation), capital gains and settlement for personal or property losses; amounts of educational scholarships paid directly to the student or the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment, but in either case only to the extent used for these types of purposes; special pay to a serviceman head of a family who is away from home and exposed to hostile fire; relocation payments under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; foster child care payments; the value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 which is in excess of the amount actually charged for the allotments; and payments received pursuant to participation in ACTION volunteer programs, is as follows: \$_____.

3. If any of the persons described above (or whose income or contributions was included in item 2 has any savings, bonds, equity in real property or other form of capital investment, provide:

- (a) the total value of all such assets owned by all such persons: \$_____;
- (b) the amount of income expected to be derived from such assets in the 12-month period commencing this date: \$_____; and
- (c) the amount of such income which is included in income listed in item 2: \$_____.

THE UNDERSIGNED HEREBY CERTIFY THAT THE INFORMATION SET FORTH ABOVE IS TRUE AND CORRECT.

Head of Household

Spouse

This page intentionally left blank.

PURCHASE AND REDEVELOPMENT AGREEMENT
Relating to Five Parcels Located in the City of Baxter, Crow Wing County, Minnesota

1. **Parties.** This Purchase and Redevelopment Agreement (the “Agreement”) is made as of Tuesday, May 9, 2023 between the HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING, a public body corporate and politic under the laws of Minnesota having its office located at 324 East River Road, Brainerd, MN (the “Seller”), and LAKES AREA HABITAT FOR HUMANITY, a Minnesota nonprofit corporation, having its principal office at 1110 Wright Street, Brainerd, MN 56401 (the “Buyer”).
2. **Offer/Acceptance.** Buyer offers to purchase and Seller agrees to sell real property in Crow Wing County, Minnesota, legally described as follows (collectively, the “Property”):

PID	Legal Description
40060839	South 1/2 of Lot 13, Block 1 – Kirkwood
40240508	Lot 8, Block 3 – Jasperwood East
40240510	Lot 6, Block 3 – Jasperwood East
40240519	Lot 6, Block 2 – Jasperwood East
40240521	Lot 4, Block 2 – Jasperwood East

Check here if part or all of the land is Registered (Torrens)

3. **Acceptance Deadline.** This offer to purchase, unless accepted sooner, shall be null and void at 4:30 p.m. on Wednesday, May 10th, 2023. (*1 day from date of this Agreement*)
4. **Price and Terms.** The price for the Property is \$2,001.56 (“Purchase Price”), allocated to each lot of the Property as shown on Exhibit A, which Buyer shall pay in full by certified check or wire transfer on the Date of Closing. The “Date of Closing” shall be no later than Friday, June 16th, 2023.
5. **Personal Property Included in Sale.** There are no items of personal property or fixtures owned by Seller and currently located on the Property for purposes of this sale.
6. **Deed.** Upon performance by Buyer, Seller shall deliver a quit claim deed conveying title to the Property to Buyer, in substantially the form attached as Exhibit B, subject to the conditions subsequent required by Sections 15, 16, and 17 of this Agreement (the “Deed”).

7. Real Estate Taxes and Special Assessments.

- A. Seller shall pay, at or before closing, all real estate taxes due and payable in 2022 and prior years. Real estate taxes for taxes payable year 2023 are exempt.
- B. Seller represents that there are special assessments payable or pending as of the date of this agreement and Buyer agrees to pay all outstanding assessments at closing. If a special assessment becomes pending after the date of this agreement and before the Date of Closing, Buyer may, as Buyer's option:
 - (1) Assume payment of the pending special assessment without adjustment to the purchase agreement price of the property; or
 - (2) Require Seller to pay the pending special assessment and Buyer shall pay a commensurate increase in the purchase price of the Property, which increase shall be the same as the estimated amount of the assessment; or
 - (3) Declare this agreement null and void by notice to Seller, and earnest money shall be refunded to Buyer.

8. Closing Costs and Related Items. The Buyer will pay: (a) the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement; (b) fees for title evidence obtained by Buyer; (c) the recording fees for this Agreement and for the Deed transferring title to Buyer; (d) any transfer taxes; and (e) all direct costs incurred by the Seller for the acquisition and sale of the Property to the Buyer, as provided in the Seller's Tax Forfeited Property Hold Policy and Sales Procedure (the "Tax Forfeited Property Policy"). Seller will pay all other fees normally paid by sellers, including (a) Well Disclosure fees required to enable Buyer to record its deed from Seller under this Agreement, and (b) fees and charges related to the filing of any instrument required to make title marketable.

9. Sewer and Water. Seller warrants that city sewer is available at the Property line, and that city water is available in the right of way adjacent to the Property. Seller makes no warranty regarding the conditions of any existing water stub from the main to the Property line. Seller advises Buyer to inspect the condition of the water stub.

10. Condition of Property. Buyer acknowledges that it has inspected or has had the opportunity to inspect the Property and agrees to accept the Property "AS IS." Buyer has the right, at its own expense to take soil samples for the purpose of determining if the soil is suitable for construction of the dwelling described in section 14 below. If the soil is determined to be unacceptable the Buyer may rescind this agreement by written notice to the Seller, in which case the agreement shall be null and void. Seller makes no warranties as to the condition of the Property.

11. Marketability of Title. As soon as reasonably possible after execution of this Agreement

by both parties:

- A. Seller shall surrender any abstract of title and a copy of any owner's title insurance policy for the property, if in Seller's possession or control, to Buyer or to Buyer's designated title service provider; and
- B. Buyer shall obtain the title evidence determined necessary or desirable by Buyer.

The Buyer shall have 20 days from the date it receives such title evidence to raise any objections to title it may have. Objections not made within such time will be deemed waived. The Seller shall have 30 days from the date of such objection to affect a cure; provided, however, that Seller shall have no obligation to cure any objections, and may inform Buyer of such. The Buyer may then elect to close notwithstanding the uncured objections or declare this Agreement null and void, and the parties will thereby be released from any further obligation hereunder.

12. Title Clearance and Remedies. If Seller shall fail to have title objections timely removed, the Buyer may, at its sole election: (a) terminate this Agreement without any liability on its part; or (b) take title to the Property subject to such objections.

If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller may elect either of the following options, as permitted by law:

- A. Cancel this contract as provided by statute and retain all payments made hereunder as liquidated damages. The parties acknowledge their intention that any note given pursuant to this contract is a down payment note, and may be presented for payment notwithstanding cancellation;
- B. Seek specific performance within six months after such right of action arises, including costs and reasonable attorney's fees, as permitted by law.

If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein, Buyer may, as permitted by law:

- C. Seek damages from Seller including costs and reasonable attorney's fees;
- D. Seek specific performance within six months after such right of action arises.

13. Well Disclosure/Sealing. The Seller certifies that the Seller does not know of any wells on the described real property. Buyer agrees to have a licensed well contractor examine the Property for purposes of locating a well. Buyer agrees to have all wells located on the Property, which are not in use, sealed by a licensed well contractor at Buyer's expense.

14. Individual Sewage Treatment System Disclosure and Methamphetamine Disclosure. Seller certifies that there is no individual sewage treatment system on or serving the

Property. To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

15. Construction and Sale of Dwelling. Buyer agrees that it will construct or relocate a single-family dwelling on each lot of the Property (each, a "Lot"), intended for sale to a person or persons for residential occupancy (an "Owner Occupant") pursuant to and in conformity with the provisions of the Development Agreement between the City of Baxter, Minnesota and the Buyer, dated as of December 6, 2022 (the "City Agreement"), including without limitation Article IV of the City Agreement. The City Agreement is hereby incorporated into this Agreement by reference. This covenant shall survive the delivery of the Deed.

- A. Each single-family dwelling described in this Section is referred to as the "Minimum Improvements."
- B. The Minimum Improvements shall consist of a single-family dwelling on each Lot, and shall be constructed substantially in accordance with Article IV of the City Agreement and each Application to Acquire Tax Forfeited Property submitted by the Buyer to the Seller, including building plans and drawings (collectively, the "Buyer Plans"); provided that approval of the building plans for such Minimum Improvements shall be evidenced by the issuance by the City of Baxter of a building permit for the Minimum Improvements.
- C. Construction of the Minimum Improvements on each Lot must be substantially completed as described in Section 4.2 of the City Agreement.
- D. Promptly after substantial completion of the Minimum Improvements on each Lot in accordance with those provisions of this Agreement and the City Agreement relating solely to the obligations of the Buyer to construct such Minimum Improvements (including the date for completion thereof), the Seller will furnish the Buyer with a Certificate of Completion, in the form attached hereto as Exhibit C, for the Minimum Improvements on such Lot. Such certification by the Seller shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement and in the Deed with respect to the obligations of the Buyer and its successors and assigns, to construct the Minimum Improvements on the applicable Lot and the dates for completion thereof.

The certificates provided for in this Section of this Agreement shall be in such form as will enable them to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Property. If the Seller shall refuse or fail to provide any certification in accordance with the provisions of this Section, the Seller shall, within thirty (30) days after written request by the Buyer, provide the Buyer with a written statement, indicating in adequate detail in what respects the Buyer has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is

otherwise in default, and what measures or acts it will be necessary, in the opinion of the Seller for the Buyer to take or perform in order to obtain such certification.

E. The Buyer represents and agrees that until issuance of the Certificate of Completion for the Minimum Improvements on each Lot:

(1) Except for any agreement for sale to an Owner Occupant, the Buyer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity (collectively, a "Transfer"), without the prior written approval of the Seller's board of commissioners.

(2) If the Buyer seeks to effect a Transfer of any Lot with respect to this Agreement prior to issuance of the Certificate of Completion for that Lot, the Seller shall be entitled to require as conditions to such Transfer that:

(i) any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the Seller, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Buyer as to the portion of the Property to be transferred; and

(ii) Any proposed transferee, by instrument in writing satisfactory to the Seller and in form recordable in the public land records of Crow Wing County, Minnesota, shall, for itself and its successors and assigns, and expressly for the benefit of the Seller, have expressly assumed all of the obligations of the Buyer under this Agreement as to the portion of the Property to be transferred and agreed to be subject to all the conditions and restrictions to which the Buyer is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the Seller) deprive the Seller of any rights or remedies or controls with respect to the Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit the Seller of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Property that the Seller would have had, had there been no such transfer or change. In the absence of specific written

agreement by the Seller to the contrary, no such transfer or approval by the Seller thereof shall be deemed to relieve the Buyer, or any other party bound in any way by this Agreement or otherwise with respect to the Property, from any of its obligations with respect thereto.

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Property governed by this subsection E. shall be in a form reasonably satisfactory to the Seller.

(3) If the conditions described in paragraph (2) above are satisfied then the Transfer will be approved and the Buyer shall be released from its obligation under this Agreement, as to the portion of the Property that is transferred, assigned, or otherwise conveyed. The provisions of this paragraph (3) apply to all subsequent transferors.

(4) Upon issuance of the Certificate of Completion for a Lot, the Buyer may Transfer such Lot and/or the Buyer's rights and obligations under this Agreement with respect to such Lot without the prior written consent of the Seller.

F. The Buyer, and its successors and assigns, agree that they (a) will use the Minimum Improvements only as a single family dwelling, and in the case of an Owner Occupant, will occupy the Property as a residence, (b) will not seek exemption from real estate taxes on the Property under State law, and (c) will not transfer or permit transfer of the Property to any entity whose ownership or operation of the Property would result in the Property being exempt from real estate taxes under State law (other than any portion thereof dedicated or conveyed to the City of Baxter or Seller in accordance with this Agreement). **The covenants in this paragraph run with the land, survive both delivery of the Deed and issuance of the Certificate of Completion for the Minimum Improvements on each Lot, and shall remain in effect for ten years after the Date of Closing. In addition, the Buyer agrees and acknowledges that the Property is subject to the income qualifications provided in Section 4.4 of the City Agreement.**

16. Revesting Title in Seller upon Happening of Event Subsequent to Conveyance to Buyer. In the event that subsequent to conveyance of the Property or any part thereof to the Buyer and prior to receipt by the Buyer of the Certificate of Completion for the Minimum Improvements on any Lot, the Buyer, subject to Unavoidable Delays (as hereafter defined), fails to carry out its obligations with respect to the construction of the Minimum Improvements (including the nature and the date for the completion thereof), or abandons or substantially suspends construction work, and any such failure, abandonment, or suspension shall not be cured, ended, or remedied within thirty (30) days after written demand from the Seller to the Buyer to do so, then the Seller shall have the right to re-enter and take possession of the Property and to terminate (and revest in the Seller) the estate conveyed by the Deed to the Buyer, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to the Buyer shall be made upon, and that the

Deed shall contain a condition subsequent to the effect that in the event of any default on the part of the Buyer and failure on the part of the Buyer to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, the Seller at its option may declare a termination in favor of the Seller of the title, and of all the rights and interests in and to the Property conveyed to the Buyer, and that such title and all rights and interests of the Buyer, and any assigns or successors in interest to and in the Property, shall revert to the Seller, but only if the events stated in this Section have not been cured within the time periods provided above.

Notwithstanding anything to the contrary contained in this Section, the Seller shall have no right to reenter or retake title to and possession of a portion of the Property for which a Certificate of Completion has been issued.

For the purposes of this Agreement, the term "Unavoidable Delays" means delays beyond the reasonable control of the Buyer as a result thereof which are the direct result of strikes, other labor troubles, prolonged adverse weather or acts of God, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the Seller in exercising its rights under this Agreement) which directly results in delays. Unavoidable Delays shall not include delays in the Buyer's obtaining of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under this section of this Agreement.

17. Resale of Reacquired Property; Disposition of Proceeds. Upon the revesting in the Seller of title to and/or possession of the Property or any part thereof as provided in Section 16, the Seller shall apply the purchase price paid by the Buyer under Section 4 of this Agreement as follows:

A. First, to reimburse the Seller for all costs and expenses incurred by the Seller, including but not limited to proportionate salaries of personnel, in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by the Seller from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charge during the period of ownership thereof by the Seller, an amount, if paid, equal to such taxes, assessments, or charges (as determined by the Seller assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the Seller or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Buyer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Minimum Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing the Seller by the Buyer and its successor or transferee; and

B. Second, to reimburse the Buyer for the balance of the purchase price remaining after the reimbursements specified in paragraph (a) above. Such reimbursement shall be paid to the Buyer upon delivery of an executed, recordable warranty deed to the Property by the Buyer to the Seller.

18. Time is of the essence for all provisions of this Agreement.

19. Notices. All notices required herein shall be in writing and delivered personally or mailed to the address shown at paragraph 1 above and, if mailed, are effective as of the date of mailing.

20. Minnesota Law. This Agreement shall be governed by the laws of the State of Minnesota.

21. Specific Performance. This Agreement may be specifically enforced by the parties, provided that an action is brought within one year of the date of alleged breach of this Agreement.

22. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Seller or Buyer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

23. No Merger of Representations, Warranties. All representations and warranties contained in this Purchase Agreement shall not be merged into any instruments or conveyance delivered at closing, and the parties shall be bound accordingly.

24. Recording. This Agreement shall be filed of record with the Crow Wing County Registrar of Titles or Office of Recorder, as the case may be. Buyer shall pay all recording costs.

25. No Broker Involved. The Seller and the Buyer represent and warrant to each other that there is no broker involved in this transaction with whom it has negotiated or to whom it has agreed to pay a broker commission. Buyer agrees to indemnify Seller for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Buyer, and Seller agrees to indemnify Buyer for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Seller.

In witness of the foregoing, the parties have executed this agreement on the year and date written above.

SELLER: HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING

By: _____
Its Chair

By: _____
Its Executive Director

STATE OF MINNESOTA
} ss.
COUNTY OF CROW WING

The foregoing was acknowledged before me this 9th day of May 2023 by Zach Tabatt and Eric Charpentier, the Chair and Executive Director, respectively, of Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic under the laws of Minnesota, on behalf of the public body corporate and politic.

Notary Public

BUYER: LAKES AREA HABITAT FOR HUMANITY

By: _____
Kevin Pelkey
Its: Executive Director

STATE OF MINNESOTA
} ss.
COUNTY OF CROW WING

The foregoing was acknowledged before me this 10th day of May 2023, by Kevin Pelkey, Executive Director of Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation, on behalf of the corporation.

Notary Public

This document drafted by:

Kennedy & Graven, Chartered
150 South Fifth Street, Suite 700
Minneapolis, MN 55402-1299

EXHIBIT A
ALLOCATION OF PURCHASE PRICE BY LOT

PID	Legal Description	Purchase Price
40060839	South 1/2 of Lot 13, Block 1 – Kirkwood	\$400.32
40240508	Lot 8, Block 3 – Jasperwood East	\$400.31
40240510	Lot 6, Block 3 – Jasperwood East	\$400.31
40240519	Lot 6, Block 2 – Jasperwood East	\$400.31
40240521	Lot 4, Block 2 – Jasperwood East	\$400.31

EXHIBIT B
FORM OF QUIT CLAIM DEED

Deed Tax Due: \$_____

ECRV: _____

THIS INDENTURE, between the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic (the "Grantor"), and Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation (the "Grantee").

WITNESSETH, that Grantor, in consideration of the sum of \$_____ and other good and valuable consideration the receipt whereof is hereby acknowledged, does hereby grant, bargain, quitclaim and convey to the Grantee, its successors and assigns forever, all the tract or parcel of land lying and being in the County of Crow Wing and State of Minnesota described as follows, to-wit (such tract or parcel of land is hereinafter referred to as the "Property"):

PID	Legal Description
40060839	South 1/2 of Lot 13, Block 1 – Kirkwood
40240508	Lot 8, Block 3 – Jasperwood East
40240510	Lot 6, Block 3 – Jasperwood East
40240519	Lot 6, Block 2 – Jasperwood East
40240521	Lot 4, Block 2 – Jasperwood East

Check here if part or all of the land is Registered (Torrens)

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging.

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement recorded with the Crow Wing County Recorder on _____, 2023 as document number _____, entered into between the Grantor and Grantee on the _____ of _____, 2023, identified as "Purchase and Redevelopment Agreement" (herein referred to as the "Agreement") and that the Grantee shall not convey this Property, or any part thereof, except as permitted by the Agreement until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to each lot on this Property or such part thereof then to be conveyed, has been placed of record.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the redevelopment of the Property through the construction of the Minimum Improvements thereon, as provided in the Agreement.

Promptly after completion of the Minimum Improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the Minimum Improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the Minimum Improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder, or Registrar of Titles, Crow Wing County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within thirty (30) days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2.

The Grantee's rights and interest in the Property are subject to the terms and conditions of Sections 15, 16 and 17 of the Agreement relating to the Grantor's right to re-enter and revest in Grantor title to the Property under conditions specified therein, including but not limited to termination of such right upon issuance of a Certificate of Completion as defined in the Agreement.

SECTION 3.

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall comply with Section 15F of the Agreement for a period of ten years after the date hereof.

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land for the respective terms herein provided, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed a beneficiary of the agreements and covenants provided herein, both for and in its own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose

benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled; provided that Grantor shall not have any right to re-enter the Property or revest in the Grantor the estate conveyed by this Deed, or any part thereof, on grounds of Grantee's failure to comply with its obligations under this Section 3.

IN WITNESS WHEREOF, the Grantor has caused this Deed to be duly executed in its behalf by its Chair and Executive Director, this _____ day of _____, 2023.

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____).
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE COUNTY OF
CROW WING

By: _____
Zach Tabatt

Its: Chair

By: _____
Eric Charpentier
Its: Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

On this ____ day of _____, 2023, before me, a notary public within and for Crow Wing County, personally appeared Zach Tabatt and Eric Charpentier to me personally known who by me duly sworn, did say that they are the Chair and Executive Director of the Housing and Redevelopment Authority in and for the County of Crow Wing (the “Authority”) named in the foregoing instrument; that said instrument was signed on behalf of said Authority pursuant to a resolution of its governing body; and said Zach Tabatt and Eric Charpentier acknowledged said instrument to be the free act and deed of said Authority.

Notary Public

This instrument was drafted by:

Kennedy & Graven, Chartered
150 South Fifth Street, Suite 700
Minneapolis, MN 55402-1299
(612) 337-9300

Tax Statements should be sent to:

Lakes Area Habitat for Humanity
1110 Wright Street
Brainerd, MN 56401

EXHIBIT C

FORM OF CERTIFICATE OF COMPLETION FOR LOT DESCRIBED AS _____

WHEREAS, the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic (the "Grantor"), conveyed land in Crow Wing County, Minnesota to Lakes Area Habitat for Humanity, a Minnesota nonprofit corporation (the "Grantee"), by a Deed recorded in the Office of the County Recorder in and for the County of Crow Wing and State of Minnesota, as Document Number _____; and

WHEREAS, said Deed contained certain covenants and restrictions; and

WHEREAS, said Grantee has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification;

NOW, THEREFORE, this is to certify that all building construction and other physical improvements specified to be done and made by the Grantee have been completed and the above covenants and conditions in said Deed and the agreements and covenants in Sections 15A, 15B, and 15C of the Agreement (as described in said Deed) have been performed by the Grantee therein, and the County Recorder [and the Registrar of Titles] in and for the County of Crow Wing and State of Minnesota are hereby authorized to accept for recording and to record, the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of Sections 15A, 15B and 15C of the Agreement and the covenants and restrictions set forth in said Deed; provided that the covenants set forth in Section 15F of the Agreement, and in Section 3 of the Deed, remain in full force and effect through the period stated thereon.

Dated: _____, 20____.

HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE COUNTY OF
CROW WING

By _____
Its Chair

By _____
Its Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ and _____, the Chair and Executive Director, respectively, of the Housing and Redevelopment Authority in and for the County of Crow Wing, on behalf of the authority.

Notary Public

This document drafted by:
KENNEDY & GRAVEN, CHARTERED
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

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HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE COUNTY OF CROW WING

RESOLUTION NO. **2023-03**

RESOLUTION APPROVING A PURCHASE AND REDEVELOPMENT AGREEMENT BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING AND LAKES AREA HABITAT FOR HUMANITY.

BE IT RESOLVED By the Board of Commissioners (“Board”) of the Housing and Redevelopment Authority in and for the County of Crow Wing (“Authority”) as follows:

Section 1. Recitals.

1.01. The Authority has determined a need to exercise the powers of a housing and redevelopment authority, pursuant to Minnesota Statutes, Sections 469.001 to 469.047 (“HRA Act”), and has determined to carry out a housing development project in order to alleviate a shortage of decent, safe, and sanitary housing for persons of low or moderate income and their families within the City of Baxter (the “City”).

1.02. The Authority and Lakes Area Habitat for Humanity (the “Buyer”) have proposed to enter into a Purchase and Redevelopment Agreement (the “Agreement”), setting forth the terms and conditions of sale and redevelopment of certain tax-forfeited property within the City, currently owned by Crow Wing County, Minnesota (the “County”), legally described in Exhibit A attached to this Resolution (the “Property”).

1.03. On April 11, 2023, the Board of Commissioners of the County approved by consent agenda the conveyance of the Property to the Authority for the purpose of constructing affordable housing.

1.04. Pursuant to the Agreement, the Buyer will acquire the Property from the Authority, and will construct single-family homes thereon, subject to the City’s zoning and building codes and policies.

1.05. On the date hereof, the Board conducted a duly noticed public hearing regarding the sale of the Property to the Buyer, at which all interested persons were given an opportunity to be heard.

1.06. The Board has reviewed the Agreement and finds that the execution thereof and performance of the Authority’s obligations thereunder are in the public interest and will further the objectives of its general plan of economic development and redevelopment, because it will further the above-stated housing goals of the City and County.

Section 2. Authority Approval; Further Proceedings.

2.01. The Agreement as presented to the Board, including the sale of the Property described therein, is hereby in all respects approved, subject to modifications that do not alter the

substance of the transaction and that are approved by the Chair and Executive Director, provided that execution of the documents by such officials shall be conclusive evidence of approval.

2.02. The Chair and Executive Director are hereby authorized to execute on behalf of the Authority the Agreement and any documents referenced therein requiring execution by the Authority, including without limitation any deeds, and to carry out, on behalf of the Authority, its obligations thereunder.

2.03. Authority and City staff are authorized and directed to take all actions to implement the Agreement.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the County of Crow Wing this 9th day of May, 2023.

Crow Wing County HRA Chair – Zachary Tabatt

ATTEST:

Crow Wing County HRA Executive Director – Eric Charpentier

EXHIBIT A

PROPERTY

PID	Legal Description
40060839	South 1/2 of Lot 13, Block 1 – Kirkwood
40240508	Lot 8, Block 3 – Jasperwood East
40240510	Lot 6, Block 3 – Jasperwood East
40240519	Lot 6, Block 2 – Jasperwood East
40240521	Lot 4, Block 2 – Jasperwood East

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Housing & Redevelopment Authority

**Crow Wing County HRA
BOARD MEETING MINUTES
04/11/2023**

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the County of Crow Wing, Minnesota, was held at the Crow Wing County Land Services Building, Meeting Room 2 (Lower Level) and via Webex video/teleconference at 5:00 p.m., Tuesday, April 11th, 2023.

1. **CALL TO ORDER:** Chair Burton called the meeting to order at 5:00 p.m.
2. **ROLL CALL:** Present: Commissioners Michael Aulie, Richard (George) Burton, Craig Nathan (WebEx) & Zach Tabatt (WebEx). Absent: Michael Morford.

Others present: Executive Director Eric Charpentier, Finance Director Karen Young, Rehab Director John Schommer, Rehab Administrative Specialist Kristin Miller.
Guests: CWC Vice Chair Jon Lubke and CWC Commissioner Steve Barrows.

3. **APPROVE AGENDA:**

Moved and seconded by Commissioners Aulie and Nathan to approve the agenda as presented for the March 14th, 2023, board meeting. Through vote, all commissioners were in favor, and none were opposed. The agenda was approved.

4. **PRESENTATION:** 2022 Crow Wing County HRA Audit: Mary Reedy, Clifton Larson Allen
Commissioner Nathan moved to approve the 2022 Audit as presented, followed by a second from Commissioner Tabatt. Upon roll call, all commissioners voted in favor of the motion, and none were opposed. The motion carried.

5. **APPROVE MINUTES**

Moved and seconded by Commissioners Aulie and Nathan to approve the minutes from the March 14th, 2023, board meeting. Through a vote, all commissioners were in favor, and none were opposed. The minutes were approved.

6. **FINANCIAL:**

- a. **REVIEW and ACCEPT FINANCIAL STATEMENTS:**
The financial information for March 2023 was presented.

2022 AUDIT

Mary Reedy, our auditor from CliftonLarsonAllen, will attend the April meeting to present the audit (electronic copy sent separately) to the board.

Housing Trust Fund (HTF) Loan

Reflected in the March financial statements is the 10th HTF Loan Receivable. This latest loan was for \$20,000 down payment assistance.

Commissioner Aulie moved to approve the March financial statements as submitted, followed by a second from Commissioner Nathan. All commissioners voted in favor of the motion, and none were opposed. The motion carried.

7. UNFINISHED BUSINESS: Nothing at this time

8. NEW BUSINESS: Nothing at this time

9. REPORTS:

a. Executive Director:

Pequot Lakes HRA

I did meet with one Pequot board member along with one of our Brainerd board members on 3/24 to further discuss what the Pequot board is looking for from our agency. There are a few options that were discussed and I provided their board with our shared services agreement with the Crosby HRA so they would have an idea of what an agreement could look like between the Brainerd HRA and Pequot HRA. The Pequot board will be discussing options at their next board meeting which I am planning on attending.

b. Housing Trust Fund:

I have had a couple of meetings with the director of the greater lakes association of realtors (GLAR), Tyler from BLAEDC and former commissioner Brekken to discuss ways to further market the HTF to help spur development of additional housing units in the County. GLAR has been looking into applying for some grant funds to help with the marketing of the fund to get the word out to their members. We are thankful and appreciative of our partners as they are willing to help get these programs more traction within the County which will lead to more dollars being spent on both retention/rehab of housing and hopefully the development of more units.

I have a meeting scheduled with the City of Brainerd and the developer for the former Thrifty site, on April 10th to continue discussions on where the developer is at with their plans for the site and to discuss any questions that they may have regarding the HTF. The developer is continuing to work on their financing package and identifying funding streams that are available.

We had an inquiry on an out lot that the Brainerd HRA owns in the Brainerd Oaks development from a new developer recently. I have provided the developer with information on the HTF for development as well as what the specific out lot is zoned and what amount of density the zoning code would permit. I will follow up with the developer to gauge their interest in the parcel.

c. Brainerd HRA/Rehab Programs:

SE Brainerd SCDP Preliminary Proposal

We were notified that our preliminary proposal was deemed marginally competitive so we can submit a formal application which is due May 1st. We met virtually with our DEED representative on Monday, March 13th to get feedback on why our preliminary proposal was deemed marginally competitive and gained a much better understanding of ways to improve the application. With some changes to the target areas and how we compile the information we will have a strong application.

d. BLAEDC/CREDI:

Eric presented the staff time billing reports for March 2023.

e. CWC COMMISSIONER COMMENTS:

Steve Barrows –

- 5 Baxter Tax Forfeit Lots were approved for conveyance at today's meeting.
- CWC Property Evaluations increased 12%, this is lower than most of the surrounding counties.
- CWC is voted 3rd overall for Best Lake Homes.
- Pequot needs to uphold equal or better standards than our current organization.

Jon Lubke –

- He is happy to see the 5 properties moving in Baxter.

9. HRA Commissioner Comments:

Michael Aulie, Chair – Nothing at this time

Zach Tabatt, Vice Chair – Nothing at this time

Michael Morford, Secretary/Treasurer – N/A

Richard (George) Burton, Commissioner – Nothing at this time

Craig Nathan, Commissioner – Nothing at this time

10. NEXT MEETING: Tuesday, May 9th, 2023

11. ADJOURNMENT:

Commissioner Nathan made a motion to adjourn the meeting. Commissioner Tabatt seconded the motion. All commissioners voted in favor of the motion, and none were opposed. The motion was approved, and meeting was adjourned at 5:45 p.m.

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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Karen Young, Finance Director
Date: May 4, 2023
Re: Review and Accept Financial Statements

Housing Trust Fund (HTF) Loan

Reflected in the April financial statements is the 12th HTF Loan Receivable. This latest loan was for \$20,000 down payment assistance.

Action Requested: Accept the April financial statements as submitted.

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Date/Time joe
5/2/2023 1:43:09 PM

**Crow Wing County
CWC HRA Combined Balance Sheet
April, 2023**

Cumulative

ASSETS

556-000-1120.000 A/R Other - Dev	8,971.21
550-000-1129.210 Cash Gen Fund	71,061.62
550-001-1129.210 Cash CWC SCDP	87,331.72
551-002-1129.210 Cash RLF TIF	408,263.96
556-000-1129.210 Cash Development Fund	-8,316.19
557-000-1129.210 Cash Tax Forf Property	2,244.11
558-000-1129.210 Cash HTF	1,196,729.78
551-002-1141.000 Loans Rec RLF TIF	15,788.14
558-000-1141.000 HTF Loan Receivable	193,366.00
556-000-1450.000 Land Held for Resale	236,511.70
TOTAL ASSETS	<u>2,211,952.05</u>

LIABILITIES

557-000-2115.000 Escrow Account TFP	-5,000.00
556-000-2600.000 Def Inflow of Res - Dev	-236,511.70
TOTAL LIABILITIES	<u>-241,511.70</u>

SURPLUS

550-000-2700-000 Net Income	-392,152.02
550-000-2806.000 Retained Earnings	-1,578,288.33
TOTAL SURPLUS	<u>-1,970,440.35</u>

TOTAL LIABILITIES & SURPLUS

-2,211,952.05

Proof 0.00

Date: 5/2/2023

Time: 1:43:17 PM

joe

Crow Wing County
CWC HRA Combined Operating Stmt
April, 2023

Page: 1
Rpt File: F:\HMS\REP

	Current Period	Current Year	Year To Date Budget	Variance
INCOME				
550-000-3610.000 Investment Earnings	-784.74	-3,182.10	0.00	-3,182.10
550-000-3690.000 Other Revenue	-100.00	-400.00	0.00	-400.00
551-002-3610.000 RLF TIF Interest Rev	-316.63	-1,268.27	-273.32	-994.95
556-000-3696.000 Development Revenue	0.00	0.00	-63,733.32	63,733.32
557-000-3696.000 TFP Revenue	0.00	0.00	-3,333.32	3,333.32
TOTAL INCOME	-1,201.37	-4,850.37	-67,339.96	62,489.59
EXPENSE				
550-000-4110.000 Administrative Salaries	225.00	900.00	1,500.00	-600.00
550-000-4130.000 Legal	0.00	0.00	3,333.32	-3,333.32
550-000-4140.000 Staff Training	0.00	0.00	500.00	-500.00
550-000-4150.000 Travel	0.66	61.05	83.32	-22.27
550-000-4171.000 Auditing Fees	1,575.00	8,481.25	7,980.00	501.25
550-000-4172.000 Management Fees	13,564.16	54,256.64	54,256.64	0.00
550-000-4190.000 Other Administrative	0.00	0.00	66.68	-66.68
550-000-4500.000 TIF Expense	0.00	0.00	200.00	-200.00
550-000-4510.000 Insurance	0.00	2,748.00	2,900.00	-152.00
550-000-4540.000 Employer FICA	17.23	68.90	116.68	-47.78
550-000-4590.000 Other General Expense	0.00	0.00	8,668.00	-8,668.00
550-001-4600.000 CWC SCDP Expense	0.00	0.00	6,666.68	-6,666.68
556-000-4600.000 Development Expense	0.00	9.18	63,733.32	-63,724.14
557-000-4600.000 TFP Expense	0.00	0.00	3,333.32	-3,333.32
558-000-4600.000 HTF Expense	554.31	1,133.48	13,333.36	-12,199.88
TOTAL EXPENSE	15,936.36	67,658.50	166,671.32	-99,012.82
NET INCOME(-) OR LOSS	14,734.99	62,808.13	99,331.36	-36,523.23

Crow Wing County HRA**April 2023****Payments**

Payment Number	Payment Date	Vendor	Description	Check Amount
980	4/7/2023	John Schommer	Mileage	\$ 15.72
25355	4/6/2023	CliftonLarsonAllen LLP	Audit Fees	\$ 1,575.00
25368	4/6/2023	Kennedy & Graven, Chartered	HTF Legal	\$ 534.00
25369	4/6/2023	Kristin Miller	Mileage	\$ 5.25
25395	4/20/2023	Crow Wing Cty Recorder's Office	Recording Fees	\$ 46.00
25398	4/20/2023	Footings To Trim Inc.	HTF Owner Occupied Rehab	\$ 7,900.00
25413	4/20/2023	The Title Team-Noble Escrow	HTF Downpayment Assistance Loan	\$ 20,000.00
Total				\$ 30,075.97

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Housing & Redevelopment Authority

To: CWC HRA Board Members

From: John Schommer, Rehab & Maintenance Director

Date: May 3, 2023

Re: Purchase and Redevelopment Agreement Between CWC HRA and Level Contracting

On Thursday, May 3rd, 2023 Level Contracting LLC requested to purchase five lots, two in Brainerd Oaks, two in Serene Pines and one in Dalmar Estates with a total purchase price of \$63075.04. Due to the late notice of their intent to purchase the lots, Kennedy & Graven is drafting the Purchase and Redevelopment Agreement and corresponding resolution which we will provide at the meeting.

Action Requested: Discuss Approving Resolution No. 2023-04, Approving the Purchase and Redevelopment Agreement between the Housing and Redevelopment Authority in and for the County of Crow Wing and Level Contracting LLC.

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PURCHASE AND REDEVELOPMENT AGREEMENT

Lot 2, Block 6, BRAINERD OAKS, Crow Wing County, Minnesota
 Lot 8, Block 2, BRAINERD OAKS, Crow Wing County, Minnesota
 Lot 5, Block 3, SERENE PINES, Crow Wing County, Minnesota
 Lot 7, Block 3, SERENE PINES, Crow Wing County, Minnesota
 Lot 3, Block 1, DALMAR ESTATES, Crow Wing County, Minnesota

1. **Parties.** This Purchase and Redevelopment Agreement (the “Agreement”) is made as of May 9th, 2023, between HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING, a public body corporate and politic under the laws of Minnesota having its office located at 324 East River Road, Brainerd MN 56401 (the “Seller”), and LEVEL CONTRACTING, LLC, a Minnesota limited liability company, having its principal office at 3495 Northdale Blvd. NW, Suite 200, Coon Rapids, MN 55448 (the “Buyer”).
2. **Offer/Acceptance.** Buyer offers to purchase and Seller agrees to sell real property in Crow Wing County, Minnesota, legally described as follows (the “Property”):

Lot 2, Block 6, BRAINERD OAKS, Crow Wing County, Minnesota
 Lot 8, Block 2, BRAINERD OAKS, Crow Wing County, Minnesota
 Lot 5, Block 3, SERENE PINES, Crow Wing County, Minnesota
 Lot 7, Block 3, SERENE PINES, Crow Wing County, Minnesota
 Lot 3, Block 1, DALMAR ESTATES, Crow Wing County, Minnesota

Check here if part or all of the land is Registered (Torrens)

3. **Acceptance Deadline.** This offer to purchase, unless accepted sooner, shall be null and void at 4:30 p.m. on May 10th, 2023. (*1 day from date of this Agreement*)
4. **Price and Terms.** The price for the Property is \$63,075.04 (“Purchase Price”), allocated to each lot of the Property as shown on Exhibit A, which Buyer shall pay in full by certified check or wire transfer on the Date of Closing; provided, however, that Earnest Money (as defined in the Master Agreement described in paragraph 6), if available, shall first be applied to pay the Purchase Price. The “Date of Closing” shall be no later than Friday, June 16th, 2023.
5. **Personal Property Included in Sale.** There are no items of personal property or fixtures owned by Seller and currently located on the Property for purposes of this sale.
6. **Deed.** Upon performance by Buyer, Seller shall deliver a quit claim deed conveying title to the Property to Buyer, in substantially the form attached as Exhibit B, subject to the conditions subsequent required by Sections 15, 16, and 17 of this Agreement (the “Deed”), and further subject to the terms and conditions of the Master Purchase and Redevelopment Contract between the Seller and Paxmar-Brainerd, LLC dated as of September 13, 2016,

and recorded in the office of the Crow Wing County Recorder on March 17, 2017 as document no. A-886215, as amended by a First Amendment thereto dated November 8, 2016 and a Second Amendment thereto dated as of March 14, 2017, as further amended by a Third Amendment thereto dated as of April 12, 2022, and Assignment of Master Purchase and Development Agreement dated October 8, 2019 (hereafter collectively referred to as the "Master Agreement").

7. Real Estate Taxes and Special Assessments.

- A. Seller shall pay, at or before closing, all real estate taxes due and payable in 2022 and prior years. Real estate taxes for taxes payable year 2023 are exempt.
- B. Seller represents that there are no special assessments payable or pending as of the date of this Agreement. If a special assessment becomes pending after the date of this Agreement and before the Date of Closing, Buyer may, as Buyer's option:
 - (1) Assume payment of the pending special assessment without adjustment to the purchase agreement price of the property; or
 - (2) Require Seller to pay the pending special assessment and Buyer shall pay a commensurate increase in the purchase price of the Property, which increase shall be the same as the estimated amount of the assessment; or
 - (3) Declare this Agreement null and void by notice to Seller, and earnest money shall be refunded to Buyer.

8. Closing Costs and Related Items. The Buyer will pay: (a) one-half the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement; (b) fees for title evidence obtained by Buyer; (c) the recording fees for this Agreement and for the Deed transferring title to Buyer; and (d) any transfer taxes. Seller will pay all other fees normally paid by sellers, including (a) Well Disclosure fees required to enable Buyer to record its deed from Seller under this Agreement, (b) one-half the closing fees charged by the title insurance or other closing agent, if any, utilized to close the transaction contemplated by this Agreement, and (c) fees and charges related to the filing of any instrument required to make title marketable. Each party shall pay its own attorney fees. The Purchase Price shall be allocated and disbursed as provided in Sections 3.2 (b) and (c) of the Master Agreement.

9. Sewer and Water. Seller warrants that city sewer is available at the Property line, and that city water is available in the right of way adjacent to the Property. Seller makes no warranty regarding the conditions of any existing water stub from the main to the Property line. Seller advises Buyer to inspect the condition of the water stub.

10. Condition of Property. Buyer acknowledges that it has inspected or has had the opportunity to inspect the Property and agrees to accept the Property "AS IS." Buyer has the right, at its own expense to take soil samples for the purpose of determining if the soil

is suitable for construction of the dwelling described in section 14 below. If the soil is determined to be unacceptable the Buyer may rescind this agreement by written notice to the Seller, in which case the agreement shall be null and void. Seller makes no warranties as to the condition of the Property.

11. Marketability of Title. As soon as reasonably possible after execution of this Agreement by both parties:

- A. Seller shall surrender any abstract of title and a copy of any owner's title insurance policy for the property, if in Seller's possession or control, to Buyer or to Legacy Title, Buyer's designated title service provider; and
- B. Buyer shall obtain the title evidence determined necessary or desirable by Buyer.

The Buyer shall have 20 days from the date it receives such title evidence to raise any objections to title it may have. Objections not made within such time will be deemed waived. The Seller shall have 30 days from the date of such objection to affect a cure; provided, however, that Seller shall have no obligation to cure any objections, and may inform Buyer of such. The Buyer may then elect to close notwithstanding the uncured objections or declare this Agreement null and void, and the parties will thereby be released from any further obligation hereunder.

12. Title Clearance and Remedies. If Seller shall fail to have title objections timely removed, the Buyer may, at its sole election: (a) terminate this Agreement without any liability on its part; or (b) take title to the Property subject to such objections.

If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller may elect either of the following options, as permitted by law:

- A. Cancel this contract as provided by statute and retain all payments made hereunder as liquidated damages. The parties acknowledge their intention that any note given pursuant to this contract is a down payment note, and may be presented for payment notwithstanding cancellation;
- B. Seek specific performance within six months after such right of action arises, including costs and reasonable attorney's fees, as permitted by law.

If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein, Buyer may, as permitted by law:

- C. Seek damages from Seller including costs and reasonable attorney's fees;
- D. Seek specific performance within six months after such right of action arises.

13. Well Disclosure. Seller's knowledge of wells is as follows:

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document.
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the Property have not changed since the last previously filed well disclosure certificate.

14. Individual Sewage Treatment System Disclosure and Methamphetamine Disclosure.

Seller certifies that there is no individual sewage treatment system on or serving the Property. To the best of Seller's knowledge, methamphetamine production has not occurred on the Property.

15. Construction and Sale of Dwelling. Buyer agrees that it will construct a new single family dwelling on each lot of the Property (each a "Lot"), intended for sale to a person or persons for residential occupancy (an "Owner Occupant"). This covenant shall survive the delivery of the Deed.

- A. Each single family dwelling described in this Section is referred to as the "Minimum Improvements."
- B. The Minimum Improvements shall consist of a new single family dwelling, and shall be constructed substantially in accordance with the Declaration of Covenants, Easements and Restrictions of record and applicable to each Lot, provided that approval of the building plans for such Minimum Improvements shall be evidenced by the issuance by the City of Brainerd of a building permit for the Minimum Improvements.
- C. Construction of the Minimum Improvements on each Lot must be substantially completed by one year from the Date of Closing. Construction of the Minimum Improvements on each Lot will be considered substantially complete when the final certificate of occupancy has been issued by the City of Brainerd building official.
- D. Promptly after substantial completion of the Minimum Improvements on each Lot in accordance with those provisions of this Agreement relating solely to the obligations of the Buyer to construct such Minimum Improvements (including the date for completion thereof), the Seller will furnish the Buyer with a Certificate of Completion, in the form attached hereto as Exhibit C, for the Minimum Improvements on such Lot. Such certification by the Seller shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in the Master Agreement, in this Agreement and in the Deed with respect to the obligations of the Buyer and its successors and assigns, to construct the Minimum Improvements on the applicable Lot and the dates for completion thereof.

The certificates provided for in this Section of this Agreement shall be in such form as will enable them to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Property. If the Seller shall refuse or fail to provide any certification in accordance with the provisions of this Section, the Seller shall, within thirty (30) days after written request by the Buyer, provide the Buyer with a written statement, indicating in adequate detail in what respects the Buyer has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Seller for the Buyer to take or perform in order to obtain such certification.

E. The Buyer represents and agrees that until issuance of the Certificate of Completion for the Minimum Improvements on each Lot:

(1) Except for any agreement for sale to an Owner Occupant, the Buyer has not made or created and will not make or create or suffer to be made or created any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same, to any person or entity (collectively, a "Transfer"), without the prior written approval of the Seller's board of commissioners. Notwithstanding the foregoing, Developer may transfer or assign a Lot to a third-party builder for the purpose of construction of the Minimum Improvements on that Lot without the prior written consent of the Authority; provided that if Developer effects a such a Transfer to a third-party builder, Developer shall remain bound by all obligations with respect to the Property under this Agreement and the Master Agreement.

(2) If the Buyer seeks to effect a Transfer of any Lot with respect to this Agreement prior to issuance of the Certificate of Completion for that Lot, the Seller shall be entitled to require as conditions to such Transfer that:

(i) any proposed transferee shall have the qualifications and financial responsibility, in the reasonable judgment of the Seller, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Buyer as to the portion of the Property to be transferred; and

(ii) Any proposed transferee, by instrument in writing satisfactory to the Seller and in form recordable in the public land records of Crow Wing County, Minnesota, shall, for itself and its successors and assigns, and expressly for the benefit of the Seller, have expressly assumed all of the obligations of the Buyer under this Agreement as to the portion of the Property to be transferred and agreed to be subject to all the conditions and restrictions to which the Buyer is subject as to such portion; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall not, for whatever reason, have assumed such obligations or so agreed, and shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by

the Seller) deprive the Seller of any rights or remedies or controls with respect to the Property, the Minimum Improvements or any part thereof or the construction of the Minimum Improvements; it being the intent of the parties as expressed in this Agreement that (to the fullest extent permitted at law and in equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally, or practically, to deprive or limit the Seller of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Property that the Seller would have had, had there been no such transfer or change. In the absence of specific written agreement by the Seller to the contrary, no such transfer or approval by the Seller thereof shall be deemed to relieve the Buyer, or any other party bound in any way by this Agreement or otherwise with respect to the Property, from any of its obligations with respect thereto.

(iii) Any and all instruments and other legal documents involved in effecting the transfer of any interest in this Agreement or the Property governed by this subsection E. shall be in a form reasonably satisfactory to the Seller.

(3) If the conditions described in paragraph (2) above are satisfied then the Transfer will be approved and the Buyer shall be released from its obligation under this Agreement, as to the portion of the Property that is transferred, assigned, or otherwise conveyed. The provisions of this paragraph (3) apply to all subsequent transferors.

(4) Upon issuance of the Certificate of Completion for a Lot, the Buyer may Transfer such Lot and/or the Buyer's rights and obligations under this Agreement with respect to such Lot without the prior written consent of the Seller.

F. The Buyer, and its successors and assigns, agree that they (a) will use the Minimum Improvements only as a single family dwelling, and in the case of an Owner Occupant, will occupy the Property as a residence, (b) will not seek exemption from real estate taxes on the Property under State law, and (c) will not transfer or permit transfer of the Property to any entity whose ownership or operation of the Property would result in the Property being exempt from real estate taxes under State law (other than any portion thereof dedicated or conveyed to the City of Brainerd or Seller in accordance with this Agreement). **The covenants in this paragraph run with the land, survive both delivery of the Deed and issuance of the Certificate of Completion for the Minimum Improvements on each Lot, and shall remain in effect for ten years after the Date of Closing.**

16. Revesting Title in Seller upon Happening of Event Subsequent to Conveyance to Buyer.
In the event that subsequent to conveyance of the Property or any part thereof to the Buyer

and prior to receipt by the Buyer of the Certificate of Completion for the Minimum Improvements on any Lot, the Buyer, subject to Unavoidable Delays (as hereafter defined), fails to carry out its obligations with respect to the construction of the Minimum Improvements (including the nature and the date for the completion thereof), or abandons or substantially suspends construction work, and any such failure, abandonment, or suspension shall not be cured, ended, or remedied within thirty (30) days after written demand from the Seller to the Buyer to do so, then the Seller shall have the right to re-enter and take possession of the Property and to terminate (and revest in the Seller) the estate conveyed by the Deed to the Buyer, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to the Buyer shall be made upon, and that the Deed shall contain a condition subsequent to the effect that in the event of any default on the part of the Buyer and failure on the part of the Buyer to remedy, end, or abrogate such default within the period and in the manner stated in such subdivisions, the Seller at its option may declare a termination in favor of the Seller of the title, and of all the rights and interests in and to the Property conveyed to the Buyer, and that such title and all rights and interests of the Buyer, and any assigns or successors in interest to and in the Property, shall revert to the Seller, but only if the events stated in this Section have not been cured within the time periods provided above.

Notwithstanding anything to the contrary contained in this Section, the Seller shall have no right to reenter or retake title to and possession of a portion of the Property for which a Certificate of Completion has been issued.

For the purposes of this Agreement, the term "Unavoidable Delays" means delays beyond the reasonable control of the Buyer as a result thereof which are the direct result of strikes, other labor troubles, prolonged adverse weather or acts of God, fire or other casualty to the Minimum Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of any federal, state or local governmental unit (other than the Seller in exercising its rights under this Agreement) which directly results in delays. Unavoidable Delays shall not include delays in the Buyer's obtaining of permits or governmental approvals necessary to enable construction of the Minimum Improvements by the dates such construction is required under this section of this Agreement.

17. Resale of Reacquired Property; Disposition of Proceeds. Upon the revesting in the Seller of title to and/or possession of the Property or any part thereof as provided in Section 16, the Seller shall apply the purchase price paid by the Buyer under Section 4 of this Agreement as follows:

A. First, to reimburse the Seller for all costs and expenses incurred by the Seller, including but not limited to proportionate salaries of personnel, in connection with the recapture, management, and resale of the Property or part thereof (but less any income derived by the Seller from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charge during the period of ownership thereof by

the Seller, an amount, if paid, equal to such taxes, assessments, or charges (as determined by the Seller assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the Seller or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Buyer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the Minimum Improvements or any part thereof on the Property or part thereof; and any amounts otherwise owing the Seller by the Buyer and its successor or transferee; and

B. Second, to reimburse the Buyer for the balance of the purchase price remaining after the reimbursements specified in paragraph (a) above. Such reimbursement shall be paid to the Buyer upon delivery of an executed, recordable warranty deed to the Property by the Buyer to the Seller.

18. Time is of the essence for all provisions of this Agreement.

19. Notices. All notices required herein shall be in writing and delivered personally or mailed to the address shown at paragraph 1 above and, if mailed, are effective as of the date of mailing.

20. Minnesota Law. This Agreement shall be governed by the laws of the State of Minnesota.

21. Specific Performance. This Agreement may be specifically enforced by the parties, provided that an action is brought within one year of the date of alleged breach of this Agreement.

22. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Seller or Buyer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

23. No Merger of Representations, Warranties. All representations and warranties contained in this Purchase Agreement shall not be merged into any instruments or conveyance delivered at closing, and the parties shall be bound accordingly.

24. Recording. This Agreement shall be filed of record with the Crow Wing County Registrar of Titles or Office of Recorder, as the case may be. Buyer shall pay all recording costs.

25. No Broker Involved. The Seller and represent and warrant to each other that there is no broker involved in this transaction with whom it has negotiated or to whom it has agreed to pay a broker commission. Buyer agrees to indemnify Seller for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the

Property arising out of any alleged agreement or commitment or negotiation by Buyer, and Seller agrees to indemnify Buyer for any and all claims for brokerage commissions or finders' fees in connection with negotiations for purchase of the Property arising out of any alleged agreement or commitment or negotiation by Seller.

In witness of the foregoing, the parties have executed this agreement on the year and date written above.

SELLER: HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING

By: _____
Its Chair – Zachary Tabatt

By: _____
Its Executive Director – Eric Charpentier

STATE OF MINNESOTA
} ss.
COUNTY OF CROW WING

The foregoing was acknowledged before me this 9th day of May 2023, by Zach Tabatt and Eric Charpentier, the Chair and Executive Director, respectively, of Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic under the laws of Minnesota, on behalf of the public body corporate and politic.

Notary Public

BUYER: LEVEL CONTRACTING, LLC

By: _____
Its _____

STATE OF MINNESOTA

} ss.

COUNTY OF _____

The foregoing was acknowledged before me this _____ day of May 2023, by Mary Traufler,
the _____ of Level Contracting, LLC, a Minnesota limited liability
company, on behalf of the company.

Notary Public

This document drafted by:

Kennedy & Graven, Chartered
150 South 5th Street, Suite 700
Minneapolis, MN 55402

EXHIBIT A

ALLOCATION OF PURCHASE PRICE BY LOT

Legal Description	PID	Price
Lot 2, Block 6, BRAINERD OAKS	41290528	\$4,868.10
Lot 8, Block 2, BRAINERD OAKS	41290587	\$5,011.28
Lot 5, Block 3, SERENE PINES	41280507	\$20,500.00
Lot 7, Block 3, SERENE PINES	41280505	\$14,888.52
Lot 3, Block 1, DALMAR ESTATES	41280530	\$17,807.14
Total		\$63,075.04

EXHIBIT B
FORM OF QUIT CLAIM DEED

Deed Tax Due: \$ _____

ECRV: _____

THIS INDENTURE, between the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic (the "Grantor"), and Level Contracting, LLC, a Minnesota limited liability company (the "Grantee").

WITNESSETH, that Grantor, in consideration of the sum of \$30,379.38 and other good and valuable consideration the receipt whereof is hereby acknowledged, does hereby grant, bargain, quitclaim and convey to the Grantee, its successors and assigns forever, all the tract or parcel of land lying and being in the County of Crow Wing and State of Minnesota described as follows, to-wit (such tract or parcel of land is hereinafter referred to as the "Property"):

Check here if part or all of the land is Registered (Torrens)

To have and to hold the same, together with all the hereditaments and appurtenances thereunto belonging.

SECTION 1.

It is understood and agreed that this Deed is subject to the covenants, conditions, restrictions and provisions of an agreement recorded with the Crow Wing County Recorder on March 17, 2017 as Document No. A-886215, entered into between the Grantor and Paxmar-Brainerd, LLC, on the 13th of September, 2016, identified as "Master Purchase and Redevelopment Agreement" as amended by a First Amendment thereto dated November 8, 2016, and a Second Amendment thereto dated as of March 14, 2017, and an Assignment and Assumption of Master Purchase and Development Agreement, dated October 8, 2019 (hereafter collectively referred to as the "Master Agreement") and of an agreement entered into between the Grantor and Grantee on the ____ of May, 2023, recorded herewith and identified as "Purchase and Redevelopment Agreement" (herein referred to as the "Agreement") and that the Grantee shall not convey this Property, or any part thereof, except as permitted by the Agreement until a certificate of completion releasing the Grantee from certain obligations of said Agreement as to this Property or such part thereof then to be conveyed, has been placed of record.

It is specifically agreed that the Grantee shall promptly begin and diligently prosecute to completion the redevelopment of the Property through the construction of the Minimum Improvements thereon, as provided in the Agreement.

Promptly after completion of the Minimum Improvements in accordance with the provisions of the Agreement, the Grantor will furnish the Grantee with an appropriate instrument so certifying. Such certification by the Grantor shall be (and it shall be so provided in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants of the Agreement and of this Deed with respect to the obligation of the Grantee, and its successors and assigns, to construct the Minimum Improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Grantee to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance the purchase of the Property hereby conveyed or the Minimum Improvements, or any part thereof.

All certifications provided for herein shall be in such form as will enable them to be recorded with the County Recorder, or Registrar of Titles, Crow Wing County, Minnesota. If the Grantor shall refuse or fail to provide any such certification in accordance with the provisions of the Agreement and this Deed, the Grantor shall, within thirty (30) days after written request by the Grantee, provide the Grantee with a written statement indicating in adequate detail in what respects the Grantee has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Grantor, for the Grantee to take or perform in order to obtain such certification.

SECTION 2.

The Grantee's rights and interest in the Property are subject to the terms and conditions of Sections 15, 16 and 17 of the Agreement relating to the Grantor's right to re-enter and revest in Grantor title to the Property under conditions specified therein, including but not limited to termination of such right upon issuance of a Certificate of Completion as defined in the Agreement.

SECTION 3.

The Grantee agrees for itself and its successors and assigns to or of the Property or any part thereof, hereinbefore described, that the Grantee and such successors and assigns shall comply with Section 15F of the Agreement for a period of ten years after the date hereof.

It is intended and agreed that the above and foregoing agreements and covenants shall be covenants running with the land for the respective terms herein provided, and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Deed, be binding, to the fullest extent permitted by law and equity for the benefit and in favor of, and enforceable by, the Grantor against the Grantee, its successors and assigns, and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the Grantor shall be deemed a beneficiary of the agreements and covenants provided herein, both for and in its own right, and also for the purposes of protecting the interest of the community and the other parties, public or private, in whose favor or for whose

benefit these agreements and covenants have been provided. Such agreements and covenants shall run in favor of the Grantor without regard to whether the Grantor has at any time been, remains, or is an owner of any land or interest therein to, or in favor of, which such agreements and covenants relate. The Grantor shall have the right, in the event of any breach of any such agreement or covenant to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled; provided that Grantor shall not have any right to re-enter the Property or revest in the Grantor the estate conveyed by this Deed, or any part thereof, on grounds of Grantee's failure to comply with its obligations under this Section 3.

IN WITNESS WHEREOF, the Grantor has caused this Deed to be duly executed in its behalf by its Chair and Executive Director, this _____ day of _____, 2023.

- The Seller certifies that the Seller does not know of any wells on the described real property.
- A well disclosure certificate accompanies this document or has been electronically filed. (If electronically filed, insert WDC number: _____).
- I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property have not changed since the last previously filed well disclosure certificate.

HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE COUNTY OF
CROW WING

By _____

Its Chair

By _____

Its Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

On this ____ day of _____, 2023, before me, a notary public within and for Crow Wing County, personally appeared Zach Tabatt and Eric Charpentier to me personally known who by me duly sworn, did say that they are the Chair and Executive Director of the Housing and Redevelopment Authority in and for the County of Crow Wing (the “Authority”) named in the foregoing instrument; that said instrument was signed on behalf of said Authority pursuant to a resolution of its governing body; and said Zach Tabatt and Erick Charpentier acknowledged said instrument to be the free act and deed of said Authority.

Notary Public

This instrument was drafted by:

Kennedy & Graven, Chartered
150 South 5th Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

Tax Statements should be sent to:

Level Contracting, LLC
3495 Northdale Blvd. NW, Suite 200
Coon Rapids, MN 55448

EXHIBIT C
TO

PURCHASE AND REDEVELOPMENT AGREEMENT
FORM OF CERTIFICATE OF COMPLETION

WHEREAS, the Housing and Redevelopment Authority in and for the County of Crow Wing, a public body corporate and politic (the "Grantor"), conveyed land in Crow Wing County, Minnesota to Level Contracting, LLC, a Minnesota limited liability company (the "Grantee"), by a Deed recorded in the Office of the County Recorder in and for the County of Crow Wing and State of Minnesota, as Document Number _____; and

WHEREAS, said Deed contained certain covenants and restrictions set forth in Sections 1 and 2 of said Deed; and

WHEREAS, said Grantee has performed said covenants and conditions insofar as it is able in a manner deemed sufficient by the Grantor to permit the execution and recording of this certification;

NOW, THEREFORE, this is to certify that all building construction and other physical improvements specified to be done and made by the Grantee have been completed and the above covenants and conditions in said Deed and the agreements and covenants in Sections 15A and 15B of the Agreement (as described in said Deed) have been performed by the Grantee therein, and the County Recorder [and the Registrar of Titles] in and for the County of Crow Wing and State of Minnesota are hereby authorized to accept for recording and to record, the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions of Sections 15A and 15B of the Agreement and the covenants and restrictions set forth in Sections 1 and 2 of said Deed; provided that the covenants set forth in Sections 15F of the Agreement, and in Section 3 of the Deed, remain in full force and effect through the period stated thereon.

Dated: _____, 20____.

**HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE COUNTY OF
CROW WING**

By _____
Its Chair

By _____
Its Executive Director

STATE OF MINNESOTA)
) ss
COUNTY OF CROW WING)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ and _____, the Chair and Executive Director, respectively, of the Housing and Redevelopment Authority in and for the County of Crow Wing, on behalf of the authority.

Notary Public

This document drafted by:
KENNEDY & GRAVEN, CHARTERED
150 South 5th Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

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HOUSING AND REDEVELOPMENT AUTHORITY
IN AND FOR THE COUNTY OF CROW WING

RESOLUTION NO. 2023-04

RESOLUTION APPROVING A PURCHASE AND REDEVELOPMENT CONTRACT BETWEEN THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE COUNTY OF CROW WING AND LEVEL CONTRACTING, LLC.

BE IT RESOLVED By the Board of Commissioners ("Board") of the Housing and Redevelopment Authority in and for the County of Crow Wing ("Authority") as follows:

Section 1. Recitals.

1.01. The Authority has determined a need to exercise the powers of a housing and redevelopment authority, pursuant to Minnesota Statutes, Sections 469.001 to 469.047 ("HRA Act"), and has established its Redevelopment Project No. 1 (the "Project") within Crow Wing County (the "County"), and has developed a Redevelopment Plan governing certain of its anticipated activities in the City of Brainerd (the "City") located within the Project, which was approved by the City on September 6, 2016 after a duly noticed public hearing, pursuant to Section 469.028 of the HRA Act.

1.02. The Authority and Paxmar-Brainerd, LLC ("Paxmar") entered into a Master Purchase and Redevelopment Contract, recorded in the office of the Crow Wing County Recorder as Document No. A886215, as amended by a First Amendment thereto dated as of November 16, 2016 and recorded as Document No. A886216, a Second Amendment thereto dated as of March 14, 2017, recorded as Document No. A886217, and a Third Amendment thereto dated as of April 12, 2022, recorded or to be recorded prior to the 2023A Agreement described below (as so amended, the "Master Contract"), setting forth the terms and conditions of sale and redevelopment of certain property within the City and Project, currently owned by the County, located in the subdivisions known as Brainerd Oaks, Serene Pines, and Dal Mar Estates (the "Property"). By resolutions adopted on July 7, 2016, July 12, 2016, and May 8, 2022, the County approved the conveyance of the Property to the Authority, and the Authority accepted acquisition of the Property from the County.

1.03 Paxmar's interest in the Master Contract was assigned to Level Contracting, LLC, a Minnesota limited liability company (hereinafter "Buyer") by an Assignment and Assumption of Master Purchase and Development Agreement, dated October 8, 2019, and the Authority ratified its consent to the Assignment on October 8, 2019.

1.04. Pursuant to the Master Contract, the Buyer will acquire the Property in phases, pursuant to separate purchase and redevelopment agreements conforming to the Master Contract, and will construct single-family homes intended for owner occupancy, subject further to the Redevelopment Plan and to the City's zoning and building codes and policies.

1.05. The Planning Commission of the City reviewed the Redevelopment Plan and the general terms of the Master Contract on August 17, 2016 and found that the Redevelopment Plan and the conveyance of the Property are consistent with the City's comprehensive plan, in that the sale of the Property and construction of the single-family homes will further the City's housing goals for this area of the City.

1.06. On August 29, 2016, the Board conducted a duly noticed public hearing regarding the sale of the Property to the Buyer, at which all interested persons were given an opportunity to be heard. On May 10, 2022, the Board conducted a duly noticed public hearing regarding the sale of an additional parcel, Lot 5, Block 3, Serene Pines (now included as part of the Property), to the Buyer, at which all interested persons were given an opportunity to be heard.

1.07. On September 13, 2016, the Board reviewed the Master Contract and found that the execution thereof and performance of the Authority's obligations thereunder are in the public interest and will further the objectives of its general plan of economic development and redevelopment, because it will further the above-stated housing goals of the City and County and will be consistent with the Redevelopment Plan for the Project.

1.08. The Board has reviewed a new proposed Purchase and Redevelopment Agreement (the "2023A Agreement") related to specific lots to be conveyed to the Buyer in 2023 and described on Exhibit A to this resolution (the "2023A Lots") and finds that conveyance of the 2023A Lots conforms to the provisions of the Master Contract and the 2023A Agreement and is in the best interest of the City and County, for the reasons stated above.

Section 2. Authority Approval; Further Proceedings.

2.01. The 2023A Agreement as presented to the Board, including the sale of the 2023A Lots described therein, is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the Chair and Executive Director, provided that execution of the documents by such officials shall be conclusive evidence of approval.

2.02. The Chair and Executive Director are hereby authorized to execute on behalf of the Authority the 2023A Agreement and any documents referenced therein requiring execution by the Authority, including without limitation any deeds, and to carry out, on behalf of the Authority, its obligations thereunder.

2.03. Authority and City staff are authorized and directed to take all actions to implement the 2023A Agreement.

Approved by the Board of Commissioners of the Housing and Redevelopment Authority in and for the County of Crow Wing this 9th day of May, 2023.

Crow Wing County HRA Chair – Zachary Tabatt

ATTEST:

Crow Wing County HRA Executive Director – Eric Charpentier

EXHIBIT A

2023A LOTS

Lot 2, Block 6, BRAINERD OAKS, Crow Wing County, Minnesota
Lot 8, Block 2, BRAINERD OAKS, Crow Wing County, Minnesota
Lot 5, Block 3, SERENE PINES, Crow Wing County, Minnesota
Lot 7, Block 3, SERENE PINES, Crow Wing County, Minnesota
Lot 3, Block 1, DALMAR ESTATES, Crow Wing County, Minnesota



Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: May 9th, 2023
Re: Executive Director Report

Pequot Lakes HRA:

I attended the Pequot HRA board meeting on April 21st to be available to the board in case they had any questions regarding what a shared services agreement between our organizations might look like. At that meeting their board formally requested that the Brainerd HRA provide an organizational plan including services that would be provided, staffing and the funding amount that would be required. We brought this request back to the Brainerd HRA board at our April 26th meeting for discussion. The Brainerd board has asked staff to bring back a recommendation on how the Brainerd HRA would proceed. We will be presenting our thoughts to the Brainerd board at our May 17th meeting at which time we should know what direction our board would like us to take.

Redevelopment of Former Thrifty White:

We are currently working with Baker Tilly, our financial advisors, in putting together a timeline calendar to investigate the feasibility of and creation of a redevelopment TIF district to support the redevelopment project that is being proposed by the developer. The developer would ideally like this district to be up and running by August so that they can include that in their application for funding through MN Housing and MN DEED. This will need to be authorized by the Brainerd City Council before the Brainerd HRA board can work through the creation. I met with our financial advisors the last week of April to discuss this timeline and they believe we have a tight, but achievable calendar. We are still awaiting the proforma statement and updated drawings but the developer believes they will have that information to us by the 2nd week in May.

Action Requested: No action requested, for informational purposes only

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Housing & Redevelopment Authority

To: CWC HRA Board Members
From: Eric Charpentier, Executive Director
Date: May 9th, 2023
Re: Housing Trust Fund Report

John and I met with a builder who is considering purchasing for sale property in the City of Brainerd and would specifically like to build affordable single-family homes. We discussed our housing trust fund and how it could be utilized for a project such as they are looking at. The site is approximately 11 acres in size and with the goal of building homes for resale at \$250,000. This price point would meet the criteria for workforce housing and could qualify for funding. At the end of this informational meeting the builder was going to talk with their business partner to see if purchasing this land would be feasible and then starting to work on build plans if they move forward.

Action Requested: No action requested, for information only.

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Housing & Redevelopment Authority

To: Crow Wing County HRA Board Members
 From: John Schommer, Rehab & Maintenance Director
 Date: May 3, 2023
 Re: Rehab Programs Report

SE Brainerd SCDP Application

After talking with our DEED representative and being guided to expand our target area, Kristin sent out more interest letters for the application. We received 43 letters of interest from homeowners in the primary target area, 6 letters from homeowners in the secondary target area and 71 letters for rental rehab which is city wide. Given the large increase in the number of letters we received, we applied for 8 units of owner-occupied rehab and 12 units of single-family rental rehab. The application was due May 1st.

Brainerd Oaks/Serene Pines/Dalmar Estates

Development	Total	# Sold to Developer	# Sold to End Buyer	For Sale	In Construction
Brainerd Oaks	81*	64	59	2	3
Serene Pines	24	19	19	0	3
Dalmar Estates	7	3	3	0	0

**Originally 83 lots, 2 have been merged/combined into a single parcel*

No Action Requested; Discussion Item.

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May 3rd, 2023**1. COMPLETED OO PROJECTS 2023**

	HTF	MHFA	SCDP	Total
City of Brainerd	1	1		2
County of Crow Wing	1	1		2
County of Morrison		1		1
Total				5

2. CURRENT PROJECTS IN PROCESS

	HTF	MHFA	SCDP	Total
City of Brainerd	3	2		5
County of Crow Wing	1	2	5	8
County of Morrison		1		1
Total				14

3. GARRISON SMALL CITIES – 2 Commercial Rehab / 5 Owner-Occupied

	App. Request	App. Review	Inspection Scheduled	Work Writeup	Out for Bid	Prebid Meeting	Closing Loan	Under Constr.	Complete
CML.		1		1				1	
OOR.								1	1

4. JENKINS SMALL CITIES – 5 Owner Occupied Rehab

	App. Request	App. Review	Inspection Scheduled	Work Writeup	Out for Bid	Prebid Meeting	Closing Loan	Under Constr.	Complete
OOR.								2	

5. HOUSING TRUST FUND

	App. Request	App. Review	Inspection Scheduled	Work Writeup	Out for Bid	Prebid Meeting	Closing Loan	Under Constr.	Complete
DPA.	1								5
OOR.		1		1				4	2
RR	1								

6. MINNESOTA HOUSING

	App. Request	App. Review	Inspection Scheduled	Work Writeup	Prebid Mtg.	Out for Bid	Closing Loan	Under Constr.	Complete
OOR.	7			2				3	12

7. OVERALL CURRENT LOAN APPLICATION/PROJECT OUTLINE

	HTF	MHFA	SCDP	Total
Application Requested	2	7	0	9
Application Received/Collection				
Inspection Scheduled				
Work Write Up/Review Proof	1	2	1	4
Out for Bid				
Pre-Bid Meeting				
Closing/Signing Paperwork				
Under Construction	4	3	4	11
Total	7	13	5	24

8. COMPLETED OO PROJECTS 2022

	HTF	MHFA	SCDP	Total
City of Brainerd	1	1		2
County of Crow Wing	1	4	3	8
Total				10

*City of Emily SCDP Grant was closed in 2022 w/ 5 Owner-Occupied Projects completed



2023 CWC HRA BLAEDC/CREDI STAFF TIME- April



Date Range: 4/1/2023 - 4/30/2023

Project	Task	Date	Comment	Hours	Amount
Crow Wing County HRA					
CWC HRA-Redev Redevelopment Projects					
	E-mail Correspondence	4/3/2023	E-mail E-mail Correspondence	20.50	\$3,075.00
			email correspondence with local business prospect who is looking at buildings in Brainerd and Baxter for a new business. Reviewed business concept with prospect and we reviewed potential building locations that could be suitable for redevelopment. No current available property would fit needs, buildings would require redevelopment.	1.50	\$225.00
		4/4/2023		2.50	\$375.00
			communication and zoom conference call with existing owners of a commercial business in Brainerd. Owners are working on the purchase of new commercial buildings and need assistance with financing to make purchase happen. Properties will require redevelopment. Staff have agreed to work through financing of purchase through Unified Fund.		
		4/6/2023		1.50	\$225.00
			email correspondence with developer of Pequot Lakes multi-family housing project. Final documentation is complete with the city and plans have been submitted for review and approval.		
		4/10/2023		1.50	\$225.00
			email communication from existing property owner in Brainerd that would like to push new business concept with building they already own. This new plan would require redevelopment of their current facility. Owner will present new plans over the next month once financing is complete.		
		4/13/2023		2.00	\$300.00
			virtual meeting w/city leaders in Crow Wing County to discuss housing opportunities within their city for single family housing. City would like to see developers come to the city with plans and options for the city to discuss how they can assist and eliminate any city barriers for development of much needed housing.		

4/17/2023	email communication with 2 new project developments in the city of Brainerd. 1 project will involve redevelopment of existing business, the other will be a new build. Both projects have significant impact on housing and redevelopment in the city.	1.50	\$225.00
4/18/2023	Reviewed building plans via email and had phone conversation with city administrator and developer of Baxter housing project. Plan will be going through commission process in Baxter with support from BLAEDC.	2.00	\$300.00
4/20/2023	BLAEDC staff reviewing proposals for redevelopment project located in Pequot Lakes. Property is being looked at by a local restaurant owner to take over and redevelop a local building for expansion. Phone call with owner upon review of proposal and bids.	2.00	\$300.00
4/21/2023	email communication and subsequent phone call with potential business owner regarding vacant property located in downtown Brainerd for redevelopment of new business concept.	1.50	\$225.00
4/24/2023	email communication and phone call with daycare provider in Crosby who needs grant to redevelop church in to a pod model daycare facility. Discussed grant and plans for redevelopment with Pastor.	1.50	\$225.00
4/26/2023	email correspondence and review of business plans and build out plans for new business concept in a Baxter open location. New owner is looking to build out new business, but the location that buyer is looking at would require redevelopment of existing building, but owner likes the location and traffic counts.	1.50	\$225.00
4/28/2023	Phone communication with county commissioner and Cuyuna childcare provider, as they work to find property for redevelopment in Crosby or Ironton, CRMC hospital is seeking partner for expansion of childcare services in their area.	1.50	\$225.00

Mtgs Meetings		43.00	\$6,450.00
4/4/2023		2.00	\$300.00
<p>Development meeting in Nisswa with developer and city administrator. Primary discussions surrounded available land for development and the possibility of the city reviewing the infrastructure needs to this new development. Property would be ideal for single family housing.</p>			
4/5/2023		4.00	\$600.00
<p>Attended and participated in a housing symposium in Crosslake. Provided details and updates to the audience regarding the housing opportunities and resources that are available through local, state and federal sources.</p>			
4/6/2023	Meeting w/local leaders and the Crow Wing County HRA to discuss housing in the county.	2.00	\$300.00
4/7/2023		2.50	\$375.00
<p>BLAEDC staff toured childcare property that has been redeveloped in Jenkins. Staff have been working side by side with owner for the last couple of months, owner has also applied for grant through Crow Wing County childcare grant program. Building will include area for both children and seniors. Major redevelopment has been done to the building with additional outside changes coming this spring.</p>			
4/10/2023		3.00	\$450.00
<p>Meeting w/local non-profit to review redevelopment plans for downtown Brainerd location. Significant redevelopment will occur with building to be occupied for childcare, plus plans for main facility upgrades and possible redevelopment of other buildings on property.</p>			
4/11/2023		2.50	\$375.00
<p>BLAEDC staff meeting in Crosslake to review housing opportunities and meet with developer to discuss potential for infrastructure grants for local communities to utilize and assist developers lower the cost of development for both single family and multi-family housing units.</p>			
4/18/2023		3.50	\$525.00
<p>Pequot Lakes EDC meeting, staff time to prepare reports, attend meeting and present. Discussions included create a list of businesses in the community that are blighted or in need of redevelopment. Housing updates also provided.</p>			

4/19/2023	3.50	\$525.00
Development meetings in Crosby prior to CREDI board meeting. Discussed available properties in the Crosby and Ironton communities that are available for redevelopment for childcare needs. Open discussion also with city administrator regarding city owned properties that could be made available.		
4/20/2023	3.00	\$450.00
Meeting w/local developer discussion multi-family housing project in Baxter. Developer has concept plans for over 100 units of housing to be located on property already owned by the developer. Reviewed housing plans and plans for development of commercial area in conjunction with housing plans. Staff will attend city meetings with developer for support of project and to indicate need for housing in this region.		
4/21/2023	2.50	\$375.00
Board meeting and development meeting to discuss new projects located in the county. Updated staff and board members to redevelopment projects in multiple communities. Reviewed business plans and development project for approval for funding through Unified Fund.		
4/24/2023	2.00	\$300.00
In person meeting w/current childcare provider who is looking for grant assistance to build out new Brainerd location. Plans call for new hvac system as well as new outside play location for kids. Provider has applied for Crow Wing County grant to assist with associated costs.		
4/25/2023	3.00	\$450.00
BLAEDC staff meeting with developer and partners to discuss housing opportunities in Brainerd and Baxter. Developer is looking for sites to build single family and multi-family housing in both communities, but is also open to other communities in Crow Wing County, staff reviewed multiple sites with developer.		

4/27/2023

6.00 \$900.00

BLAEDC staff meeting with Crosby prospect that had us join him for a tour of a building that he is looking to redevelop in to a hotel/motel concept for the weekend traveler through the Cuyuna area. 2nd meeting of the day involved meeting a contractor in Emily to review tax forfeited lots that the city and county would like to move. Walked the sites, discussed infrastructure needs in the city and talked about incentives available through IRR and the housing trust fund.

4/28/2023

3.50 \$525.00

Meeting in Crosslake with contractor who wants to develop areas in Crosslake, meeting involved realtor and Mayor to discuss opportunities in the city, as well as, ideas on how the city could possibly assist the new developer in building affordable single family homes in the city. Discussed incentives, infrastructure to make developer aware of what a build inside the city limits involved. Follow up meeting is scheduled for the following week.

Redevelopment Projects Subtotal	63.50	\$9,525.00
Crow Wing County HRA Subtotal	63.50	\$9,525.00
Grand Total	63.50	\$9,525.00

Staff time and notes listed above have been reviewed and approved by BLAEDC Executive Director, Tyler Glynn, upon submittal of this report.



Tyler Glynn
BLAEDC Executive Director

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