

AGENDA
ECONOMIC DEVELOPMENT AUTHORITY MEETING
WEDNESDAY, May 8, 2024, 12:00 P.M.

- 1. CALL TO ORDER/ROLL CALL**
- 2. APPROVAL OF AGENDA**
- 3. PUBLIC COMMENTS**
- 4. REQUESTS AND PRESENTATIONS**
 - A. NONE
- 5. CONSENT AGENDA**
 - A. April 10, 2024, Regular Meeting Minutes, Updated Regular Meeting Minutes from March 13, 2024
 - B. Expenditures
 - C. Financial Report
 - D. Project Updates
- 6. ACTION AGENDA**
 - A. Set a Public hearing for the June 12 EDA meeting, for the sale of EDA-owned property at 513 West Elm Avenue
 - B. Conversation with EDA Board Member Applicant Taylor Zinkle
(this is only an informal conversation; at the June 12 meeting, the EDA will make a recommendation to the city council for appointment)
- 7. UPDATES**
 - A. Clear Lake Press Building
- 8. NEXT MEETING DATE**

The next Economic Development Authority meeting is to be held on Wednesday, June 12, 2024, at 12:00 p.m. in the Waseca City Hall Council Chambers.
- 9. ADJOURNMENT**

- C. Motion made by Fitch to modify the loan for Harty Manufacturing, appointing one member of the EDA to review and bring the modified loan agreement back to the EDA at their next meeting. Seconded by Zimmerman. Motion carried 5-0.
- D. An invitation will be extended to Mr. Taylor Zinkle to attend the May 8th, 2024, meeting.

UPDATES

- 7. A.
 - President Kruse is excited to see the ongoing upgrades to Morgan’s Meats.
 - Tina Wilson asked if there were any comments or suggestions from the Joint Work session with the city council on April 2nd.
 - Member Fossum said it was a good meeting and hopes they continue.
 - Member Fossum attended the open house for AURI on Monday, April 8th, and was very impressed with their facility.
 - Tina Wilson, who also attended the open house, said having AURI under one roof will benefit them. They have been in Waseca since the 1990s.
 - Morgan’s Meats was awarded a grant to assist with its expansion. It is waiting for an additional grant to help with new chillers.
 - City staff has submitted a response to a Request for Information from a business looking to locate in the Clear Lake Press Building.

NEXT MEETING DATE

- 8. The next Economic Development Authority meeting will be held Wednesday, May 8, 2024, at 12:00 p.m. in the Waseca City Hall Council Chambers.

ADJOURNMENT

- 9. It was moved by Fitch to adjourn the meeting at 1:10 p.m., seconded by Fossum. Motion carried 5-0.

Respectfully Submitted,

Julia Hall
City Clerk

- E. Zimmerman asked if there was a way that Waseca could have a business academy similar to what Owatonna has. Member Fitch confirmed that Owatonna works with their chamber to provide the academy and it is something that Waseca could do. President Kruse suggested that the EDA could possibly look into investing in such a program. Tina Wilson said that Greenseam is going to offer a session on entrepreneurship on May 17th. Some areas to think of would be 1) What exists today, 2) What is missing 3) What to do to bring it forward. More conversations will be brought up in the future.

UPDATES

7. A. City Manager Sonnenberg gave an update on Marketplace:
- Council will be asked to approve the purchase at the next Council Meeting
 - There will be a public hearing on the Tax Increment Financing (TIF) District on April 2nd.
 - They are looking to start construction in June.
 - Phase 1 will have 36 units.
 - Renderings have been requested
 - The process is moving forward.

NEXT MEETING DATE

8. A. There will be a joint worksession with the City Council and Economic Development Authority on April 2, 2024, at 5:30 p.m. at the Waseca Public Safety Building in their Community Room.
- B. The next Economic Development Authority meeting will be held Wednesday, April 10, 2024, at 12:00 p.m. in the Waseca City Hall Council Chambers.

ADJOURNMENT

9. It was moved by Fossom to adjourn the meeting at 12:33 p.m., seconded by Kruse. Motion carried 5-0.

Respectfully Submitted,

Julia Hall
City Clerk

Check Issue Date	Check Number	Payee	Description	Invoice GL Account	Check Amount
Economic Development-General f					
04/11/2024	20240364	Flaherty & Hood PA	EDA Loan Documents	261-46700-3000	807.50
04/11/2024	20240364	Flaherty & Hood PA	EDA Land Sale	261-46700-3000	450.00
Total 261467003000:					1,257.50
04/11/2024	42413	Verizon Wireless	Monthly Billing	261-46700-3200	20.62 M
Total 261467003200:					20.62
04/11/2024	20240386	U.S. Bank - CC	Taxi from airport to conference	261-46700-3300	30.23
04/11/2024	20240386	U.S. Bank - CC	Lodging for Conference	261-46700-3300	562.44
Total 261467003300:					592.67
Total Economic Development-General f:					1,870.79
Grand Totals:					1,870.79

Account Number	Account Title	2022-22 Prior year 2 Actual	2023-23 Prior year Actual	2024-24 Current year Budget	2024-24 Current year Actual	2024-24 Current year Budget Remaining
261-31010-0000	Property Taxes	93,566.75	93,431.42	115,244.00	.00	115,244.00
261-31013-0000	Market Value Credit	.00	4.06	.00	.00	.00
261-31030-0000	Mobile Home Tax	62.71	.00	.00	.00	.00
261-36205-0000	Interest on Loans	9,507.19	6,742.98	4,666.00	1,125.15	3,540.85
261-36210-0000	Interest Earnings	7,587.48	5,662.76	6,000.00	.00	6,000.00
261-36216-0000	Investment Income (Loss)	26,292.71-	.00	.00	.00	.00
261-36250-0000	Miscellaneous Revenue	.00	600.00	.00	2,653.52	2,653.52-
261-46700-1010	Regular Employees	14,978.78	36,776.43	39,320.00	11,177.65	28,142.35
261-46700-1110	Severance Pay	4,225.85	.00	.00	.00	.00
261-46700-1200	FICA	917.93	2,258.73	2,438.00	688.38	1,749.62
261-46700-1210	PERA	973.40	2,758.34	2,949.00	838.30	2,110.70
261-46700-1220	Medicare	214.69	528.24	571.00	160.99	410.01
261-46700-1300	Insurance	1,677.36	4,710.99	6,048.00	1,883.61	4,164.39
261-46700-1310	VEBA/HSA Trust Funding	806.16	1,566.24	1,567.00	456.82	1,110.18
261-46700-1330	Life Insurance	53.27	136.56	138.00	39.83	98.17
261-46700-1340	Disability Insurance	35.24	146.66	146.00	47.75	98.25
261-46700-1510	Worker's Comp Expense	274.32	224.77	323.00	.00	323.00
261-46700-2170	General Supplies	.00	26.98	200.00	26.89	173.11
261-46700-3000	Professional Services	22,523.50	4,010.25	5,000.00	1,685.00	3,315.00
261-46700-3001	Audit Fees	.00	196.95	100.00	.00	100.00
261-46700-3100	Contractual Services	9,970.00	23,440.00	2,500.00	.00	2,500.00
261-46700-3200	Communications	.00	276.95	300.00	61.86	238.14
261-46700-3300	Conferences and Schools	93.57	6,162.25	13,915.00	3,952.68	9,962.32
261-46700-3350	Car Allowance/Milage	.00	495.58	.00	.00	.00
261-46700-3500	Printing and Publishing	.00	.00	250.00	40.00	210.00
261-46700-4320	Uncollectible/ Write Off	.00	2,302.80	.00	.00	.00
261-46700-4330	Dues and Subscriptions	16,203.67	15,945.00	12,100.00	11,865.00	235.00
Grand Totals:		11,483.68	4,477.50	38,045.00	29,146.09-	67,191.09

Report Criteria:

Includes only accounts with balances

Includes grand totals

Account.Account number = "261"

EDA Project Updates under consent agenda May 8, 2024

Item#	Notes
1.	Barney's Drive Inn, SBDC Mentor to be assigned Wes Otto,
2.	Prepared business plan for Goertzen & Company
3.	Working with individual to open a childcare center – looking at the EF Johnson bldg..
4.	Honey Hole Bear Bait Expansion (County)

For Information only:

- The Greenseam Business Creation and Attraction Committee will be hosting a “Grow in the Greenseam” workshop in Waseca May 17. Facilitators are from UMN College of Food and Ag Natural Science, Neil Linscheid, and Jeff Stamp. Waseca panelist will be Tim Wetzal, Richard Berry & Matt Little. Please
- Great River Greening, Ben Penner; making connection related to Sustainable Aviation Fuels project, connected with Region Nine Development, Samuel Sharp and Greenseam workshops.

City County ED Collaboration:

- 1) Working on the grant application with region 9 and MJ for the Workforce Development Center. We want to file the application on May 15.
- 2) County will be reactivating their Childcare Initiative which I won't start working on until after we submit the WFDC grant application
- 3) I am attending a Center on Rural Innovation (CORI) Conference in Red Wing, May 8-9. Hosted by the Red Wing Ignite organization, this conference is about building an ecosystem supportive to tech economic development. An excerpt from the agenda:

Through the Rural Innovation Network, we connect our members with other rural leaders and advocates working on similar development initiatives at different stages of economic development. We provide access to diverse national resources ranging from access to capital opportunities to national tech job training partnerships.
- 4) Conversation has started about the 13/14 project;

Website updates:

This is a work in progress. <https://explore.scoutcities.com/cities/waseca-mn>

Title:	Set Public Hearing Authorizing sale of EDA property		
Meeting Date:	May 8 th , 2024	Agenda Item Number:	6A
Action:	<input checked="" type="checkbox"/> MOTION <input type="checkbox"/> REQUESTS/PRESENTATIONS <input checked="" type="checkbox"/> RESOLUTION <input type="checkbox"/> ORDINANCE	Supporting Documents:	<ul style="list-style-type: none"> • Purchase Agreement • Resolution 24-27 (to be received by the time of this meeting**)
Approved By City Manager: <input checked="" type="checkbox"/>			

BACKGROUND:

The City of Waseca Economic Development Authority originally purchased 517 West Elm Avenue in 2003. In 2010, the EDA purchased 513 West Elm Avenue. In 2015, the properties were combined into one parcel, now known as 513 West Elm Avenue.

The EDA has advertised the property for sale by physically locating a sign on the property advertising the property for sale for \$1. The property has challenges for development as any development must meet the Department of Natural Resources Shoreland Overlay District restrictions. Though there have been many inquiries, none of the proposed projects would fit the DNR Shoreland Overlay District restrictions. Once the business discovered the development constrictions, they were no longer interested. Mona Montenegro of MADD Properties, LLC. has worked with city staff to ensure that her business and conceptual site plan would meet the development restrictions.

At the April 10th EDA meeting, a public hearing date was set by the EDA, however the public notice of the hearing was not published. Tina Wilson, Economic Development Manager, did not have the proper documentation in order for the public hearing notice to be properly published. The documents are:

- 1) Purchase agreement including the full name of the proposed business purchaser and
- 2) Resolution 24-27 which the EDA would consider at the public hearing.

With this Request for EDA Action, there should be included the proposed Resolution 24-27 along with the Purchase Agreement with Mona Montenegro of MADD Properties LLC. **Pending receipt from the Attorney, If the resolution has not been received by the time of this meeting, this agenda item will be moved to the next meeting. ** Mona intends to construct a building with a commercial kitchen to be used for Lucia’s Cocina Mobile Kitchen and Catering Business.

BUDGET IMPACT:

The EDA has a total purchase price of \$117,687 recorded in their records. This sale will lead to a book adjustment for the EDA but no change to the physical cash on hand. By selling the property after 20 years of ownership, the EDA & City will start to earn property taxes on 513 West Elm Avenue instead of vacant land, exempt from taxation, bringing in no income to the city.

RECOMMENDATION:

Staff is recommending the EDA set a public hearing for Resolution 24-27 on June 12, 2024, at noon, Authorizing the sale of EDA property located at 513 West Elm Avenue

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (“Agreement”) is made this ____ day of June, 2024, by and between the Waseca Economic Development Authority, a body politic and corporate under the laws of the State of Minnesota, 508 South State Street, Waseca, Minnesota 56093 (the “EDA” or “Seller”), MADD Properties, a limited liability company under the laws of the state of Minnesota, 508 9th Ave SE, Waseca, MN 56093 (“Buyer”); (collectively the “Parties”).

In consideration of the covenants and agreements of the Parties hereto, Seller and Buyer agree as follows:

1. **SALE OF REAL PROPERTY.** Upon and subject to the terms and conditions of this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the parcel of undeveloped real property located at 513 West Elm Avenue in the City of Waseca, Waseca County, Minnesota, (respectively PID No. 174530180); containing approximately 0.36 acres, as legally described on Exhibit A attached hereto and depicted on as Exhibit B attached hereto, which exhibits are incorporated herein by reference, together with (i) all easements and rights benefiting or appurtenant to the Land and improvements, including any right, title or interest in the bed of any street, road, highway or alley adjoining the Land (collectively the “Property”).
2. **PURCHASE PRICE AND MANNER OF PAYMENT.** The total purchase price (“Purchase Price”) to be paid by Buyer to Seller for the Property is One Dollar, which amount shall be paid at Closing. The Parties agree that the difference between the Purchase Price and the fair market value of the Property represents financial assistance from Seller to Buyer in support of Buyer’s Project to devote the Property to its Intended Use, as that term is defined in Section 3 below. Seller is authorized to provide such financial assistance to Buyer pursuant to Minnesota Statutes, Sections 469.105 and 469.101, subject to the requirements of Minnesota Statutes, Sections 116J.993 - .995, as applicable. Seller having owned the Property and unsuccessfully marketed the Property for sale for more than ten years, represents that the fair market value of the Property does not exceed \$25,000.00.
3. **CLOSING AND POSSESSION.** The closing of the purchase and sale of the Property contemplated by this Agreement (the “Closing”) shall occur within ninety (90) days of this Agreement, or on a date mutually acceptable to Seller and Buyer, (the “Closing Date”). The Seller agrees to deliver possession of the Property not later than the Closing Date provided that all the contingencies and other terms and conditions contained in this Agreement have been complied with and satisfied. The Closing shall take place at Waseca City Hall or the Title Company, as hereinafter defined, or at such other place as may be agreed to mutually by the Parties.
 - a. **Seller’s Closing Documents.** On the Closing Date, Seller shall execute and/or deliver to Buyer the following (collectively, “Seller’s Closing Documents”):
 - i. Quit Claim Deed. Attached hereto and made a part hereof as Exhibit C is

the required Quit Claim Deed containing the terms, covenants, and conditions upon which the sale of the Property is based. Pursuant to Minnesota Statutes, section 469.105, the Quit Claim Deed shall contain the following restrictions, covenants, and conditions:

1. The Property herein conveyed shall be devoted to the following use: commercial food service / catering (the "Intended Use").
2. The Property shall be devoted to such Intended Use in accordance with the provisions of the Deed.
3. The Buyer shall (a) commence work on the improvements within one year from the date the deeds are recorded with the Office of the Waseca County Recorder, and (b) shall devote the Property to its intended use by July 15, 2024. If the Buyer fails to commence work on time or fails to devote the Property to its intended use, or fails to devote the Property to its intended use on time, title to the Property shall revert to Seller, at Seller's election, and, in that event, Buyer shall promptly offer a deed(s) to the Property legally described herein to Seller, who will then refund to Buyer the amount of the Purchase Price paid by Buyer to Seller, without interest, less any taxes and other encumbrances affecting marketability of title. Notwithstanding the foregoing, Seller may, at its option, consider an extension of time for good cause shown by Buyer. In the event an extension is granted, such extension (a) shall be to a date certain, (b) may be conditioned by Seller to protect the public interest, and (c) during the period Buyer shall not transfer title to the Property without the express written consent of Seller.

After the Buyer has devoted the Property to its intended use in accordance with approved plans and specifications for the development of the Property submitted to the Seller, the Seller shall provide to Buyer a certificate of compliance / completion in recordable form within 30 days from the determination thereof by Seller.

4. Incorporated herein by reference are all of the conditions of Minnesota Statutes, Sections 469.090 to 469.108, and all of said conditions and the conditions stated herein relative to the use of the Property are covenants running with the land.
5. The Buyer shall not transfer title to the Property within one (1) year after the date of the Deeds without the express written consent of the Seller.
6. Any transfer of title to the Property made pursuant to the provisions of paragraphs 3 and 5 hereof shall be made only to a person or entity who demonstrates to the satisfaction of Seller that

such person or entity has the ability to perform in place of Buyer.

- ii. Well Certificate. If there are wells on the Property, a Well Certificate in the form required by Minn. Stat. § 103I.235.
- iii. Other Affidavits. Any other affidavits or certificates that may be required under Minn. Stat. § 116.48, Subd. 6, or Minn. Stat. § 115B.16 or other applicable provisions of law.
- iv. Other. Such other documents as may reasonably be required to transfer fee title to the Property to Buyer.

b. **Buyer's Closing Documents.** On the Closing Date, Buyer will execute and/or deliver to Seller the following (collectively, "Buyer's Closing Documents):

- i. Purchase Price. The Purchase Price in immediately available funds.
- ii. Permanent Easement Agreement. A permanent easement agreement in favor of the City of Waseca for public utility and drainage purposes ten feet in width over, under and across the entire perimeter of the Property, in a form satisfactory to Seller in Seller's sole discretion.
- iii. Certificate of Real Estate Value. A Certificate of Real Estate Value.

4. **CONDITIONS PRECEDENT.** The obligations of the Parties to perform under this Purchase Agreement are contingent upon the timely occurrence or satisfaction of each of the following conditions prior to the Closing Date:

- a. **Public Hearing.** Sale of the Property is contingent upon a determination by the EDA as to the advisability of the sale; that the sale and conveyance are in the public interest, the best interests of the city or district and its people, and that the transaction furthers the EDA's general plan of economic development and the aims and purposes of Minnesota Statutes, Sections 469.090 to 469.108, after a public hearing required by Minnesota Statutes, Section 469.105, which shall be held prior to the Closing Date. The Parties understand and agree that the sale/purchase of the Property is contingent upon approval by the Board of Commissioners of the EDA prior to June 15, 2024.
- b. **Plans and Specifications.** Pursuant to Minnesota Statutes, Section 469.105, subd. 7, the Buyer shall, prior to the transfer of title of the Property, submit to the EDA written plans and specifications for the development of the Property; no transfer shall be made unless and until such plans are approved in writing by the EDA. The detail of the plans and specifications shall be such as will enable the EDA to determine with reasonable certainty that the project on the Property is or will be in compliance with the law and will, if carried out, provide for the intended use
- c. **One-year deadline.** Pursuant to Minnesota Statutes, Section 469.105, subd. 5, the Property shall be devoted to its intended use or work on the improvements to

the Property to devote it to that use must be started within one year of the Closing Date, based upon the plans and specifications for the development project approved by the EDA.

- d. **Private Financing.** Prior to or on June 15, 2024, Buyer has closed on Buyer's financing and provided to Seller a document signed by the Buyer's bank or other financial institution demonstrating that Buyer has closed and obtained financing to construct and complete the development project on the Property.
- e. **Form of Quit Claim Deeds.** Attached hereto and made a part hereof as Exhibit C is the form of the Quit Claim Deeds required containing the terms, covenants, and conditions upon which the sale of the Property is based.
- f. **Title.** On the Closing Date, title to the Property shall be acceptable to Buyer subject to and in accordance with the provisions of Section 8 regarding title examination.
- g. **Transaction Approval.** Seller's obligation to perform hereunder is contingent upon Seller obtaining, before the Closing Date, approval of the transaction contemplated by this Agreement by the Board of Commissioners of the EDA. Notwithstanding anything in this Agreement to the contrary, if such approval has not been obtained by the Closing Date, this Agreement shall be null and void. Execution of this Agreement by any person on behalf of the Seller prior to obtaining the necessary approvals provided herein shall not confer any personal authority nor create any personal liability on the signer for the obligations of Seller under this Agreement.

The above conditions in this section are solely for the benefit of, and may at any time be waived by, the Party so benefitted. If any approval as provided herein is not obtained, or any condition precedent not satisfied, by the Closing Date, this Agreement shall be null and void.

5. **PURCHASE, AS-IS.** The Property described in this Purchase Agreement is being sold in an "as is" and with "all faults" condition, Buyer hereby acknowledges that Buyer has had an opportunity to inspect the Property prior to the execution of this Agreement. Buyer's acceptance of title to the Property shall represent Buyer's acknowledgment and agreement that, except as expressly set forth in this Agreement: (i) Seller has not made any written or oral representation or warranty of any kind with respect to the Property (including without limitation express or implied warranties of title, merchantability, or fitness for a particular purpose or use), (ii) Buyer has not relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the Property, (iii) Buyer has had an adequate opportunity to inspect the condition of the Property, including without limitation, any environmental testing, and to inspect documents applicable thereto, and Buyer is relying solely on such inspection and testing, and (iv) the condition of the Property is fit for Buyer's intended use. Buyer agrees to accept all risk of Claims (including without limitation all Claims under any Environmental Law and all Claims arising at common law, in equity or under a federal, state or local statute, rule or regulation) whether past, present or future, existing or contingent, known or unknown, arising out of, resulting from or relating to the

condition of the property, known or unknown, contemplated or un contemplated, suspected or unsuspected, arising out of, resulting from, or relating to the condition of the Property, including without limitation, the presence of any Hazardous Substance on the Property, whether such Hazardous Substance is located on or under the Property, or has migrated or will migrate from or to the Property.

a. For purposes of this Section, the following terms have the following meanings:

- i. "Environmental Law" means the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. §9601 et seq. the Federal Water Pollution Control Act, 33 U.S.C. §1201 et seq., the Clean Water Act, 33 U.S.C. §1321 et seq., the Clean Air Act, 42 U.S.C. §7401 et seq., the Toxic Substances Control Act, 33 U.S.C. §1251 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing and hereafter enacted; and
- ii. "Hazardous Substance" means any pollutant, contaminant, hazardous substance or waste, solid waste, petroleum product, distillate, or fraction, radioactive material, chemical known to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.
- iii. "Claim" or "Claims" means any and all liabilities, suits, claims, counterclaims, causes of action, demands, penalties, debts, obligations, promises, acts, fines, judgment, damages, consequential damages, losses, costs, and expenses of every kind (including without limitation any attorney's fees, consultant's fees, costs, remedial action costs, cleanup costs and expenses which may be related to any claims).

6. **WELLS AND INDIVIDUAL SEWAGE TREATMENT SYSTEMS.** The Seller certifies that the Seller does not know of any wells or individual sewage treatment systems on or serving the Property described herein.

7. **PRORATIONS.** Seller and Buyer agree to the following prorations and allocation of costs regarding the Property and this Agreement.

- a. **Deed Tax.** Buyer shall pay all state deed tax regarding the deeds to be delivered by Seller under this Agreement.
- b. **Real Estate Taxes and Special Assessments.** Real estate taxes and any special assessments payable in the year 2024 shall be prorated between Seller and Buyer to the Closing Date. The Buyer shall pay real estate taxes and any special assessments payable therewith thereafter.
- c. **Recording Costs.** Buyer will pay the cost of recording the Deeds. Seller shall pay the cost of recording any documents necessary to perfect its own title.

- d. **Other Costs.** All other operating costs of the Property will be allocated between Seller and Buyer as of the Closing Date, so that Seller pays that part of such other operating costs accruing on or before the Closing Date, and Buyer pays that part of such operating costs accruing after the Closing Date.
- e. **Attorneys' Fees.** Each of the parties will pay its own attorneys', accountants' and consultants' fees.

8. **TITLE EXAMINATION.**

- a. **The Delivery of the Title Commitment.** Buyer may obtain, at its option and expense, a commitment for an owner's policy of title insurance. Buyer shall pay all costs associated with obtaining title insurance including, but not limited to, updating the abstract, if any, or obtaining a new registered property abstract of title for the Property, title insurance premiums and title examination fees (hereinafter the "Title Commitment"), issued by a Title Insurance Company authorized to do business in the State of Minnesota and approved by Buyer (hereinafter the "Title Company"). The Title Commitment shall be based upon the description of the Property provided herein and shall show fee title in the Seller, subject only to those encumbrances waived in writing by Buyer, and shall provide for extended coverage risks and include special endorsements for zoning, contiguity and such other matters as Buyer may request.
 - b. **The Making and Curing of Title Objections.** Buyer shall be allowed fifteen (15) days after receipt of the Title Commitment in which to make objections to the content of the commitment, said objections to be made in writing. If there are any objections to the title which are not remedied by the Closing Date, the Seller shall have sixty (60) days from the date of receipt of said written objections in which to remedy said objections.
 - c. **The Consequences of Failing to Cure Title Objections.** If said objections are not remedied within sixty (60) days from the date of Seller's receipt of said objections, then Buyer shall have the following two alternatives:
 - i. Buyer may accept title to said Property subject to said objections; or
 - ii. Buyer may declare this entire transaction to be null and void, in which case, any earnest money shall immediately be returned to Buyer.
9. **ENTIRE AGREEMENT; MODIFICATION.** This written Agreement constitutes the complete agreement between the Parties and supersedes any prior oral or written agreements between the parties regarding the Property. There are no verbal agreements that change this Agreement and no waiver of any of its terms will be effective unless in writing executed by the Parties.
10. **BINDING EFFECT.** This Agreement binds and benefits the parties and their successors and assigns.

11. **CONTROLLING LAW.** The Parties acknowledge and agree that each has been given the opportunity to independently review this Agreement with legal counsel, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of this Agreement. The Parties have equal bargaining power, and intend the plain meaning of the provisions of this Agreement. In the event of an ambiguity in or dispute regarding the interpretation of this Agreement, the ambiguity or dispute shall not be resolved by application of any rule that provides for interpretation against the drafter of the Agreement. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.
12. **DATES AND TIME PERIODS.** Should the date for the giving of any notice, the performance of any act, or the beginning or end of any period provided for herein fall on a Saturday, Sunday or legal holiday, such date shall be extended to the next succeeding business day which is not a Saturday, Sunday or legal holiday.
13. **NOTICES.** Any notice required or permitted to be given by any party upon the other is given in accordance with this Agreement if it is directed to Seller by delivering it personally to an officer of Seller; or if it is directed to Buyer, by delivering to a partner of Buyer; or if mailed by United States registered or certified mail; return receipt requested, postage prepaid; or if deposited cost paid with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Buyer: MADD Properties, LLC
508 9th Ave SE
Waseca, MN 56093

If to Seller: Executive Director
Waseca Economic Development Authority
508 South State St
Waseca, MN 56093

Notices shall be deemed effective on the earlier of the date of receipt or the date of deposit as aforesaid; provided, however, that if notice is given by deposit, that the time for response to any notice by the other party shall commence to run two (2) business days after any such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party, in any manner above specified.

14. **REMEDIES.** If Buyer defaults under this Agreement, Seller shall have the right to terminate this Agreement by giving written notice to Buyer. If Buyer fails to cure such default within thirty (30) days after receipt of such written notice, this Agreement will terminate, and upon such termination Seller will retain any Earnest Money as liquidated damages, time being of the essence of this Agreement. The termination of this Agreement and retention of the Earnest Money, if any, will be the sole remedy available to Seller for such default by Buyer, and Buyer will not be liable for damages. If Seller defaults under this Agreement, Buyer may terminate the Agreement upon thirty (30) days' written notice to Seller (Seller having cure rights during the 30-day period), and upon such termination, the Earnest Money, if any, shall be refunded to Buyer and thereafter, neither Party shall have any further rights or obligations hereunder.

15. **MISCELLANEOUS PROVISIONS.**

- a. **Voluntary and Knowing Action.** The Parties, by executing this Agreement, state that they have carefully read this Agreement and understand fully the contents thereof; that in executing this Agreement they voluntarily accept all terms described in this Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.
- b. **Authorized Signatories.** The Parties each represent and warrant to the other that (1) the persons signing this Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Agreement; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.
- c. **Data Practices.** The Parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 et seq.
- d. **Assignment.** This Agreement may not be assigned by either party without the written consent of the other Party.
- e. **Headings and Captions.** Headings and captions contained in this Agreement are for convenience only and are not intended to alter any of the provisions of this Agreement and shall not be used for the interpretation of the validity of the Agreement or any provision hereof.
- f. **Survival.** The respective covenants, agreements, indemnifications, warranties and other terms of this Agreement will survive and be in full force and effect after the Closing, and shall not be deemed to have merged into any of the Closing Documents.
- g. **Other Documents.** Each Party to this Agreement agrees, both at the Closing and after the Closing, to execute such other documents as may be reasonably requested by the other party in order to complete the transactions contemplated by this Agreement.
- h. **Counterparts.** This Purchase Agreement may be executed in counterparts, each of which shall be deemed an original, and which together shall constitute a single, integrated contract.

Remainder of this page intentionally left blank.

IN WITNESS WHEREOF, Seller and Buyer have caused this Agreement to be executed effective as of the day and year first set forth above.

SELLER:

**WASECA ECONOMIC DEVELOPMENT
AUTHORITY**

By: _____
Lucas Kruse, Its President

By: _____
Carl C Sonnenberg, Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF WASECA)

The foregoing instrument was acknowledged before me this ____ day of June, 2024, by Lucas Kruse, as President, and Carl C Sonnenberg, as Executive Director, for the Waseca Economic Development Authority, a body politic and corporate under the laws of the State of Minnesota, Seller.

Notary Public

BUYER:

MADD Properties LLC

Mona L. Montenegro, Owner

STATE OF MINNESOTA)
) ss.
COUNTY OF WASECA)

The foregoing instrument was acknowledged before me this ____ day of June, 2024, by Mona L. Montenegro, as Owner of MADD Properties, a limited liability corporation, Buyer.

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

EXHIBIT A
TO PURCHASE AGREEMENT

Description of Property

Lots 10 & 11, Block 1 of McNamaras Addition

EXHIBIT B
TO PURCHASE AGREEMENT

Approximate Depiction of Property

EXHIBIT C
TO PURCHASE AGREEMENT

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED

eCRV number: _____

DEED TAX DUE: \$ _____

DATE: _____, 2024

FOR VALUABLE CONSIDERATION, the Waseca Economic Development Authority, a body politic and corporate under the laws of the State of Minnesota (“**Grantor**”), hereby conveys and quitclaims to MADD Properties, LLC. (“**Grantee**”), real property in Waseca County, Minnesota, legally described as:

[Insert legal description of Property]

together with all hereditaments and appurtenances belonging thereto.

Subject to the following restrictions, covenants, and conditions:

1. The real property herein conveyed shall be devoted to the following use: Commercial.
2. The real property shall be devoted to such intended use by the Grantee in accordance with the provisions of this Deed.
3. The Grantee shall (a) commence work on the improvements within one year from the date the deed is recorded with the Office of the Waseca County Recorder, and (b) shall devote the Real Property to its intended use by July 15, 2024. If the Grantee fails to commence work on time or fails to devote the real property to its intended use on time, title to the real property shall revert to Grantor, at Grantor's election, and, in that event, Grantee shall promptly offer a deed to the real property legally described herein to Grantor, who will then refund to Grantee the amount of the Purchase Price paid by Grantee to Grantor, without interest, less any taxes and other encumbrances affecting marketability of title. Notwithstanding the foregoing, Grantor may, at its option, consider an extension of time for good cause shown by Grantee. In the event an extension is granted, such extension (a) shall be to a date certain, (b) may be conditioned by Grantor to protect the public interest, and (c) during the period Grantee shall not transfer title to the real property without the express written consent of Grantor.

After the Grantee has devoted the real property to its intended use in accordance with the approved plans and specifications for the development of the real property submitted to the Grantor, the Grantor shall provide to Grantee a certificate of compliance/completion in recordable form within 30 days from the determination thereof by Grantor.

4. Incorporated herein by reference are all of the conditions of Minnesota Statutes, Sections 469.090 to 469.108, and all of said conditions and the conditions stated herein relative to the use of the real property are covenants running with the land.
5. The Grantee shall not transfer title to the real property within one (1) year after the date of this Deed without the express written consent of the Grantor.
6. Any transfer of title to the real property made pursuant to the provisions of paragraphs 3 and 5 hereof shall be made only to a party who demonstrates to the satisfaction of Grantor that such party has the ability to perform in place of Grantee.

Check here if all or part of the described real property is Registered (Torrens)

The Grantor certifies that the Grantor does not know of any wells on the described real property.

Grantor

Waseca Economic Development Authority

By: _____
Lucas Kruse, Its President

By: _____
Carl Sonnenberg, Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF WASECA)

This instrument was acknowledged before me on _____, 2024, by Lucas Kruse, as President, and Carl Sonnenberg, as Executive Director, of the Waseca Economic Development Authority, Grantor.

(Notary Seal)

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

TAX STATEMENTS FOR THE REAL
PROPERTY DESCRIBED IN THIS
INSTRUMENT SHOULD BE SENT TO:

MADD Properties, LLC.
508 9th Ave SE,
Waseca, MN 56093

Board/Commission/Authority Application Form

Date 4/8/24

Name Taylor A. Zinke

Occupation: Dietary Director, Bridgewater Assisted/Independent Living

Please check the Board/Commission/Authority for which you are applying:

Airport Board

Economic Development Authority

Park Board

Planning Commission

Heritage Preservation Commission

Please tell us why you are interested in serving on this Board/Commission/Authority.

Give back to my town & be more involved.

Have you previously served on this Board/Commission/Authority? (if yes provide dates)

No

Have you held, or do you currently hold, an office on this Board/Commission/Authority?

No

Please list what qualifications you possess that will be helpful to this Board /Commission /Authority.
(List your experience, education, certification, etc.)

- Legislative Assistant, MN House of Representatives 2018-2019*
- Constituent Services, United States House of Representatives MN-01 2019-2021*

Please return completed application to Waseca City Hall, ATTN: City Clerk, 508 South State Street, Waseca, MN 56093.

ECONOMIC DEVELOPMENT M E M O R A N D U M

TO: Lucas Kruse, Waseca EDA President
EDA Board

FROM: Tina Wilson
Economic Development Manager

MEETING DATE: May 8, 2024

SUBJECT: Item 7A. Clear Lake Press Building

At the April 10 meeting of the EDA, it was noted that City staff submitted a response to a Request for Information from a business looking to locate in the Clear Lake Press Building.

We received the following response from the organization that is coordinating the site selection process:

"We lost out to a larger market option; the corporate did not think we had the workforce as it was portrayed. Push (sic) hard multiple times with our number but they said too small of a market."

I have included with this memo, the response that was sent for the RFI.



WASECA ECONOMIC DEVELOPMENT AUTHORITY

April 1, 2024

James Halbur
KW Commercial Agent

RE: [REDACTED]

Dear Jim

I believe that the Clear Lake Press Building located at 300 16th Avenue SE in Waseca is a good fit for the [REDACTED]. I know that you are familiar with the attributes of the building and its location, so I won't overdo those points. I would like to provide additional information regarding our workforce and potential incentives.

Our labor force has a trend of commuting into Waseca or out of Waseca. The MN Department of Employment and Economic Development recently released commuting statistics which I have included here; we have nearly the same number of workers who live elsewhere and work in Waseca as there are workers who live here and commute to work someplace else. The labor shed area map I have provided you shows that we pull workforce from Owatonna, Mankato, and Faribault.

I also wanted to let you know that we have a manufacturing company (Itron) leaving our community this summer, leaving almost 200 displaced workers. I believe that we will be able to fill the workforce needed for this project.

The city participates in providing incentives to new business. There is an application process for a Commercial Tax Abatement or the Tax Increment Financing incentive. Our local Economic Development Authority is also supportive of new business. We also work closely with DEED on helping companies receive potential incentives from the state.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads 'Tina G. Wilson'.

Tina G. Wilson,
Economic Development for Waseca
Phone: (507) 835-9741
Cell: (507) 475-2860

Cc: Bill Beschnett

LOCATION PROFILES | [BY COUNTY](#) | [WASECA](#)

Waseca County, workforce data



Working Adults (2017-2021)

Total civilian non-institutionalized population, age 18-64	10,460	100.0%
Working age adults who are employed	8,692	83.1%
Civilian labor force	9,014	100.0%
Unemployed	322	3.6%

Total employed workers (LEHD) (2020)

Total employed workers	6,711	100.0%
------------------------	-------	--------

Worker age (2020)

Age 29 or younger	1,742	26.0%
Age 30 to 54	3,273	48.8%
Age 55 or older	1,696	25.3%

Workers by earnings (2020)

\$15,000 per year or less	1,444	21.5%
\$15,001 to \$39,999 per year	2,095	31.2%
\$40,000 or more per year	3,172	47.3%

Workers by industry of employment (2020)

Accommodation and food services	392	5.8%
Administration & support, waste management, and remediation	12	0.2%
Agriculture, forestry, fishing and hunting	224	3.3%
Arts, entertainment, and recreation	60	0.9%
Construction	449	6.7%
Educational services	69	1.0%
Finance and insurance	262	3.9%
Health care and social assistance	1,144	17.0%
Information	104	1.5%
Management of companies and enterprises	208	3.1%
Manufacturing	1,683	25.1%
Mining, quarrying, and oil and gas extraction	12	0.2%
Other services (excluding public administration)	192	2.9%
Professional, scientific, and technical services	216	3.2%
Public administration	suppressed	
Real estate and rental and leasing	43	0.6%

Retail trade	972	14.5%
Transportation and warehousing	264	3.9%
Utilities	16	0.2%
Wholesale trade	277	4.1%
Workers by race (2020)		
White alone	6,394	95.3%
Black or African American alone	148	2.2%
American Indian or Alaska Native alone	27	0.4%
Asian alone	52	0.8%
Native Hawaiian or Other Pacific Islander alone	suppressed	
Two or more race groups	81	1.2%
Hispanic or Latino (of any race)	338	5.0%
Workers by educational attainment (2020)		
Less than high school	411	6.1%
High school or equivalent, no college	1,608	24.0%
Some college or associate degree	1,862	27.7%
Bachelor's degree or advanced degree	1,088	16.2%

Minnesota Compass is a project of [Wilder Research](#)
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LABOR FORCE CHARACTERISTICS

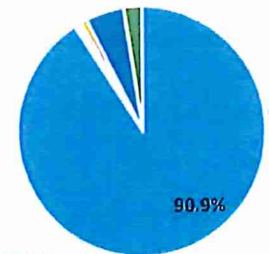
Waseca Co. had a lower labor force participation rate than the state. The labor force in Waseca Co. is less racially diverse than the state (where 81.3% of workers are white alone), but is becoming more diverse over time.

Table 7. Employment Characteristics, 2022

	Waseca Co.			Minnesota		Labor Force by Gender	
	In Labor Force (available workers)	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate	Male	Female
Total Labor Force	9,867	65.4%	3.3%	68.7%	4.0%	5,070	4,794
16 to 19 years	543	54.6%	11.0%	53.0%	9.8%	303	240
20 to 24 years	876	87.3%	6.1%	83.1%	6.7%	455	421
25 to 44 years	4,042	82.5%	3.5%	88.8%	3.5%	1,892	2,149
45 to 54 years	1,967	86.5%	2.8%	87.8%	2.9%	1,059	907
55 to 64 years	1,751	70.6%	0.8%	72.8%	3.1%	895	856
65 to 74 years	585	29.3%	0.2%	27.6%	3.3%	395	190
75 years & over	102	7.1%	1.0%	6.6%	3.2%	71	31
Employment Characteristics by Race & Hispanic Origin							
White alone	8,973	64.8%	2.2%	67.8%	3.4%		
Black or African American	49	36.6%	32.7%	71.5%	8.7%		
American Indian & Alaska Native	36	20.9%	0.0%	57.6%	11.9%		
Asian or Other Pac. Islanders	80	70.2%	2.5%	73.9%	3.6%		
Some Other Race	486	96.8%	16.3%	76.1%	6.1%		
Two or More Races	234	73.6%	13.2%	74.3%	6.6%		
Hispanic or Latino	661	75.6%	15.4%	77.0%	6.3%		
Employment Characteristics by Disability, 20 to 64 years							
With Any Disability, 20 to 64 years	342	46.3%	8.2%	54.4%	10.2%		
Employment Characteristics by Educational Attainment, 25 to 64 years							
Population, 25 to 64 years	7,761	80.4%	2.7%	84.4%	3.3%		
Less than H.S. Diploma	429	62.9%	4.0%	67.2%	4.6%		
H.S. Diploma or Equivalent	2,206	71.9%	3.3%	76.8%	2.5%		
Some College or Assoc. Degree	2,994	84.3%	1.6%	85.1%	3.6%		
Bachelor's Degree or Higher	2,130	90.6%	1.0%	90.3%	2.0%		

Source: 2018-2022 American Community Survey, 5-Year Estimates

Figure 9. Labor Force by Race, 2022



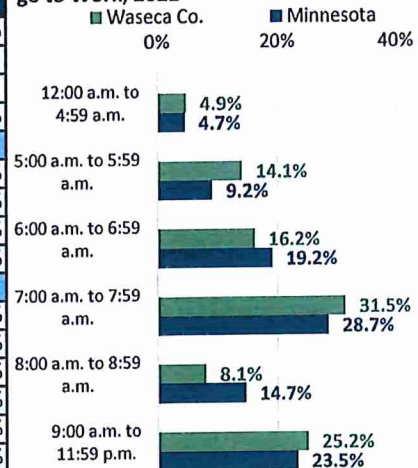
- White alone
- Black or African American
- American Indian & Alaska Native
- Asian or Other Pac. Islanders
- Some Other Race
- Two or More Races

A smaller percentage of workers in Waseca Co. worked in the same county in which they live compared to the state. Waseca Co. also had a shorter average commute time than the state.

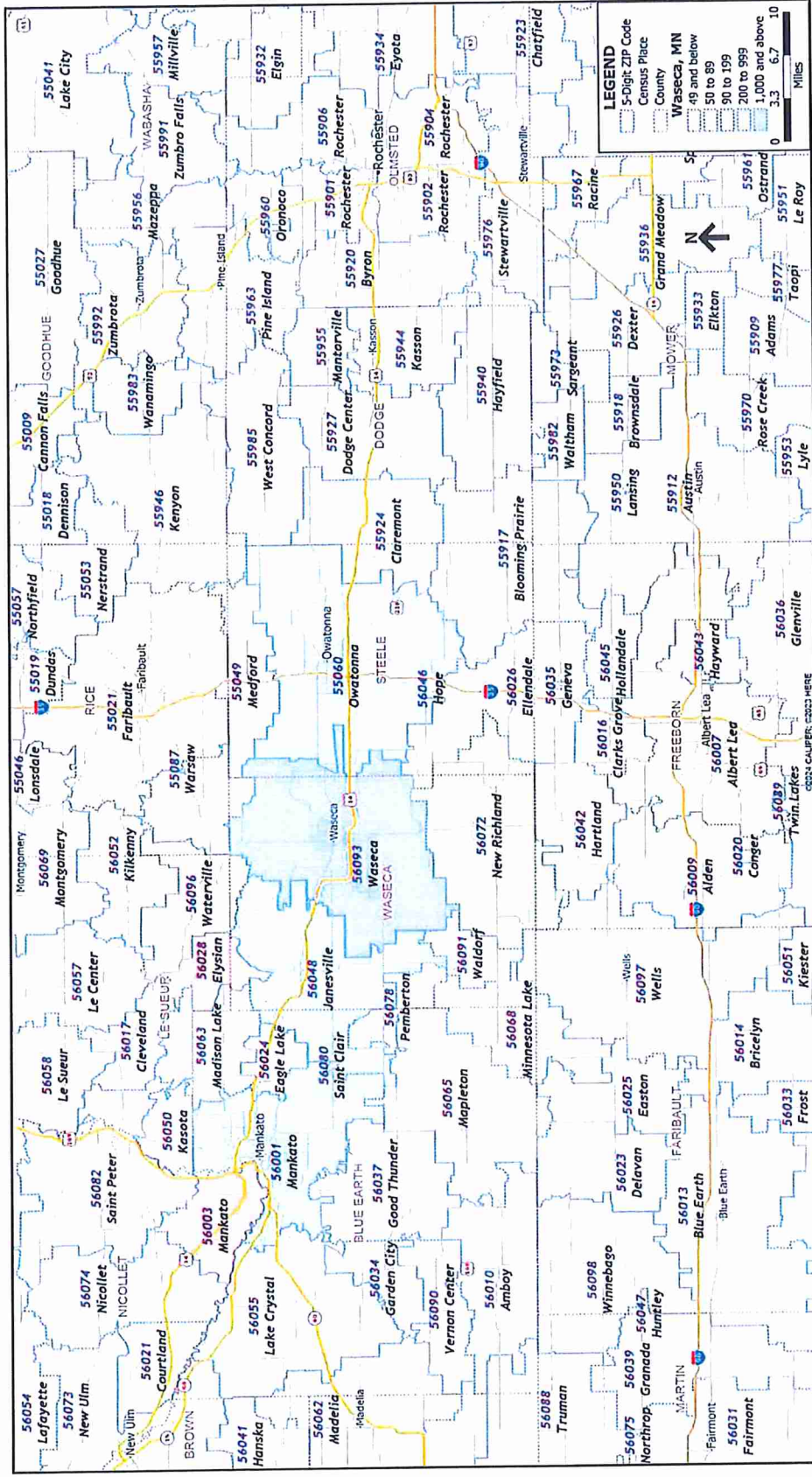
Table 8. Commuting Characteristics, 2022	Waseca Co.		Minnesota	
	Number	Percent	Number	Percent
Worked in state of residence	9,286	98.5%	2,867,086	97.7%
Worked in county of residence	4,779	50.7%	1,957,366	66.7%
Worked out of county of residence	4,506	47.8%	909,720	31.0%
Worked outside state of residence	141	1.5%	67,495	2.3%
MEANS OF TRANSPORTATION TO WORK				
Car, truck, or van	8,371	88.8%	2,387,561	81.6%
Public transportation (excl. taxicab)	9	0.1%	81,926	2.8%
Other method (walk, bike, taxi, etc.)	452	4.8%	122,889	4.2%
Worked at home	594	6.3%	333,556	11.4%
TRAVEL TIME TO WORK				
Less than 10 minutes	2,319	24.6%	465,223	15.9%
10 to 19 minutes	2,244	23.8%	895,335	30.6%
20 to 29 minutes	2,281	24.2%	649,557	22.2%
30 to 44 minutes	1,659	17.6%	567,631	19.4%
45 to 59 minutes	415	4.4%	190,186	6.5%
60 or more minutes	509	5.4%	158,000	5.4%
Mean travel time to work (minutes)	22.4 minutes		23.3 minutes	

Source: 2018-2022 American Community Survey, 5-Year Estimates

Figure 10. Time Leaving Home to go to Work, 2022



Map showing the 2021 "labor-shed" for Waseca, MN by ZIP Code. Where do people commute in from.



Data came from "On the Map" <https://onthemap.ces.census.gov/>. Retrieved on 3/31/24