COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

AGENDA

Tuesday, September 15, 2026 – 4:00pm
Grand Marais City Hall – Council Chambers
15 North Broadway Ave, Grand Marais, MN 55604
Members of the Board may participate in this meeting via electronic means

1. **Call to Order**
2. **Approval of Agenda**
3. **Public Comments**
4. **Approval of Meeting Minutes**
    a. August 18, 2026 EDA Regular Meeting (Pages 1-4)

5. **Review of Financials**
    a. Balance Sheet EDA, as of August 31, 2026 (Pages 5-8)
    b. Bill Approval Status EDA, August 2026 Payments (Page 9)
    c. Balance Sheet Superior National Golf Course, as of August 31, 2026 (Pages 10-15)
    d. 2025 Business Development Fund Grant Report, information only (Page 16)
    e. 2026 Business Development Fund Grant Report, information only (Page 17)

6. **New Business**
    a. **2026-31** RESOLUTION APPROVING FIRST AMENDMENT TO DEVELOPMENT AGREEMENT C202407 WITH CASCADE VACATION RENTALS LLC (Pages 18-63)
    b. **2026-32** RESOLUTION AUTHORIZING PARTICIPATION IN JUST TRANSITION FUND LOCAL ECONOMY LAB GRANT APPLICATION (Pages 64-65)
    c. **2026-33** RESOLUTION CONFIRMING SATISFACTION AND AUTHORIZING REVISED RELEASE OF LOAN AGREEMENT C202419 WITH GUNFLINT VUE LLC (Pages 66-70)
    d. **2026-34** RESOLUTION APPROVING AMENDED AND RESTATED DEVELOPMENT AGREEMENT C202415 WITH THE NORTH COAST LLC D/B/A HOTEL MAYHEW (Pages 71-84)
    e. **2026-35** RESOLUTION AUTHORIZING SECOND AMENDMENT TO BUSINESS DEVELOPMENT FUND GRANT AGREEMENT WITH SYDNEY'S FROZEN CUSTARD LLC (Pages 85-106)
    f. **2026-36** RESOLUTION AWARDING CONSTRUCTION CONTRACT FOR THE SUPERIOR NATIONAL GOLF COURSE SUBSURFACE SEWAGE TREATMENT SYSTEM PROJECT (Pages 107-116)
    g. **2026-37** RESOLUTION AWARDING CONSTRUCTION CONTRACT FOR THE POPLAR RIVER WATER DISTRICT/SUPERIOR NATIONAL GOLF COURSE WATER INTERCONNECTION PROJECT (Pages 117-128)
    h. EDA Strategic Plan Review, Discussion Only

7. **SBDC Report** (Page 129)
8. **Committee/Commissioner Reports**
    a. Golf Course Committee
    b. Taconite Harbor Subcommittee
        i. EDA & Schroeder Township Meeting Scheduled, October 13, 2026
    c. Grant Review Committee
    d. HR Committee Update
    e. Finance Committee
9. **Executive Directors Report**
10. **Adjourn -** *Next Meeting: Tuesday, October 20, 2026*

MINUTES

Tuesday, August 18, 2026 – 4:00pm
Grand Marais City Hall – Council Chambers
15 North Broadway Ave, Grand Marais, MN 55604
Members of the Board may participate in this meeting via electronic means

Commissioners Present: Peter Clissold, Tracy Benson, Dave Mills, Alex Beebe-Giudice, Siri Anderson, Mark Shackleton via zoom
Commissioners Absent: Pat Eliasen
Others Present: Jeff Brand, Lucas Wakefield, minute taker Maggie Barnard

1. **Call to Order**
   President Clissold called the August 18, 2026 regular meeting of the EDA to order at 4:01 p.m.

2. **Approval of Agenda**
   No additions or revisions to the agenda.
   Motion to approve the agenda as presented (Mills/Beebe-Giudice)
   Roll Call vote: Mills, Beebe-Giudice, Anderson, Shackleton, Benson, Clissold all ayes: Vote: Passed (6-0)

3. **Public Comments**
   No comments.

4. **Approval of Meeting Minutes**
   a. July 21, 2026 EDA Regular Meeting (Pages 1-4)
   b. Benson requested an amendment to Page 4 to replace Director Wakefield's name with Benson.
      Motion to approve the July 21, 2026 EDA Regular Meeting minutes with requested amendment (Mills/Benson)
      Roll Call vote: Mills, Beebe-Giudice, Anderson, Shackleton, Benson, Clissold: all ayes. Vote: Passed (6-0)

5. **Review of Financials**
   a. Balance Sheet EDA, as of July 31, 2026 (Pages 5-8)
      Shackleton said the EDA January-July expenses are in line, but golf course year-to-date shows weaker revenues in July due to wildfires and smoke conditions. Noted that membership sales are down because of impeding sale.
   b. Bill Approval Status EDA, July 2026 Payments (Page 9)
      Motion to approve the EDA July 2026 payments (Mills/Beebe-Giudice)
      Roll Call vote: Mills, Beebe-Giudice, Anderson, Shackleton, Benson, Clissold: all ayes. Vote: Passed (6-0)
   c. Balance Sheet Superior National Golf Course, as of July 31, 2026 (Pages 10-15)
   d. 2025 Business Development Fund Grant Report, information only (Page 16)
   e. 2026 Business Development Fund Grant Report, information only (Page 17)

6. **New Business**
   a. **2026-27** RESOLUTION APPROVING FIRST AMENDMENT TO DEVELOPMENT AGREEMENT C202415 WITH THE MAYHEW LLC (Pages 18-32)
      Wakefield shared that this Development Agreement is for the IRRR grant funding awarded to the EDA to support the Mayhew project and the amendment authorizes a construction completion extension in line with the new project schedule. Stated the EDA will also request any necessary extension amendments

from IRRR. **Motion to approve RESOLUTION 2026-27 (Mills/Beebe-Giudice)**
Roll call vote: Mills, Beebe-Giudice, Benson, Shackleton, Clissold: all ayes. Anderson recused from vote.
Vote: Passed (5-0-1)

b. **2026-28** RESOLUTION APPROVING A DEVELOPMENT AGREEMENT WITH THE HOUSING AND REDEVELOPMENT AUTHORITY OF COOK COUNTY AND ARBODA LOFTS, LLC (Pages 33-73)
Wakefield stated that Ryan from Arboda Lofts, LLC has joined the meeting virtually and recommended the EDA support the agreement and project which has a substantial state grant award attached to it.

HRA Director Brand spoke to Commissioners about the partnership between the City of Grand Marais, EDA, and HRA and how the project resulted in a situation where a new developer had to be sought. Stated the HRA Board voted in favor of the Development Agreement on July 28th and the urgency in moving this forward to keep up with the grant and development schedules.

Clissold said he was involved for a couple of months and expressed confidence that this developer will be successful.

Mills expressed gratitude for working with Ryan and Brand and questioned whether any changes in the planned sixteen units will require a re-application or changes to the grant award.

Benson requested clarification of the affordability and rent restrictions.

Brand explained that at least five units will be reserved for renters earning 60% or less of County Area Median Income (AMI) and at least six units for renters earning 80% or less of AMI. Explained they designed some flexibility for qualified renters in the event their income is slightly above or below the AMI threshold.

Mills expressed support for this flexibility as it is easy to be just over the income qualification.

Motion to approve RESOLUTION 2026-28 (Anderson/Beebe-Giudice)
Roll Call vote: Mills, Beebe-Giudice, Anderson, Shackleton, Benson, Clissold: all ayes. Vote: Passed (6-0)

c. **2026-29** RESOLUTION ACKNOWLEDGING REPAYMENT OF LOAN AGREEMENT C202419 WITH GUNFLINT VUE LLC AND AUTHORIZING REPAYMENT OF COOK COUNTY LOAN (Pages 74-78)
Wakefield stated the EDA lent $200,000 for the Gunflint Vue project and the Developer has repaid the EDA early, so this authorizes repayment of the EDA's loan from the County and release of the existing lien against the Gunflint property associated with the EDA's loan.
Motion to approve RESOLUTION 2026-29 (Anderson/Beebe-Giudice)
Roll Call vote: Mills, Beebe-Giudice, Anderson, Shackleton, Benson, Clissold: all ayes. Vote: Passed (6-0)

d. **2026-30** RESOLUTION AUTHORIZING ANNUAL INSURANCE RENEWAL AND APPROVING NON-WAIVER OF STATUTORY TORT LIABILITY LIMITS (Pages 79-82)
Wakefield stated there are no changes to the current policy or insurance request, but he is happy to research alternate policies in the future if the Board desires.

Motion to approve RESOLUTION 2026-30 (Mills/Beebe-Giudice)
Roll Call vote: Mills, Beebe-Giudice, Anderson, Shackleton, Benson, Clissold: all ayes. Vote: Passed (6-0)

7. SBDC Report (Page 83)
Christiansen reported that July was rather quiet with new clients, but she worked with existing clients and businesses impacted by the wildfires.

8. Committee/Commissioner Reports

a. Golf Course Committee
Clissold said the sale will close on Friday, August 21, 2026 and he will sign documents tomorrow. Acknowledged the work Shackleton and Mike Larson have done. Commissioners thanked President Clissold for his work and commitment.

b. Taconite Harbor Subcommittee
No updates. Wakefield stated he will reach out to the Schroeder Town Board to request a meeting in September or October. Wakefield said a quote from Northspan was received to complete an Economic Impact Analysis, but the Subcommittee has yet to review.

c. Grant Review Committee
Beebe-Giudice said the third grant cycle for the year is coming in September and discussed tightening up the language of when final reports are due after contract expiration. Anderson suggested report reminders be automated for recipients.

d. HR Committee Update
No update.

e. Finance Committee
Wakefield noted they are waiting on the notice of timing for the County's 2027 budget meetings but he will start working on the narrative.

9. Executive Directors Report
Wakefiled noted that at the regular September EDA meeting he would like Commissioners to review the previously completed Strategic Plan and determine whether they desire to hire a firm to develop a 2027 Plan or keep that in-house. Requested Commissioners communicate their board training desires and interests.

Clissold & Wakefield spoke about the relationship with Northland Foundation and its oversight over the SBDC. Wakefield said if the EDA is going to continue oversight, he would like additional training on SBDC functions.

Wakefield shared that the five counties in the Coal Impact Communities have invited Cook County to apply for the workforce training funding that is available. Stated that Cook County would have to find a community partner to manage the workforce training and the EDA could receive up to $20,000 to support this effort.

Wakefield was asked by Carla at DEED to be a presenter on the Taconite Harbor project in mid-September.

Anderson suggested in support of Wakefield's grant recipient survey idea that he could present the business plaques in person and give the recipients the link to do this survey.

10. Adjourn
Clissold adjourned the EDA Regular Meeting at 5:08 pm

Next Meeting: Tuesday, September 15, 2026

Respectfully submitted by minute taker Maggie Barnard

Cook County/Grand Marais Economic Development Authority

Balance Sheet

As of August 31, 2026

	TOTAL		
	AS OF AUG 31, 2026	AS OF AUG 31, 2025 (PY)	% CHANGE
ASSETS			
Current Assets			
Bank Accounts			
GMSB Checking Account	326,827.19	89,684.77	264.42 %
GMSB Money Market	130,325.79	247,335.44	-47.31 %
NSFCU 5162030 Checking	6,355.14	6,354.08	0.02 %
NSFCU Money Market (87)	0.00	0.00	
NSFCU Patronage	37.24	37.24	0.00 %
NSFCU Savings	10.19	10.19	0.00 %
Total Bank Accounts	**$463,555.55**	**$343,421.72**	**34.98 %**
Accounts Receivable			
Accounts Receivable	0.00	0.00	
Total Accounts Receivable	**$0.00**	**$0.00**	**0.00%**
Other Current Assets			
Due from Lutsen Recreation	0.00	0.00	
Due from Lutzen Mountainside	8,437.50	8,437.50	0.00 %
Due from SNL	12,083.33		
Due from Superior National at Lutsen	190,000.00		
Note Payable | Gunflint Vue LLC	0.00	200,000.00	-100.00 %
Prepaid Rent	915.00	915.00	0.00 %
Taxes Receivable - current	35,732.65	16,054.18	122.58 %
Taxes Receivable - delinquent	18,709.00	8,396.00	122.83 %
Undeposited Funds	0.00	0.00	
Total Other Current Assets	**$265,877.48**	**$233,802.68**	**13.72 %**
Total Current Assets	**$729,433.03**	**$577,224.40**	**26.37 %**
Fixed Assets			
Land Held for Resale	2,800.00	114,000.00	-97.54 %
Total Fixed Assets	**$2,800.00**	**$114,000.00**	**-97.54 %**
Other Assets			
Tac Area Bus Relief Note Rec	0.00	0.00	
Total Other Assets	**$0.00**	**$0.00**	**0.00%**
TOTAL ASSETS	**$732,233.03**	**$691,224.40**	**5.93 %**

Cook County/Grand Marais Economic Development Authority

Balance Sheet

As of August 31, 2026

	TOTAL		
	AS OF AUG 31, 2026	AS OF AUG 31, 2025 (PY)	% CHANGE
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
Accounts Payable	-13,260.43	26,920.98	-149.26 %
Total Accounts Payable	**$ -13,260.43**	**$26,920.98**	**-149.26 %**
Credit Cards			
Visa Credit Card	315.86	289.56	9.08 %
Total Credit Cards	**$315.86**	**$289.56**	**9.08 %**
Other Current Liabilities			
Contingent Liability	0.00	0.00	
Deferred Revenue	0.00	0.00	
Due to City of Grand Marais	35,872.50	149,812.55	-76.06 %
Due to Cook County	0.00	28,103.89	-100.00 %
Due to Workforce Recruitment	0.00	0.00	
Note Payable | Cook County	0.00		
Salaries/Benefits	0.00	0.00	
Total Other Current Liabilities	**$35,872.50**	**$177,916.44**	**-79.84 %**
Total Current Liabilities	**$22,927.93**	**$205,126.98**	**-88.82 %**
Long-Term Liabilities			
Unavailable Rev - Deferred Tax	18,709.00	8,396.00	122.83 %
Total Long-Term Liabilities	**$18,709.00**	**$8,396.00**	**122.83 %**
Total Liabilities	**$41,636.93**	**$213,522.98**	**-80.50 %**
Equity			
Opening Bal Equity	118,003.47	118,003.47	0.00 %
Retained Earnings	479,019.59	358,699.28	33.54 %
Net Income	93,573.04	998.67	9,269.77 %
Total Equity	**$690,596.10**	**$477,701.42**	**44.57 %**
TOTAL LIABILITIES AND EQUITY	**$732,233.03**	**$691,224.40**	**5.93 %**

Cook County/Grand Marais Economic Development Authority

Budget FY26_P&L
January-August, 2026

	TOTAL		
	Actual	Budget	Over budget by
Income			
EDA Levy			
Levy County Cedar Grove Pass Thru	34,248.77	60,000.00	-25,751.23
Levy County - Operations	259,598.07	452,962.00	-193,363.93
Total for EDA Levy	**$293,846.84**	**$512,962.00**	**-$219,115.16**
Grant Income			
Misc Income	18,328.03		18,328.03
Total for Grant Income	**$18,328.03**		**$18,328.03**
Interest Income	9,817.81		9,817.81
Northland SBDC Income	2,002.25	39,000.00	-36,997.75
Rent HRA	4,600.00	6,900.00	-2,300.00
Total for Income	**$328,594.93**	**$558,862.00**	**-$230,267.07**
Cost of Goods Sold			
Gross Profit	**$328,594.93**	**$558,862.00**	**-$230,267.07**
Expenses			
Dues/Memberships	1,648.28	3,500.00	-1,851.72
Operating Expenses		$0.00	$0.00
Advertising/Marketing/Website	2,782.94	3,000.00	-217.06
Bank Charges	54.00	200.00	-146.00
Meeting Expenses & Per Diem	1,035.00	4,000.00	-2,965.00
Office Expenses	$325.87		$325.87
Copy Machine	309.92		309.92
Equipment/Computers/Virtual	65.01	3,000.00	-2,934.99
Supplies	128.83	3,000.00	-2,871.17
Total for Office Expenses	**$829.63**	**$6,000.00**	**-$5,170.37**
Rent Expense	10,076.37	8,400.00	1,676.37
Superior National pass-thru	5,542.79		5,542.79
Telephone	628.59	852.00	-223.41
Board Member Training		2,000.00	-2,000.00
City Administration		1,000.00	-1,000.00
Insurance		3,600.00	-3,600.00
Total for Operating Expenses	**$20,949.32**	**$29,052.00**	**-$8,102.68**
Professional Services		$0.00	$0.00
Accounting Support	2,800.00	8,000.00	-5,200.00
Legal	13,991.08	4,000.00	9,991.08
Misc Services	36,705.00	0.00	36,705.00
SBDC Consultant Expense	1,771.25	5,000.00	-3,228.75
State Audit	25,500.00	24,000.00	1,500.00
Public Financing Consulting		3,000.00	-3,000.00
SBDC Expenses - Other		1,000.00	-1,000.00
Total for Professional Services	**$80,767.33**	**$45,000.00**	**$35,767.33**

Cook County/Grand Marais Economic Development Authority

Budget FY26_P&L

January-August, 2026

	TOTAL		
	Actual	Budget	Over budget by
PROJECTS			
Business Development Program	93,645.07	200,000.00	-106,354.93
Cedar Grove Business Park Pass Thru	34,248.77	60,000.00	-25,751.23
Cedar Grove Special Assessments		3,754.00	-3,754.00
Total for PROJECTS	**$127,893.84**	**$263,754.00**	**-$135,860.16**
Staff Expenses			
Director Salary (w/ benefits)	63.12	134,230.00	-134,166.88
Training/Travel/Mileage	545.00	5,000.00	-4,455.00
Administration		8,000.00	-8,000.00
Total for Staff Expenses	**$608.12**	**$147,230.00**	**-$146,621.88**
Contingency		24,426.00	-24,426.00
Total for Expenses	**$231,866.89**	**$512,962.00**	**-$281,095.11**
Net Operating Income	**$96,728.04**	**$45,900.00**	**$50,828.04**
Other Income			
Other Expenses			
Net Other Income			
Net Income	**$96,728.04**	**$45,900.00**	**$50,828.04**

Cook County/Grand Marais Economic Development Authority

Bill Approval Status

August-September, 2026

Bill number	Vendor	Date	Amount	Paid status	Approval status	Due date
2040	Drosera Holdings	08/01/2026	1,300.12	Paid		08/16/2026
	Sundew Technical Services	08/17/2026	309.92	Paid		08/31/2026
	Sydney's Frozen Custard	08/17/2026	21,095.70	Paid		08/27/2026
2608	Maggie Barnard	08/20/2026	62.50	Paid		09/19/2026
260801	Rachelle Christiansen	08/31/2026	32.50	Paid		08/31/2026
366	Sarena Crowley	08/31/2026	350.00	Paid		09/30/2026
2042	Drosera Holdings	09/01/2026	1,231.35	Paid		09/16/2026
4014	North Shore Development Co.	09/01/2026	2,500.00	Paid		09/30/2026
198953	Hanft Fride	09/04/2026	11,348.00	Paid		09/14/2026
	Dr. Stephanie Vos, LLC	09/07/2026	3,027.35	Paid		09/17/2026

Superior National at Lutsen

Balance Sheet - copy

As of Aug 31, 2026

	JAN 1 - AUG 31 2026		
	CURRENT	As of Aug 31, 2025 (PY)	% Change (PY)
Assets			
Current Assets			
Bank Accounts			
NSFCU CD	428.50	203,517.86	-99.79 %
NSFCU Checking 5162029	361,491.77	267,411.63	35.18 %
NSFCU Patronage Rebate	2,109.73	1,705.59	23.7 %
Cash on Hand	1,143.58	1,143.58	0.0 %
NSFCU Checking	0.00	0.00	
NSFCU Money Market	1,832.49	1,832.49	0.0 %
NSFCU Savings	10.00	10.00	0.0 %
Total for Bank Accounts	**367,016.07**	**475,621.15**	**-22.83 %**
Accounts Receivable			
Accounts Receivable	0.00	0.00	
Total for Accounts Receivable	**0.00**	**0.00**	
Other Current Assets			
Inventory			
Inventory - Beverages	9,601.00	16,336.00	-41.23 %
Inventory - Food	4,022.00	5,917.00	-32.03 %
Inventory -Merchandise	98,287.00	98,117.94	0.17 %
Total for Inventory	**111,910.00**	**120,370.94**	**-7.03 %**
QuickBooks Tax Holding Account	10,508.27		
Beer Escrow Account	0.00	0.00	
Member Accounts Receivable	0.00	0.00	
Undeposited Funds	0.00	0.00	
Total for Other Current Assets	**122,418.27**	**120,370.94**	**1.7 %**
Total for Current Assets	**489,434.34**	**595,992.09**	**-17.88 %**
Fixed Assets			
Accumulated Depreciation	-7,237,213.53	-6,879,182.51	-5.2 %
Building - Club House	476,180.90	476,180.90	0.0 %
Building - Maintenance	85,707.03	85,707.03	0.0 %
Capital Items	0.00	0.00	
Club House Equipment	64,827.73	64,827.73	0.0 %
Golf Course Equipment	1,143,362.40	1,044,675.03	9.45 %
Golf Course Land	213,685.00	213,685.00	0.0 %
Land Improvements - 1st 18 Hole	2,929,057.25	2,705,805.25	8.25 %
Land Improvements 2013 - 2017	5,973,887.00	5,973,887.00	0.0 %
Land Improvements - New Nine	1,966,820.63	1,966,820.63	0.0 %
Loss of disposal of fixed assets	0.00	0.00	
Total for Fixed Assets	**5,616,314.41**	**5,652,406.06**	**-0.64 %**

Superior National at Lutsen

Balance Sheet - copy

As of Aug 31, 2026

	JAN 1 - AUG 31 2026		
	CURRENT	As of Aug 31, 2025 (PY)	% Change (PY)
Other Assets			
Accumulated amortization	-69,715.00	-99,294.00	29.79 %
Deferred Outflow - Pension	176,904.00	76,178.00	132.22 %
Right to use leased assets	385,118.00	99,294.00	287.86 %
Total for Other Assets	**492,307.00**	**76,178.00**	**546.26 %**
Total for Assets	**6,598,055.75**	**6,324,576.15**	**4.32 %**
Liabilities and Equity			
Liabilities			
Current Liabilities			
Accounts Payable			
*Accounts Payable	32,794.36	76,331.06	-57.04 %
Total for Accounts Payable	**32,794.36**	**76,331.06**	**-57.04 %**
Credit Cards			
Capital One Spark Mastercard	0.00	0.00	
Total for Credit Cards	**0.00**	**0.00**	
Other Current Liabilities			
Direct Deposit Payable	543.16	0.00	
Due to EDA	190,000.00	0.00	
Gift Certificates	29,049.39	29,802.22	-2.53 %
Minnesota Department of Revenue Payable	0.00	0.00	
Payroll Liabilities	0.00	0.00	
Child Support	0.00	0.00	
Credit One Garnishment	183.85	135.51	35.67 %
Federal Taxes (941/944)	8,847.49	-34.64	25641.25 %
MN Income Tax	1,623.39	-2.75	59132.36 %
MN Paid Family and Medical Leave	737.80		
MN Paid Family and Medical Leave SUI	1,069.08		
MN Unemployment Taxes	-5,198.44	-5,198.44	0.0 %
PERA Employee	5,732.28	3,263.17	75.67 %
Co. HSA	0.00	0.00	
PERA Life	0.00	0.00	
Rent	0.00	0.00	
Total for Payroll Liabilities	**12,995.45**	**-1,837.15**	**807.37 %**
Sales Tax Payable	25,309.05	31,070.80	-18.54 %
Tips Payable	1,107.17	2,745.06	-59.67 %
Capital Reserves	0.00	0.00	
Total for Other Current Liabilities	**259,004.22**	**61,780.93**	**319.23 %**
Total for Current Liabilities	**291,798.58**	**138,111.99**	**111.28 %**

Superior National at Lutsen

Balance Sheet - copy

As of Aug 31, 2026

	JAN 1 - AUG 31 2026		
	CURRENT	As of Aug 31, 2025 (PY)	% Change (PY)
Long-term Liabilities			
Deferred Inflow - Pension	136,974.00	119,899.00	14.24 %
Lease Liability	300,398.00	0.00	
Loan Payable - Cook County	2,169,972.00	2,169,972.00	0.0 %
Net Pension Liability	152,686.00	94,504.00	61.57 %
Total for Long-term Liabilities	**2,760,030.00**	**2,384,375.00**	**15.75 %**
Total for Liabilities	**3,051,828.58**	**2,522,486.99**	**20.98 %**
Equity			
Change in Net Position	259,219.00	259,219.00	0.0 %
Invested in Capital Assets, net	4,490,259.83	4,490,259.83	0.0 %
Opening Balance Equity	-144,083.30	-144,083.30	0.0 %
Restricted for Debt Service	337,967.70	337,967.70	0.0 %
Retained Earnings	-378,803.61	-378,803.61	0.0 %
Unrestricted	-182,944.00	-182,944.00	0.0 %
Unrestricted Net Assets	-851,112.96	-577,028.89	-47.5 %
Net Income	15,724.51	-2,497.57	729.59 %
Total for Equity	**3,546,227.17**	**3,802,089.16**	**-6.73 %**
Total for Liabilities and Equity	**6,598,055.75**	**6,324,576.15**	**4.32 %**

Superior National

Profit and Loss

August 2026

	TOTAL		
	AUG 2026	AUG 2025 (PY)	% CHANGE
Revenue			
Golfing Related Sales			
Cart Rentals	37,477.50	56,360.00	-33.50 %
Club Rentals/Lessons	1,260.00	1,642.00	-23.26 %
Driving Range Fees	3,483.49	4,554.82	-23.52 %
Greens Fees	162,540.96	243,099.64	-33.14 %
Membership Fees	-200.00	225.00	-188.89 %
Total Golfing Related Sales	**204,561.95**	**305,881.46**	**-33.12 %**
Merchandise, Beverage & Food			
Beverage Sales	28,028.37	39,172.36	-28.45 %
Food Sales	20,514.27	25,536.95	-19.67 %
Merchandise Sales	46,409.57	50,662.34	-8.39 %
Total Merchandise, Beverage & Food	**94,952.21**	**115,371.65**	**-17.70 %**
Sales - Unallocated	127,233.73	-36,551.12	448.10 %
Total Revenue	**$426,747.89**	**$384,701.99**	**10.93 %**
Cost of Goods Sold			
Beverage CoGS	2,159.19	-25,205.05	108.57 %
Food CoGS	12,841.12	2,154.26	496.08 %
Merchandise CoGS	87,292.39	58,675.21	48.77 %
Total Cost of Goods Sold	**$102,292.70**	**$35,624.42**	**187.14 %**
GROSS PROFIT	**$324,455.19**	**$349,077.57**	**-7.05 %**
Expenditures			
Administrative & General	30.00		
Computers/POS		649.14	-100.00 %
Credit Card Fees	10,208.69	6,032.26	69.23 %
Insurance	5,210.56	2,768.16	88.23 %
Office Expense	1,107.28	962.95	14.99 %
Total Administrative & General	**16,556.53**	**10,412.51**	**59.01 %**
Club House			
Cart Lease	5,898.96	17,041.65	-65.39 %
Cash Over/Short	103.76	-492.58	121.06 %
Paper Products/Cleaning Supply	1,181.14		
Repairs and Maintenance	3,883.02		
Supplies		75.92	-100.00 %
Utilities			
Electric - Club House	2,044.88	902.56	126.56 %
Telephone - Club House	303.87		
Television - Club House		177.40	-100.00 %
Total Utilities	**2,348.75**	**1,079.96**	**117.48 %**
Total Club House	**13,415.63**	**17,704.95**	**-24.23 %**

Superior National

Profit and Loss

August 2026

	TOTAL		
	AUG 2026	AUG 2025 (PY)	% CHANGE
Grounds Maintenance	40.50		
Cart Maintenance	13,524.41	1,348.62	902.83 %
Course Improvement	600.00		
Dues/Memberships		531.84	-100.00 %
Irrigation Expense		532.44	-100.00 %
Seed & Soil	759.28	13,313.53	-94.30 %
Shop Expense		249.14	-100.00 %
Small Tools/Parts	8,551.87	1,465.08	483.71 %
Utilities			
Electric	4,242.36	4,245.94	-0.08 %
Garbage		1,196.31	-100.00 %
Propane	9,566.75	1,260.18	659.16 %
Septic		1,332.96	-100.00 %
Telephone		281.28	-100.00 %
Total Utilities	**13,809.11**	**8,316.67**	**66.04 %**
Vehicle Maintenance/Gas	35.37	79.73	-55.64 %
Total Grounds Maintenance	**37,320.54**	**25,837.05**	**44.45 %**
Payroll Expenses			
Payroll Burden			
Payroll Taxes	8,342.69	11,105.40	-24.88 %
Retirement/PERA	2,308.09	5,044.70	-54.25 %
Work Comp Insurance	830.24		
Total Payroll Burden	**11,481.02**	**16,150.10**	**-28.91 %**
Salaries/Wages			
Grounds	56,704.09	72,805.70	-22.12 %
Proshop	19,571.63	28,579.90	-31.52 %
Salaried Employees	24,216.95	45,461.52	-46.73 %
Total Salaries/Wages	**100,492.67**	**146,847.12**	**-31.57 %**
Uniforms	0.01	740.84	-100.00 %
Wages	0.00	170.00	-100.00 %
Sick Pay	372.50	548.40	-32.08 %
Total Wages	**372.50**	**718.40**	**-48.15 %**
Total Payroll Expenses	**112,346.20**	**164,456.46**	**-31.69 %**
Professional Services	1,987.50	10,478.00	-81.03 %
Accounting/Audit	500.00	862.00	-42.00 %
Marketing and Promotion	805.00	680.00	18.38 %
Total Professional Services	**3,292.50**	**12,020.00**	**-72.61 %**
Total Expenditures	**$182,931.40**	**$230,430.97**	**-20.61 %**
NET OPERATING REVENUE	**$141,523.79**	**$118,646.60**	**19.28 %**

Superior National

Profit and Loss

August 2026

	TOTAL		
	AUG 2026	AUG 2025 (PY)	% CHANGE
Other Revenue			
Interest Income	15.41	651.99	-97.64 %
Misc Income	-56,140.55	1,237.13	-4,637.97 %
Total Other Revenue	**$ -56,125.14**	**$1,889.12**	**-3,070.97 %**
NET OTHER REVENUE	**$ -56,125.14**	**$1,889.12**	**-3,070.97 %**
NET REVENUE	**$85,398.65**	**$120,535.72**	**-29.15 %**

Business Development Fund Grant Awards Approved in 2025

Grantee	Board Approval Date	Contract Executed Date	Contract #	Award	Required Match	Total Project Cost	W9 Received	Grants Issued to Date	Actual Match to Date	Award Balance	Match Balance	Actual Project Costs to Date	Project Deadline	Final Report Received	Description/Progress Notes
Britt Malec, LLC	3/18/2025	5/30/2025	C202506	$1,000.00	$0.00	$946.97	6/6/2025	$1,000.00	$193.27	$0.00	$0.00	$1,193.27	3/18/2026	7/22/2025	Printer & Supplies. Final report received
Ruby Loon Graphics, LLC	4/15/2025	7/21/2025	C202507	$5,852.44	$585.24	$6,437.68	5/22/2025	$5,997.98	$708.22	-$145.54	-$122.98	$6,706.20	4/15/2026	3/23/2026	Screen Printing/Heat Transfer Equipment. Resolution approved $6,000 but grant contract approved $5,582.44 with grantee match of $585.24. $5,997.98 was issued to grantee. 7/22/2025 emailed grantee for documentation of 10% match of the grant amount issued to date ($599.80) and sent final report form.
Unimoose Enterprises	4/15/2025	7/23/2025	C202508	$24,254.00	$6,063.56	$30,317.56	10/1/2024	$24,254.00	$6,063.56	$0.00	$0.00	$30,317.56	4/15/2026	7/23/2025	Welding Equipment/Concrete Apron Repair. Original grant for $25,000; grantee confirmed project complete. No additional grant/match.Final report received.
Scruffy Dog Vintage Emporium, LLC	5/20/2025 & 4/21/2026	8/21/2025 & 7/7/2026	C202519 C202519-01	$25,000.00	$6,250.00	$34,069.52	3/3/2026	$25,000.00	$12,787.00	$0.00	-$6,537.00	$37,787.00	7/15/2026	pending	Building Repairs & Signage. 4/21/26 Board approved deadline extension to 7/15/26. 7/14/2026 proof of executed commercial lease provided by grantee. Materials submitted for final reimbursement - sent to treasurer 7/23/26. Final report due 8/15/26.
Sydney's Frozen Custard, L.L.C	5/20/2025 & 7/21/2026 & pending 2nd amendment 9/15/26.	8/11/2025 & 8/6/2026 & pending 2nd amendment	C202526 C202526-01 C202526-02	$25,000.00	$6,250.00	$36,593.00	pending	$21,095.70	$6,250.00	$3,904.30	$0.00	$27,345.70	8/11/2026	pending	Building Repairs/Create Breezeway/Expand Menu. 8/11/2025 confirmed LLC registered. 6/1/2026 Executive Director authorized 30 day project completion deadline at request of Grantee. First amendment to extend deadline to 8/11/2026 approved by EDA 7/21/26 - amendment executed 8/6/2026. Reimbursement processed 8/12/26; close grant short $3,904.30 no remaining eligible costs. 2nd Amendment to EDA Board 9/15/26.
Fika Coffee, LLC	5/20/2025	5/20/2025	C202505	$25,000.00	$6,250.00	$37,073.10	6/2/2025	$25,000.00	$15,033.99	$0.00	-$8,783.99	$40,033.99	5/20/2026	4/14/2026	Roastery Equipment.
Raven Moon Ridge, LLC	5/20/2025	7/17/2025	C202504	$3,200.00	$0.00	$3,196.20	9/30/2025	$1,943.45	$0.00	$0.00	$0.00	$1,943.45	12/31/2026	3/22/2026	Solar Panel System/Mobile Charging Unit; original award $3,196.20; grantee came in under budget. No additional expenses.
Beran's Handcrafted Log Cabins	6/17/2025	7/30/2025	C202520	$10,000.00	$1,000.00	$39,900.00	7/2/2025	$10,000.00	$81,360.13	$0.00	$0.00	$91,360.13	6/18/2026	2/4/2026	Excavator.
The Mayhew, LLC	6/17/2025	7/22/2025	C202509	$25,000.00	$28,440.00	$53,440.00	12/22/2025	$25,000.00	$43,158.35	$0.00	-$14,718.35	$68,158.35	6/17/2026	7/31/2026	Environmental Work. Grant to support future environmental studies; match previously incurred costs Phase I. 5/21/26 2nd and final reimbursement processed. Final report received 7/31/2026.
CedarSun Electric, LLC	7/15/2025	7/17/2025	C202503	$10,000.00	$1,000.00	$31,304.98	7/17/2025	$10,000.00	$6,758.10	$0.00	-$5,758.10	$16,758.10	1/31/2026	1/25/2026	equipment purchase electrical contracting.
Wild Wes Tire and Timber LLC	7/15/2025	7/17/2025	C202502	$10,000.00	$1,000.00	$12,181.35	7/24/2025	$10,000.00	$2,181.35	$0.00	-$1,181.35	$12,181.35	12/31/2026	4/22/2026	equipment purchase new auto repair.
Sweetwater Design Studios LLC	7/15/2025	7/18/2025	C202501	$25,000.00	$6,250.00	$78,283.03	7/17/2025	$25,000.00	$11,398.22	$0.00	-$5,148.22	$36,398.22	12/31/2026	pending	Grinder pumps for commerical spaces. 3/13/26 emd grantee for final report. 3/18/26 grantee is completing HVAC and electrical work and will send final report early April to account for additional match/work towards the project.
The Beaver House LLC	9/16/2025	7/19/2025	C202527	$10,693.00	$1,069.00	$63,409.75	7/19/2025	$0.00	$0.00	$10,693.00	$1,069.00	$0.00	12/31/2026	pending	interior rennovation, windows, doors and flooring. Request for reimbursement and project update sent 1/21/26. 1/23/26 encountered several delays and securing additional funding. Anticipate completion by grant deadline.
TOTAL				**$199,999.44**		**$427,153.14**		**$184,291.13**				**$370,183.32**			

2025 BDF Allocation	**$200,000.00**
Available Balance (less encumberd/awarded funds)	**$0.56**
Actual Balance (less expended reimbursements)	**$15,708.87**

Business Development Fund Grant Awards Approved in 2026

Grantee	Board Approval Date	Contract Executed Date	Contract #	Award	Required Match	Total Project Cost	W9 Received	Grant Funds Issued to Date	Actual Match to Date	Award Balance	Match Balance	Actual Project Costs to Date	Project Deadline	Final Report Received	Description/Progress Notes
Dream Superior LLC (dba Sisu + Loyly)	3/17/2026	3/18/2026	C202603	$25,000.00	$6,250.00	$31,250.00	3/28/2026	$25,000.00	$38,300.00	$0.00	-$32,050.00	$63,300.00	3/31/2027	pending	Construction support of new bathhouse. Reimbursement request processed 8/3/2026. Final report due within 30 days of reimbursement but may consider waiting until additional work completed - closer to project deadline so true deliverables/outcomes can be reported.
Crosby Bakery LLC	3/17/2026	3/18/2026	C202604	$21,679.35	$5,087.77	$26,767.12	4/11/2026	$18,318.45	$4,295.68	$3,360.90	$792.09	$22,614.13	3/31/2027		Purchase 4th oven for bakery. 1st reimbursement processed 4/14/26.
Violence Prevention Center	3/17/2026	4/9/2026	C202605	$20,500.00	$4,675.00	$25,175.00	4/9/2026	$12,345.34	$3,068.33	$8,154.66	$1,606.67	$15,413.67	3/31/2027		Remodel/expansion of VPC office. 8 year lease received 4/9/26. 1st Reimbursement processed 5/6/26.
Scaredy Cat LLC	3/17/2026	3/20/2026	C202607	$5,000.00	$0.00	$5,000.00	4/10/2026	$0.00		$5,000.00	$0.00	$0.00	3/31/2027		Website update and procure original artwork for website.
Common Ground Home Services LLC	3/17/2026	3/19/2026	C202609	$4,729.05	$0.00	$4,729.05	3/19/2026	$4,729.05	$494.49	$0.00	-$494.49	$5,223.54	3/31/2027	5/21/2026	Purchase tools for contracting company.1st and final reimbursement processed 3/23/26. 5/21/2026 final report received.
Refugia Designs LLC (dba Taproot Floral)	3/17/2026	3/18/2026	C202610	$4,500.00	$0.00	$4,500.00	3/18/2026	$4,500.00	$0.00	$0.00	$0.00	$4,500.00	3/31/2027	5/20/2026	Purchase used flower cooler. 1st and final reimbursement processed 3/23/26. 5/20/26 final report received.
North Road Knits LLC	3/17/2026	3/22/2026	C202611	$2,549.65	$0.00	$2,691.16	9/9/2026	$2,549.65	$0.00	$0.00	$0.00	$2,549.65	3/31/2027	9/8/2026	Purchase materials/equipment for home yard dying expansion. 9/8/26 first and final reimbursement submitted; grantee did not expend full grant award of $2,691.16. Reduce to actual $2,549.65. Final report received.
Wandering Fern Retreats LLC	3/17/2026	3/23/2026	C202612	$1,998.90	$0.00	$1,998.90	pending	$0.00	$0.00	$1,998.90	$0.00	$0.00	3/31/2027		Purchase equipment tor new business startup. 4/10/26 email reminder for W9.
Dr Steph Vos LLC	6/16/2026	6/19/2026	C202617	$3,027.35	$0.00	$3,027.35	8/5/2026	$3,027.35	$276.42	$0.00	-$276.42	$3,303.77	6/30/2027	pending	Chiropractic equipment and patient education maters. Reimbursement request processed 8/5/26.
Berans Handcrafted Log Cabins LLC	6/16/2026	6/19/2026	C202618	$15,000.00	$2,750.00	$17,750.00	pending	$0.00	$0.00	$15,000.00	$2,750.00	$0.00	6/30/2027		Solar power system installation. Must submit proof of approved conditional use permit from Cook County prior to commencement.
Adrea Davina Beres Ceramics LLC (dba Lichen & Ember)	6/16/2026	6/19/2026	C202619	$7,098.00	$598.00	$7,696.00	7/19/2026	$4,951.30	$598.00	$2,146.70	$0.00	$5,549.30	6/30/2027		Perimenopause coaching certification and program launch. 1st reimbursement processed 7/20/2026. 2nd reimbursement processed 9/8/2026.
TOTAL				**$111,082.30**		**$130,584.58**		**$75,421.14**				**$122,454.06**			

2026 BDF Allocation	**$200,000.00**
Available Balance (less encumberd/awarded funds)	**$88,917.70**
Actual Balance (less expended reimbursements)	**$124,578.86**

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: September 9, 2026
Subject: First Amendment to Development Agreement C202407 – Cascade Vacation Rentals (Resolution 2026-31)

Background

On February 20, 2024, the EDA Board approved Resolution 2024-02 authorizing Development Agreement C202407 and the conveyance of Lots 2 and 3, Block 4, Cedar Grove Business Park to Cascade Vacation Rentals LLC for $60,000. The property was conveyed for development of storage unit buildings consistent with the terms of the Development Agreement. Development Agreement C202407 required Cascade Vacation Rentals LLC ("Developer") to complete construction of the improvements by December 31, 2025. The Agreement also requires the Developer to comply with applicable development, permitting, stormwater management, building code, and other requirements associated with the project.

The project has not been completed within the original construction timeline; however, the Developer continues to pursue development of the property for the storage business contemplated by the Development Agreement. The Developer is currently working with Beaver River Consulting to complete the necessary stormwater management plan and is working through remaining project details in preparation for construction.

Minnesota Statutes, Section 469.105, subdivision 5, requires a purchaser of EDA-owned property to devote the property to its intended use or begin work on the improvements within one year of purchase. The statute also authorizes the EDA to extend the time to comply with a condition when the purchaser demonstrates good cause. Based on the Developer's continued advancement of the project and work underway to complete the necessary stormwater planning and remaining preconstruction activities, staff recommends extending the construction completion deadline to December 31, 2027.

The proposed First Amendment to Development Agreement C202407 amends Article VII(C) to establish December 31, 2027, as the deadline for completion of construction of the improvements. All other terms and conditions of the Development Agreement remain unchanged.

Recommended Action

Approve Resolution 2026-31 authorizing the First Amendment to Development Agreement C202407 between the EDA and Cascade Vacation Rentals LLC and authorizing the Board President to execute the amendment.

Attachments:

- Resolution 2026-31
- First Amendment to Development Agreement C202407

COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY

RESOLUTION NO. 2026-31

RESOLUTION APPROVING FIRST AMENDMENT TO DEVELOPMENT AGREEMENT C202407 WITH CASCADE VACATION RENTALS LLC

WHEREAS, on February 20, 2024, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") approved Resolution 2024-02 authorizing Development Agreement C202407 and conveyance of Lots 2 and 3, Block 4, Cedar Grove Business Park to Cascade Vacation Rentals LLC ("Developer") for development of storage unit buildings; and

WHEREAS, Development Agreement C202407 required the Developer to complete construction of the improvements by December 31, 2025; and

WHEREAS, the Developer continues to pursue development of the property for the intended storage business and is currently working with Beaver River Consulting to complete the necessary stormwater management plan and other project details necessary to advance construction; and

WHEREAS, Minnesota Statutes, Section 469.105, subdivision 5, authorizes the EDA to extend the time to comply with a condition of a property conveyance upon a determination that the purchaser has good cause; and

WHEREAS, the EDA Board finds that the Developer's continued pursuit of the project and ongoing work to complete necessary stormwater planning and preconstruction activities constitute good cause to extend the construction completion deadline; and

WHEREAS, the proposed First Amendment to Development Agreement C202407 extends the deadline for completion of construction of the improvements to December 31, 2027, with all other terms and conditions of the Development Agreement remaining unchanged.

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby approves the First Amendment to Development Agreement C202407 between the EDA and Cascade Vacation Rentals LLC, extending the construction completion deadline to December 31, 2027, and authorizes the Board President to execute the amendment.

Board member ____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:
Abstention:
and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 15th day of September 2026.

ATTEST: ___________________________
Peter Clissold – Board President

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
CASCADE VACATION RENTALS
CEDAR GROVE BUSINESS PARK DEVELOPMENT LOTS 2 AND 3, BLOCK 4

This FIRST AMENDMENT to Development Agreement ("First Amendment") is entered into this _____ day of ___________, 2026, by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota ("EDA"), and CASCADE VACATION RENTALS LLC, a Minnesota limited liability company ("Developer").

WHEREAS, the EDA and Developer entered into Development Agreement C202407 ("Development Agreement") relating to the conveyance and development of Lots 2 and 3, Block 4, Cedar Grove Business Park, City of Grand Marais, Cook County, Minnesota ("Property"); and

WHEREAS, pursuant to the Development Agreement, the Property was conveyed to Developer for construction of storage unit buildings consistent with the terms and conditions of the Development Agreement; and

WHEREAS, Article VII.C of the Development Agreement requires Developer to complete construction of the Improvements by December 31, 2025; and

WHEREAS, Developer continues to pursue development of the Property for the intended use and is completing stormwater planning and other activities necessary to advance construction of the Improvements; and

WHEREAS, pursuant to Minnesota Statutes, Section 469.105, subdivision 5, the EDA has determined that good cause exists to extend the time for Developer to complete the Improvements; and

WHEREAS, the parties desire to amend the Development Agreement to extend the construction completion deadline to December 31, 2027.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Amendment to Article VII.C.
Article VII.C of the Development Agreement is hereby amended and restated in its entirety as follows:

C. Subject to Unavoidable Delays, Developer shall complete construction of the Improvements by December 31, 2027. The conveyance to Developer shall remain subject to the terms and conditions of Minnesota Statutes Sections 469.090 through 469.108, as applicable.

2. Ratification of Development Agreement.
Except as expressly amended by this First Amendment, all terms, covenants, conditions, obligations, and provisions of Development Agreement C202407 shall remain unchanged and in full force and effect. The Development Agreement and this First Amendment shall be construed together as one agreement.

3. Effective Date.
This First Amendment shall become effective upon execution by both parties.

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the date first written above.

COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

By______________________________
Peter Clissold, Its President

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _______________, 2026 by Peter Clissold, the President respectively, of the Cook County and Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota, on behalf of said authority.

____
Notary Public

CASCADE VACATION RENTALS LLC

By______________________________
______________, Its ______________

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _______________, 2024 by _______________, the ____________, of Cascade Vacation Rentals LLC, limited liability company existing under the laws of the State of Minnesota, on behalf of said authority.

____
Notary Public

DEVELOPMENT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
CASCADE VACATION RENTALS
CEDAR GROVE BUSINESS PARK DEVELOPMENT LOTS 2 AND 3, BLOCK 4

THIS AGREEMENT ("Agreement") entered into this 25 day of March, 2024 (the "Effective Date"), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota, ("EDA"), and CASCADE VACATION RENTALS LLC, a Minnesota Limited Liability Company ("Developer").

WHEREAS, the EDA owns certain real property as described in Exhibit A attached hereto and incorporated herein by reference, located in the City of Grand Marais Minnesota (the "Property");

WHEREAS, the EDA has determined development of the Property pursuant to the Agreement is in the best interest of the County and City and facilitates the EDA's economic development mission and that the Property is a suitable site for business expansion;

WHEREAS, Developer is desirous of acquiring the Property for construction of storage unit buildings (the "Project");

NOW, THEREFORE, in consideration of mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I
Definitions

For the purposes of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meaning clearly appears from the context:

A. Act: means Minnesota Statutes, Sections 469.090-469.108, as amended.
B. Agreement: means this Agreement, as the same may be from time to time modified, amended, or supplemented.
C. City: means the City of Grand Marais, Minnesota.
D. Construction Plans: means the site plan, utility plan, grading and drainage plan, landscape plan, elevation drawings and related documents on the construction work to be performed by Developer on the Property, attached hereto as Exhibit B, which are to be approved by the EDA and City in accordance with Article VII hereof.
E. County: means Cook County, Minnesota.
F. Declaration: means the Declaration of Covenants, Conditions, Easements and Restrictions dated June 5, 2006 and recorded in the Office of the Cook County Recorder on June 7, 2006 as document number 104734, said Declaration amended by a First Amendment dated March 23, 2010 and recorded in the Office of the Cook County Recorder on March 23, 2010, as Document No. 112719, as may amended from time to time, a copy of which is attached hereto as Exhibit C.
G. Deed: means the warranty deed to be given to Developer to convey Property, a copy of which is

attached hereto as Exhibit D.

H. Event of Default: means an action by Developer listed in Article XI of this Agreement.
I. Holder: means the owner of a Mortgage.
J. Improvements: means the improvements to be constructed by Developer on the Property including construction of storage unit buildings all in accordance with the approved Construction Plans.
K. Mortgage: means any mortgage made by Developer which is secured, in whole or in part, with the Property and which is a Permitted Encumbrance pursuant to the provisions of this Agreement.
L. Net Proceeds: means any proceeds paid by an insurer to Developer or the EDA under a policy or policies of insurance required to be provided and maintained by Developer pursuant to Article VIII of this Agreement and remaining after deducting all expenses (including fees and disbursements of counsel) incurred in the collection of such proceeds.
M. Plat: means the plat of Cedar Grove Business Park, as recorded in the Office of the Cook County Recorder on June 7, 2006 as Document No. 104734, a copy of which is attached as Exhibit E.
N. Project: means the Cedar Grove Business Park as depicted on the Plat, including, but not limited to, the construction of roads and utilities to serve the Property.
O. Property: means the real property described as Lots 2 and 3, Block 4, Cedar Grove Business Park, City of Grand Marais, Cook County, Minnesota.
P. State: means the State of Minnesota.
Q. Title Company: means a qualified title company designated by the EDA.
R. Unavoidable Delays: means delays which are the direct results of acts of God, unforeseen adverse weather conditions, strikes, other labor troubles, unavailability of materials through no fault of the Developer or the EDA, fire or other casualty to the Improvements, litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts of federal, state or local government unit (other than the EDA in enforcing its rights under this Agreement) which result in delays.

ARTICLE II
Representations and Warranties

The EDA makes the following representations as the basis for the understanding on its parts herein contained:

A. It is a lawfully constituted economic development authority under the laws of the State of Minnesota, it is not in material violation of any provisions of the State law and it has full power and authority to enter into this Agreement and perform its obligations hereunder.
B. There are not actions, suites or proceedings pending, or to the knowledge of the EDA threatened against the EDA or any property of the EDA in any court or before any federal, state, municipal, or governmental agency which, if decided adversely to the EDA, would have a material adverse effect upon the EDA or any business or property of the EDA and the EDA is not in default with respect to any order of any court or government agency.
C. The EDA will perform all of its obligations under this Agreement.
D. Based on reasonable knowledge and belief, the EDA believes that the Project contemplated by this Agreement is in conformance with development objectives of the Cedar Grove Business Park and conditions of Minnesota Statues Section 469.090-469.108.
E. The EDA holds marketable title to the Property, free and clear of all encumbrances except the Permitted Encumbrances, as hereafter defined.
F. The EDA has received no notices from any governmental entity regarding assessments or planned improvements that may result in assessments to the Property.

G. There are no unrecorded leases, contracts, easements, or any other documents creating rights in parties other than the EDA which cannot be terminated by the EDA prior to the First Closing, and which will continue to affect the Property after the Closing.

H. Developer acknowledges that the EDA makes no representation or warranties as to the condition of the soils on the Property or its fitness for construction of the Improvements. Developer shall have the right to enter upon the Property to undertake such environmental and soil tests as Developer deems necessary to determine the conditions of the Property. The EDA shall furnish Developer with all test results and environmental assessments that it has in its possession relating to the Property. If Developer determines that the condition of the soils on the Property is unacceptable to Developer it shall notify the EDA of such determination in writing at or before the date 45 days prior to the Date of Closing and if the EDA and Developer are unable to reach agreement on how the cure the defective condition within twenty (20) days of such notification either party hereto shall have the right to terminate this Agreement by giving ten (10) days notice of termination to the other party. At the end of such ten (10) day period this Agreement shall terminate and be of no further force or effect and the parties shall execute a certificate in recordable form evidencing the termination of this Agreement.

ARTICLE II

Representations and Warranties

Developer represents and warrants that:

A. Developer is a Minnesota limited liability company duly organized and authorized to transact business in the State, it is fully competent to acquire the Property and to construct the Project thereon, it is not in violation of any provisions of its articles of organization, member control agreement, or the laws of the State, it has the 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 perform all if its obligations under this Agreement. Neither the execution or delivery of this Agreement, the consummation of the transaction 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 agreement or instrument of whatever instrument of whatever nature to which the Developer is now a party or by which Developer is bound, or constitutes a default under the foregoing.

C. In the event the Property is conveyed to Developer, then Developer will construct, operate and maintain the Improvements in accordance with the terms of this Agreement, the Declaration, and all local, state and federal laws and regulations, including, but not limited to, environmental, zoning, stormwater management, building code and public health laws and regulations.

D. The Improvements constitute a permitted use under the zoning code of the City.

E. Developer will obtain 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 Improvements may be lawfully constructed.

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

G. Developer shall do such things as are necessary to cause any information, document, certificate, statement in writing, or report required under this Agreement delivered to the EDA or any third party under this Agreement to be true, correct, and complete in all material respects.
H. The EDA has provided Developer with a wetland delineation and mitigation plan for the land within the Plat and Developer understands Developer must comply with requirements of the delineation and mitigation plan applicable to the Property, if any.

ARTICLE III

Purchase Price and Manner of Payment

The proper EDA officials hereby agree to sell the Property by Warranty deed to Developer for the sum of Sixty Thousand Dollars ($60,000) (the "Purchase Price"), which shall be payable as follows:

A. The sum of One Thousand Dollars ($1,000.00), cash, as Earnest Money (the "Earnest Money") to be deposited in escrow by Developer on the date of this Agreement with the Title Company, which the Title Company is instructed to hold and disburse in accordance with the terms of this Agreement.
B. The balance of the purchase price shall be payable in cash or certified funds on the Closing Date, as hereafter defined.

ARTICLE IV

Contingencies

The Developer acknowledges that this Agreement is non-contingent as to the Developer, except for contingencies as to financing and other matters, if any, as provided in Article IX. The obligations of EDA under this Agreement are subject to and contingent upon the following:

A. The Board of Directors of EDA approving the terms and conditions of this Agreement.
B. The EDA obtaining any other governmental approvals as it pertains to the Property.
C. If the above contingencies have not been satisfied or waived on or before **April 5, 2024** by all parties (the "Contingency Period"), then this Agreement may be terminated by either party, by written notice from one party to the other party. Upon such termination, the parties to this Agreement shall execute a certificate in recordable form evidencing the termination of this Agreement. Upon termination in accordance with this Section the Earnest Money shall be refunded to Developer and upon such return, this Agreement shall become null and void and neither party will have any further rights or obligations regarding this Agreement and Developer shall have no further rights in the Property.
D. If EDA is diligently pursuing approval and completion of the Project, and additional time is required to finalize and/or obtain all required approvals, Developer shall have the option to extend the Contingency Period for one additional thirty (30) day period by giving written notice to the EDA prior to the expiration of the Contingency Period.
E. The EDA's obligations to convey the Property to Developer shall be subject to satisfaction of all of the following conditions precedent:
    i. Developer shall not be in default under any term of this Agreement; and
    ii. The Construction Plans for the Improvements shall have been approved by the City, the EDA and any other governmental agency other than the City and the EDA whose approval is required in order for Developer to construct and operate the Improvements; and

iii. Developer shall have approved title to the Property or waived any objections to title in accordance with Article VI.

ARTICLE V
Closing

The closing of the purchase and sale contemplated by this Agreement shall occur on April 5, 2024, or within thirty (30) days after all contingencies have been waived or satisfied, whichever shall first occur (the "Closing Date"). The closing shall occur at the office of the Title Company or the main business office of the EDA, in the EDA's sole and absolute discretion. On the Closing Date, EDA shall execute and/or deliver to Developer the following (collectively, "Closing Documents"):

A. Warranty Deed: The Warranty Deed conveying the Property to Developer, free and clear of all encumbrances, except the permitted encumbrances hereafter defined. The conveyance of the Property and Developer's use of the Property shall be subject to all of the conditions, covenants, restrictions and limitations imposed by this Agreement, the Declaration, and the Deed. The conveyance of title to the Property and Developer's use of the Property shall also be subject to the City's building and zoning laws and ordinances and all other applicable local, state and federal laws and regulations whether now existing or hereafter created. The Warranty Deed shall be promptly recorded. Developer shall pay all costs for recording the Warranty Deed and the EDA shall pay any applicable deed tax.
B. EDA's Affidavit: An Affidavit of Title by EDA (Uniform Conveyancing Blanks Form No. 118-M) indicating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens or bankruptcies against or involving EDA or the Property; that there has been no skill, labor or material furnished to the Property by EDA for which payment has not been made or for which mechanics' liens could be filed (unless sufficient retainage has been escrowed to satisfy any outstanding payables); and that there are no other unrecorded interests in the Property, together with whatever standard owner's affidavit and/or indemnity (ALTA Form) which may be required by the Title Company to issue an Owner's Policy of Title Insurance with the standard exceptions waived.
C. FIRPTA Affidavit: A non-foreign affidavit, properly executed and in recordable form, containing such information as is required by IRC Section 1445(b) (2) and its regulations.
D. Title Insurance Commitment: A marked up title commitment for an owner's policy of title insurance insuring that there are no liens or encumbrances against the Property other than the Permitted Encumbrances.
E. Date-Down Certificate: A certificate confirming the accuracy, as of the Closing Date, of the representations and warranties set forth in Article II.
F. Other Documents: All other documents reasonably required to transfer the Property to Developer in accordance with the terms of this Agreement.

On the Closing Date, Developer will execute and/or deliver to EDA the following (collectively, "Developer's Closing Documents"):

G. Purchase Price. The balance of the Purchase Price by cashier's check or wire transfer.
H. Title Documents: Such affidavits of Developer, Certificates of Value or other documents as may be reasonably required by the Title Company in order to record the Developer's Closing Documents and issue the Title Insurance Policy required by this Agreement.

I. Date-Down Certificate: A certificate confirming the accuracy, as of the Closing Date, of the representations and warranties set forth in Section.
J. Certificate of Insurance: The certificate of insurance required by Article VIII hereof.

The EDA and Developer agree to the following prorations and allocation of costs regarding this Agreement:

K. Title Insurance and Closing Fee. EDA will pay all costs of providing a commitment for owner's title insurance, certified to date, Developer will pay the premium required for the issuance of any Lender's or Owner's Title Insurance Policy issued in connection with Developer's purchase of the Property. EDA and Developer will each pay one-half of any reasonable and customary closing fee or charge imposed by the Title Company.
L. Real Estate Taxes. On or before the Closing, EDA shall pay all real estate taxes, and any penalties and interest thereon due and payable with respect to the Property in the year of Closing and all years prior to the year of Closing, including all deferred taxes (including any so-called "Green Acres" taxes) attributable to the year of Closing or years prior to the year of Closing. Developer shall pay all real estate taxes due and payable in years following the year of Closing. The EDA makes no representation whatsoever with respect to the amount of real estate taxes payable by Developer from and after the date of execution of this Agreement or with respect to the classification of the Property and Improvements for real estate tax purposes.
M. Special Assessments. EDA shall apply all of the net proceeds of this sale to the special assessments levied, pending or otherwise of record against the Property as of the date of this Agreement. Any remaining unpaid assessment shall be assumed by the Developer.
N. Recording Costs. EDA will pay the cost of recording all documents necessary to place record title in the condition warranted by EDA in this Agreement. Developer will pay the cost of recording all other documents.

ARTICLE VI
Title

Title Examination will be conducted as follows:

A. Title Evidence. Within fifteen (15) days after written request by Developer to EDA, but no later than sixty (60) days after execution of this Agreement by all parties hereto, EDA shall deliver to Developer, a title commitment issued by Title Company for an ALTA Owner's Policy of Title Insurance committing to insure title to the, in the amount of the Purchase Price, issued by the Title Company. The Title Commitment will commit the Title Company to insure title to the Property subject only to the Permitted Encumbrances (as defined in Article VI.B of this Agreement) and shall include a Special Assessment Search and be accompanied by copies of each document evidencing liens and encumbrances affecting the Property (Any such evidence of title so provided by EDA shall hereafter be referred to as the "Title Evidence").
B. Developer's Objections. Within twenty (20) days after receiving the Title Evidence, Developer will make written objections ("Objections") to the condition of the title to the Property. Developer's failure to make Objections within such time period will constitute a waiver of Objections. Any matter shown on such Title Evidence and not objected to by Developer shall be a "Permitted Encumbrance" hereunder. EDA will have sixty (60) days after receipt of the Objections to cure the Objections or elect to cancel this Agreement, during which period the

First Closing will be postponed as necessary. EDA shall use its best efforts to correct any Objections to title. If the Objections are not cured within such sixty (60) day period, Developer will have the option to do any of the following:

i) Terminate this Agreement and receive a refund of the Earnest Money.

ii) Waive the Objections and proceed to close.

ARTICLE VII

Construction of the Improvements

Developer agrees to construct the Improvements in accordance with the Construction Plans, and at all times operate and maintain, preserve and keep the Improvements or cause the Improvements to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair and condition. Developer agrees to following terms of construction Improvements:

A. Construction Plans. Developer will submit preliminary Construction Plans for the Improvements to the EDA for approval prior to Closing Date. The Construction Plans shall be deemed approved by the EDA unless rejected in whole or in part by written notice by the EDA to Developer setting forth in detail the reasons thereon. Such rejection must be made within ten (10) days after receipt of the Construction Plans. The Construction Plans will provide for the construction of the Improvements. No approval by the EDA shall relieve Developer of the obligation to comply with the terms of this Agreement, applicable federal, state and local laws, ordinances, rules and regulations, or to construct the Improvements. No approval by the EDA shall constitute a waiver of an Event of Default.

B. If Developer desires to make any change in the Construction Plans after their approval by the EDA, Developer shall submit the proposed change to the EDA for approval. If the Construction Plans, as modified by the proposed change, conform to the requirements of this Section with respect to such previously approved Construction Plans, the EDA shall approve the proposed change and notify Developer in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed approved by the EDA unless rejected, in whole or in part, by written notice by the EDA to Developer, setting forth in detail the reasons therefore. Such rejection shall be made within ten (10) days after receipt of the notice of such change.

C. Subject to Unavoidable Delays, Developer shall complete construction of the Improvements by December 31, 2025. Further, the conveyance to Developer shall be subject to the terms and conditions of Minnesota Statutes Section 469.090 -469.108; and in particular, Developer agrees that it shall begin work on the Improvements to the Property to devote it to the Project no later than one (1) year from the date of conveyance of the Property to Developer as required by Minnesota Statutes Section 469.105.

D. All work with respect to the Improvements shall be in conformity with the Construction Plans as submitted by Developer and approved by the EDA. Developer agrees for itself, its successors and assigns, and every successor in interest to the Property, or any party thereof, that Developer, and such successors and assigns, shall diligently prosecute to completion the construction of the Improvements thereon, and that such construction shall, in any event, be completed within the period specified in this Section. It is intended and agreed that such agreements and covenants shall be covenants running with the Property 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 the Agreement itself, be, to the fullest extent permitted by law and equity, binding for the benefit of the EDA and enforceable by the EDA against Developer and successors and assigns.

E. All work with respect to the Improvements shall be in conformity with necessary City zoning and building code requirements. Developers agrees to submit necessary construction plans to City and obtain any necessary construction permits prior to commencement of construction.

ARTICLE VIII

Insurance

The Developer will provide and maintain or cause to be provided and maintained at all times during the process of constructing the Improvements and, from time to time at the request of the EDA, furnish the EDA with proof of payment of premiums on:

A. Builder's risk or hazard insurance, written on the so-called "Builder's Risk -- Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Improvements at the date of completion, and with coverage available in nonreporting form on the so called "all risk" form of policy.
B. Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, Broadening Endorsement including contractual liability insurance) together with an Owner's Contractor's Policy with aggregate limits against bodily injury and property damage of not less than $1,000,000, which may include or utilize an umbrella policy for compliance.
C. Worker's compensation insurance, with statutory coverage and employer's liability protection. In lieu of such worker's compensation insurance, a certificate of self insurance, reasonably satisfactory to EDA, shall be deemed compliance herewith.
D. Upon completion of construction of each unit of the Improvements and prior to the Developer's sale of the Property to a purchaser or the expiration of the EDA's Right of First Refusal contained in the Deed, whichever comes first, the Developer shall maintain, at its cost and expense, and from time to time at the request of the EDA shall furnish proof of the payment of premiums on, insurance as follows relative to such Improvements.
E. Insurance against loss and/or damage to the unit under a policy or policies covering such risk as are ordinarily insured against by similar businesses, including (without limiting the generality of the foregoing) fire, extended coverage, all risk vandalism and malicious mischief, boiler explosion, water damage, demolition cost, debris removal, and collapse in an amount not less than the full insurable replacement value of the Improvements, but any such policy may have a deductible amount of not more than $5,000. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the EDA. The term "full insurable replacement value" shall mean the actual replacement cost of the Improvements (excluding foundation and excavating costs and costs of underground flues, pipes, drains and other uninsurable items) and equipment, and shall be determined from time to time at the request of the EDA, but not more frequently than once very three (3) years, by an insurance consultant or insurer, selected and paid for by the Developer and approved by the EDA.
F. Comprehensive general liability insurance, including personal injury liability (with employee exclusion deleted), and automobile insurance, including owned, non-owned and hired automobiles, against liability for injuries to persons and/or property, in the minimum amount for each year of $2,000,000, for public liability and shall be endorsed to show the EDA as

additional insured. Other insurance, including comprehensive general liability insurance and worker's compensation insurance, consistent with the requirements of (A) above.

G. Such other insurance, including worker's compensation insurance respecting all employees of the Developer, in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure; provided that the Developer may be self-insured with respect to all or any part of its liability for worker's compensation.

H. All insurance required in this Article VIII of this Agreement shall be taken out and maintained in responsible insurance companies selected by the Developer which are authorized under the laws of the State to assume the risk covered thereby. The Developer will deposit annually with the EDA binders evidencing all such insurance, or a certificate or certificates of the respective insurers stating that such insurance is in force and effect. Unless otherwise provided in this Article VIII of this Agreement each policy shall contain a provision that the insurer shall not cancel or modify it without giving written notice to the Developer and the EDA at least thirty (30) days before the cancellation or modification becomes effective. Not less than fifteen (15) days prior to the expiration of any policy, the Developer shall furnish the EDA evidence satisfactory to the EDA that the policy has been renewed or replaced by another policy conforming to the provisions of this Article VIII of this Agreement, or that there is no necessity therefore under the terms hereof. In lieu of separate policies, the Developer may maintain a single policy, blanket or umbrella policy, or a combination thereof, having the coverage required herein, in which event the Developer shall deposit with the EDA a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Improvements.

I. The Developer agrees to notify the EDA immediately in the case of damage to or destruction of, the Improvements or any portion thereof resulting from fire or other casualty. In the event of any such damage or destruction, the Developer will forthwith repair, reconstruct and restore the Improvements to substantially the same or an improved condition or value as 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.

J. The Developer shall complete the repair, reconstruction, and restoration of the Improvements, whether or not 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 remitted to the Developer.

ARTICLE IX

Developer's Financing and Other Contingencies

In the event Developer has obtained a preliminary commitment for financing for the purchase of the Property and construction of the Improvements, Developer agrees that on or before the Contingency Date, Developer shall provide to the EDA evidence that Developer has secured financing sufficient to construct the Improvements.

A. In order to facilitate Developer obtaining financing for development of the Improvements, the EDA agrees that it will subordinate its right to cancel this Agreement and retake title to the Property as set forth in the Deed to the lien of an approved Mortgage. In addition, any Mortgage shall provide the Holder thereof, upon the giving of a notice of a default by Developer under the

Mortgage, provide notice of such default to the EDA at the same time as it provides notice of default to Developer.

B. If the above contingencies have not been satisfied or waived on or before April 5, 2024 by all parties (the "Contingency Period"), then this Agreement may be terminated by either party, by written notice from one party to the other party. Upon such termination, the parties to this Agreement shall execute a certificate in recordable form evidencing the termination of this Agreement. Upon termination in accordance with this Section the Earnest Money shall be refunded to Developer and upon such return, this Agreement shall become null and void and neither party will have any further rights or obligations regarding this Agreement and Developer shall have no further rights in the Property.

ARTICLE X

Assignment and Transfer

Developer represents and agrees that Developer's purchase of the Property, and Developer's other undertakings pursuant to the Agreement, are, and will be, for the purpose of development of the Property and not for speculation in land holding. Developer further recognizes the importance of the development of the Property to the general welfare of the community and that any act or transaction involving or resulting in a change in the identity of Developer is of particular concern to the community and the EDA. Developer further recognizes that the EDA is entering into the Agreement with Developer, and, in so doing, is willing to accept and rely on the obligations of Developer for the faithful performance of all undertakings and covenants hereby by Developer to be performed. For the foregoing reasons, Developer represents and agrees, prior to the first anniversary date of the Deed:

A. Except only by way of security for, and only for, the purpose of obtaining financing necessary to enable Developer or any successor in interest to the Property or any part thereof, to perform their obligations with respect to making the Improvements under the Agreement, any other purpose authorized by the Agreement, Developer (except as so authorized) has not made or created, and that they 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 Agreement or the Property or any part thereof or any interest therein, or any contract or agreement to do any of the same without the prior written approval of the EDA.

B. The EDA shall be entitled to require, except as otherwise provided in the Agreement, as conditions to any such approval that:
   i. Any proposed transferee shall have the qualifications and financial responsibility, as determined by the EDA, necessary and adequate to fulfill the obligations undertaken in the Agreement by Developer (or, in the event the transfer is of or relates to part of the Property, such obligations to the extent that they relate to such part).
   ii. Any proposed transferee, by instrument in writing satisfactory to the EDA and in form recordable among the land records, shall, for itself and its successors and assigns, and expressly for the benefit of the EDA, has expressly assumed all of the obligations of Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which Developer is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions and restrictions to the extent that they relate to such part).
   iii. Developer remains obligated to perform the obligations hereunder.

C. The EDA may, in its sole discretion, waive the requirements of Article X, Section B hereof with respect to a specified transfer, assignment or lease, if it determines, in its sole discretion, that the specified transfer, assignment or lease does not, as a practical matter, result in or involve a significant change in the identity of the parties in control of Developer or the parties responsible for the performance of the obligations of Developer under this Agreement.

ARTICLE XI

Events of Default

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 one or more of the following events:

A. Failure by Developer to complete construction of the Improvements within the time limits and pursuant to the terms, conditions and limitations of this Agreement.
B. Failure by Developer to substantially observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed hereunder.
C. There occurs any of the following:
    i. Developer files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under United States Bankruptcy Laws or any similar Federal or State Laws; or
    ii. Developer makes an assignment for the benefit of its creditors; or
    iii. Developer admits, in writing, its inability to pay its debts generally as they become due; or
    iv. Developer is adjudicated, bankrupt or insolvent.
D. There occurs a default by Developer under a mortgage or other instrument securing Developer's financing permitted under this Agreement, the Holder of such Mortgage exercises its remedies as a result of such default, such exercise of remedies adversely affects Developer's interest in the Property, and Developer does not cure the basis for the default within the applicable notice and cure period.
E. Whenever any Event of Default referred to in Article XI of this Agreement occurs, the EDA may take any one or more of the following actions after providing fifteen (15) days written notice to Developer of the Event of Default, but only if the Event of Default has not been cured within said fifteen (15) days or, if the Event of Default cannot be cured within fifteen (15) days, Developer does not provide assurances to the EDA reasonably satisfactory to the EDA that the Event of Default will be cured and will be cured as soon as reasonably possible:
    i. Suspend its performances under the Agreement until it receives assurances from Developer, deemed adequate by the EDA, that Developer will cure its default and continue its performance under the Agreement; or
    ii. Cancel and rescind the Agreement; or
    iii. Take whatever action, including legal or administrative action, which may appear necessary or desirable to the EDA to collect any payments due under this Agreement, or to enforce performance and observance of any obligation, agreement or covenant of Developer under this Agreement.
F. Whenever any Event of Default occurs and the EDA shall employ attorneys or incur 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 Developer under this Agreement, Developer agrees that it shall, within thirty (30) days of written demand by the EDA, pay to the EDA the reasonable fees of such attorneys and such other expenses so incurred by the EDA.

G. In the event that subsequent to conveyance of the Property or any part thereof to Developer (or its successor in interest) shall either:

(i) fail to begin construction of the Improvements in conformity with this Agreement, and such failure to begin construction shall not be cured within thirty (30) days after written notice to do so; or

(ii) after commencement of the construction of the Improvements, default in or violate its obligations with respect to the construction of the Improvements (including the nature and the date for the completion thereof), or shall abandon or substantially suspend construction work, and any such default, violation, abandonment or suspension shall not be cured, ended or remedied within thirty (30) days after written demand by the EDA so to do; then the EDA shall have the option to re-enter and take possession of the Property and to terminate (and revest in the EDA) the estate conveyed by the Deed to Developer. The Developer acknowledges and agrees that it is the intent of this Agreement that the conveyance of the Property to Developer is being made conditionally upon Developer's assurances and promises to the EDA that Developer shall satisfy all of the obligations imposed upon Developer under the terms of this Agreement without the occurrence of an Event of Default which is not cured within the time and in the manner prescribed by Article XI hereof. In the event that Developer shall fail to perform the obligations imposed upon Developer under the terms of this Section or fails to cure an Event of Default within the time and in the manner prescribed by Article XI hereof, then the EDA at its option, may declare a termination in favor of the EDA of the title, and of all the rights and interests in and to the Property conveyed to Developer, and that such title and all rights and interests of Developer, and any assigns or successors in interest to and in the Property, shall revert the EDA. In the event the title to the Property reverts to the EDA the Developer agrees to promptly execute and deliver to the EDA all documents reasonably requested of Developer by the EDA to evidence that title to the Property has reverted to the EDA. This provision may be enforced by an action in law or in equity or both with reasonable attorneys fees awarded to the EDA.

H. The option to revert title reserved to the EDA under Article XI of this Agreement shall be subordinate to any first mortgage upon the Property granted by the Developer.

I. Upon the EDA becoming revested, pursuant to Article XI hereof, with good and marketable title to the Property free and clear of all liens and encumbrances arising from any actions of Developer, Developer shall be relieved of any further obligations to the EDA under this Agreement. Provided, however, that Developer shall be entitled to recover or be repaid any monies paid by it to the EDA under this Agreement prior to the title to the Property becoming revested in the EDA less:

(i) the amount of any liens or encumbrances on the Property;

(ii) any costs or expenses incurred by the EDA in recovering the Property;

(iii) any diminution in value of the Property since the time of the original conveyance from the EDA to Developer; and

(iv) any costs incurred by the EDA from the original closing including any recording fees, closing fees, title insurance premiums and deed taxes. For purposes of this, the determination that the EDA has become revested with good and marketable title to the Property free and clear of all liens and encumbrances arising from any actions of Developer shall be made by the EDA in it's reasonable discretion.

ARTICLE XII

Miscellaneous Provisions

The EDA shall execute and deliver to Developer an appropriate certificate in recordable form upon the completion of the construction of the Improvements by Developer in accordance with this Agreement. Such certificate shall be in form of the one attached hereto as Exhibit F.

A. No remedy herein conferred upon or reserved to the EDA 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 EDA 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 XII.
B. In the event any term or provision contained in this Agreement should be breached by Developer and thereafter waived by the EDA, 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.
C. All of the terms of this Agreement will survive and be enforceable after the Closing.
D. Any notice or communication required or permitted to be given by any party to the other shall be in writing and shall be deemed to have been given in accordance with this Agreement if it is delivered personally to EDA or Developer or an authorized representative of a party hereto; or if mailed to either EDA or Developer by United States registered or certified mail, return receipt requested, postage prepaid; or if transmitted by facsimile copy followed by mailed notice; or if transmitted by electronic mail followed by mail notice; or if deposited cost paid with a nationally recognized overnight courier, properly addressed as follows:

In case of the EDA:

Cook County/Grand Marais Joint Economic Development Authority
Attn: Executive Director
P.O. Box 597, 425 W Highway 61, Suite B
Grand Marais, MN 55604

In the Case of Developer:

Cascade Vacation Rentals LLC
Attn: Clair Nalezny
5353 W Hwy 61, PO Box 148
Lutsen, MN 55612

E. Personal or facsimile mail deliveries shall be deemed effective the date sent. Overnight courier deliveries shall be deemed effective one (1) business day after the date sent. Mailed notices shall be deemed effective two (2) business days after the date of mailing. 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, ten (10) days prior to the effective date of such change.
F. No member, official, or employee of the EDA shall be personally liable to Developer, or any successor in interest, in the event of any default or breach or for any amount which may become due to Developer or any successor interest on any obligations under the terms of the Agreement.

G. Developer agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, that Developer, and such successors and assigns, shall devote one hundred (100%) percent of the Improvements on the Property to commercial uses, and only to and in accordance with, the terms and uses specified in the Agreement and shall use such property solely for the uses specified in the Agreement until five (5) years from the Time of Conveyance.

H. None of the provisions of this Agreement are intended to or shall be merged by reason of any deed transferring an interest in the Property. No deed shall be deemed to affect or impair the provisions and covenants of this Agreement. The provisions of this Agreement shall run with the land and be binding upon and inure to the benefit of the parties hereto and their successors and assigns until five (5) years from the date of the Second Closing.

I. Release and Indemnification Covenants shall state Developer release to the City, the EDA, and it's members, officers, agents, servants, and employees (the "Released Parties") from liability and covenants and agrees that the Released Parties shall not be liable for, and agrees to indemnify and hold harmless the Released Parties against any loss or damage to property or injury to or death of any person occurring at or about or resulting from any defect in the Improvements.

J. Developer agrees to protect and defend the Released Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever, other than Developer, arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Improvements.

K. The Released Parties shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, servants or employees or any other person who may be about the Property or Improvements due to any act of negligence of any person other than the Released Parties.

L. All covenants, stipulations, promises, agreements and obligations of the EDA contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the EDA and not of any governing body member, officer, agent, servant or employee of the EDA in the individual capacity thereof. Notwithstanding the foregoing, the protections granted to the Released Parties under subparagraphs (a) through (d) above shall not extend to any Released Party who has made any willful misrepresentation, or whose willful or wanton conduct or gross negligence has resulted in damage to Developer or any other person.

M. Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the following named parties or any misstatement of fact or representation contained herein, the EDA agrees to protect and defend Developer, its officers, agents, servants and employees thereof, now or forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever, other than the EDA, arising or purportedly arising from the EDA's activities with respect to or ownership of the Property prior to the date that the Property is conveyed to Developer.

N. The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

O. 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 or modification of any of its terms will be effective unless in a writing executed by the parties.

P. This Agreement binds and benefits the parties and their successors and assigns.
Q. This Agreement has been made under the laws of the State of Minnesota, and such laws will control its interpretation.
R. EDA and Developer, by entering into this Agreement and completing the transactions described herein, shall not be considered joint venturers or partners.
S. If the time period by which any right, option or election provided under this Agreement must be exercised, or by which any act required hereunder must be performed, or by which the Closing must be held, expires on a Saturday, Sunday or legal or bank holiday, then such time period will be automatically extended through the close of business on the next regularly scheduled business day.

ARTICLE XIII
Termination Date

This Agreement may be terminated by Developer in Developer's sole discretion and be of no further force and effect if the EDA has not executed and delivered the Deed to Developer hereunder by April 5, 2024. Developer may exercise this right to termination at any time after said date by written notice thereof to the EDA.

ARTICLE XIV
Business Subsidies Law

Developer and the EDA have discussed the Minnesota Business Subsidies Law, Minnesota Statutes §116J.993, through §116J.995 and its application to this transaction. Developer has advised the EDA and the EDA hereby agrees that the sales price of the Property is a fair market sales price, and that the EDA has made no business subsidy within the meaning of Minn. Statutes Section 116J.993, Subdiv. 3 to Developer.

Accordingly, Developer and the EDA have determined that the Minnesota Business Subsidies Law is not applicable to this transaction.

(The rest of this page is intentionally left blank)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date set forth above.

COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

By______________________________
Howard Hedstrom, Its Vice President

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 20th day of February, 2024 by Howard Hedstrom, the Vice President respectively, of the Cook County and Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota, on behalf of said authority.

____
Notary Public

THERESA A BAJDA
Notary Public
State of Minnesota
My Commission Expires
January 31, 2026

By______________________________
Theresa Bajda, Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 25th day of March, 2024 by Theresa Bajda, the Executive Director respectively, of the Cook County and Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota, on behalf of said authority.

KRISTA R. MIXDORF
NOTARY PUBLIC
MINNESOTA
My Commission Expires 01/31/2025

____
Notary Public

CASCADE VACATION RENTALS LLC

By ________________________
Clair T. Nalezny, Its owner

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 25 day of March, 2024 by Clair Nalezny, the Owner, of Cascade Vacation Rentals LLC, limited liability company existing under the laws of the State of Minnesota, on behalf of said authority.

____
Notary Public

STEPHANIE MARY RADLOFF
Notary Public, State of Minnesota
My Commission Expires
January 31, 2025

Exhibits

A. Legal Description
B. Construction Plans
C. Declaration of Covenants
D. Warranty Deed
E. CGBP Plat
F. Certificate of Completion

EXHIBIT A

Legal Property Description

The real property legally described as follows:

Lots 2 and 3, Block 4, CEDAR GROVE BUSINESS PARK, Cook County, Minnesota

80-800-0402 and 80-800-0403

EXHIBIT B - Construction Plans

STATE OF MINNESOTA }
COUNTY OF COOK } SS
I hereby certify that the within Instrument was filed in this office for record
June 7, 2006
at 10:15A. M. and was duly recorded as
Document No. 104734
Dusty Nelms
Cook County Recorder
By Holly Schroeder
Deputy

DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS
AND RESTRICTIONS FOR
CEDAR GROVE BUSINESS PARK
GRAND MARAIS, MN

This Declaration is made this 5th day of June, 2006, by the Cook County/Grand Marais Joint Economic Development Authority, a development authority under the laws of the State of Minnesota (the "EDA"), and Interstate Energy, LLC, a Minnesota limited liability company, (collectively the "Declarants").

WHEREAS, Declarants are the owners of real property in Cook County, Minnesota, legally described as Blocks 1 through 8, inclusive, and Outlots A, B, C, D and E, Cedar Grove Business Park, according to the plat thereof on record with the Cook County, Recorder, and hereinafter referenced to as the "CGBP," (Declarant Interstate Energy, LLC, being the owner of Lot 1, Block 4, of said CGBP, and Declarant EDA being the owner of all remaining lands within said CGBP) and Declarants desire to submit said real property and all improvements on it (collectively called the "Property") to the provisions of this Declaration; and

Whereas, the CGBP is developed to provide options for businesses seeking a convenient and affordable location to meet strategic objectives and to provide a pleasant work environment while preserving the natural character of the area to the extent possible.

WHEREAS, the CGBP is a joint venture of the Declarants and the City of Grand Marais; and

WHEREAS, Declarant desires to declare and establish covenants, conditions, easements and restrictions which will benefit and burden the Property; and

NOW, THEREFORE, Declarants declare that the Property shall be owned, used, occupied and conveyed subject to the covenants, conditions, easements, and restrictions set forth in this Declaration, all of which shall be binding on all persons or entities owning or acquiring any right, title or interest in the Property and their heirs, personal representatives, successors and assigns.

1. GENERAL DECLARATION

A. The covenants set forth herein are in furtherance of a plan to encourage consistent and compatible development of the subject property, and are established for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Property. Covenants shall run with the land for all purposes and shall be binding upon and inure to the benefit of the City of Grand Marais and all Property owners, occupants, and their successors in interest.

B. All lots in the CGBP shall be subject to these Covenants and to the easements, buffers, common areas, green areas, streets, areas dedicated to the public and other items shown on the plat for the CGBP, and all conveyances of lots shall be subject to same.

2. GOVERNANCE

The EDA is primarily responsible for planning and development, marketing, development agreements and conditions. All development agreements must be approved by the EDA. These Covenants are to be enforced by the City of Grand Marais Planning Commission and City Council, and through such legal action as they may direct.

3. REGULATION OF USES

Permitted primary uses:

1. Permitted uses shall conform to those allowed in the Zoning Ordinance of the City of Grand Marais as it now exists, and may be hereafter amended with the following exceptions and limitations:

(a) Lots within the CGBP which are adjacent to the Gunflint Trail, Lot 1 & 2, , Block 1: Lots 1 & 2, Block 3; Lots 2, 3 & 4, Block 4; and Lot 1, Block 5, shall be reserved for the following permitted uses:

Offices, Retail business, Professional Offices, Financial offices, Clinics, Research facilities, Art or photography studio, Personal care such as Barber, Hair salon, or Massage center, Printing shop, Child care facilities, Health care.

(b) Governmental offices or other governmental facilities shall require a conditional use permit.

Instrument No. 104734

4. MINIMUM STANDARDS

The minimum standards for the construction, alteration, and maintenance of improvements on the property shall be those set forth herein, as well as those see set forth by the City of Grand Marais and any other governmental agency which may have jurisdiction over the property. All improvements on the property shall conform to the then existing building codes and zoning ordinances in effect for the City of Grand Marais and shall be in compliance with all laws, rules and regulations of any governmental body that may be applicable including without limitation environmental laws and regulations. Where the restrictive covenants contained herein are more stringent than the zoning ordinances, codes, or other laws and regulations of the City of Grand Marais or any other applicable government agency, the restrictive covenants contained in this Declaration shall govern and become the minimum standards by which the improvements and maintenance of them shall be controlled. All uses shall respect the unique nature of the entire setting.

5. CONDITION OF PROPERTY AND SCREENING

A. All properties shall be kept in a safe, clean, and wholesome condition. Owners and tenants must comply at all times and at their own expense with all applicable governmental, health, fire and safety ordinances, regulations, requirements, and directives. Regular and frequent removal of and proper disposal of any waste, by-products or rubbish accumulating on each lot is required. Landscaped areas shall be maintained in a neat condition, lawns mowed, leaves raked, painted building exteriors shall be periodically recoated when required.

B. Outdoor storage of out-of-use or abandoned vehicles, out-of-use materials, out-of-use parts or out-of-use equipment is prohibited. This does not apply to vehicles, or equipment which is awaiting repair, providing the repairs are accomplished within a reasonable time period.

C. Refuse collection areas shall be appropriately screened and located consistent with the Guidelines.

D. All improvements shall be constructed, kept and maintained by the Owner or occupant in first class condition, repair, and appearance. All repairs, alterations, replacements, or additions to improvements shall be at least equal to the original work in class and quality.

E. Unfinished exterior of buildings, or structures shall be prohibited. Exterior finishes shall be in place no later than 12 months after issuance of building permit. Exterior finish materials shall be of good quality.

F. Every effort will be made to save trees in order to preserve natural areas consistent with the Guidelines.

Instrument No. 104734

6. UTILITIES

A. Utility service lines such as electrical, telephone, communication, and television cable shall be installed below grade, subject to the Guidelines.

B. Antennas necessary for the conduct of business may be erected only with approval of the Design Review Committee, subject to the Guidelines.

7. EXCAVATION

Not permitted, except in connection with construction of improvements and subject to the Guidelines.

8. CONSTRUCTION MATERIALS

It is intended that construction materials shall be of high quality and natural integrity, colors shall be earth tones, and also be subject to the Guidelines.

9. SIGNAGE

A. All signage shall comply with the City of Grand Marais sign ordinance further provided that there shall be: No rooftop or pylon signs, fluorescent colors, flashing lights, or moving signs are permitted, subject to the Guidelines.

B. Free standing signs shall be monument type, with a maximum height of eight feet above finish grade. Maximum total areas of 50 square feet (each side for double faced signs) is allowed for free standing sign on a single site. The maximum square footage allowed for free standing signs to accommodate multiple tenants on a single site shall not exceed 50 square feet per business.

10. LIGHTING

Lighting shall be subject to the Guidelines and shall be only as approved by the Design Review Committee. The basic premise is to avoid light pollution from lighting or signs (recognizing security needs, however) and to provide indirect building illumination and architectural lighting.

11. PARKING AND DRIVES

A. On-street parking is prohibited, except by permit issued by a designated official of the City of Grand Marais on good cause. Adequate on-site parking must be provided for all employees, visitors, company owned vehicles, and customers. Handicapped accessible parking must be provided in accordance with the Minnesota State Code. The City of Grand Marais parking ordinance shall apply, except as revised herein.

Provision must be made for loading and deliveries where applicable. One parking stall must be provided for each staff person, each employee, and all anticipated clients, or customers. Professional offices, including medical and dental shall have a minimum of one parking stall per 150 square feet gross floor area, or such greater number of parking stalls as shall be required by the City of Grand Marais parking ordinance.

B. A grading and drainage plan must be submitted to the Design Review Committee for approval, subject to the Guidelines.

C. Minimal surfacing for parking and drives shall be properly graded Class 5 surface which is considered to be an impermeable surface. Minimal surfacing for parking and drives on properties adjacent to the Gunflint Trail shall be bituminous or concrete paving.

D. All parking areas shall be screened from the road right-of-way by fences, or earth berms and plantings, or by four season plantings to enhance the natural landscape. Where existing foliage is undisturbed, additional screening may not be required.

E. Owners of Lots within Block 3 of the CGBP Plat shall only access their Lots from County Road No. 12, the Gunflint Trail, as shown on the plat.

12. LANDSCAPING

A. Landscaping is a high priority and is subject to the Design Review Committee and Guidelines therein. No construction will be permitted until a landscaping plan has been submitted and reviewed.

13. DESIGN AND CONSTRUCTION

A. It has been determined by the EDA, that the purpose of these Covenants is to maintain high standards of design, construction, and maintenance, which will elevate and preserve the valuation of all properties, without imposing unrealistic costs. The intent is to make every attempt to respect, compliment, and maintain the natural amenities of the sites.

B. The Design Review Committee will require that commercial building projects be designed and certified by licensed professionals in accordance with the laws of the State of Minnesota. The Design Review Committee encourages innovative design which takes advantage of the topography, minimizes earth work, and prefers design which is in character with the area.

C. It is the intention that the Design Review Committee be presented with conceptual or schematic drawings, by an owner or prospective owner of property, for preliminary review and approval, with the consent of the

Design Review Committee to final designs and plans consistent with such preliminary review and approval not to be unreasonably withheld.

14. SUBDIVISION

No lot may be subdivided, and no portion of a lot may be sold or otherwise conveyed, without written consent of the EDA and the Grand Marais City Council. Such consent may be withheld in the absolute discretion of the EDA and the City Council.

15. PERFORMANCE STANDARDS

A. The Performance Standards for C-2 Service Commercial-Industrial District and Business Development Area as defined in the City of Grand Marais Zoning Ordinance shall apply to properties in the CGBP except as modified herein.

B. The Regulations on Screening, Landscaping, Lighting, Storage, and Outdoor Displays which are applicable for C-2 Service Commercial-Industrial District, and for Business Development Area as defined in the City of Grand Marais Zoning Ordinance shall apply to properties in the CGBP, except as modified herein. If multiple lots are owned by a single owner and developed for a single use consolidating the lots, setbacks and screening requirements between said lots shall not apply. Provided that, should said consolidated lots be placed in separate ownership at a future time, all setback and screening requirements shall apply from that time forward and any removed or absent screening shall be restored.

C. Future performance standards and regulations as described in A and B, provided through amendment, revision or replacement of the City of Grand Marais Zoning Ordinance, shall be incorporated herein and shall modify the referenced standards in A and B.

16. DESIGN REVIEW COMMITTEE

The Design Review Committee will review all plans for development in the CGBP relative to compliance with these Covenants, and provide their recommendation to the EDA, and the Grand Marais City Council. The Committee shall consist of a minimum of three members of the Cook County/Grand Marais Economic Development Authority, and two residents of Grand Marais appointed by the EDA. A quorum shall be required for any approval. A quorum will consist of three persons, and a majority of a quorum shall be necessary to take any action. Approval by the Committee does not imply compliance with other applicable building codes, permitting process, or other requirements. Members of the Design Review Committee shall be appointed by the EDA for a term of one- year. Members may be reappointed. .The Design Review Committee shall submit written minutes of Design Review meetings to the Applicant, the EDA Board and to the City of Grand Marais to record their findings and recommendations. Any decision of the Design Review Committee may be appealed to the EDA Board within ten (10) days of written notice of the findings. The EDA Board shall hear and make decisions on such appeal within sixty (60) days of same being filed.

17. STORM WATER CONTROL AND WETLANDS

A. Storm water control shall be subject to all state and federal regulations, and will follow best management practices.

B. No wetlands, as defined under state, local or federal laws or regulations shall be impacted unless in compliance with said laws and regulations and as approved by the EDA or City as consistent with the wetlands plan for the entire CGBP.

18. ENFORCEMENT

A. Each owner shall comply with and shall assume ownership of lots or sites within the CGBP subject to all laws, rules and regulations of governmental authorities having jurisdiction over the property, the provisions of these Covenants and all amendments or supplements to the foregoing. Failure to comply with any of the foregoing shall be grounds for commencement of an action for the recovery of damages, or injunctive relief, or both, by the City of Grand Marais or the EDA in district court. Reasonable attorneys' fees shall be awarded in favor of the City of Grand Marais or the EDA in the event that they prevail in such enforcement action.

B. Any waiver or failure to enforce any provision of these Covenants in a particular situation shall not be deemed a waiver or abandonment of such provision as it may apply in any other situation or to the same or a similar situation at any other location in the CGBP or any other provision of these Covenants. The failure of the EDA or the City of Grand Marais to enforce any Covenant herein contained shall in no event be deemed a waiver of the right to do so thereafter or of the right to enforce any other Covenant.

19. ASSIGNMENT

Upon the sale of all of the lots in the CGBP or otherwise on motion of the EDA, the rights and responsibilities of the EDA and/or the Design Review Committee shall be assigned to the Planning Commission of the City of Grand Marais, and thereafter the Planning Commission of the City of Grand Marais, and the Grand Marais City Council, shall have all rights and responsibilities otherwise accruing to the EDA or the Design Review Committee.

20. WAIVER

Neither the Cook County/Grand Marais Economic Development Authority, the Design Review Committee, nor the City of Grand Marais nor their successors or assigns shall be liable to any Owner or Occupant of the subject property by reason of any mistake in judgment, negligence, nonfeasance, action, or inaction or for the enforcement or failure to enforce any provision of these Covenants. Every Owner or Occupant of any said property by acquiring its interest therein agrees that it will not bring any action or suit against the Cook County /Grand Marais Economic Development Authority, the Design Review Committee, or the City of Grand Marais, to recover any such damages or to seek equitable relief because of same.

21. RUNS WITH LAND

This Declaration of Covenants shall run with and bind the property, and shall inure to the benefit of and be enforceable by the City of Grand Marais, the EDA, and the owners of lots in the CGBP, and their respective successors, assigns, heirs, executors, administrators, and personal representatives, beginning on the date this Declaration is adopted, and continuing through and including December 31, 2010, after which time they shall automatically be extended for successive periods of ten years, unless a change is approved pursuant to Article 28.

22. RIGHTS OF MORTGAGEES

No breach or violation of these covenants, conditions, and restrictions shall defeat or render invalid the lien of any mortgage, deed of trust, or similar instrument securing a loan made in good faith and for value with respect to the development or permanent financing of any lot or portion thereof; provided that all these restrictions shall be binding upon and effective against any subsequent Owner of the property or any portion thereof whose title is acquired by foreclosure, trustees's sale, deed in lieu of foreclosure, or otherwise pursuant to such lien rights. The lien of an assessment is hereby subordinate to the lien of any mortgage on a lot in the CGBP, provided that the mortgage secures only funds actually advanced to the lot owner (or its predecessor) for purposes relating to the lot, or improvements, fixtures or equipment located thereon.

23. SEVERABILITY

The invalidity or unenforceability of any term, condition, or provision of this Declaration for any reason, whether by court order or otherwise, shall in no manner affect the validity or enforceability of any other term, condition, or provision hereof, all of which shall remain in force and effect for the term of this Declaration and any extension hereof.

24. AMENDMENTS

Amendments hereto may occur only with the written consent of 75% of the property owners and by resolution duly adopted by the EDA and the Grand Marais City Council. Such modification or amendment shall become effective upon execution and recording of same with the Register of Deeds, Cook County, Minnesota.

25. RESALE OF VACANT LAND

A. Except for Lot 1, Block 4, which is not presently owned by the EDA, in the event any purchaser of land within the CGBP from the EDA elects to sell any portion thereof which is not being used in connection with the business or industry of the purchaser, or which the purchaser desires to sell separate and distinct from any sale of the business or industry being conducted by the purchaser, the same shall first be offered for sale, in writing, to the EDA at the price paid by the purchaser, together with the cost of any improvements thereon paid by the purchaser, less any commission paid on the original sale.

B. The EDA shall have ninety (90) days from the date of receipt of such offer to accept or reject same, unless an extension of time may be mutually agreed to and set forth in writing. Acceptance or rejection of such offer shall be indicated by resolution of the EDA.

C. In the event of acceptance of such offer by the EDA, conveyance shall be by warranty deed free and clear of all liens or encumbrances created by act or default of purchaser.

D. The EDA shall retain a Right of First Refusal at the original purchase price should the buyer not commence with substantial construction of the agreed upon improvements within three (3) years from the date of sale. Seller shall retain exclusive right to repurchase bankrupt or Owner determined excess property for a period of ten (10) years after the date of the original purchase.

26. EASEMENTS

A. Declarant does hereby grant, convey and quitclaim to the City of Grand Marais perpetual easement over the area within the "trail easement" shown on the plat of the CGBP for the benefit of the public only for the purpose of a recreational trail. Provided that said trail shall be restricted from use by motorized vehicles, except snowmobiles and necessary trail grooming and maintenance equipment. This easement is granted for use by the public without charge for recreational use pursuant to Minnesota Statutes, Chapter 604A, and subject to liability limitations provided therein. Declarants assume no responsibility for any construction or maintenance of said trail, which must first be approved by the City of Grand Marais.

Instrument No. 104734

IN WITNESS WHEREOF, the Declarants have caused this Declaration to be executed to be effective as of the day and year recited on the first page hereof.

Cook County/Grand Marais Joint Economic Development Authority

by Mary Sanders
Mary Sanders, Its Chairperson

And

Matt Geretschlaeger
Matthew Geretschlaeger, its Executive Director

Interstate Energy, LLC

by John Heino
John Heino, Its President

STATE OF MINNESOTA
COUNTY OF COOK

The foregoing instrument was acknowledged before me this 5 day of June, 2006, by Mary Sanders, Chairperson, AND Matthew Geretschlaeger, Executive Director, of the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY.

Donald B Davison

Notary Public, ______________ County, Minnesota

My Commission Expires 1/31/2007

DONALD B. DAVISON
NOTARY PUBLIC
MINNESOTA
My Commission Expires Jan. 31, 2007

STATE OF MINNESOTA
COUNTY OF COOK

The foregoing instrument was acknowledged before me this 5 day of June, 2006, by John Heino, the President of Interstate Energy, LLC.

Donald B Davison

Notary Public, ______________ County, Minnesota

My Commission Expires 1/31/2007

DONALD B. DAVISON
NOTARY PUBLIC
MINNESOTA
My Commission Expires Jan. 31, 2007

Instrument No. 104734

This instrument drafted by
Richard W. Swanson, Attorney at Law
Swanson Law Office, P.C.
1708 West Highway 61
P.O. Box 819
Grand Marais, MN 55604
218-387-2902:

H:\CLIENT FILES\E\EDA\CGBP DECLARATION OF COVENANTS-Final.5-18-06.doc

STATE OF MINNESOTA }
} SS
COUNTY OF COOK }
I hereby certify that the within instrument was filed in this office for record
March 23, 2010
at 3:00 P. M. and was duly recorded as
Document No. 112719
Dusty Nelms
Cook County Recorder
By Holly Schmidler
Deputy

FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR CEDAR GROVE BUSINESS PARK GRAND MARAIS, MN

This First Amendment to Declaration, made this 23 day of March, 2010, ʼy the Cook County/Grand Marais Joint Economic Development Authority, a development .uthority under the laws of the State of Minnesota (the "EDA") (the "Declarant").

RECITALS

A. Declarant is that certain Declarant under that Declaration of Covenants, Conditions, Easements and Restrictions for Cedar Grove Business Park, Grand Marais, MN dated June 5, 2006, which Declaration was recorded on June 7, 2006, as Document No. 104734, in the Office of the Cook County Recorder (the "Declaration").

B. Declarant is the owner of all of the Property except for two (2) lots as that term is defined in the Declaration.

C. Declarant desires to amend the Declaration, which amendment was approved by the EDA by resolution adopted by the Board of Directors at a public hearing held for such purpose, and consented to by at least seventy five per cent (75%) of the property owners.

IOW, THEREFORE, Declarant hereby makes the following First Amendment to Declaration.

1. Section 17 of the Declaration is hereby amended in its entirety to now read as follows:

17. STORM WATER CONTROL AND WETLANDS

A. Storm water control shall be subject to all state and federal regulations, and will follow best management practices. Prior to commencement of any construction or excavation activities upon any lot, the lot owner shall submit to the Design Review Committee a proposed design for the permanent storm water treatment system proposed to be installed upon the lot. The design shall be prepared by an engineer licensed in the State of Minnesota to design permanent storm water treatment systems. The engineer shall certify in writing upon the design sketch to the Design

Review Committee: (i) that the design meets or exceeds all requirements for permanent storm water treatment for the lot as it relates to the proposed improvement upon the lot; and (ii) that the design meets or exceeds all requirements for permanent storm water treatment as it relates to the permanent storm water system in place for the entire Property. The Design Review Committee may also require that the design of the proposed permanent storm water treatment for the lot be reviewed and approved by the Minnesota Pollution Control Agency (MPCA) prior to commencement of construction. In the alternative, the lot owner may obtain approval of the design directly from the MPCA as part of a separate storm water permitting process and furnish the Declarant with a copy of the permit and design as approved by the MPCA.

No one shall be allowed to occupy the Property until such time as the permanent storm water system for the lot, as designed and approved, has been constructed upon the Property, and an engineer licensed in the State of Minnesota to design permanent storm water treatment plans has certified to the Design Review Committee in writing in a form to be provided by the Design Review Committee that the permanent storm water treatment system as built conforms in all material respects to the permanent storm water treatment system for the lot as designed and approved. Upon full compliance with this Section the Design Review Committee shall issue a Certificate of Occupancy to the property owner and the property owner may then occupy the property.

In the event of a violation of this Section by the lot owner the Declarant shall be entitled to enforce the provisions of this Section and the covenants using all remedies available to the Declarant at law or in equity, including, but not limited to the following:

1) Injunction. The Declarant may enjoin the lot owner from using or occupying the property until such time as the lot owner has fully complied with this Section;

2) Corrective Action. The Declarant may employ engineers and contractors and construct or modify the permanent stormwater treatment system to conform to the design of the system as approved. All costs of constructing or modifying the system shall be paid by the property owner and shall be assessed as a lien against the property which may be foreclosed in accordance with Minnesota Law as an assessment lien.

3) Reversion of the Title to the Property. The Declarant may declare a breach of the covenant incorporated within the deed to the property as required by Minnesota Statute §469.105 sub. 6 and seek a judicial decree from the district court declaring a forfeiture or cancellation of the deed.

All costs incurred by the Declarant in enforcing the provisions of this Section, including court costs and reasonable witness' and attorneys' fees shall be paid by the property owner to the Declarant.

Instrument No. 112719

2. Section 24 of the Declaration is amended in its entirety to now read as follows:

24. AMENDMENTS.

Amendments hereto may occur only with the written consent of the voting power of seventy five per cent (75%) of the lots based upon one vote per lot within CGBP and by resolution duly adopted by the EDA and the Grand Marais City Council. Such modification or amendment shall become effective upon execution and recording of same with the Register of Deeds, Cook County, Minnesota.

3. Except as specifically modified or amended by this First Amendment the parties hereto ratify and affirm all other terms of the Declaration as if each and every term of the Declaration as originally executed was republished in this First Amendment for all purposes.

Cook County/Grand Marais Joint Economic Development Authority

By: ______________________
~~Michael Littfin~~ Mark R. Sandbo
Its ~~Chairman~~ Board Member

AND

By: ______________________
Matthew Geretschlaeger
Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 23 day of March, 2010, by Mark R. Sandbo, Board Member ~~Michael Littfin, Chairperson~~, and Matthew Geretschlaeger, Executive Director, of the Cook County/Grand Marais Joint Economic Development Authority, a development authority under the laws of the State of Minnesota, on behalf of the authority.

____
Notary Public

ANNEMARIA K. KLOBUCHAR
Notary Public-Minnesota
My Commission Expires Jan 31, 2013

Instrument No. 112719

CONSENTS BY ¾ of PROPERTY OWNERS

The undersigned, by execution hereof, hereby consents to this First Amendment to Declaration.

Cook County/Grand Marais Joint Economic Development Authority
(as owner of all lots except those listed below)

By: ____________________
~~Michael Littfin~~ Mark R. Sandbo
Its ~~Chairman~~ Board Member

AND

By: ____________________
Matthew Geretschlaeger
Its Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 23 day of March, 2010, by ~~Michael Littfin, Chairperson~~ Mark R. Sandbo, Board Member, and Matthew Geretschlaeger, Executive Director, of the Cook County/Grand Marais Joint Economic Development Authority, a development authority under the laws of the State of Minnesota, on behalf of the authority.

Annemaria K. Klobuchar
____
Notary Public

ANNEMARIA K. KLOBUCHAR
Notary Public-Minnesota
My Commission Expires Jan 31, 2013

First Baptist Church of Grand Marais
(owner of Lots 1 and 2, Block 5, Cedar Grove Business Park)

By: ____________________

Its: member Trustee board

EXHIBIT D

Warranty DEED

eCRV number: ______________

DEED TAX DUE: $ ___________

Date: March 25, 2024

FOR VALUABLE CONSIDERATION, Cook County/Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision organized and existing under of laws of the State of Minnesota ("Grantor"), hereby conveys and warrants to Cascade Vacation Rentals LLC, a limited liability company created and existing under the laws of the State of Minnesota ("Grantee(s)), real property in Cook County, Minnesota, described as follows:

> Lots 2 and 3, Block 4 Cedar Grove Business Park, according to the plat thereof on record with the County Recorder, Cook County, Minnesota.

together with all hereditaments and appurtenances belonging thereto, subject to the following exceptions:

> Declaration of Covenants, Conditions, Easements and Restrictions dated June 5, 2006 and recorded in the Office of the Cook County Recorder on June 7, 2006 as Document No. 104734, said Declaration amended by First Amendment dated March 23, 2010 and recorded in the Office of the Cook County Recorder on March 23, 2010 as Document No. 112719.
>
> Subject to easements, restrictions and reservations of record, and further subject to easements for roads and public utilities existing on, over or under said premises.
>
> The property herein and the interest conveyed by Grantor to Grantee hereunder is subject to a reversion clause granted to and retained by the Grantor under Section 11 of that certain Development Agreement dated the ___day of__________20___, as well as other terms and conditions of said Development Agreement, all of which are incorporated herein and made a part hereof by reference. The foregoing described reversion clause shall be deemed released, discharged and of no further force and effect upon the filing of a certificate from Grantor that such right of reversion clause has been terminated and released.
>
> Grantor hereby reserves the following Right of First Refusal to Purchase the Property. If at any time prior to five (5) years from the date hereof, Grantee or Grantee's heirs, successors, or assigns, desire to sell all or part of the property and shall receive a bona fide offer to purchase said property satisfactory to Grantee, Grantee agrees to give Grantor the option of purchasing said property at the price and on the terms of the offer so made, said option to be given by written notice to Grantor of such offer, requiring contract of purchase within thirty (30) days after receipt of such notice. If Grantor fails to accept such offer to purchase by signing such contract within said period, then, and in

that event, Grantee shall be at liberty to sell the property to the original offeror for the original offer. Further, if such sale is completed to the original offeror, this right of refusal shall terminate and be of no further effect as to future and further sales. This option is deemed exercised upon Grantor's execution and delivery to Grantee of said contract of purchase. Upon the exercise of the option to purchase by Grantor, Grantee agrees to convey to Grantor the said property by Warranty Deed, free and clear of all liens and encumbrances, and accompanied by an Abstract of Title showing good and unencumbered title. This right of first refusal may not be assigned by Grantor and shall not apply to conveyances that do not constitute a bona fide sale for fair market value, including, but not limited to, conveyance by transfer without consideration to an entity wholly owned by Grantee. This right of first refusal may not be assigned by Grantor, but shall run with the land and shall be binding on the successors, and assigns of Grantee. Whenever any notice is required or permitted under this right of first refusal, that notice shall be given or served, and shall not be deemed to have been given or served unless in writing and forwarded by certified mail addressed to the parties at their last known addresses. Such addresses may be changed from time to time by either party giving written notice as above provided. The parties hereto agree to execute and deliver any and all documents reasonably calculated to effectuate the provisions of this Right of First Refusal and Grantor specifically agrees to execute and deliver a recordable Release of Right of First Refusal if they should choose not to exercise the purchase as presented.

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

(Remainder of page intentionally left blank)

COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

By___________________________
Howard Hedstrom, Its Vice President

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 20th day of February, 2024 by Howard Hedstrom, the Vice President respectively, of the Cook County/Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota, on behalf of said authority.

____
Notary Public

THERESA A BAJDA
Notary Public
State of Minnesota
My Commission Expires
January 31, 2026

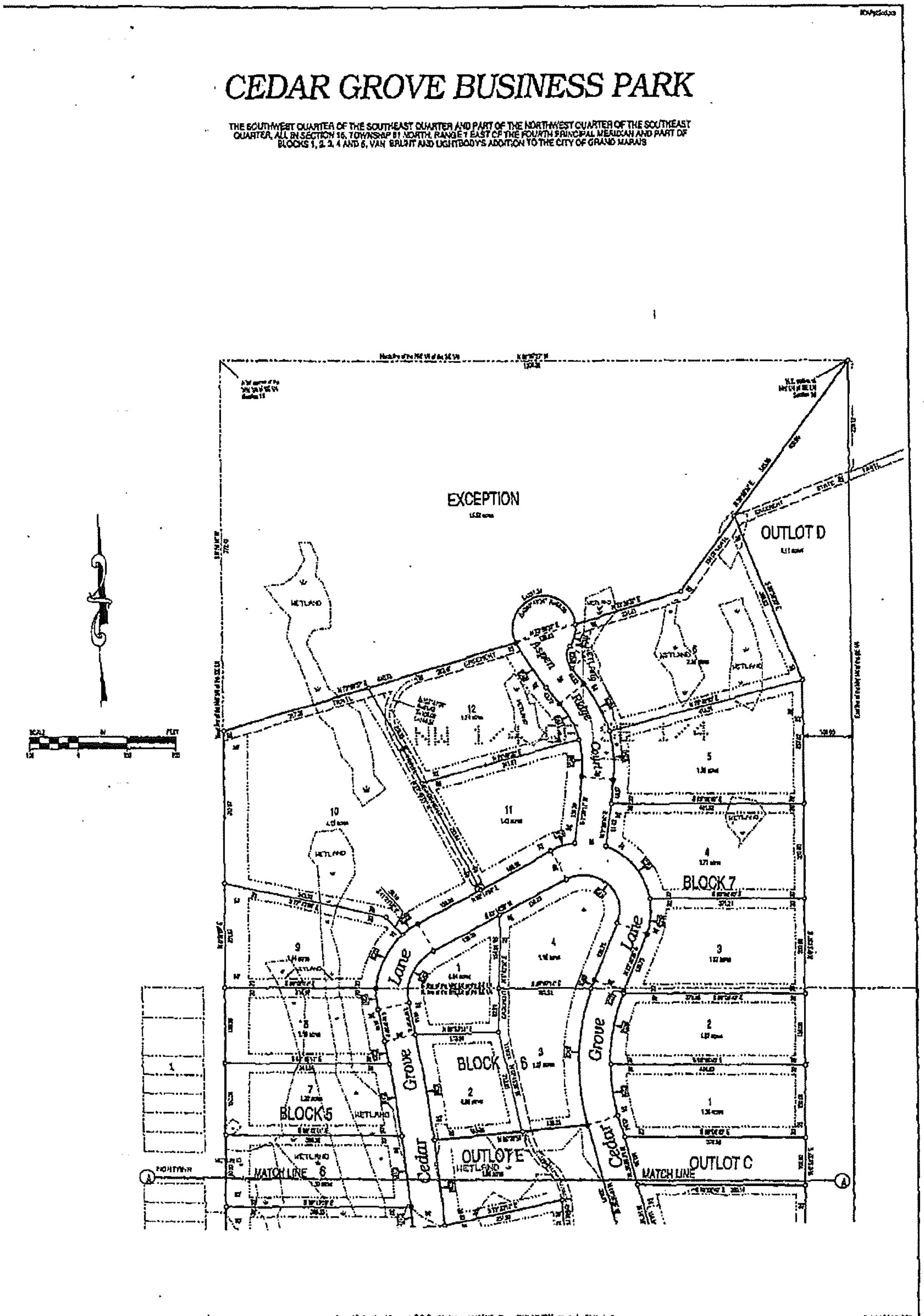
This instrument was drafted by:

Cook County/Grand Marais Joint Economic Development Authority

PO Box 597

Grand Marais, MN 55604

EXHIBIT E - CEDAR GROVE PLAT



CEDAR GROVE BUSINESS PARK

THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER AND PART OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER, ALL IN SECTION 16, TOWNSHIP 61 NORTH, RANGE 1 EAST OF THE FOURTH PRINCIPAL MERIDIAN AND PART OF BLOCKS 1, 2, 3, 4 AND 5, VAN BRUNT AND LIGHTBODY'S ADDITION TO THE CITY OF GRAND MARAIS

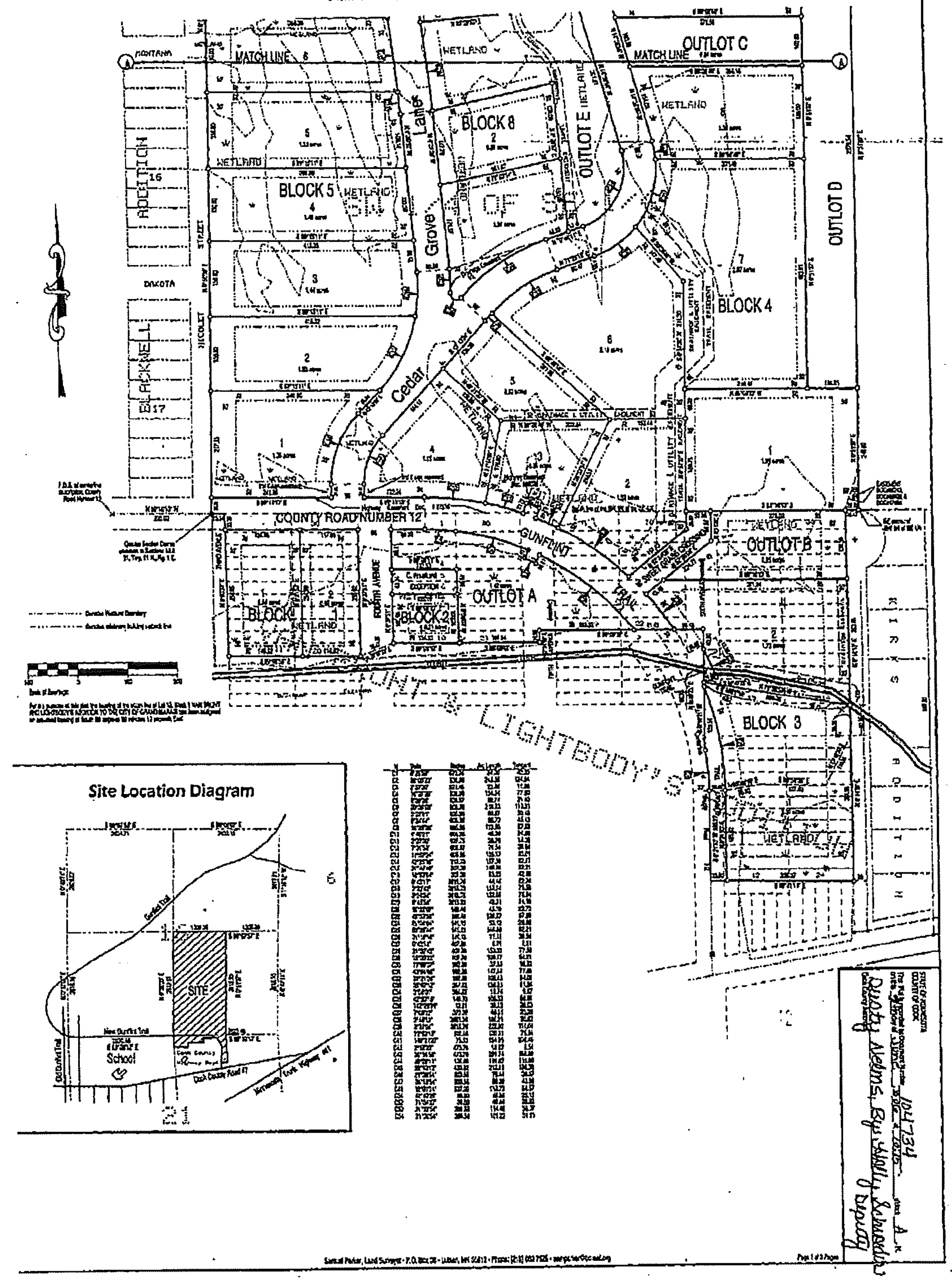


EXHIBIT F

Certificate of Completion

RECITALS:

A. On ____________________, 2024, the Cook County/Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota ("EDA"), and Cascade Vacation Rentals, a Minnesota limited liability company ("Developer"), Entered into a Development Agreement, which agreement was recorded in the Office of the Cook County Recorder on ____________, 20___, as Document No. ______________, relating to property located in Cook County, and legally described as Lots 2 and 3, Block 4, Cedar Grove Business Park.

B. Capitalized terms used in this Certificate of Completion but not defined herein shall have meanings ascribed to them in the Development Agreement.

C. Article XII of the Development Agreement provides that a Certificate of Completion be issued by the EDA upon, among other things, completion by Developer of Improvements and Project construction in accordance with the Development Agreement.

D. Developer has completed construction of the Project in a manner deemed sufficient by the EDA to permit execution and recording of this Certificate of Completion.

NOW, THEREFORE:

1. Construction of the Improvements and Project required to be performed by Developer pursuant to the Development Agreement with respect to the Property, has been completed, and those requirements under the Development Agreement which relate to construction obligations of the Project have been fulfilled, but all other conditions and restrictions contained in the Development Agreement shall remain in effect.
2. The reversion clause granted to and retained by the EDA under Section 11 of that certain Development Agreement between the EDA and Developer is hereby terminated and released with respect to the property.
3. The Office of the County Recorder in and for Cook County, Minnesota, are hereby authorized to accept for recording and record this instrument.

(rest of page left intentionally blank)

COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY

By______________________________

_____________________, Its President

STATE OF MINNESOTA)

) ss.

COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ____ day of _______________, 20____ by ________________, the President respectively, of the Cook County and Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota, on behalf of said authority.

____

Notary Public

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: September 9, 2026
Subject: Just Transition Fund Local Economy Lab Grant Application (Resolution 2026-32)

Background

The Cook County/Grand Marais Joint Economic Development Authority (EDA) has been invited to participate in a collaborative grant application to the Just Transition Fund's Local Economy Lab alongside Otter Tail, Itasca, Washington, and Sherburne Counties.

The Local Economy Lab provides funding and technical assistance to communities impacted by coal plant or mine closures to support economic diversification. The proposed application is being submitted under the Workforce Development funding area, which supports locally driven workforce programs and partnerships that prepare workers for employment opportunities in growing sectors. Grant awards are provided for a one-year period.

Otter Tail County is coordinating preparation and submission of the collaborative application. If awarded, the Cook County EDA anticipates receiving approximately $18,500 to develop and implement workforce development and redevelopment programming in Cook County. The EDA may partner with Cook County Higher Education and other local partners in the development and delivery of programming supported by the grant.

At this time, the requested Board action is limited to authorizing the EDA's participation in and submission of the collaborative grant application. Specific programming and use of awarded funds will be developed following notification of an award and in accordance with the final grant terms and conditions.

Recommended Action

Approve Resolution 2026-32 authorizing the Cook County/Grand Marais Joint Economic Development Authority to participate in and submit a collaborative application to the Just Transition Fund Local Economy Lab and authorizing the Executive Director to execute and submit documents necessary for the application.

Attachments:

- Resolution 2026-32

COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY

RESOLUTION NO. 2026-32

RESOLUTION AUTHORIZING PARTICIPATION IN JUST TRANSITION FUND LOCAL ECONOMY LAB GRANT APPLICATION

WHEREAS, the Just Transition Fund Local Economy Lab provides grant funding and technical assistance to support economic diversification in communities impacted by coal plant or mine closures; and

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") has the opportunity to participate in a collaborative application under the Local Economy Lab Workforce Development funding area alongside Otter Tail, Itasca, Washington, and Sherburne Counties; and

WHEREAS, if awarded, the EDA anticipates receiving approximately $18,500 to support the development and implementation of workforce development and redevelopment programming in Cook County; and

WHEREAS, the EDA Board finds that participation in the collaborative grant application is consistent with the EDA's economic and workforce development purposes.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Cook County/Grand Marais Joint Economic Development Authority hereby authorizes participation in and submission of a collaborative application to the Just Transition Fund Local Economy Lab and authorizes the Executive Director to execute and submit documents necessary to complete the grant application on behalf of the EDA.

Board member ____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:
Abstention:
and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 15th day of September 2026.

ATTEST: ____________________________
Peter Clissold – Board President

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: September 9, 2026
Subject: Revised Satisfaction and Release of Gunflint Vue Loan Agreement C202419 (Resolution 2026-33)

Background

On August 18, 2026, the EDA Board approved Resolution 2026-29 acknowledging receipt of $208,226.22 from Gunflint Vue LLC as payment in full of Loan Agreement C202419 and authorizing the Board President to execute and record a Satisfaction and Release of the Loan Agreement.

Following Board approval, the Satisfaction and Release was submitted to Cook County for recording. During review, County staff identified that Loan Agreement C202419 had been recorded against both Abstract and Torrens property. The Satisfaction and Release prepared following Resolution 2026-29 referenced only Abstract Document No. A000139278 and therefore was not sufficient to release the Loan Agreement from the Torrens property.

County records identify the Loan Agreement as Abstract Document No. A000139278 and Torrens Document No. 23912**,** both recorded July 2, 2024. The legal description contained in Loan Agreement C202419 and the previously approved Satisfaction and Release includes both the Torrens and Abstract portions of the property.

A revised Satisfaction and Release has been prepared to expressly identify both recording references. This action does not change the terms of the loan, repayment amount, or the EDA Board's prior determination that the loan has been paid and satisfied in full. Resolution 2026-33 confirms the Board's prior action and authorizes execution and recording of the revised Satisfaction and Release against both the Abstract and Torrens property.

Recommended Action

Approve Resolution 2026-33 confirming satisfaction of Loan Agreement C202419 and authorizing the Board President to execute and record the revised Satisfaction and Release identifying both Abstract Document No. A000139278 and Torrens Document No. 23912.

Attachments:

- Resolution 2026-33
- Revised Satisfaction and Release of Loan Agreement C202419

COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY

RESOLUTION NO. 2026-33

RESOLUTION CONFIRMING SATISFACTION AND AUTHORIZING REVISED RELEASE OF LOAN AGREEMENT C202419 WITH GUNFLINT VUE LLC

WHEREAS, on August 18, 2026, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") approved Resolution 2026-29 acknowledging receipt of $208,226.22 from Gunflint Vue LLC as payment in full of Loan Agreement C202419 and authorizing execution and recording of a Satisfaction and Release of the Loan Agreement; and

WHEREAS, Loan Agreement C202419 was recorded against property consisting of both Abstract and Torrens property and is identified in Cook County land records as Abstract Document No. A000139278 and Torrens Document No. 23912; and

WHEREAS, the Satisfaction and Release prepared pursuant to Resolution 2026-29 referenced only the Abstract recording number, requiring a revised document identifying both the Abstract and Torrens recording references in order to fully release Loan Agreement C202419 from the property; and

WHEREAS, the EDA desires to confirm its prior determination that Loan Agreement C202419 has been paid and satisfied in full and authorize execution and recording of a revised Satisfaction and Release applicable to both the Abstract and Torrens property.

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby:

1. Reaffirms that the $208,226.22 received from Gunflint Vue LLC constitutes payment in full of the amounts due under Loan Agreement C202419; and
2. Authorizes the Board President to execute and cause to be recorded a revised Satisfaction and Release of Loan Agreement C202419 identifying Abstract Document No. A000139278 and Torrens Document No. 23912 and releasing the Loan Agreement from the property subject thereto.

Board member ____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:
Abstention:
and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 15th day of September 2026.

ATTEST: ___________________________
Peter Clissold – Board President

SATISFACTION AND RELEASE OF LOAN AGREEMENT

THIS SATISFACTION AND RELEASE OF LOAN AGREEMENT is made by the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota ("EDA").

WHEREAS, the EDA and Gunflint Vue LLC, a Minnesota limited liability company ("Developer"), entered into Loan Agreement C202419 relating to the Gunflint Vue residential development in Grand Marais, Minnesota ("Loan Agreement"); and

WHEREAS, the Loan Agreement provided for the loan from the EDA to the Developer in the original principal amount of $200,000, together with interest as provided therein; and

WHEREAS, the Loan Agreement affects both Abstract and Torrens property and was recorded in the Office of the Cook County Recorder/Registrar of Titles on July 2, 2024, as Abstract Document No. A000139278 and Torrens Document No. 23912, against the real property legally described on Exhibit A attached hereto ("Property"); and

WHEREAS, the EDA has received $208,226.22 from Developer, constituting payment in full of all principal and accrued interest due under the Loan Agreement; and

WHEREAS, by Resolution 2026-29, the EDA Board acknowledged payment in full and authorized execution and recording of this Satisfaction and Release; and

WHEREAS, by Resolution 2026-33, the EDA Board confirmed its prior action and authorized execution and recording of this revised Satisfaction and Release identifying both the Abstract and Torrens recording references.

NOW, THEREFORE, the EDA hereby acknowledges that all amounts due under Loan Agreement C202419 have been paid and satisfied in full and hereby releases and discharges the Property, including both the Abstract and Torrens portions thereof, from Loan Agreement C202419 and the covenants, conditions, and obligations imposed thereby.

(Signature Page to Follow)

IN WITNESS WHEREOF, the Cook County/Grand Marais Joint Economic Development Authority has caused this Satisfaction and Release of Loan Agreement to be executed this _____ day of ___________, 2026.

COOK COUNTY/GRAND MARAIS JOINT
ECONOMIC DEVELOPMENT AUTHORITY

By: ___________________________________
Peter Clissold, Its Board President

STATE OF MINNESOTA)
) ss.
COUNTY OF COOK)

The foregoing instrument was acknowledged before me this ______ day of ___________, 2026, by Peter Clissold Board President of the Cook County/Grand Marais Joint Economic Development Authority, a public body, corporate and politic and political subdivision under the laws of the State of Minnesota, on behalf of the Authority.

Notary Public ________________________________

THIS INSTRUMENT DRAFTED BY:
Cook County/Grand Marais Joint
Economic Development Authority
425 West Highway 61, Suite B
Grand Marais, MN 55604

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

The following real estate situated in the City of Grand Marais, Cook County, Minnesota, according to Cook County for parcel bearing PID 80-017-4465:

(TORRENS)
The Southerly 520.00 feet of the Southeast Quarter of the Southeast Quarter (SE ¼ of the SE ¼) of Section Seventeen (17), Township Sixty-one (61) North of Range One (1) East of the Fourth P. M. which lies westerly of a line drawn parallel to and Two Hundred (200.0) feet westerly of the west right-of-way of the “old” Gunflint Trail as established by grant of easement recorded in Book 93 of Deeds, page 360 in the office of the County Recorder, Cook County, Minnesota, and also lying northeasterly, easterly and southeasterly of the “new” Gunflint Trail centerline described as follows:

Beginning at the northeast corner of the Northeast Quarter of the Northeast Quarter of Section 20, Township 61 North, Range 1 East of the Fourth P. M.; thence North 89 degrees 46 minutes 45 seconds West on an assumed bearing along the westerly projection of the north line of the Northwest Quarter of the Northwest Quarter of the adjoining Section 21, for a distance of 104.80 feet; thence westerly, northwesterly, northerly, and northeasterly a distance of 1761.44 feet along a tangential curve, concave to the east, radius of 674.07 feet, a central angle of 149 degrees 43 minutes 20 seconds; thence North 59 degrees 56 minutes 35 seconds East, on tangent, a distance of 1336.71 feet and there terminating. (“new” Gunflint Trail as described in Tdoc. #15431 and Adoc. #94846)
AND

(ABSTRACT)
The Southerly 520.00 feet of the Southeast Quarter of the Southeast Quarter (SE ¼ of the SE ¼) of Section Seventeen (17), Township Sixty-one (61) North of Range One (1) East of the Fourth P. M., lying westerly of the center line of State Aid Road #1 of Cook County (“old” Gunflint Trail), which also lies easterly of a line drawn parallel to and Two Hundred (200.0) feet westerly of the west right-of-way of the “old” Gunflint Trail as established by grant of easement recorded in Book 93 of Deeds, page 360 in the office of the County Recorder, Cook County, Minnesota, and also lying northeasterly, easterly and southeasterly of the “new” Gunflint Trail centerline described as follows:

Beginning at the northeast corner of the Northeast Quarter of the Northeast Quarter of Section 20, Township 61 North, Range 1 East of the Fourth P. M.; thence North 89 degrees 46 minutes 45 seconds West on an assumed bearing along the westerly projection of the north line of the Northwest Quarter of the Northwest Quarter of the adjoining Section 21, for a distance of 104.80 feet; thence westerly, northwesterly, northerly, and northeasterly a distance of 1761.44 feet along a tangential curve, concave to the east, radius of 674.07 feet, a central angle of 149 degrees 43 minutes 20 seconds; thence North 59 degrees 56 minutes 35 seconds East, on tangent, a distance of 1336.71 feet and there terminating. (“new” Gunflint Trail as described in Tdoc. #15431 and Adoc. #94846)

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: September 9, 2026
Subject: Amended and Restated Development Agreement – Hotel Mayhew (Resolution 2026-34)

Background

On April 16, 2024, the EDA Board approved resolution 2024-21 authorizing Development Agreement C202415 between the Cook County/Grand Marais Joint Economic Development Authority and The Mayhew LLC for the Mayhew Expansion project in downtown Grand Marais.

The EDA received a $400,000 Development Infrastructure grant from the Department of Iron Range Resources and Rehabilitation (IRRR) to support eligible infrastructure costs associated with the development. The original Development Agreement established the terms and conditions applicable to the Developer's use of the IRRR funding, including public procurement and prevailing wage requirements.

On August 19, 2026, the EDA and Developer executed a First Amendment to Development Agreement C202415 following Board approval of Resolution 2026-27. The First Amendment extended the project schedule to require satisfaction of applicable preconditions to construction by December 31, 2026, and substantial completion by December 31, 2027.

Since approval of the First Amendment, the Developer and its legal counsel have requested additional revisions to more accurately reflect the current ownership and financing structure of the development and the scope of work associated with the IRRR grant. The development entity is now The North Coast LCC d/b/a Hotel Mayhew, which owns the property and is advancing the project.

In addition, the overall private development and the infrastructure work supported by the IRRR grant are more clearly distinguished. The overall Development remains the proposed mixed-use commercial development; however, for purposes of the Development Agreement, the defined "Project" will be limited to the infrastructure scope associated with the IRRR grant and required project match. This distinction clarifies that the public procurement, prevailing wage, documentation, reimbursement requirements contained in the Development Agreement apply to the defined IRRR-supported infrastructure Project.

Because these revisions affect several provisions throughout the existing Development Agreement, an Amended and Restated Development Agreement has been prepared rather than a second amendment. The restated agreement incorporates the construction schedule previously approved by the Board, updates the Developer entity and Project definition, and consolidates the applicable terms into one controlling agreement. The remaining substantive terms and conditions of the Development Agreement remain unchanged.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

Recommended Action
Approve Resolution 2026-34 authorizing the Amended and Restated Development Agreement C202415 between the EDA and The North Coast LLC d/b/a Hotel Mayhew and authorizing the Board President to execute the Agreement.

Attachments:

- Resolution 2026-34
  Amended and Restated Development Agreement

COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY

RESOLUTION NO. 2026-34

RESOLUTION APPROVING AMENDED AND RESTATED DEVELOPMENT AGREEMENT C202415 WITH THE NORTH COAST LLC D/B/A HOTEL MAYHEW

WHEREAS, on April 16, 2024, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") approved Resolution 2024-21 authorizing Development Agreement C202415 with The Mayhew LLC for the Mayhew Expansion project in downtown Grand Marais; and

WHEREAS, the EDA received a $400,000 Development Infrastructure grant from the Department of Iron Range Resources and Rehabilitation ("IRRR") to support eligible infrastructure costs associated with the development; and

WHEREAS, on August 19, 2026, the EDA and Developer executed a First Amendment to Development Agreement C202415, as authorized by Resolution 2026-27, establishing revised deadlines of December 31, 2026, for satisfaction of applicable preconditions to construction and December 31, 2027, for substantial completion; and

WHEREAS, The North Coast LLC d/b/a Hotel Mayhew is the development entity that owns the property and is advancing the development; and

WHEREAS, the parties desire to more clearly distinguish the overall private development from the infrastructure scope supported by the IRRR grant and required project match, including for purposes of the public procurement, prevailing wage, documentation, and reimbursement requirements of the Development Agreement; and

WHEREAS, the parties have prepared an Amended and Restated Development Agreement incorporating the previously approved construction schedule, identifying The North Coast LLC d/b/a Hotel Mayhew as the Developer, and clarifying the defined Project as the IRRR-supported infrastructure scope of work while otherwise maintaining the substantive terms and conditions of the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Cook County/Grand Marais Joint Economic Development Authority hereby approves the Amended and Restated Development Agreement between the EDA and The North Coast LLC d/b/a Hotel Mayhew and authorizes the Board President to execute the Agreement.

Board member ____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:
Abstention:
and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 15th day of September 2026.

ATTEST: ____________________________
Peter Clissold – Board President

AMENDED AND RESTATED DEVELOPMENT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
THE NORTH COAST LLC D/B/A HOTEL MAYHEW
MAYHEW EXPANSION PROJECT DEVELOPMENT

THIS AMENDED AND RESTATED DEVELOPMENT AGREEMENT ("Agreement") entered into this _______day of ________________, 2026 (the "Effective Date"), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota, ("EDA") and THE NORTH COAST LLC d/b/a HOTEL MAYHEW , a domestic limited liability company created and existing under the laws of the State of Minnesota ("Developer");

WHEREAS, Developer is the owner of property located in Grand Marais, Minnesota, which property is located on the corner of Wisconsin Street and 1st Avenue West, legally described on the attached Exhibit A (the "Property"); and

WHEREAS, in March 2020, three businesses in downtown Grand Marais were lost to a fire on the Property, resulting in a total loss; and

WHEREAS, Developer has acquired the vacant parcels and proposes to construct a mixed-use commercial building with restaurant, event center, lodging units and retail spaces (the "Development"); and

WHEREAS, the Developer has requested financial assistance from the EDA to support site infrastructure costs that are eligible for public financing related to the development on said Property and the development of the Development; and

WHEREAS, the EDA received a $400,000 Development Infrastructure grant award from the Department of Iron Range Resources and Rehabilitation ("IRRR") to support the Development's infrastructure scope of work including excavation, backfill of building foundations, fine grading removals, parking lot paving, water / sewer installation, geopier installation, and building foundation installation by cast in place concrete (collectively the "Project"); and

WHEREAS, Developer agrees and understands that certain terms and conditions will apply to the Project in exchange for public assistance for construction of the Hotel Mayhew Project in Grand Marais, Minnesota; and

WHEREAS, Developer and the EDA entered into Development Agreement C202415 dated April 17, 2024, and subsequently entered into a First Amendment to Development Agreement dated August 19, 2026; and

WHEREAS, the parties desire to amend and restate the Development Agreement and the First Amendment thereto in their entirety through this Amended and Restated Development Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
Definitions

For the purpose of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meaning clearly appears from the context:

A. Developer means The North Coast LLC d/b/a Hotel Mayhew, a domestic limited liability company created and existing under the laws of the State of Minnesota.
B. Eligible Project Costs means costs associated with eligible infrastructure expenses incurred by the Developer in construction of the Project which may be legally funded with IRRR grant funding, including required new construction costs pledged as project match as described in attached Exhibit B. The eligible reimbursable amount is $400,000.
C. Executive Director means the Executive Director of the EDA or such person or persons designated in writing by said Executive Director to act on behalf of him/her with regard to this Agreement or any portion thereof.
D. Grant Award means the $400,000 Development Infrastructure grant, PO number 3000010150, awarded to the EDA from the Department of Iron Range Resources and Rehabilitation on March 26, 2024.
E. IRRR means the Department of Iron Range Resources and Rehabilitation.
F. Development means news construction of an approximately 10,000 square foot mixed-use commercial building that includes a restaurant, event center, rooftop deck, three retail spaces, 10 lodging units and a lobby/bar/lounge space, including all required site preparation and utility infrastructure necessary to support new construction as well as construction of a visitor parking lot adjacent to the project property.
G. Project means the Development's infrastructure scope of work including excavation, backfill of building foundations, fine grading removals, parking lot paving, water / sewer

installation, geopier installation, and building foundation installation by cast in place concrete.

H. Property means that Property located in Cook County, Minnesota, described in Exhibit A

ARTICLE II

Preconditions to Project Construction

A. Uniform Municipal Contracting Law and Prevailing Wage. Per Minn. Stat. Sec. 471.345, Developer understands that for projects that include construction work, prevailing wage rates must be paid pursuant to Minn. Stat. Sec. 177.41-177.44 and per the IRRR Board Resolution No. FY96-005. Consequently, the bid request must state the Project is subject to the payment of prevailing wages. These rules require that the wage of laborers and workers should be comparable to wages paid for similar work in the community as a whole. A prevailing wage form should accompany these bid submittals. The Developer must not contract with vendors who are suspended or debarred in the state of MN: https://mn.gov/admin/osp/government/suspended-debarred/. Developer understands that all work for this Project must comply with Uniform Municipal Contracting Law, per Minn. Stat. Sec. 471.345: (i) for contract or cost of service $25,000-$175,000 at least two quotes or cost estimates must be secured; (ii) for contracts over $175,000 sealed bids shall be solicited by public notice in the manner and subject to the requirements of the law governing contracts by Economic Development Authorities and local units of government in the State of Minnesota. Developer shall submit to Executive Director all necessary documentation demonstrating compliance with contracting law and prevailing wage.

B. Construction Contract. Developer will provide Executive Director with a copy of the executed contract between Developer and general contractor necessary to complete construction of the Project.

C. Building Permits. Developer will provide Executive Director copy of any required building permits from Cook County and the City of Grand Marais for construction of the Project, demonstrating conformance to required state and local zoning, land use and building code(s).

D. IRRR Acknowledgement. Developer agrees to acknowledgement of the grant award from IRRR by displaying signage that is clearly visible to the public on the Project site. Signage will be provided by the IRRR through coordination with the Executive Director. Developer will provide Executive Director with a photograph of the acknowledgement sign once installed.

ARTICLE III

Construction

A. Construction. Developer shall satisfy the applicable preconditions to Project construction set forth in Article II no later than December 31, 2026, and thereafter diligently proceed with construction of the Project. Substantial completion of construction of the Project, including eligible infrastructure work associated with the IRRR grant, shall occur no later than December 31, 2027. Reimbursement of Eligible Project Costs remains subject to the terms, conditions, and availability of funding under the EDA's grant agreement with the IRRR, including any extension thereof.

B. Developer to Bear All Costs. Except for payments by EDA provided for in Article IV, Developer specifically agrees to bear all costs related to the construction of the Project.

C. Progress Reports. Until construction of the entire Project has been completed, Developer shall work with Executive Director to submit required progress report to IRRR annually. Developer shall work with Executive Director to submit required final report to IRRR at Project completion and prior to final disbursement of grant funds.

D. Publicity. Developer agrees that any publicity regarding the Project must identify the Department of Iron Range Resources and Rehabilitation (IRRR) as sponsoring agency and must not be released without prior written approval from the Executive Director. The Executive Director will coordinate required written approval from IRRR staff. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Developer individually or jointly with others, or any subcontractors, with respect to the Project or services provided resulting from the IRRR grant award.

ARTICLE IV

Payment Obligations

The total obligation of the EDA for all compensation and reimbursement to Developer under this Development Agreement will not exceed $400,000 (four hundred thousand dollars). The IRRR will promptly pay the EDA after the EDA presents itemized invoices for the services actually performed. Developer understands that IRRR requires a 1:1 match for all agency funded work. Developer agrees to submit to Executive Director all invoices and prevailing wage reports timely upon completion of stages of work on the project and/or completion of the entire project done in accordance with this Agreement. Project costs eligible for reimbursement under IRRR grant award are identified in attached Exhibit B.

ARTICLE V

Representations by the EDA

The EDA makes the following representations as the basis for the undertaking on its part herein contained:

A. It is a lawfully constituted economic development authority under the laws of the State of Minnesota, it is not in material violation of any provisions of State law, all actions of EDA have been taken to secure IRRR grant funding, and it has full power and authority to enter into this Agreement and perform all of its obligations hereunder.

B. There are not actions, suits or proceedings pending, or to the knowledge of EDA, threatened against EDA or any property of EDA in any court or before any federal, state, municipal or governmental agency which, if decided adversely to EDA, would have a material adverse effect upon EDA or any business or property of EDA and EDA is not in default with respect to any order of any court or government agency.

C. EDA will perform all of its obligations under this Agreement

ARTICLE VI

Developer's Representations and Warranties

Developer represents and warrants that:

A. The Developer is a domestic limited liability company duly organized and authorized to transact business in the State of Minnesota, it is the owner of the Property and is fully competent to construct the Project thereon, it is not in violation of any provisions of its articles of organization, member control agreement, or the laws of the State of Minnesota, it has the power to enter into this Agreement, and it has duly authorized the execution, delivery and performance of this Agreement by proper action of its members.

B. Developer will perform all of its obligations under this Agreement. 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 agreement or instrument of whatever nature to which the Developer is now a party or by which Developer is bound, or constitutes a default under the foregoing.

C. No actions, suits, or proceedings are pending or, to the knowledge of Developer, threatened against Developer or any property of Developer in any court or before any federal, state, or municipal or other governmental agency that, if decided adversely to Developer, would have a material adverse effect upon Developer, the Property, or the Project, and Developer is not in default of any order of any court or governmental agency which, if decided adversely to Developer, would have a material adverse effect upon the Property or the Project.

D. The Developer shall be responsible for constructing the Project 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, and living and prevailing wages). The Developer will obtain, in a timely manner, 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 Project may be lawfully constructed.

E. Developer is not in default on the payment of principal of or interest on any indebtedness for borrowed money or in default under any instrument or agreement pursuant to which the indebtedness has been incurred.

F. Developer shall do such things as are necessary to cause any information, document, certificate, statement in writing, or report required under this Agreement delivered to EDA or any third party under this Agreement to be true, correct, and complete in all material respects.

ARTICLE VII
Notices

Any notice, demand or other communication under this Agreement by either party to the other shall be deemed to be sufficiently delivered if it is dispatched by registered or certified mail, postage prepaid to:

In the case of the EDA:
Cook County/Grand Marais Joint Economic Development Authority
Attn: Executive Director
PO Box 597
Grand Marais, MN 55604

In the case of Developer:

Hotel Mayhew	with copy to
Attn: Joel Saint John	Smith Law, PLLC
300 Locust Street NE	1710 W. Hwy. 61, P.O. Box 66
Stillwater, MN 55082	Grand Marais, MN 55604

ARTICLE VIII
Government Data Practices and State Audits

A. Under Minn. Stat. Sec. 16B.98, Subd. 8, the Developer's books, records, documents, and accounting procedures and practices of the Developer or other party relevant to this Agreement or transaction are subject to examination by the State and/or the State

Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement, receipt and approval of all final reports, or the required period of time to satisfy all EDA, State, and IRRR program retention requirements, whichever is later.

B. The Developer and EDA must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13 as it applies to all data provided to the State under the IRRR grant contract and this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Developer and EDA as it relates to this Project and the IRRR grant award. The civil remedies of Minn. Stat. Ch.13.08 apply to the release of the data referred to in this clause by either the Developer, EDA or the State. If the Developer receives a request to release the data referred to in this Clause, the Developer must immediately notify the EDA who will notify the State. The State will give the EDA instructions concerning the release of the data to the requesting party before the data is released. The Developer's response to the request shall comply with applicable law.

ARTICLE IX

Unavoidable Delays and Amendments

A. Neither party shall be held responsible for, and neither party shall be in default of this Agreement as a result of, delay or default caused by fire, riot, acts of God, war, government actions, judicial actions by third parties, labor disputes, or adverse weather conditions, except for delays caused by government and judicial actions which could have been avoided by compliance with laws, rules and regulations of which either party had knowledge or should have reasonably had knowledge.

B. Any amendments to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Agreement, or their successors in office.

ARTICLE X

Liability and Applicable Law

The Developer must indemnify, save, and hold the EDA, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the EDA, arising from the performance of this Agreement by the Developer or the Developers agents or employees. This clause will not be construed to bar any legal remedies the Developer may have for the EDA's failure to fulfill it s obligations under this grant contract. This Agreement together with all of its Articles, paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota. All proceedings related to this Agreement shall be venued in Cook County, Minnesota

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation show below.

Cook County/Grand Marais Joint Economic Development Authority

By: ______________________________ Date: ____________
Peter Clissold, Its Board President

The North Coast LLC d/b/a Hotel Mayhew

By: ______________________________ Date: ____________
Joel Saint John, President of
The North Coast LLC d/b/a Hotel Mayhew

EXHIBIT A
Property Description

S 90 FT LOT 20 BLK 46 VILLAGE PLAT AND S 90 FT LOT 2 BLK 19 HARBOR ADDITION, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0200

S 120 FT OF LOT 19 BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0190

S 120 FT OF LOT 18 BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0180

LOT 17 EXCEPT THE NORTH 40 FT AND EXCEPT THE SOUTH 120 FT; LOT 18 EXCEPT THE NORTH 40 FT AND EXCEPT THE SOUTH 120 FT BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0185

LOTS 10-11 BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0100

S 120 FT LOT 17 BLK 46, VILLAGE PLAT, Section 21, Township 61, Range 1E, Parcel ID: 80-146-0170

Grand Marais, Cook County, Minnesota

EXHIBIT B
Eligible Project Expenses

Use of Funds	IRRR Development Infrastructure	Private Financing/Developer Equity	Total Category Amount
Infrastructure	$400,000	$313,068	$713,068
Building Construction	$0.00	$12,630,282	$12,630,282
Design, Architectural, Engineering Fees	$0.00	$1,064,650	$1,064,650
Furniture, Fixtures, Equipment	$0.00	$800,000	$800,000
Debt Refinance (existing Mayhew Inn)	$0.00	$1,764,000	$1,764,000
Contingency	$0.00	$1,200,000	$1,200,000
Total	**$400,000**	**$17,772,000**	**$18,172,000**

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: September 9, 2026
Subject: Sydney's Frozen Custard LLC – Second Amendment to Business Development Fund Grant Agreement (Resolution 2026-35)

Background

On May 20, 2025, the EDA approved a Business Development Fund (BDF) grant award to Sydney's Frozen Custard LLC in an amount not to exceed $25,000 to support business equipment and improvements associated with rebuilding and re-establishing the business following the fire and subsequent relocation. The Business Development Fund Grant Agreement (Contract #C202526) was executed on August 11, 2025 and identified specific eligible project costs in Exhibit A.

On July 21, 2026, the EDA Board approved Resolution 2026-25 authorizing a First Amendment to the Grant Agreement (Contract #C202526-01). The First Amendment extended the grant term through August 11, 2026 and replaced the original Exhibit A to provide greater flexibility in eligible project expenses. Under the amended Exhibit A, documented expenses incurred during the grant term that directly related to rebuilding and re-establishing the business could be considered for reimbursement, subject to review and approval by the EDA. The maximum grant award remained unchanged at $25,000, with a required grantee match of at least $6,250.

Following execution of the First Amendment, the Grantee submitted its final reimbursement request and supporting documentation. The final reimbursement included business equipment, furnishings, repair materials, and related improvements determined to be consistent with the amended eligible project cost provisions. Total documented project expenses were $27,345.70, consisting of $21,095.70 in EDA grant reimbursement and $6,250.00 in documented grantee match. The remaining $3,904.30 of the original grant award was not reimbursed.

As a procedural closeout measure, a Second Amendment has been prepared to replace the general eligible project cost provisions established through the First Amendment with a final Exhibit A identifying the actual eligible costs approved and reimbursed under the grant. This amendment does not increase the grant award or authorize any additional reimbursement. Rather, it ensures that the executed Grant Agreement accurately reflects the final approved use of grant funds and provides a complete record for grant administration and audit purposes.

Recommended Action

Approve Resolution 2026-35 authorizing a Second Amendment to the Business Development Fund Grant Agreement with Sydney's Frozen Custard LLC to document the final eligible project costs and reimbursement and authorize the Board President to execute the amendment.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

Attachments:

- Resolution 2026-35
- Second Amendment to Business Development Fund Grant Agreement
- First Amendment to Business Development Fund Grant Agreement, C202526-01
- Business Development Fund Grant Agreement, C202526

COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY

RESOLUTION NO. 2026-35

RESOLUTION AUTHORIZING SECOND AMENDMENT TO BUSINESS DEVELOPMENT FUND GRANT AGREEMENT WITH SYDNEY'S FROZEN CUSTARD LLC

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") approved a Business Development Fund grant award to Sydney's Frozen Custard LLC ("Grantee") on May 20, 2025, in an amount not to exceed $25,000; and

WHEREAS, the EDA and Grantee entered into a Business Development Fund Grant Agreement effective August 11, 2025 (Contract #C202526), which identified specific eligible project costs and required a grantee match of no less than 25 percent of the grant award; and

WHEREAS, on July 21, 2026, the EDA approved Resolution 2026-25 authorizing a First Amendment to the Grant Agreement extending the grant term through August 11, 2026 and allowing additional expenses directly related to rebuilding and re-establishing the Grantee's business to be considered for reimbursement, subject to EDA review and approval; and

WHEREAS, the Grantee subsequently submitted a final reimbursement request and supporting documentation for eligible project expenses reviewed and approved pursuant to the amended Grant Agreement; and

WHEREAS, the approved final project costs total $27,345.70, including $21,095.70 reimbursed from the EDA Business Development Fund and $6,250.00 in documented Grantee match; and

WHEREAS, the final reimbursement did not exceed the authorized grant award of $25,000 and no additional reimbursement is requested or authorized; and

WHEREAS, the EDA desires to amend the Grant Agreement as a procedural closeout measure to incorporate a final Exhibit A reflecting the eligible project costs approved and reimbursed under the grant and to maintain a complete and accurate grant record.

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby approves the Second Amendment to the Business Development Fund Grant Agreement with Sydney's Frozen Custard LLC to document the final eligible project costs and reimbursement and authorize the EDA Board President to execute the Second Amendment.

Board member ____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:
Abstention:
and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 15th day of September 2026.

ATTEST: ____________________________
Peter Clissold – Board President

BUSINESS DEVELOPMENT GRANT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
SYDNEY'S FROZEN CUSTARD L.L.C
SECOND AMENDMENT

THIS SECOND AMENDMENT GRANT AGREEMENT ("Agreement") entered into this _______day of ___________, 2026 (the "Effective Date"), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota, ("EDA") and SYDNEY'S FROZEN CUSTARD L.L.C, a Minnesota Limited Liability Company ("grantee").

WHEREAS, the EDA and Grantee entered into a Business Development Fund Grant Agreement effective August 11, 2025 (Contract #C202526) (the "Agreement"); and

WHEREAS, the parties subsequently entered into a First Amendment to the Agreement (Contract #C202526-01) extending the grant term through August 11, 2026 and replacing Exhibit A to allow additional expenses directly related to rebuilding and re-establishing the Grantee's business to be considered for reimbursement, subject to EDA review and approval; and

WHEREAS, the Grantee submitted its final reimbursement request and supporting documentation for eligible project expenses incurred during the grant term; and

WHEREAS, the EDA reviewed and approved eligible project costs totaling $27,345.70, consisting of $21,095.70 in EDA grant reimbursement and $6,250.00 in documented Grantee match; and

WHEREAS, the parties desire to amend Exhibit A to the Agreement to reflect the final eligible project costs approved and reimbursed under the grant.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **Amendment to Exhibit A.**

   Exhibit A, as previously amended by the First Amendment, is hereby deleted in its entirety and replaced with the Final Exhibit A attached to this Second Amendment.

2. **Final Grant Reimbursement.**

   The parties acknowledge that the final EDA reimbursement under this Agreement is $21,095.70. No additional reimbursement shall be due to the Grantee under this Agreement.

3. Continuing Effect.

Except as expressly amended by this Second Amendment, all terms and conditions of the Agreement, as previously amended, remain in full force and effect.

4. Incorporation.

This Second Amendment shall be incorporated into and made part of the Agreement. In the event a conflict between this Second Amendment and the Agreement or First Amendment, the terms of this Second Amendment shall control.

(Signature Page to Follow)

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation shown below.

Cook County/Grand Marais Joint Economic Development Authority

By:

____

Peter Clissold

Its: Board President

Grantee – Sydney's Frozen Custard L.L.C

By:

____

Bruce Block, Its Owner

FINAL EXHIBIT A – ELIGIBLE PROJECT COSTS

EDA Business Development Fund Grant Award: Not to exceed $25,000
Final EDA Grant Reimbursement: $21,095.70
Required Grantee Match: $6,250.00
Total Final Eligible Project Costs: $27,345.70

Eligible Project Cost	**Vendor**	**Total Cost**	**EDA Grant**	**Grantee Match**
Refrigeration equipment and sink	SFS Equipment	$15,586.10	$11,689.58	$3,896.52
Pellet-fired stove	Woodpellet	$1,998.20	$1,498.65	$499.55
Two outdoor dining table sets	Patio Kingdom	$2,763.53	$2,072.65	$690.88
Patio heater	Patiofyre	$1,099.00	$824.25	$274.75
Outdoor dining sets, hot dog steamer, and condiment dispenser	Amazon	$1,875.79	$1,461.36	$414.43
Repair supplies	Webstaurant Store	$2,432.56	$1,958.69	$473.87
Repair supplies	Menards	$871.83	$871.83	$0.00
Repair supplies	Home Depot	$415.25	$415.25	$0.00
Windows	St. Germain's Glass	$303.44	$303.44	$0.00
TOTAL		**$27,345.70**	**$21,095.70**	**$6,250.00**

The costs identified above constitute the final eligible project costs approved for reimbursement under the Business Development Fund Grant Agreement, as amended. No additional reimbursement is authorized. The remaining $3,904.30 of the original $25,000 grant award is unexpended and the grant is considered closed.

BUSINESS DEVELOPMENT GRANT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
SYDNEY'S FROZEN CUSTARD L.L.C
FIRST AMENDMENT

THIS FIRST AMENDMENT GRANT AGREEMENT ("Agreement") entered into this 22nd day of July, 2026 (the "Effective Date"), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota, ("EDA") and SYDNEY'S FROZEN CUSTARD L.L.C, a Minnesota Limited Liability Company ("grantee").

WHEREAS, on May 20, 2025, the EDA approved a Business Development Fund grant award to the Grantee in an amount not to exceed $25,000; and

WHEREAS, the EDA and Grantee entered into a Business Development Fund Grant Agreement effective August 11, 2025 (Contract #C202525) (the "Agreement"); and

WHEREAS, the Agreement established an expiration date of June 1, 2026 and identified specific eligible project costs in Exhibit A; and

WHEREAS, the Grantee submitted written request for additional time to utilize the grant award and greater flexibility in eligible project expenses; and

WHEREAS, the parties desire to amend the Agreement to provide a full one-year grant term from the effective date of the Agreement and allow additional expenses directly related to rebuilding and re-establishing the Grantee's business to be considered for reimbursement, subject to EDA review and approval.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Article III (B) is hereby amended as follows: <u>Expiration date</u>: August 11, 2026 at 11:59 p.m., or until all obligations have been satisfactorily fulfilled, whichever occurs first.
2. Exhibit A of the Agreement is hereby deleted its entirety and replaced with an Amended Exhibit A attached to this First Amendment.
3. Notwithstanding any other provisions of the Agreement, only eligible expenses incurred on or after August 11, 2025 and no later than August 11, 2026 at 11:59 p.m. may be considered for reimbursement. Expenses incurred prior to August 11, 2025 are not eligible for reimbursement.

4. The total obligation of the EDA to the Grantee remains unchanged and shall not exceed $25,000. The Grantee remains responsible for documenting the required match in accordance with the Agreement.
5. Except as expressly amended by this First Amendment, all terms and conditions of the Agreement remain in full force and effect.

(Signature page to follow)

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation shown below.

Cook County/Grand Marais Joint Economic Development Authority

By:

Signed by:
Peter Clissold 7/22/2026
3F9CDD717DD44BA...

Peter Clissold

Its: Board President

Grantee – Sydney's Frozen Custard L.L.C

By:

Signed by:
8/6/2026
929ED7B0FD294EC...

Bruce Block, Its Owner

EXHIBIT A – Amended Eligible Project Costs

EDA Business Development Fund Grant: Not to exceed $25,000

Required Grantee Match: No less than 25% of the grant award, or $6,250

Eligible Project Costs:

- Eligible project costs include documented expenses incurred by the Grantee between August 11, 2025 and August 11, 2026 that directly relate to rebuilding and re-establishing Sydney's Frozen Custard following the circumstances underlying the original grant request (post fire business relocation and rebuild).
- Eligible expenses may include business equipment, building improvements, repairs, furnishings, fixtures, materials, and other capital or business re-establishment expenses determined by the EDA to be consistent with the purpose and intent of the original Business Development Fund grant award.
- All expenses submitted for reimbursement are subject to final review and approval by the EDA to determine whether the expense is sufficiently related to the purposes and intent of the grant award. The EDA may request additional invoices, receipts, proof of payment, descriptions, or other documentation necessary to determine eligibility.
- Expenses incurred prior to August 11, 2025 are not eligible for reimbursement.
- The total EDA grant reimbursement shall not exceed $25,000.

BUSINESS DEVELOPMENT GRANT AGREEMENT
COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
SYDNEY'S FROZEN CUSTARD L.L.C

THIS GRANT AGREEMENT ("Agreement") entered into this 21st day of May, 2025 (the "Effective Date"), by and between the COOK COUNTY/GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision existing under the laws of the State of Minnesota, ("EDA") and SYDNEY'S FROZEN CUSTARD L.L.C., a Minnesota Limited Liability Company ("grantee").

WHEREAS, Grantee has requested assistance from the EDA through the Business Development Fund to purchase approved equipment and complete dining room restoration and a breezeway enclosure (the "Project"); and

WHEREAS, the EDA has determined that this Project aligns with the Business Development Grant Program and supports investment in an existing business and job retention in Cook County.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
Definitions

For the purposes of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meany clearly appears from the context:

A. Agreement: means this Grant Agreement, as originally executed or as it may from time to time be modified, amended or supplemented pursuant to the provisions hereof.
B. City: means the City of Grand Marais, Minnesota.
C. County: means Cook County, Minnesota.
D. EDA: means the Cook County/Grand Marais Joint Economic Development Authority.
E. Director: means the Executive Director of the EDA or such persons designated in writing by said Director to act on behalf with regard to this Agreement or any portion thereof.
F. Eligible Project Costs: means those project costs as set forth in Exhibit A which may be funded with EDA funding proceeds.
G. Funding Amount: means $25,000 issued to the Grantee from the EDA's Business Development Fund for Eligible Project Costs if all necessary supporting documentation is provided.

H. Grantee: means Sydney's Frozen Custard, L.L.C., a Minnesota Limited Liability Company owned and operated by Bruce Block.

I. Indemnified Parties: has the meaning provided in Section 5.3 hereon.

J. Project: means the purchase of approved kitchen equipment and materials to support dining room restoration and breezeway enclosure as described in Exhibit A at Grantees property and restaurant located at 14 S Broadway Avenue, Grand Marais, MN, 55604.

K. State: means the state of Minnesota.

L. Unavoidable Delays: means delays, outside the control of the party claiming its occurrence, which are the direct result of strikes, other labor troubles, material shortages, unusually severe or prolonged bad weather, acts of nature, fire or other casualty to the Project, 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 government unit (other than the EDA) which directly result in delays, and any delays resulting from other causes which are beyond the reasonable control of the party to be excused.

ARTICLE II
Representations and Warranties

Section 2.1 Representations, Warranties and Covenants by the EDA. The EDA represents, warrants and covenants that:

A. The EDA has all the powers of an Economic Development Authority under the laws of the State and has the power to enter into this Agreement and carry out its obligations hereunder.

B. No part of this Agreement shall be construed as a representation or warranty of the EDA as to the condition of the Project or as to its suitability for the Grantees purposes and needs.

Section 2.2 Representations, Warranties and Covenants by the Grantee. The Grantee represents, warrants and covenants that:

A. The Grantee is a duly organized and existing limited liability company in good standing under the laws of the State, is qualified to do business in the State, and is not in violation of any provisions of law or regulations of the State and has the full power to enter into this Agreement and perform its obligations hereunder.

B. 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 or limited by, or in conflict with or will result in a breach of, the terms, conditions or provisions of any evidence of indebtedness, agreement or instrument of whatever nature to which the Grantee is now a party or by which it is bound, or will constitute a default under any of the foregoing.

C. The Grantee will promptly advise the EDA in writing of and cooperate with the EDA with respect to any litigation commenced with respect to the Project, except for litigation in which the EDA and the Developer are adverse parties.

D. The Grantee has not received any notice or communication from local, State or federal officials or any private party that the Grantee's activities respecting the Project may or will be in violation of any law or regulation (including environmental laws and regulations).

E. The Grantee reasonably believes that the financing commitments which the Grantee has obtained to finance the Project, together with the Grantee's committed resources, will be sufficient to enable the Grantee to successfully complete in accordance with the schedule contemplated in this Agreement. The information provided by the Grantee to lenders in order to secure financing for the Project, if necessary, is identical to the project and financial information provided to the EDA.

F. If any investigation, site monitoring, containment, clean-up, removal, restoration, or other remedial work (the "Remedial Work") of any kind is necessary under any applicable local, State or federal laws or regulations, or is required by any governmental entity or other third person because of or in connection with the presence or suspected presence of hazardous substance(s) at the Project, Grantee shall assume responsibility for all such Remedial Work resulting from Grantee's activities on the Project and all costs and expenses of such Remedial Work shall be paid by Grantee. Without limiting the foregoing, nothing contained in this paragraph shall be construed or interpreted in such a way to adversely affect the ability of Grantee to seek reimbursement of the cost of any Remedial Work undertaken by Grantee from the federal government, State or other third party.

G. The Grantee agrees that there shall be no discrimination in the use of the Project because of race, sex, age, sexual orientation or religious, political or other similar affiliation.

ARTICLE III
Term of Agreement

A. Effective date: The Grantee must not incur eligible project costs until this Agreement is fully executed and the Director has notified the Grantee that work may commence. No payments will be made to the Grantee until this Agreement is executed and a completed W-9 is submitted to Director.

B. Expiration date: June 1, 2026 or until all obligations have been satisfactorily fulfilled whichever occurs first.

C. Survival of Terms: The following clauses survive the expiration or cancellation of this Agreement: 4.D and 4.E Grantees Duties; 8 Audits; 9 Data Practices and Intellectual Property; 10 Publicity and Endorsement; 11 Governing Law, Jurisdiction, and Venue; and 12. Data Disclosure.

ARTICLE IV

Grantee's Duties

The Grantee, who is not an EDA employee, will comply with required grant management policies and procedures set forth below:

A. Submit to Director of the EDA receipts and/or paid invoices for all Eligible Project Costs for reimbursement prior to expiration date. The total obligation of the EDA to the Grantee under this Agreement will not exceed twenty-five thousand dollars ($25,000). Grantee will include documentation of the required grantee match of no less than 25% or $6,250.

B. Submit to Director of the EDA a final report within 30 days of the Project completion, but no later than the expiration date, documenting how grant funding supported outcomes defined in the Grantees application and pictures of completed project.

C. Submit to Director of the EDA an executed W-9 for tax purposes.

D. Grantee agrees that the Project funded by this grant must be completed by the grant expiration date and should the business cease to operate in Cook County or be sold for any reason within give (5) years from the effective date of this Agreement, grantee shall repay to the Cook County/Grand Marais Joint Economic Development Authority the full grant award amount.

E. Grantee agrees to respond to the EDA's request for additional information related to the Project and outcome at one (1) and five (5) years after the Project completion date to support the EDA's documentation of Business Development Fund grant outcomes in Cook County.

F. Grantee shall take and/or cause others to take reasonable precautions for the safety of, and shall provide reasonable protection to prevent damage, injury or loss to, employees and other persons on and off-site where maintenance and construction activities are underway. The Grantee shall take reasonable precautions for the safety and protection of the improvements, materials and equipment to be incorporated therein, whether in storage on or off-site, under case, custody or control of the Grantee or one of the Grantee's contractors or any subordinate contractor.

G. Modifications to Eligible Project Costs require written approval from the EDA.

ARTICLE V

Prohibitions Against Assignment and Transfer; Indemnification; Events of Default

Section 5.1 Representation as to Project. The Grantee represents and agrees that its undertakings with respect to the Project pursuant to this Agreement are and will be used for the purpose of purchasing approved equipment and complete dining room restoration and breezeway enclosure as described in Exhibit A at the Grantees property located at 14 S Broadway Avenue in Grand Marais, Minnesota and not for speculation or to convert the Project into any use other than that stipulated in grant application and agreement.

Section 5.2 Prohibitions Against Transfer of Project or Property and Assignment of Agreement. The Grantee hereby represents and agrees that prior to completion of the Project:

A. Except only by way of security for the purposes of obtaining financing necessary to enable the Grantee or any successor in interest to the Project, or any part thereof, to perform its obligations with respect to completing the Project under this Agreement, the Grantee (except as so authorized) has not made or created and will not make or create or suffer to be made or created any Transfer of this Agreement or the real property without the prior written approval of the EDA, which approval shall not be unreasonably withheld. In the event the EDA approves a Transfer, the EDA will complete a written statement indicating whether the Grantee, before or at the time of the Transfer, has been or is in default as to any of the obligations of this Agreement, and stating that this Agreement is in full force and effect between the transferee and the EDA.

Section 5.3 Release and Indemnification Covenants.

A. The Grantee releases from and covenants and agrees that the EDA and its governing body members, officers, agents, including its independent contractors, consultants and legal counsel, servants and employees (hereinafter, for purposes of this Section, collectively the “Indemnified Parties”) shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person resulting from any defect in the Project.

B. All covenants, stipulations, promises, agreements and obligations of the EDA contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the EDA, and not of any governing body member, officer, agent, servant or employee of the EDA.

Section 5.4 Events of Default Defined. The following are Events of Default under this Agreement:

A. A petition in bankruptcy is filed naming the Grantee as debtor during the term of this Agreement, and such petition is not dismissed within 90 days of the date of filing thereof.

B. Failure by the Grantee to substantially observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement within 30 days of receiving written notice of default from the EDA.

Section 5.5 Remedies of Default. Whenever any Event of Default occurs, the EDA may take any one or more of the following actions after giving 30 days written notice to the Grantee from the EDA, but only if the Event of Default has not been cured within said 30 days:

A. The EDA may suspend its performance under this Agreement and until it receives assurances from the Grantee, deemed adequate by the EDA, that the Grantee will cure its default and continue its performance under this Agreement.

B. The EDA may cancel and rescind this Agreement.

ARTICLE VI
Authorized Representative

A. The EDA's Authorized Representative is Peter Clissold, Board President, 218-264-9696, director@cookcountymneda.org, 425 W Hwy 61, Suite B., PO Box 597, Grand Marais, MN 55604.

B. The Grantee's Authorized Representative is Bruce Block, 218-370-9005, garlicsmasher@yahoo.com, 14 S Broadway Avenue, PO Box 353, Grand Marais, MN, 55604.

ARTICLE VII
Amendments, and Waiver

A. Any amendments to this Agreement must be in writing and will not be effective until it has been executed and approved by the same parties who approved the original Agreement, or their successors in office. Upon written request by the Grantee, Director is authorized to extend the Expiration Date sixty (60) days without formal approval from the EDA Board of Commissioners.

B. If the EDA fails to enforce any provision of this Agreement, that failure does not waive the provision or the EDA's right to enforce it.

C. This Agreement contains all provisions between EDA and Grantee. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

ARTICLE VIII
Audits

The Grantee's books, records, documents, and accounting procedures and practices of the Grantee or other party relevant to this Agreement or transaction are subject to the examination by the EDA, State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement.

ARTICLE IX
Data Practices and Intellectual Property Rights

The Grantee and EDA must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the EDA under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by the Grantee under this Agreement.

ARTICLE X
Publicity and Endorsement

A. Any publicity regarding the subject matter of this Agreement must identify the EDA as a sponsoring agency.

B. The Grantee must not claim that the EDA endorses its products or services.

ARTICLE XI
Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings out of this Agreement, or its breach, must be in the appropriate state court with competent jurisdiction in Cook County, Minnesota.

ARTICLE XII
Data Disclosure

Grantee consents to disclosure of its social security number, business tax identification number and/or Minnesota tax identification number if requested by EDA for disbursement of funds associated with this Agreement. These identification numbers may be used for tax purposes.

(Signature page to follow)

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the date of attestation shown below.

Cook County/Grand Marais Joint Economic Development Authority

By:

Signed by:
Peter Clissold
3F9CDD717DD44BA... 8/11/2025

Peter Clissold

Its: Board President

Grantee – Sydney's Frozen Custard L.L.C

By:

Signed by:
929ED7B0FD294EC... 8/11/2025

Bruce Block, Its Owner

EXHIBIT A - Eligible Project Costs

Source of Fund	Amount
Grantee Funds	$11,593.00 *must be no less than 25% of grant award or $6,250*
EDA Grant	$25,000.00
Total	**$36,593.00**

Use of Funds	Amount	Notes
48" controlled griddle	$4,500.00	
Equipment stand with refrigerator base	$2,309.00	
Refrigerator worktop	$2,924.00	
Under counter refrigerator	$2,502.00	
Dining room lighting	$1,050.00	
Dining Room windows	$2,200.00	
Dining room tables	$860.00	
Dining room benches	$1,617.00	
Breezeway garage door	$5,131.00	
Glass for breezeway	$1,800.00	
Re-wiring the electrical to pizza grill	$3,600.00	
Bathroom remodel (toilet, sink, surfaces)	$2,400.00	
External doors breezeway	$1,800.00	
Access door to container from dining room	$1,200.00	
Insulation	$2,700.00	
Total	**$36,593.00**	

**Individual line items are subject to increase/decrease in price based on vendor pricing at time of purchase. The EDA will approve reimbursements that include changes to individual item amounts approved as EDA grant expense, but not to exceed the total approved grant award of $25,000.*

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: September 9, 2026 (*Amended September 15, 2026*)
Subject: Superior National Golf Course Subsurface Sewage Treatment System – Construction Contract Award (Resolution 2026-36)

Background

As part of the sale of Superior National at Lutsen Golf Course, the EDA is responsible for completing certain capital improvements to the property, including replacement of the subsurface sewage treatment systems serving the golf course.

The EDA has been advancing replacement of the subsurface sewage treatment systems serving both the Superior National Golf Course clubhouse and maintenance building. Terra Firma has provided the design and technical specifications for the systems, with Barr Engineering Co. assisting the EDA with the public bidding process.

During final review of the bid documents, it was confirmed that the scope included in the current public solicitation is limited to construction of the subsurface sewage treatment system serving the clubhouse. The maintenance building system was not included in the bid scope and will therefore need to proceed separately.

The clubhouse SSTS Project was advertised for competitive bids in accordance with applicable Minnesota public contracting requirements. Electronic bids were received through QuestCDN until 9:00 a.m. on September 15, 2026, at which time the bids were publicly opened and recorded.

One bid was received from KTM Paving, Inc. in the amount of $141,000. Barr Engineering Co. reviewed the bid for conformance with the bidding requirements and recommends award to KTM Paving, Inc. as the lowest responsible bidder for the clubhouse SSTS Project.

The EDA remains responsible for completing the maintenance building SSTS as part of its obligations associated with the sale of Superior National. Terra Firma is finalizing the design and specifications for that system. Due to the December 31, 2026 completion requirement associated with the sale, staff will proceed promptly with obtaining pricing and contracting for the maintenance building work following completion of the design, in accordance with applicable procurement requirements.

Recommended Action

Adopt Resolution 2026-36 awarding the construction contract for the Superior National Golf Course Clubhouse Subsurface Sewage Treatment System Project to KTM Paving, Inc. in the amount of $141,000 and authorizing the Board President to execute the construction agreement and related documents.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

Attachments:

- Resolution 2026-36
- Form of Construction Agreement
- Bid Tabulation

COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY

RESOLUTION NO. 2026-36

RESOLUTION AWARDING CONSTRUCTION CONTRACT FOR THE SUPERIOR NATIONAL GOLF COURSE SUBSURFACE SEWAGE TREATMENT SYSTEM PROJECT

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") is responsible for completing certain capital improvements associated with the sale of Superior National at Lutsen Golf Course, including replacement of the subsurface sewage treatment systems serving the property; and

WHEREAS, the EDA has been advancing replacement of the subsurface sewage treatment systems serving both the Superior National Golf Course clubhouse and maintenance building; and

WHEREAS, plans, specifications, and bidding documents were prepared for construction of the Superior National Golf Course Clubhouse Subsurface Sewage Treatment System Project ("Project"); and

WHEREAS, the EDA publicly solicited sealed bids for construction of the Project in accordance with applicable Minnesota public contracting requirements; and

WHEREAS, sealed bids were received until 9:00 a.m. on September 15, 2026, at which time the bids were publicly opened and recorded; and

WHEREAS, the following bid was received for the Project:

KTM Paving, Inc. - $141,000.00; and

WHEREAS, following review of the bid and applicable bidding requirements, Barr Engineering Co. has recommended KTM Paving, Inc., with a bid of $141,000.00, as the lowest responsible bidder for the Project.

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby accepts the bid of and awards the construction contract for the Superior National Golf Course Clubhouse Subsurface Sewage Treatment System Project to KTM Paving, Inc. in the amount of $141,000.00, subject to satisfaction of all applicable requirements of the bidding and contract documents.

BE IT FURTHER RESOLVED, that the Board President is authorized to execute the construction agreement and related documents necessary to proceed with the Project.

Board member ____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:
Abstention:
and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 15th day of September 2026.

ATTEST: ____________________________
Peter Clissold – Board President

FORM OF AGREEMENT

THIS AGREEMENT is by and between Cook County and Grand Marais Joint Economic Development Authority ("Owner") and ______________________________ ("Contractor").

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

1. Constructing a pipe connection between the Lutsen Ski Hill snowmaking pipe to the Superior Golf Course water supply.

ARTICLE 2 – THE PROJECT

2.01 The Project, of which the Work under the Contract Documents may be the whole or only a part, is generally described as follows:

1. Remove and dispose of pipes and fitting as shown on the Drawings.
2. Provide and install pipes, fittings, and incidental materials required to install said pipes and fittings as shown on the Drawings.
3. Restore the site and disturbed areas, as identified and described on the Drawings.

ARTICLE 3 – ENGINEER

3.01 The Project has been designed by Barr Engineering Co.

3.02 Owner has retained Barr Engineering Co. ("Engineer") to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents. The duties and responsibilities and rights and authority of Engineer cannot be extended without written consent of Owner and Engineer.

ARTICLE 4 – CONTRACT TIMES

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Contract Times: Dates*

A. The Work will be substantially completed on or before December 31, 2026, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before May 15, 2027.

B. Parts of the Work shall be substantially completed on or before the following Milestone(s):

1. Milestone 1: Piping Interconnection within the snowmaking pumphouse, October 31, 2026.
2. Milestone 2: Earthwork, structural and mechanical piping work, December 31, 2026.
3. Milestone 3: Final site restoration, May 1, 2027.

4.03 *Liquidated Damages*

A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract Documents. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. Substantial Completion: Contractor shall pay Owner $500 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.
2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner $500 for each day that expires after such time until the Work is completed and ready for final payment.
3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.
4. Milestones: Contractor shall pay Owner $1,000 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for achievement of Milestone 1, until Milestone 1 is achieved.

ARTICLE 5 – CONTRACT PRICE

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:

A. Contract Price: $__________.

All specific cash allowances are included in the above price in accordance with Paragraph 13.02 of the General Conditions.

B. The Bid prices for Unit Price Work set forth as of the Effective Date of the Contract are based on estimated quantities. As provided in Paragraph 13.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer as provided in Paragraph 10.06 of the General Conditions.

C. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6 – PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions, as may be modified by the Supplemental Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment in accordance with Paragraph 6.02.A.1 below, provided that such Applications for Payment meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions.

1. Progress payments shall be made, and retainage shall be held, in accordance with MN Statutes 429.041, Subd. 6.

6.03 *Final Payment*

A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

ARTICLE 7 – INTEREST

All amounts not paid when due shall bear interest as stated in MN Statutes429.041 Subd. 6.

ARTICLE 8 – CONTRACTOR'S REPRESENTATIONS

8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

A. Contractor has examined and carefully studied the Contract Documents and the other related data and reference items identified in the Bidding Documents.

B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities), if any, that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.

E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor's safety precautions and programs.

F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.

G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.

H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.

I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

J. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 *Contents*

A. The Contract Documents consist of the following:

1. This Agreement (pages 1 to 7, inclusive).
2. Performance bond (pages 1 to 4, inclusive).
3. Payment bond (pages 1 to 5, inclusive).
4. General Conditions (see C-700 General Conditions, inclusive).
5. Supplementary Conditions (pages 1 to 11, inclusive).
6. Specifications as listed in the table of contents of the Project Manual.
7. Drawings consisting of the sheets listed on the index on Drawing G101, with each sheet prepared by Engineer, and bearing the title: *Poplar River Water District/Superior National Golf Course Water Interconnection*.
8. Addenda (numbers ___ to ___, inclusive).
9. Exhibits to this Agreement (enumerated as follows):
   a. Contractor's Bid (pages ___ to ___, inclusive).
   b. Documentation submitted by Contractor prior to Notice of Award (pages ____to ___, inclusive).
10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
    a. Notice to Proceed.

b. Work Change Directives.

c. Change Orders.

d. Field Orders.

B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).

C. There are no Contract Documents other than those listed above in this Article 9.

D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

ARTICLE 10 – MISCELLANEOUS

10.01 *Terms*

A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 *Assignment of Contract*

A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 *Successors and Assigns*

A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 *Severability*

A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 *Contractor's Certifications*

A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;

2. “fraudulent practice” means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and

4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

10.06 *Other Provisions*

A. Owner stipulates that if the General Conditions that are made a part of this Contract are based on EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee®, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through a process such as highlighting or “track changes” (redline/strikeout), or in the Supplementary Conditions.

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

C. There are no other provisions.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on _________ (which is the Effective Date of the Contract).

OWNER:	CONTRACTOR:
______________________________	______________________________
By: ______________________________	By: ______________________________
Title: ______________________________	Title: ______________________________
	(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)
Attest: ______________________________	Attest: ______________________________
Title: ______________________________	Title: ______________________________
Address for giving notices:	Address for giving notices:
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
	License No.: ______________________________ *(where applicable)*
(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)	

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

MEMO

To: EDA Board of Commissioners
From: Lucas Wakefield, Executive Director
Date: September 9, 2026 *(Amended September 15, 2026)*
Subject: Poplar River Water District/Superior National Golf Course Water Interconnection – Construction Contract Award (Resolution 2026-37)

Background

As part of the sale of Superior National at Lutsen Golf Course, the EDA is responsible for facilitating improvements necessary to establish a permanent irrigation water connection between the Lutsen Mountains snowmaking system and the Superior National Golf Course irrigation system.

At its July 21, 2026 meeting, the EDA approved Resolution 2026-26 authorizing a Professional Services Agreement with Barr Engineering Co. for water system design and construction support services. Barr's scope included conceptual and detailed design, preparation of construction drawings and specifications, bidding assistance, and construction support.

Barr has since completed the design and bidding documents for the Poplar River Water District/Superior National Golf Course Water Interconnection Project. The Project generally includes construction of a pipe connection between the Lutsen Mountains snowmaking pipeline and the Superior National Golf Course irrigation water supply, including associated piping and fittings and restoration of disturbed areas.

The Project was advertised for competitive bids in accordance with applicable Minnesota public contracting requirements. Electronic bids were received through QuestCDN until 9:00 a.m. on September 15, 2026, at which time the bids were publicly opened and recorded.

Three bids were received: Northland Constructors in the amount of $74,800.00; Veit & Company, LLC in the amount of $84,745.00; and Urban Company in the amount of $189,000.00. Barr Engineering Co. reviewed the bids for conformance with the bidding requirements and recommends award to Northland Constructors as the lowest responsible bidder.

Prior to the September 15 meeting, Resolution 2026-37 will be updated to identify all bids received and their respective amounts, and subject to Barr Engineering's review, identify the lowest responsible bidder recommended for award. The completed resolution and bid tabulation will be provided to the Board prior to consideration of this agenda item.

Recommended Action

Adopt Resolution 2026-37 awarding the construction contract for the Poplar River Water District/Superior National Golf Course Water Interconnection Project to Northland Constructors in the amount of $74,800.00 and authorizing the Board President to execute the construction agreement and related documents.

COOK COUNTY & GRAND MARAIS ECONOMIC DEVELOPMENT AUTHORITY
EDA

425 Highway 61, Suite B
PO Box 597
Grand Marais, MN 55604

Attachments:

- Resolution 2026-37
- Form of Construction Agreement
- Bid Tabulation

COOK COUNTY AND GRAND MARAIS JOINT ECONOMIC DEVELOPMENT AUTHORITY
STATE OF MINNESOTA
COOK COUNTY

RESOLUTION NO. 2026-37

RESOLUTION AWARDING CONSTRUCTION CONTRACT FOR THE POPLAR RIVER WATER DISTRICT/SUPERIOR NATIONAL GOLF COURSE WATER INTERCONNECTION PROJECT

WHEREAS, the Cook County/Grand Marais Joint Economic Development Authority ("EDA") is responsible for facilitating certain capital improvements associated with the sale of Superior National at Lutsen Golf Course, including establishment of a permanent irrigation water connection between the Lutsen Mountains snowmaking system and the Superior National Golf Course irrigation system; and

WHEREAS, plans, specifications, and bidding documents were prepared by Barr Engineering Co. for the Poplar River Water District/Superior National Golf Course Interconnection Project ("Project"); and

WHEREAS, the EDA publicly solicited sealed bids for construction of the Project in accordance with applicable Minnesota public contracting requirements; and

WHEREAS, sealed bids were received until 9:00 a.m. on September 15, 2026, at which time the bids were publicly opened and recorded; and

WHEREAS, the following bids were received for the Project:

Bidder	Bid Amount
Northland Constructors	$74,800.00
Veit & Company, LLC	$84,745.00
Urban Company	$189,000.00

WHEREAS, following review of the bids and applicable bidding requirements, Barr Engineering Co. has recommended Northland Constructors, with a bid of $74,800.00, as the lowest responsible bidder; and

WHEREAS, the EDA Board has reviewed the bid results and finds Northland Constructors to be the lowest responsible bidder for the Project.

NOW, THEREFORE, BE IT RESOLVED, that the EDA Board of Commissioners hereby accepts the bid and of and awards the construction contract for the Project to Northland Constructors in the amount of $74,800.00, subject to satisfaction of all applicable requirements of the bidding and contract documents.

BE IT FURTHER RESOLVED, that the Board President is authorized to execute the construction agreement and related documents necessary to proceed with the Project.

Board member ____ moved the adoption of the foregoing resolution, and said motion was duly seconded by Board member _____, and upon vote being taken thereon, the following voted in favor thereof:
Abstention:

and the following voted against the same:

Whereupon said resolution was declared duly passed and adopted by the Cook County and Grand Marais Joint Economic Development Authority on this 15th day of September 2026.

ATTEST: ____________________________
Peter Clissold – Board President

FORM OF AGREEMENT

THIS AGREEMENT is by and between Cook County and Grand Marais Joint Economic Development Authority ("Owner") and ________________________________ ("Contractor").

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

1. Constructing a pipe connection between the Lutsen Ski Hill snowmaking pipe to the Superior Golf Course water supply.

ARTICLE 2 – THE PROJECT

2.01 The Project, of which the Work under the Contract Documents may be the whole or only a part, is generally described as follows:

1. Remove and dispose of pipes and fitting as shown on the Drawings.
2. Provide and install pipes, fittings, and incidental materials required to install said pipes and fittings as shown on the Drawings.
3. Restore the site and disturbed areas, as identified and described on the Drawings.

ARTICLE 3 – ENGINEER

3.01 The Project has been designed by Barr Engineering Co.

3.02 Owner has retained Barr Engineering Co. ("Engineer") to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents. The duties and responsibilities and rights and authority of Engineer cannot be extended without written consent of Owner and Engineer.

ARTICLE 4 – CONTRACT TIMES

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Contract Times: Dates*

A. The Work will be substantially completed on or before December 31, 2026, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before May 15, 2027.

B. Parts of the Work shall be substantially completed on or before the following Milestone(s):

1. Milestone 1: Piping Interconnection within the snowmaking pumphouse, October 31, 2026.

2. Milestone 2: Earthwork, structural and mechanical piping work, December 31, 2026.

3. Milestone 3: Final site restoration, May 1, 2027.

4.03 *Liquidated Damages*

A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract Documents. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):

1. Substantial Completion: Contractor shall pay Owner $500 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.

2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner $500 for each day that expires after such time until the Work is completed and ready for final payment.

3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.

4. Milestones: Contractor shall pay Owner $1,000 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for achievement of Milestone 1, until Milestone 1 is achieved.

ARTICLE 5 – CONTRACT PRICE

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:

A. Contract Price: $__________.

All specific cash allowances are included in the above price in accordance with Paragraph 13.02 of the General Conditions.

B. The Bid prices for Unit Price Work set forth as of the Effective Date of the Contract are based on estimated quantities. As provided in Paragraph 13.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer as provided in Paragraph 10.06 of the General Conditions.

C. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6 – PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions, as may be modified by the Supplemental Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment in accordance with Paragraph 6.02.A.1 below, provided that such Applications for Payment meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions.

1. Progress payments shall be made, and retainage shall be held, in accordance with MN Statutes 429.041, Subd. 6.

6.03 *Final Payment*

A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

ARTICLE 7 – INTEREST

All amounts not paid when due shall bear interest as stated in MN Statutes429.041 Subd. 6.

ARTICLE 8 – CONTRACTOR'S REPRESENTATIONS

8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

A. Contractor has examined and carefully studied the Contract Documents and the other related data and reference items identified in the Bidding Documents.

B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities), if any, that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.

E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor's safety precautions and programs.

F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.

G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.

H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.

I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

J. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 *Contents*

A. The Contract Documents consist of the following:

1. This Agreement (pages 1 to 7, inclusive).
2. Performance bond (pages 1 to 4, inclusive).
3. Payment bond (pages 1 to 5, inclusive).
4. General Conditions (see C-700 General Conditions, inclusive).
5. Supplementary Conditions (pages 1 to 11, inclusive).
6. Specifications as listed in the table of contents of the Project Manual.
7. Drawings consisting of the sheets listed on the index on Drawing G101, with each sheet prepared by Engineer, and bearing the title: <u>*Poplar River Water District/Superior National Golf Course Water Interconnection*</u>.
8. Addenda (numbers ___ to ___, inclusive).
9. Exhibits to this Agreement (enumerated as follows):
    a. Contractor's Bid (pages ___ to ___, inclusive).
    b. Documentation submitted by Contractor prior to Notice of Award (pages ____to ___, inclusive).
10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
    a. Notice to Proceed.

b. Work Change Directives.

c. Change Orders.

d. Field Orders.

B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).

C. There are no Contract Documents other than those listed above in this Article 9.

D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

ARTICLE 10 – MISCELLANEOUS

10.01 *Terms*

A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 *Assignment of Contract*

A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 *Successors and Assigns*

A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 *Severability*

A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 *Contractor's Certifications*

A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;

2. “fraudulent practice” means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and

4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

10.06 *Other Provisions*

A. Owner stipulates that if the General Conditions that are made a part of this Contract are based on EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee®, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through a process such as highlighting or “track changes” (redline/strikeout), or in the Supplementary Conditions.

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

C. There are no other provisions.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on _________ (which is the Effective Date of the Contract).

OWNER:	CONTRACTOR:
______________________________	______________________________
By: ______________________________	By: ______________________________
Title: ______________________________	Title: ______________________________
	(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)
Attest: ______________________________	Attest: ______________________________
Title: ______________________________	Title: ______________________________
Address for giving notices:	Address for giving notices:
______________________________	______________________________
______________________________	______________________________
______________________________	______________________________
	License No.: ______________________ *(where applicable)*

(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

Irrigation Project Bid opened 9:01AM 9/15/2026

Bidder	Project bid	Notes
Northland Contractors	$74,800.00	
Veit & Company, LLC	$84,745.00	
Urban Company	$189,000.00	

Septic Project Bid opened 9:03AM 9/15/2026

Bidder	Project bid	Notes
KTM Paving	$141,000.00	

Name: Cook Co. 2026 Northland SBDC Reporting Scorecard
Layout: *External Partners Northland SBDC Reporting Scorecard
Cumulative Period Start: 1/1/2026
Current Period Start: 1/1/2026
Scorecard End: 12/31/2026
Funding Source(s): All
Sub-Funding Source(s): ALL
Center(s): 7

Line No	**Data Elements**	**8/1/2026 to 8/31/2026**
1.	**DEED Report Categories**	0
2.	# Unique Individual Entrepreneurs and/or Businesses Served	2
4.	# of New Clients - Based on Initial Session	0
5.	# Hours of Business Assistance Services Provided	6
6.	Total Capital Accessed by Clients Served	$0.00
7.	Number of Jobs Created (Full Time and Part-Time)	0
8.	Number of Jobs Retained	1
9.	Total Jobs Supported (Created and Retained)	1
10.	Average Wages of Jobs Reported	$0.00
11.	# of New Businesses Starts/Bought Businesses	0
14.	# Veteran-Owned Businesses/Entrepreneurs Served	0