Economic Development Authority

Monday, August 17, 2026
5:30 PM
Elk River City Hall

Regular Meeting
Agenda

- Regular meeting in Council Chambers

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1. CALL MEETING TO ORDER

2. PLEDGE OF ALLEGIANCE

3. CONSIDER AGENDA

4. CONSENT AGENDA
Considered to be routine and noncontroversial and will be approved by one motion. There will be no separate discussion of these items unless there is a request to remove the item from the consent agenda to the regular agenda.

   4.1 DRAFT Minutes - June 15, 2026

   4.2 DRAFT Minutes - July 20, 2026

   4.3 Check Register

   4.4 Balance Sheet

   4.5 Revenue/Expenditure Reports

5. OPEN FORUM
An opportunity to provide comments and feedback regarding items not on the agenda. Information provided in Open Forum will not be discussed at this meeting; rather, the information will be referred to staff and/or scheduled for discussion at a future meeting.

6. PUBLIC HEARINGS
An opportunity for the public to express their opinions and raise questions pertaining to the agenda item. All comments become part of the official public record. For this reason, all comments must be made at the podium so they can be heard and recorded. Comments may also be provided in writing. There will not be deliberations, discussions, or answers to questions until the hearing is closed. It is important to be courteous and allow each presenter to comment before adding additional testimony.

7. GENERAL BUSINESS
Items in which the information is presented by city staff or consultants, then deliberation and action occur. General Business items are not opportunities to receive or provide public input. However, the presiding officer may, at its sole discretion, solicit public feedback.

   7.1 Presentation - Garden Gem Awards

   7.2 Resolution 26-07 Approving Revised Purchase Agreement with O'Brien Holdings - 17610 Tyler St. NW

   7.3 Resolution 26-08 Adopting 2027 Budget

   7.4 Resolution 26-09: Adopting the 2027 levy for repayment of 2013 Refunding Bonds (YMCA)

   7.5 Agreement for a Mutual Driveway Easement at 17610 Tyler Street NW

7.6 Resolution 26-10 Accepting a Deed from the City of Elk River - 17610 Tyler St. NW

7.7 Terminating a Mutual Access Easement Agreement at 17610 Tyler Street NW

7.8 Granting a Drainage and Utility Easement

8. OPEN DISCUSSION

This section is reserved for the board and staff to discuss relevant topics, updates, and other non-action items of the board.

9. MOTION TO ADJOURN

Meeting of the Economic Development Authority
Held at the Elk River City Hall
Monday, June 15, 2026

Members Present: President Matt Westgaard, Commissioners Cory Grupa, J. Brian Calva, Jeff Hartwig, Mike Beyer, Jennifer Wagner, and Charlie Blesener

Members Absent: None.

Staff Present: Economic Development Director Brent O'Neil, Economic Development Specialist Joshua Mollan, and Recording Secretary Justin Dunford

1. CALL MEETING TO ORDER

Pursuant to due call and notice thereof, the meeting was called to order at 5:30 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. CONSIDER AGENDA

Moved by Commissioner Wagner and seconded by Commissioner Beyer to approve the agenda. Motion carried 7-0.

4. CONSENT AGENDA

Moved by Commissioner Calva and seconded by Commissioner Grupa to approve the following consent items as outlined in their respective staff reports. Motion carried 7-0.

4.1 DRAFT Minutes - May 18, 2026

4.2 Check Register

4.3 Balance Sheet

4.4 Revenue/Expenditure Reports

5. OPEN FORUM

President Westgaard opened the public hearing. There being no one to speak to this matter, President Westgaard closed the public hearing.

6. PUBLIC HEARINGS

There were no public hearings.

7. GENERAL BUSINESS

7.1 Resolution 26-06: Downtown Loan - Elk Dental Center

Moved by Commissioner Wagner and seconded by Commissioner Beyer to approve, by motion, Resolution 26-06 authorizing a loan to Karma Real Estate, LLC. Motion carried 7-0.

Director O'Neil presented the staff report and provided a rendering to the members of proposed exterior changes to the Elk River Dental Center location. The location will receive a major remodel and significant investment. The Economic Development Authority would provide a loan with standard terms. Payments would be amortized over a 20-year schedule, likely with a ballot payment after the 60th month. Estimates show a monthly payment of $415.19 for the loan.

President Westgaard asked Mr. O'Neil what the interest rate of the loan would be, as there was previous discussion regarding making adjustments to the interest rates based on the market. Mr. O'Neil indicated that no such adjustment had been made, but that conversation could continue on that. Commissioners Wagner and Beyer commented about how it was good to see the program taken advantage of and for improvements to be made to a prime property that is forward-facing to the highway.

7.2 Committee Member Appointment

Moved by Commissioner Calva and seconded by Commissioner Hartwig to approve, by motion, the appointment of Connie Beckers to serve on the Beautification and Public Art Committee. Motion carried 7-0.

Economic Development Specialist Joshua Mollan provided a brief update on the Beautification Committee. The Committee has discussed the idea of a Utility Box Art Program/Project, and is working with the Minnesota Art Board on ideas. The request for action was to appoint Connie Beckers to fill a vacancy on the Beautification Commission.

The Economic Development Authority was thankful for community members and residents stepping up and joining commissions.

8. OPEN DISCUSSION

Director O'Neil gave an update to the EDA members:

- The Tipsy on Main property is for sale. Currently, it looks like the intention is to sell the property only.

- An update on the first building to the west of Granite Shores. An entity bought the property roughly a year ago and is seeking to make adjustments. Plans are to bring in a Thai restaurant in that area.
- CDI - involved parties are exploring permissions for gas easements. It is currently a lengthy process and frustrating both CDI and staff. Luckily, a breakthrough was found last week and it appears a path is opening up.
- Stoneworks, located on County Road 1 — they consolidated operations with their Plymouth location. There may be opportunity in Elk River, but it is unfortunate that the Elk River part of their business is shutting down in Elk River.
- Budget workshop for the upcoming Summer - Quick temperature check on timing for a July 20 meeting. There has been work by the marketing committee for ad hoc needs. Mr. O'Neil thanked members Blesener, Wagner, and Calva for assisting with marketing needs.
- Director O'Neil asked members to begin thinking of ideas, goals, and insights to develop internally and then present at a workshop. For example, consider program changes and expansions, the Downtown Project next summer, and future growth of economic development in Elk River. The goal is to strategically plan and make resources available.

9. MOTION TO ADJOURN REGULAR MEETING

Moved by Commissioner Beyer and seconded by Commissioner Grupa to adjourn the meeting. Motion carried 7-0.

The regular meeting adjourned at 5:46 p.m. President Westgaard called the work session to order at 5:48 p.m.

10. WORK SESSION

10.1 Eden Endeavors - Hotel Developer

Director O'Neil provided an update on the project. The project has decided not to move forward. There is still active interest in the development of a hotel in Elk River. Staff will continue to explore opportunities and work with development partners moving forward.

11. MOTION TO ADJOURN

Moved by Commissioner Blesener and seconded by Commissioner Grupa to adjourn the work session. Motion carried 7-0.

The work session adjourned at 5:54 p.m.

12. CLOSED MEETING - PID 75-00960-0010

President Westgaard closed the public meeting at 5:54 p.m. pursuant to M.S. 13D.05, Subdivision 3(c)(1).

Economic Development Authority Members Present: President Matt Westgaard, Commissioner Mike Beyer, Commissioner Cory Grupa, Commissioner Jennifer Wagner,

Commissioner Jeff Hartwig, Commissioner J. Brian Calva, Commissioner Charlie Blesener

Staff Present: Economic Development Director Brent O'Neil, Economic Development Specialist Joshua Mollan, and City Clerk Justin Dunford

President Westgaard read the following statement:

12.1 Statement to be read by the Chair:

"The Economic Development Authority will be closing the meeting pursuant to MN Statute Section 13D.05, Subdivision 3(c)(1) to consider offers or counteroffers relating to the sale of PID 75-00960-0010."

12.2 Motion Calling Closed Meeting

Moved by Commissioner Wagner and seconded by Commissioner Beyer to open the closed meeting. Motion carried 7-0.

12.3 Hold Closed Meeting

12.4 Motion to Adjourn Closed Meeting

Moved by Commissioner Beyer and seconded by Commissioner Wagner to adjourn the closed meeting. Motion carried 7-0.

The meeting adjourned at 6:05 p.m.

Minutes prepared by Justin Dunford.

Matt Westgaard, EDA President

Justin Dunford, City Clerk

Meeting of the Economic Development Authority
Held at the Elk River City Hall
Monday, July 20, 2026

Members Present:	President Matt Westgaard, Commissioners Cory Grupa, J. Brian Calva, Jeff Hartwig, Mike Beyer, Jennifer Wagner, and Charlie Blesener
Members Absent:	None
Staff Present:	Economic Development Director Brent O'Neil, Economic Development Specialist Joshua Mollan, and Recording Secretary Dawn Robertson

1. CALL MEETING TO ORDER
   Pursuant to due call and notice thereof, the meeting was called to order at 05:30 p.m.

2. PLEDGE OF ALLEGIANCE
   The Pledge of Allegiance was recited.

3. CONSIDER AGENDA
   Moved by Councilmember Wagner and seconded by Councilmember Grupa to approve the agenda. Motion carried 7-0.

4. CONSENT AGENDA
   Moved by Councilmember Calva and seconded by Commissioner Hartwig to approve the following consent items as outlined in their respective staff reports. Motion carried 7-0.

   4.1 Check Register

   4.2 Balance Sheet

   4.3 Revenue/Expenditure Reports

   4.4 DRAFT Together Elk River Minutes - March 16, 2026

5. OPEN FORUM
   No one appeared for open forum.

6. PUBLIC HEARINGS

There were no public hearings on the agenda.

7. GENERAL BUSINESS

7.1 CDI Project Update

Mr. O'Neil shared that the projected closing date for the property will be the middle of August. He will have action items on the August 17, 2026, meeting agenda for the Board and Council's approval. CDI would like to break ground in August and wants to be operating in the new space in the spring. Staff shared a map of the property to show where CDI had requested access off of Twin Lakes. Staff and CDI have considered putting access on the property line. Mr. O'Neil noted the shared costs that would be involved and is working on the 1st draft, including cost share including the EDA property. There were several comments and considerations from the board about the shared easement and entrance, such as: any future buildings on the adjacent property would share the driveway with CDI, current traffic levels on Twin Lakes Road and sight lines for turning vehicles. Mr. O'Neil expressed that where the proposed entrance will be located has a ridge that helps with views of oncoming traffic.

The Board directed staff to continue working on egress plans for future consideration.

8. OPEN DISCUSSION

Mr. Mollan shared that 16 gardens participated in the Garden Gem program and have been reviewed. Next month the winners for the six categories will be awarded. Mr. Mollan mentioned that EDA continues to create Open for Business Reels and Development Minute videos for Social Media Sites.

9. MOTION TO ADJOURN REGULAR MEETING

Moved by Commissioner Jennifer Wagner and seconded by Commissioner J. Brian Calva to adjourn the meeting. Motion carried 7-0.

10. WORK SESSION

The regular meeting adjourned at 5:45 p.m. President Westgaard called the work session to order at 5:47 p.m.

10.1 2027 Budget Workshop

Mr. O'Neil shared budget updates. The Board and Staff discussed future land purchases and what amount of money to keep in the operating reserve. Staff would like to hire a consultant to help make future land purchase recommendations. He mentioned the city should be acquiring 15–20 acre lots, but an outside expert may determine whether it should be more than that. The board wants to continue marketing and advertising and will consider an entry level tier of marketing. Mr. O'Neil wants the board to recognize the impact the 2027 downtown project is having on local businesses and consider ways to help.

The Board directed staff to continue exploring possible land purchase options.

11. MOTION TO ADJOURN

Moved by Commissioner J. Brian Calva and seconded by Commissioner Cory Grupa to adjourn the meeting. Motion Carried 7-0.

The meeting adjourned at 06:05 PM

Minutes prepared by Dawn Robertson.

Matt Westgaard, EDA President

Justin Dunford, City Clerk

Invoice Number	Sequence Number	Description	Type	Invoice Date	Due Date	Invoice Amount	Net Invoice Check Amount	GL Account Number
CITY OF ELK RIVER								
920								
7-2026 EDA	1	EDA SALARIES - JULY 26	Invoice	08/17/2026	08/17/2026	17,164.11	17,164.11	920-4-6210-4101
7-2026 EDA	2	EDA SALARIES - JULY 26	Invoice	08/17/2026	08/17/2026	1,050.00	1,050.00	920-4-6210-4103
7-2026 EDA	3	EDA SALARIES - JULY 26	Invoice	08/17/2026	08/17/2026	1,302.29	1,302.29	920-4-6210-4104
7-2026 EDA	4	EDA SALARIES - JULY 26	Invoice	08/17/2026	08/17/2026	1,069.93	1,069.93	920-4-6210-4105
7-2026 EDA	5	EDA SALARIES - JULY 26	Invoice	08/17/2026	08/17/2026	255.68	255.68	920-4-6210-4107
7-2026 EDA	6	EDA SALARIES - JULY 26	Invoice	08/17/2026	08/17/2026	1,512.00	1,512.00	920-4-6210-4108
7-2026 EDA	7	EDA SALARIES - JULY 26	Invoice	08/17/2026	08/17/2026	68.33	68.33	920-4-6210-4112
7-2026 EDA	8	EDA REIMB - SUPPLIES/STAPLES	Invoice	08/17/2026	08/17/2026	26.15	26.15	920-4-6210-4201
Total 17440 CITY OF ELK RIVER:						22,448.49	22,448.49	
Total 920:						22,448.49	22,448.49	
US BANK								
920								
72726 EDA CC Pay	1	ALDI - SUPPLIES	Invoice	07/27/2026	08/07/2026	8.58	8.58	920-4-6210-4201
Total 35099 US BANK:						8.58	8.58	
Total 920:						8.58	8.58	
Total :						22,457.07	22,457.07	
Grand Totals:						22,457.07	22,457.07	

Summary by General Ledger Account Number

GL Account Number	Debit	Credit	Net
920-4-6210-4101	17,164.11	.00	17,164.11
920-4-6210-4103	1,050.00	.00	1,050.00
920-4-6210-4104	1,302.29	.00	1,302.29
920-4-6210-4105	1,069.93	.00	1,069.93
920-4-6210-4107	255.68	.00	255.68
920-4-6210-4108	1,512.00	.00	1,512.00
920-4-6210-4112	68.33	.00	68.33
920-4-6210-4201	34.73	.00	34.73
Grand Totals:	22,457.07	.00	22,457.07

Summary by General Ledger Posting Period

GL Posting Period	Debit	Credit	Net
00/00	22,457.07	.00	22,457.07
Grand Totals:	22,457.07	.00	22,457.07

Summary by General Ledger Posting Period

GL Posting Period	Debit	Credit	Net

CITY OF ELK RIVER

Balance Sheet

July 31, 2026

Fund 920 - EDA

Assets			
920-1010	Cash - EDA	2,734,387.39	
	Total Assets		2,734,387.39
Fund Equity			
920-2400	Fund Balance	2,641,795.06	
	Revenues over Expenditures - YTD	92,592.33	
	Total Fund Equity		2,734,387.39
	Total Liabilities & Equity		2,734,387.39

CITY OF ELK RIVER

Revenues with Comparison to Budget

For the Months Ending July 31, 2026

Fund 920 - EDA

		Period Actual	YTD Actual	Budget	Unexpended	PCNT
920-3-0000-3111	Property Taxes	220,518.19	220,518.19	429,850.00	209,331.81	51%
920-3-0000-3621	Interest Income	6,302.91	42,463.50	75,000.00	32,536.50	57%
920-3-0000-3629	Miscellaneous Revenue	-	63.78	-	(63.78)	0%
920-3-0000-3949	Transfer-HRA	-	-	4,500.00	4,500.00	0%
	Total Fund Revenue	226,821.10	263,045.47	509,350.00	246,304.53	52%

CITY OF ELK RIVER

Expenditures with Comparison to Budget

For the Months Ending July 31, 2026

Fund 920 - EDA

		Period Actual	YTD Actual	Budget	Unexpended	PCNT
920-4-6210-4101	Regular Pay	10,405.62	61,393.16	138,000.00	76,606.84	44%
920-4-6210-4103	Part-time Pay	1,050.00	6,300.00	12,600.00	6,300.00	50%
920-4-6210-4104	PERA	795.42	4,705.60	10,550.00	5,844.40	45%
920-4-6210-4105	FICA	646.26	3,876.82	9,250.00	5,373.18	42%
920-4-6210-4107	Medicare	156.57	939.52	2,200.00	1,260.48	43%
920-4-6210-4108	Insurance	1,512.00	9,072.00	31,100.00	22,028.00	29%
920-4-6210-4109	Workers Comp	142.00	426.00	650.00	224.00	66%
920-4-6210-4112	PFML	48.85	291.30	800.00	508.70	36%
920-4-6210-4201	Office Supplies	2.31	266.43	2,000.00	1,733.57	13%
920-4-6210-4212	Fuels & Lubes	-	-	50.00	50.00	0%
920-4-6210-4304	Legal Fees	-	-	10,000.00	10,000.00	0%
920-4-6210-4319	Professional Services	-	-	25,000.00	25,000.00	0%
920-4-6210-4321	Telephone	-	-	700.00	700.00	0%
920-4-6210-4322	Postage	-	12.72	100.00	87.28	13%
920-4-6210-4331	Travel, Conferences & Schools	-	739.75	12,500.00	11,760.25	6%
920-4-6210-4349	Advertising/Marketing	2,502.80	12,742.52	115,500.00	102,757.48	11%
920-4-6210-4359	Publishing	-	269.00	1,000.00	731.00	27%
920-4-6210-4361	Insurance	27.00	81.00	300.00	219.00	27%
920-4-6210-4404	Software Services	-	11,052.32	17,500.00	6,447.68	63%
920-4-6210-4433	Dues & Subscriptions	275.00	5,365.00	6,200.00	835.00	87%
920-4-6210-4440	Miscellaneous	20.00	3,020.00	18,500.00	15,480.00	16%
920-4-62104510	Land	-	-	50,000.00	50,000.00	0%
920-4-6210-4721	Transfer-General Fund	49,900.00	49,900.00	49,900.00	-	100%
	Total Fund Expenditures	67,483.83	170,453.14	514,400.00	343,946.86	33%
	Net Revenue Over Expenditures	159,337.27	92,592.33	(5,050.00)	(97,642.33)	1934%

Request for Action

To
Economic Development Authority

Item Number
7.1

Meeting Date
August 17, 2026

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Presentation - Garden Gem Awards

Reviewed by
Brent O'Neil
Cal Portner

Action Requested
Recognize the 2026 Garden Gem Award winners with a photo and presentation of the award by President Westgaard.

Background/Discussion
During the second annual Garden Gem Awards, the Beautification and Public Art Committee received 22 nominations for 16 properties wishing to participate.

In July, the volunteer judging panel visited and scored participating properties and recommended the following highest scorers to win their respective categories: Freeport Business Center (neighborhood) and Cretex Companies (commercial). The winners of the residential categories were recognized at the HRA meeting earlier this month.

All winners will receive a personalized garden stone and a winners' sign to be temporarily displayed at the property. The engraved stones have been donated by Plaisted Companies.

Financial Impact
Program expenses are under $500.

Mission/Policy/Goal
The Garden Gem Awards aim to recognize exceptional gardens and landscaping in Elk River, thereby supporting the beauty of the neighborhood and the community as a whole.

Attachments
None

Request for Action

To
Economic Development Authority

Item Number
7.2

Meeting Date
August 17, 2026

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Resolution 26-07 Approving Revised Purchase Agreement with O'Brien Holdings - 17610 Tyler St. NW

Reviewed by
Cal Portner

Action Requested
Approve, by motion, Resolution 26-07 approving a revised purchase agreement with O'Brien Holdings.

Background/Discussion
In May 2026, the EDA authorized a purchase agreement to sell the property at 17610 Tyler St. NW to O'Brien Holdings to facilitate the expansion of the affiliated company Crystal Distribution, Inc. Timelines and benchmarks set in the agreement are no longer accurate due to delays in the project over the summer. This revised agreement updates key dates and addresses minor revisions necessitated by the project scope's evolution. Notably, this agreement extends closing to September 30, 2026, and construction performance milestones from December 1, 2026, to March 31, 2027.

Due to advance work on this project and agreement in the preceding weeks, we expect to turn the property over to the company in a short timeframe, likely before August 31. This would allow the company to commence work immediately and meet key timelines needed ahead of winter weather.

Financial Impact
The EDA will receive $518,000 less associated transaction costs at closing. Commissions and other costs are estimated at $35,000.

Mission/Policy/Goal
Support industrial development.

Attachments
1. RES 26-07: CDI TIF Purchase Agreement
2. CDI Purchase Agreement

City of Elk River

City of Elk River
Economic Development Authority

Resolution 26-__

A Resolution approving a purchase agreement and TIF assistance agreement with O'Brien Holdings, LLC including the conveyance of land therein

BE IT RESOLVED BY the Board of Commissioners (the "Board") of The Economic Development Authority for the City of Elk River, Minnesota (the "Authority") as follows:

Section 1. Recitals.

1.01. The City of Elk River, Minnesota (the "City") has approved the establishment of its Tax Increment Financing District No. 30 (an economic development district) (the "TIF District"), within the Municipal Development District No. 1 (the "Development Project") and has adopted a tax increment financing plan therefor for the purpose of financing certain public improvements within the Development Project.

1.02. To facilitate development of certain property in the TIF District, the Authority proposes to enter into a Purchase Agreement (the "Purchase Agreement") with O'Brien Holdings, LLC, a Minnesota limited liability company, or an affiliate thereof or entity related thereto (the "Developer"), under which the Authority will convey to the Developer certain property described in Exhibit A attached hereto (the "Development Property") in order for the Developer to construct an approximately 40,000 square foot expansion of the Developer's manufacturing facility to be owned by Developer and operated by Crystal Distribution, Inc. (the "Development"). In addition, the Developer, the Authority and the City will enter into a TIF Assistance Agreement (the "TIF Assistance Agreement") providing certain tax increment financing assistance to the Development.

1.03. The Authority proposes to sell the Development Property to the Developer at the price of $609,000. The purchase price for the Development Property will be paid from cash in the amount of $518,000, and a Purchase Price Note (the "Purchase Price Note") from the Developer in the amount of $91,000 which will be repaid on a subordinate basis from available tax increment generated by property within the TIF District in accordance with the TIF Assistance Agreement. In addition, the City proposes to reimburse the Developer for certain public development costs in the amount not to exceed $673,000 through the issuance of a pay as you go tax increment financing note (the "TIF Note"), subject to the terms and conditions set forth in the TIF Assistance Agreement.

1.04. The Authority hereby finds that the execution of the Purchase Agreement and TIF Assistance Agreement and performance of the Authority's obligations thereunder, including the conveyance of the Development Property to the Developer, are in the best interest of the City and its residents.

1.05. The Board previously approved a form of the TIF Assistance Agreement and Purchase Agreement after a duly noticed public hearing on May 4, 2026; provided, however, that the parties have since renegotiated certain terms of the TIF Assistance Agreement and Purchase Agreement, and accordingly, the TIF Assistance Agreement and Purchase Agreement have been re-submitted to the Board for its approval.

Section 2. Agreements Approved.

2.01. The Board approves the Purchase Agreement and TIF Assistance Agreement in substantially the form presented to the Board, together with any related documents necessary in connection therewith, including without limitation, all documents, exhibits, certifications, or consents referenced in or attached to the Purchase Agreement and TIF Assistance Agreement including the assessment agreement, any documents required by the title company relating to the conveyance of property, and the deed conveying the Development Property (the "Development Documents"). The Board hereby approves the conveyance of the Development Property to the Developer in accordance with the terms of the Purchase Agreement.

2.02. The Board hereby authorizes the President and Executive Director, in their discretion and at such time, if any, as they may deem appropriate, to execute the Development Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the Authority's obligations thereunder when all conditions precedent thereto have been satisfied, provided that the closing statement and other documents required by the title company may be executed by the Executive Director. The Development Documents shall be in substantially the form on file with the Authority and the approval hereby given to the Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the Authority and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the Authority. The execution of any instrument by the appropriate officers of the Authority herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This resolution shall not constitute an offer and the Development Documents shall not be effective until the date of execution thereof as provided herein.

2.03. In the event of absence or disability of the officers, any of the documents authorized by this resolution to be executed may be executed without further act or authorization of the Board by any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of the City Attorney, may act on their behalf. Upon execution and delivery of the Development Documents, the officers and employees of the Board are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the Board to implement the Development Documents, including without limitation the issuance of tax increment revenue obligations thereunder when all conditions precedent thereto have been satisfied and reserving funds for the payment thereof in the applicable tax increment accounts and the crediting of tax increments to the payment of the Purchase Price Note when all conditions precedent thereto have been satisfied.

Section 3. Effective Date. This resolution shall be effective upon approval.

Approved by the Board of Commissioners of the Economic Development Authority of the City of Elk River this 17 day of August, 2026.

____
Matt Westgaard, President

ATTEST:

____
Brent O’Neil, Executive Director

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (the "Agreement") is made and entered into this ________ day of ________, 2026 (the "Effective Date") by and between THE ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF ELK RIVER, a public body corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota (the "Seller" or the "Authority"), and O'BRIEN HOLDINGS, LLC, a Minnesota limited liability company ("Buyer" and, together with Seller, the "Parties" or individually each a "Party").

Recitals

WHEREAS, the Authority is the fee title owner of that certain real property legally described in Exhibit A attached hereto (the "Property") located in the City of Elk River, Minnesota (the "City');

WHEREAS, the Buyer wishes to purchase the Property from the Seller subject to the terms and conditions of this Agreement to construct on the Property, and the adjacent real property now owned by the Buyer (the "Buyer's Existing Property"), an approximately 40,000 square foot expansion to the manufacturing business currently operated by Crystal Distribution Inc. ("Tenant") on the Buyer's Existing Property in the City (the "Development");

WHEREAS, the Seller believes that the development of the Property is vital and that it is in the best interests of the Seller, and is in accordance with the public purpose and provisions of the applicable state and local laws and requirements under which the Development will be undertaken. Further, the Seller believes the Development will result in the enhancement of the City's tax base, create jobs in the City and the State of Minnesota (the "State"), help an existing business remain in the City and the State, and help develop manufacturing facilities in the City's industrial park; and

WHEREAS, the Seller is willing to sell the Property to the Buyer under the terms and conditions provided herein.

Terms of the Agreement

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the Parties agree as follows:

1. Recitals. The recitals as set forth above are hereby incorporated into this Agreement. Capitalized terms used in this Agreement but not defined in this Agreement shall have the meanings given such terms in the TIF Assistance Agreement (as hereinafter defined) unless the context requires otherwise.

2. Purchase Price. The sum of $20,000.00 in earnest money (the "Earnest Money") shall be paid by the Buyer to the Seller upon execution of this Agreement. The total purchase price for the Property shall be $609,000 (the "Purchase Price"). At Closing (as defined below) the Buyer shall pay the Purchase Price to the Seller in cash in the amount of $518,000 less the Earnest Money and with a purchase price note in the amount of $91,000 (the "Purchase Price Note") in substantially the form attached as Exhibit B to the TIF Assistance Agreement.

3. Closing. Subject to the terms of this Agreement, the closing of the purchase and sale of the Property contemplated by this Agreement (the "Closing") shall occur at the office of Guaranty

Commercial Title, Inc. (the "Title Company"), on September 30, 2026, or sooner as determined by the Parties (the "Closing Date").

4. Due Diligence Investigation. The Buyer shall have a due diligence period commencing on the Effective Date and ending 30 days thereafter ("Due Diligence Period") to make all such investigations as the Buyer, in its sole and absolute discretion, deems reasonable and necessary in determining the suitability of the Property for the Buyer's needs including:

a. To examine and inspect the Property, to review the Due Diligence Documents (as hereinafter defined), to conduct feasibility studies with regard to the ownership and operation of the Property, including, but not limited to, environmental reviews, soil condition testing, surveying, engineering studies, appraisals and any other physical inspections of the Property as determined by the Buyer and at Buyer's expense (except for the Due Diligence Documents as hereinafter defined), and to investigate all physical aspects of the Property, and to review all other due diligence matters related to the Property. Buyer may enter upon the Property to inspect the same, and may conduct tests and examinations with regard thereto, provided that Buyer's activities do not unreasonably interfere with the ongoing operation of the Property. Buyer shall promptly restore the Property to substantially the same condition in which it existed immediately prior to any physical tests conducted by or on behalf of Buyer. Seller shall cooperate with Buyer in obtaining reliance letters related to any existing environmental conditions affecting the Property. Buyer agrees to indemnify and defend Seller against any liens, claims, losses, or damage directly attributable to the Buyer's exercise of its right to enter and inspect the Property. Upon request by Seller, Buyer agrees to provide Seller with a copy of any report prepared as a result of such inspection, examination, or testing.

b. To investigate all zoning, code and governmental regulations or requirements in place at the Property, and to obtain all land use and rezoning approvals and permits determined necessary by the Buyer for Buyer's intended Development and use of the Property.

c. To secure funding for the purchase and development of the Property on terms acceptable to Buyer, in Buyer's sole discretion.

d. In addition to the contingencies in Section 8(a) below, Buyer shall have until the last day of the Due Diligence Period to provide written notice to Seller of Buyer's intention to terminate this Purchase Agreement for any reason. If Buyer terminates this Agreement within the Due Diligence Period, the transactions contemplated herein shall be considered terminated and the Earnest Money, or a portion thereof, shall be refunded to Buyer pursuant to Section 5 below.

5. Earnest Money. If this Agreement is terminated or expires, the Earnest Money shall be used: (a) first, to reimburse and pay any and all TIF costs incurred by the City in connection with the TIF Assistance Agreement or the transaction contemplated herein not otherwise covered by the deposit paid by the Buyer with its TIF application and such portion of the Earnest Money shall be nonrefundable to Buyer, and (b) second, any remaining balance of the Earnest Money shall be returned to the Buyer.

6. Title Review and Objections. Buyer has obtained from the Title Company and provided to Seller, a copy of a commitment for an ALTA owner's title insurance policy, which shall be periodically updated in accordance with the Development Documents (as defined herein), and any survey desired by

Buyer (the "Survey"). Within ten (10) days after the later of (i) Effective Date or (ii) Buyer's receipt of the Survey, Buyer shall notify Seller in writing of any objections to the condition of title to the Property, including those appearing in the Survey or a preliminary plat of the Property, or the objections shall be deemed waived. If any objections are so made, the Seller shall be allowed until the Closing Date to cure such objections and make the title to the Property good and marketable of record in Seller. Notwithstanding the foregoing, Seller shall have no obligation to cure any title objections. If a timely objection has been made by Buyer pursuant to this Section and such objection remains uncured by the Seller on the Closing Date, Buyer, as its sole and exclusive remedy, may either: (A) terminate this Agreement by giving written notice to the Seller, and having the Earnest Money, or a portion thereof, refunded to Buyer pursuant to Section 5 above; or (B) elect to accept the title to the Property in its unmarketable condition and without reduction of the Purchase Price by giving written notice to the Seller.

7. Conveyance Subject to Right of Re-entry. The Seller's conveyance of the Property to the Buyer pursuant to this Agreement shall be made in the form of a quit claim deed (the "Deed"), in substantially the form set forth in Exhibit B attached hereto. The Deed shall include a right of re-entry for breach of a condition subsequent in favor of the Seller (the "Right of Re-entry") as attached to the Deed as Exhibit B. The condition subsequent is that subject to "Unavoidable Delays" (as defined in the TIF Assistance Agreement), the Buyer shall have commenced, or caused to have commenced, construction of the foundation of the Minimum Improvements to be located on the Property by March 31, 2027 provided that in accordance with Minnesota Statutes, Section 469.105, even in the event of Unavoidable Delays, commencement of the construction of the foundation shall occur within 1 year from the Closing Date. If Buyer breaches such condition subsequent, the Buyer shall re-convey the Property back to the Seller, subject to matters then of record. If the Buyer fails to re-convey the Property to the Seller, the Seller may elect to exercise its right of re-entry by commencing an action in Sherburne County District Court to establish the breach of the condition subsequent. If the Seller establishes a breach of the condition subsequent, title to and the right to possession of the Property and title to all improvements located thereon shall revert to the Seller, and the Buyer is not entitled to any compensation from the Seller for the Property or the value of any improvements the Buyer has made to the Property. If Buyer complies with the condition subsequent in the Deed, Seller shall execute and deliver to Buyer the Certificate of Release attached to the Deed as Exhibit C. Upon receipt of a certificate of release from the Seller in connection with the condition subsequent, the Buyer shall record the certificate of release of the Right of Re-entry in the proper County land records at its expense.

8. Contingencies.

a. Buyer's Contingencies. The Buyer's obligation to purchase the Property shall be contingent on the following:

i. By the end of the Due Diligence Period, the Buyer shall have determined, in its sole and absolute discretion, that it is satisfied with the results and matters disclosed by the Buyer's investigation of the Property pursuant to Section 4 of this Agreement.

ii. By the Closing Date, the Buyer shall have determined, in its sole discretion, that it will be able to obtain, or caused to be obtained, in a timely manner, all required permits, licenses and approvals which must be obtained for the Development, including without limitation, the "Lot Adjustment" (defined in Section 8a.ix. below), and all other zoning and land use approvals, which must be obtained for the Development.

iii. By the Closing Date, the Buyer shall have obtained approval from the City and the Seller, following a duly noticed public hearing and the satisfaction of all other conditions required by Minnesota law, of the Financial Assistance (as hereinafter defined).

iv. By the Closing Date, Buyer, Seller, and the City shall have executed, effective not later than the Closing Date, the TIF Assistance Agreement.

v. By the Closing Date, the Buyer shall have obtained all necessary financing for the Development.

vi. By the Closing Date, the condition of title to the Property shall be satisfactory to the Buyer following the Buyer's examination of title as provided herein.

vii. By the Closing Date, Seller and the Buyer shall have negotiated and executed an access agreement (the "Access Agreement") for the Property and the adjacent land owned by the Seller.

viii. By the Closing Date, (1) plans for the relocation of the stormwater utilities on the Buyer's Existing Property and the Property shall have been mutually approved by Buyer, Seller, the City and Northern Natural Gas Company ("Northern"), the holder of the rights to a gas line easement on and under the Buyer's Existing Property and the Property, and (2) Buyer, Seller, Northern and the City (if required) shall have negotiated and executed any required mutually agreeable encroachment agreement (the "Encroachment Agreement") allowing for the relocated stormwater utilities to encroach on the area of the gas line easement in favor of Northern located on the Buyer's Existing Property and the Property.

ix. By the Closing Date, an administrative lot line adjustment shall have been approved by Seller, Buyer and the City to split the Property from Seller's parcel described as Lot 1, Block 1, NORTHSTAR BUSINESS PARK for the purpose of conveying the Property to Buyer and combining the Property with Buyer's Existing Property as one tax parcel for real estate tax purposes (the "Lot Adjustment").

x. Buyer and Seller shall have terminated that certain Mutual Driveway Easement Agreement between Buyer and Seller dated November 21, 2005, and recorded in the office of the Sherburne County Recorder as Document No. 609811 (the "Driveway Termination").

xi. Buyer shall have reviewed and approved a resolution by the City (1) to vacate the drainage and utility easement along the common boundary line between Buyer's Existing Property and the Property as shown on the plat of NORTHSTAR BUSINESS PARK, to be effective and recorded upon the completion of construction, installation and the City's acceptance of the new stormwater utilities on the Property and connection to portions of the existing stormwater facilities on the Buyer's Existing Property and the Property and (2) create a new drainage and utility easement for the new stormwater utilities that will be constructed on the Buyer's Existing Property and the Property and which will connect with portions of the stormwater facilities that are located in the drainage and utility easement that will be vacated in clause (1) above (the "DU Vacation").

The contingencies set forth above are for the benefit of the Buyer and may be waived by the Buyer in the Buyer's sole discretion. Notwithstanding any other provision in this Agreement, a waiver of a contingency must be in writing to be effective. If any of the above contingencies is not satisfied or waived by Buyer by the applicable date (i.e. end of Due Diligence Period or the Closing Date), Buyer, as its sole and exclusive remedy, may either: (A) terminate this Agreement by giving written notice to the Seller and having the Earnest Money, or a portion thereof, refunded to Buyer pursuant to Section 5 above; or (B) elect to waive such contingency(ies) and close on the purchase of the Property without reduction of the Purchase Price.

b. Seller's Contingencies. The Seller's obligation to convey the Property shall be contingent on the following being satisfied by the Closing Date:

   i. Seller shall have determined, in Seller's reasonable discretion, that Buyer will be able to obtain, or caused to be obtained, in a timely manner, all required permits, licenses and approvals for the Development, and will be able to meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met for the Development including without limitation a building permit, any needed variances, the Lot Adjustment, and zoning and land use approvals;

   ii. The Buyer shall have obtained approval from the City and the Seller of the sale of the Property pursuant to this Agreement following a duly noticed public hearing, and in accordance with and following the satisfaction of all conditions required by Minnesota law, including Minnesota Statutes, Section 469.105;

   iii. Following all requirements of Minnesota law, the Buyer, the Seller, and the City shall have executed, effective not later than the Closing Date, a TIF Assistance Agreement (the "TIF Assistance Agreement"), providing for, among other things, the (a) construction of the Development by the Buyer in accordance with plans, specifications and a timeline approved by the Seller; (b) the Purchase Price Note in accordance with applicable law and the terms of any tax increment financing assistance to be provided for the Development (the "Financial Assistance") in accordance with applicable law; (c) a minimum assessment agreement for the Property and Buyer's Existing Property as shown on the Lot Adjustment; (d) any applicable legal or policy requirements of the Seller related to the Development or the Purchase Price Note; and (e) any documents ancillary thereto (collectively, the "Development Documents");

   iv. Buyer shall have performed all of the obligations required to be performed by the Buyer under this Agreement or the Development Documents as of the Closing Date and any further contingencies to Closing set forth in such Development Documents shall have been satisfied as provided therein, including without limitation execution and delivery of all Development Documents that are required to be executed or delivered on the Closing Date;

v. Buyer shall have delivered to the Seller all of the Buyer's Documents described in Section 14 below;

vi. The Buyer shall have submitted the construction plans for the Development to the Seller and the City, and the Seller and the City shall have approved the construction plans pursuant to the Development Documents;

vii. Seller shall have determined, in its reasonable discretion, that Buyer will be able to receive a building permit for the Development and the Buyer has submitted all information required for the City to review the application for the building permit;

viii. The Seller shall have obtained approval of the Lot Adjustment required for the conveyance of the Property and construction of the Development;

ix. By the Closing Date, the Buyer shall have obtained and provided to the Seller evidence of all necessary financing for the Development in a form satisfactory to the Seller in its reasonable discretion;

x. The Seller and the Buyer shall have negotiated and executed the Access Agreement, and the City shall have adopted the resolution approving the DU Vacation described above; and

xi. The Seller shall have determined that the Development to be undertaken by the Buyer on the Property is in conformance with this Agreement and the development objectives set forth in resolutions of the Seller authorizing the Development Documents.

xii. Plans for the relocation of the stormwater utilities on the Buyer's Existing Property and the Property shall have been mutually approved by Buyer, Seller, the City and Northern Natural Gas Company ("Northern"), the holder of the rights to a gas line easement on and under the Buyer's Existing Property and the Property, and (2) Buyer, Seller, Northern and the City (if required) shall have negotiated and executed any required mutually agreeable encroachment agreement (the "Encroachment Agreement") allowing for the relocated stormwater utilities to encroach on the area of the gas line easement in favor of Northern located on the Buyer's Existing Property and the Property.

The contingencies set forth in this Section 8(b) are for the benefit of the Seller and may be waived only by the Seller in its sole and absolute discretion. Notwithstanding any other provision in this Agreement, a waiver of a contingency must be in writing to be effective. Prior to the Closing Date, the Seller will give written notice to the Buyer of the contingencies that have been waived, satisfied, or neither waived nor satisfied.

c. Seller's and Buyer's Options. In the event that any of the foregoing contingencies fail to be satisfied by the Closing Date or the end of the Due Diligence Period, as applicable:

i. The applicable party benefitting from the contingency(ies) may terminate this Agreement, and Buyer and Seller shall execute and deliver to each other documentation effecting the termination of this Agreement; or

ii. The applicable party benefitting from the contingency(ies) may waive such failure and proceed to Closing; provided that the contingencies in Section 8(a) are solely for the benefit of the Buyer and may be waived only by the Buyer as provided in therein) and the contingencies in Section 8(b) are solely for the benefit of the Seller and may be waived only by the Seller as provided therein; or

iii. Buyer and the Seller may mutually agree to extend the Closing Date.

9. Real Estate Taxes and Special Assessments. Any general real estate taxes payable in the year in which Closing occurs shall be prorated between the Buyer and the Seller as of the Closing Date. The Buyer will pay all outstanding special assessments with respect to the Property as of the Effective Date.

10. Representations and Warranties of Seller. As a condition for the Buyer's receipt of the Financial Assistance, the Property shall be sold AS-IS. Buyer acknowledges that it has inspected or will have had the opportunity to inspect the Property and agrees to accept the Property "AS IS" with no right of set off or reduction in the Purchase Price. Such sale shall be without representation or warranties, express or implied, either oral or written, made by Seller or any official, employee or agent of Seller with respect to the physical condition of the Property, including but not limited to, the existence or absence of petroleum, hazardous substances, pollutants or contaminants in, on, or under, or affecting the Property or with respect to the compliance of the Property or its operation with any laws, ordinances, or regulations of any government or other body, except as stated below. Buyer acknowledges and agrees that Seller has not made and does not make any representations, warranties, or covenants of any kind or character whatsoever, whether expressed or implied, with respect to income potential, operating expenses, uses, habitability, tenant ability, or suitability for any purpose, merchantability, or fitness of the Property for a particular purpose, all of which warranties Seller hereby expressly disclaims, except as stated below. Buyer is relying entirely upon information and knowledge obtained from the Due Diligence Documents and Buyer's own investigation, experience and knowledge obtained from Buyer's own investigation, experience, or personal inspection of the Property. Buyer expressly assumes, at closing, all environmental and other liabilities with respect to the Property and releases and indemnifies Seller from same, whether such liability is imposed by statute or derived from common law including, but not limited to, liabilities arising under the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), the Hazardous and Solid Waste Amendments Act, the Resource Conservation and Recovery Act ("RCRA"), the federal Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substances Act, the Superfund Amendments and Reauthorization Act, the Toxic Substances Control Act, and the Hazardous Materials Transportation Act, all as amended, and all other comparable federal, state or local environmental conservation or protection laws, rules or regulations. The foregoing assumption and release shall survive Closing. All statements of fact or disclosures, if any, made in this Agreement or in connection with this Agreement, do not constitute warranties or representations of any nature. The foregoing provision shall survive Closing and shall not be deemed merged into any instrument of conveyance delivered at Closing.

Notwithstanding the foregoing, Seller represents to Buyer as follows:

a. Unrecorded Agreements. To Seller's actual knowledge, there are no unrecorded agreements, undertakings or restrictions which affect the Property.

b. Leases. To the Seller's actual knowledge, there are no leases or possessory rights of others regarding the Property.

c. Due Diligence Documents. To Seller's actual knowledge, the Due Diligence Documents delivered or to be delivered to Buyer hereunder are correct and complete and do not contain any false information.

d. FIRPTA. Seller is not a "foreign person," "foreign partnership," "foreign trust," or "foreign estate," as those terms are defined in Internal Revenue Code Section 1445 and the regulations promulgated thereunder.

e. No Proceedings. To the Seller's actual knowledge, there are no legal or administrative proceedings pending or threatened (i) which would adversely affect Seller's right to convey the Property to Buyer as contemplated in this Agreement, or (ii) affecting the Property. There are no condemnation or eminent domain proceedings pending or, to Seller's knowledge, threatened with respect to the Property.

f. Private Sewage Systems; Wells. To the Seller's knowledge, there are no wells or private sewage systems located on the Property.

g. Use of Property. To Seller's knowledge, no methamphetamine production has occurred on the Property.

h. Current Conditions. Seller shall maintain the Property in its present condition, ordinary wear and tear excepted.

i. Authority. Seller has full power and authority to enter into this Agreement and to perform all of its obligations hereunder, and has taken all action required by law, its governing instruments, or otherwise to authorize the execution, delivery, and performance of this Agreement and all the deeds, agreements, certificates, and other documents contemplated herein. This Agreement has been duly executed by and is a valid and binding agreement of Seller, enforceable in accordance with its terms, except as enforceability may be limited by equitable principles or by the laws of bankruptcy, insolvency, or other laws affecting creditors' rights generally.

j. Entity. Seller is a public body corporate and politic and political subdivision of the State of Minnesota.

k. The obligations of Buyer under this Agreement are contingent upon the representations and warranties of Seller contained in this Agreement being true as of the Effective Date and on the Closing Date as if made on the Closing Date. Each of the foregoing representations and warranties shall be deemed remade as of the Closing Date and, as so remade, shall survive the Closing.

11. Due Diligence Documents. Within ten (10) days after the Effective Date, Seller shall deliver to Buyer copies of the documents set forth on Exhibit C attached hereto and incorporated herein that are in Seller's possession or reasonable control (the "Due Diligence Documents").

12. Closing Costs.

a. The Buyer shall pay all costs of the preparation of a title commitment, including the search and examination fees and any abstracting fees, if required by the Title Company. The Buyer shall also pay the fees for standard searches with respect to the Seller and the Property, all premiums required for issuance of a title insurance policy and any endorsements, all of the costs for the Survey, and one-half (1/2) of all Closing fees or escrow fees charged by the Title Company. The Seller shall pay all recording fees and charges related to the filing of any instrument required to make title marketable including the Deed, any state deed tax, and one-half (1/2) of all Closing fees or escrow fees charged by the Title Company.

b. Buyer shall also pay the following costs: (1) all costs for obtaining government approvals that may be required in order to close on the Property or as required for the Buyer's intended use of the Property; (2) all fees of the cost of preparation of any necessary documents for the Lot Adjustment or other subdivision documents; (3) Buyer's attorney's fees; (4) the Seller's reasonable legal, accounting fees and other out of pocket costs incurred in connection with this Agreement and the Development Documents and all tax increment financing approvals as further provided in the Development Documents as required by the City's Tax Increment Financing Policy, provided that the Seller shall pay its own fees and costs in connection with the real estate closing following execution of this Agreement; and (5) all other costs to be paid by Buyer as outlined in the Development Documents entered into between the Parties.

13. Seller's Closing Documents. At Closing, Seller shall execute and/or deliver to Buyer the following documents (collectively, the "Seller's Closing Documents"):

a. The Deed conveying the Property to Buyer.

b. A closing/settlement statement prepared by the Title Company to be executed by Seller, Buyer, and the Title Company at the Closing that accurately describes the economic terms of the transaction described in this Agreement.

c. A non-foreign affidavit, properly executed, containing such information as is required by IRC Section 1445(b)(2) and the regulations promulgated thereunder.

d. The TIF Assistance Agreement and the Assessment Agreement (all as defined in the TIF Assistance Agreement) and any other documents required pursuant to the terms of the Development Documents.

e. Any executed documents that may be required in the State of Minnesota in order for the Deed to be recorded on the Closing Date.

f. An affidavit of title with respect to the Property in a form satisfactory to the Title Company so as to enable the Title Company to remove standard title insurance exceptions that can be removed with such affidavit.

g. A Well Disclosure Certificate or a statement that the Seller does not know of any wells on the Property.

h. The Access Agreement.

i. The Encroachment Agreement (if required).

j. The document(s) approving the Lot Adjustment.

k. The Driveway Termination.

l. The DU Vacation.

m. Such other documents as may be reasonably required to complete the transaction as set forth in this Agreement, including affidavits of the Seller and Certificates of Value.

14. Documents to be Delivered by the Buyer. The Buyer agrees to deliver to the Seller the following documents (the "Buyer's Documents"), duly executed as appropriate, at Closing:

a. Such affidavits of Buyer, Certificates of Value or other documents as may be reasonably required in order to complete the transaction contemplated by this Agreement, including the closing/settlement statement described in Section 13.b. above.

b. Any documentary evidence required to satisfy the contingencies set forth herein.

c. The TIF Assistance Agreement, the Purchase Price Note, and the Assessment Agreement (all as defined in the TIF Assistance Agreement) and any other documents required pursuant to the terms of the Development Documents.

d. The Access Agreement.

e. The Encroachment Agreement (if required).

f. The document(s) approving the Lot Adjustment.

g. The Driveway Termination.

h. The DU Vacation.

i. Such other documents as shall be required to carry out the intent of this Agreement.

15. Casualty or Condemnation. If before the Closing Date any of the improvements on the Property are destroyed or substantially damaged by fire or any other casualty or any substantial part of the Property shall be taken by condemnation (including a deed given in lieu thereof), Buyer shall have the option of (i) enforcing this Agreement (and in such event the insurance proceeds or condemnation award shall belong to Buyer) or (ii) canceling this Agreement by written notice given within 30 days after Buyer receives notice of such casualty or condemnation from Seller. If this Agreement is canceled under this Section, the Earnest Money, or a portion thereof, shall be refunded to Buyer pursuant to Section 5 above, and the Parties' obligations hereunder shall be of no further force and effect.

16. Remedies. If either Party defaults under this Agreement, the non-defaulting party shall have the right to terminate this Agreement by giving written notice to the defaulting party. If the defaulting party is Seller, and Seller fails to cure such default within 14 days of the date of receipt of such written notice, this Agreement will terminate unless such default is waived by Buyer. If the defaulting party is Buyer, Seller may terminate this Agreement only by complying with Minn. Stat. Section 559.21. The termination of this Agreement shall be the sole and absolute remedy available to the non-defaulting Party for such default.

17. Commissions. Seller shall be responsible for and shall pay all brokerage commissions due in connection with this transaction. Specifically, Seller agrees to pay (i) a listing commission of $15,540 to its broker (Hardin Companies), and (ii) a buyer's representation fee of $5,000 to the Buyer's broker

(CBRE). These commissions shall be due and payable only upon the successful closing and will be paid on the Closing Date. Except for the brokers' fees set forth in the previous sentence, each party agrees that no other real estate brokers were retained and agrees to indemnify and hold the other party harmless from anyone else claiming a commission/fee through the indemnifying party.

18. Notices. Any notices required herein shall be deemed given when sent in the U.S. Mail, either registered or certified, return receipt requested, or by Federal Express or other overnight delivery service requiring a signature upon receipt, to the parties at the following addresses:

SELLER: The Economic Development Authority
for the City of Elk River
13065 Orono Parkway
Elk River, MN 55330
Attention: Executive Director

BUYER: O'Brien Holdings, LLC
3005 Ranchview Ln N
Plymouth, MN 55447
Attention: Brad Martin

19. Survival. All representations, warranties, indemnities and agreements set forth herein shall survive the Closing, except as otherwise provided herein.

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

21. Assignment. Buyer shall have the right to assign its interest in this Agreement, without the consent of Seller, to an entity in which Buyer, or one or more of its members, has an ownership interest, member interest or is otherwise affiliated with. The consent of the Seller shall be required if Buyer assigns this Agreement to any other third party, such consent not to be unreasonably withheld.

22. Binding Effect. This Agreement is binding upon the Parties and their respective permitted successors and assigns.

23. Construction. This Agreement shall not be construed more strictly against one Party than the other, merely by virtue of the fact that it may have been prepared primarily by counsel for one of the Parties, it being recognized that both Buyer and Seller have contributed substantially and materially to the preparation of this Agreement.

24. Headings. The headings preceding the text of the sections and subsections hereof are inserted solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

25. Severability. The invalidity or unenforceability of any term or terms of this Agreement shall not invalidate, make unenforceable or otherwise affect any other term of this Agreement, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted, and in such event, the remaining terms of this Agreement shall remain in full force and effect.

26. Computation of Time. In computing any period of time pursuant to this Agreement, the day of the act or event from which the designated period of time begins to run will not be included. The

last day of the period so computed will be included, unless it is a Saturday, Sunday or federal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday or federal holiday.

27. Time of the Essence. All times, wherever specified herein for the performance by Seller or Buyer of their respective obligations hereunder, are of the essence of this Agreement.

28. Complete Agreement. This instrument and any exhibits, schedules or addendums attached hereto contain the entire Agreement of the Parties regarding the subject matter hereof, and supersedes all prior negotiations, agreements or understandings, whether oral or in writing. This Agreement may not be changed orally but only by an agreement in writing signed by the Parties.

29. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute an original but all of which, taken together, shall constitute but one and the same instrument. This Agreement may be executed by DocuSign or delivery of executed signature pages by email transmission.

Signature page follows

IN WITNESS WHEREOF, said Parties hereby execute this Purchase Agreement effective as of the Effective Date stated above.

SELLER:

THE ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF ELK RIVER

By__________________________________
Its President

By__________________________________
Its Executive Director

BUYER:

O'BRIEN HOLDINGS, LLC

By: __________________________________

Its: __________________________________

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

That property located in the City of Elk River, Sherburne County, Minnesota legally described as:

That part of Lot 1, Block 1, NORTHSTAR BUSINESS PARK, Sherburne County, Minnesota, lying southerly and easterly of the following described line:

Commencing at the Northeasterly corner of said Lot 1; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating.

EXHIBIT B

FORM OF QUIT CLAIM DEED

(Top 3 inches reserved for recording data)

QUIT CLAIM DEED

DEED TAX DUE: $____________________ DATE: ________, 2026

ECRV: ________________
(month/day/year)

FOR VALUABLE CONSIDERATION, The Economic Development Authority for the City of Elk River
(insert name of Grantor)

a public body corporate and politic and political subdivision under the laws of Minnesota, ("**Grantor**"),
hereby conveys and quitclaims to O'Brien Holdings, LLC
(insert name of Grantee)
a limited liability company under the laws of Minnesota, ("**Grantee**"),
real property in Sherburne County, Minnesota, legally described as follows:

The property located in the City of Elk River, Sherburne County, Minnesota legally described as:

That part of Lot 1, Block 1, NORTHSTAR BUSINESS PARK, Sherburne County, Minnesota, lying southerly and easterly of the following described line:

Commencing at the Northeasterly corner of said Lot 1; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating.

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

together with all hereditaments and appurtenances belong thereto, subject to the Right of Re-Entry for Breach of Condition Subsequent in favor of Grantor which is described on Exhibit A attached hereto and the form of Certificate of Release described on Exhibit B attached hereto.

Check applicable box:

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

☐ A well disclosure certificate accompanies this document (If electronically filed, insert WDC number: __________________).

☐ I am familiar with the property described in this instrument and I certify that the status and number of wells on the described real property

The Economic Development Authority for the City of Elk River

By: ________________________________
Matthew T. Westgaard

Its: President

By: ________________________________

have not changed since the last previously filed well disclosure certificate.

Brent O'Neil

Its: Executive Director_____

State of Minnesota, County of SHERBURNE

This instrument was acknowledged before me on _________________________, 20__ by Matthew T. Westgaard, as President and by Brent O'Neil, as the Executive Director of the Economic Development Authority for the City of Elk River, a public body corporate and politic and political subdivision under the Constitution and laws of the State of Minnesota, on behalf of the Authority.

____
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
(insert name and address)

Kutak Rock LLP (GAF)
60 South Sixth Street, Suite 3400
Minneapolis, MN 55402

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN THIS INSTRUMENT SHOULD BE SENT TO:
(insert name and address of Grantee to whom tax statements should be sent)

O'Brien Holdings, LLC
3005 Ranchview Ln N
Plymouth, MN 55447

EXHIBIT A

TO QUIT CLAIM DEED
EXECUTED BY
THE ECONOMIC DEVELOPMENT AUTHORITY
FOR THE CITY OF ELK RIVER, GRANTOR,
IN FAVOR OF O'BRIEN HOLDINGS, LLC, GRANTEE.

THE ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF ELK RIVER, Grantor, is conveying the property described in the attached Quit Claim Deed (the "Property") to O'BRIEN HOLDINGS, LLC, Grantee, subject to a right of re-entry for breach of conditions subsequent in favor of Grantor. The condition subsequent is that, barring any Unavoidable Delays, the Grantee shall have commenced, or caused to be commenced, construction of the foundation of the Minimum Improvements, as defined in that certain TIF Assistance Agreement between the Grantor, the City of Elk River (the "City"), and Grantee dated as of [____________], 2026 (the "TIF Assistance Agreement"), by March 31, 2027. If Grantee breaches the condition subsequent, Grantee shall re-convey the Property back to Grantor. If Grantee fails to re-convey the Property to the Grantor, Grantor may elect to exercise its right of reentry by commencing an action in Sherburne County District Court to establish the breach of the condition subsequent. If Grantor establishes a breach of the condition subsequent, title to and the right to possession of the Property, and title to all improvements located thereon reverts to Grantor, and Grantee is not entitled to any compensation from Grantor for the value of any improvements Grantee has made to the Property.

The Grantee shall notify the Grantor when the Grantee has commenced, or caused to be commenced, construction of the foundation of the Minimum Improvements on the Property in accordance with permits issued by the City or the Grantor. The Grantor shall, within 20 days after such notification, inspect the Property in order to determine whether the Grantee has commenced construction of the foundation of the Minimum Improvements in accordance with permits issued by the City or the Grantor. If the Grantor determines the Grantee has commenced construction of the foundation of the Minimum Improvements in accordance with permits issued by the City or the Grantor, the Grantor will furnish to the Grantee a Certificate of Release in the form attached hereto as Exhibit B, releasing the Property from the right-of-reentry

EXHIBIT B

TO QUIT CLAIM DEED EXECUTED BY
THE ECONOMIC DEVELOPMENT AUTHORITY
FOR THE CITY OF ELK RIVER, GRANTOR,
IN FAVOR OF O'BRIEN HOLDINGS, LLC, GRANTEE.
CERTIFICATE OF RELEASE

Recitals.

Recital One. O'Brien Holdings, LLC, a Minnesota limited liability company (the "Grantee") is the owner of the real property legally described in Exhibit A hereto (the "Property").

Recital Two. Grantee acquired title to the Property subject to a right of re-entry for breach of conditions subsequent in favor of the Grantor (the "Right of Reentry") set forth in a deed from The Economic Development Authority for the City of Elk River (the "Grantor") dated ____________ __, 2026 and recorded in the office of the Sherburne County Registrar of Titles /Sherburne County Recorder on ____________________ as Document No. _______________ (the "Deed").

Recital Three. The Grantee is a party to a TIF Assistance Agreement between the Grantor, the City of Elk River, Minnesota (the "City"), and the Grantee, dated ______________ __, 2026 (such agreement, as the same may be modified or amended, the "TIF Assistance Agreement") (capitalized terms utilized herein and not separately defined shall have the meanings ascribed to them in the TIF Assistance Agreement).

Recital Four. Pursuant to the TIF Assistance Agreement the Grantee is obligated to have commenced, or caused to be commenced, by March 31, 2027, construction of the foundation of the Minimum Improvements in accordance with permits issued by the City.

Recital Five. The Grantor's Right of Re-entry would be triggered by the Grantee's failure to have commenced, or caused to be commenced, by March 31, 2027, construction of the foundation of the Minimum Improvements in accordance with permits issued by the City.

Recital Six. The Grantee has represented to the Grantor that the Grantee has commenced, or caused to be commenced, by March 31, 2027, construction of the foundation of the Minimum Improvements in accordance with permits issued by the City and has requested this Certificate of Release from the Grantor.

Certificate of Release. The Grantor hereby certifies that the Grantee has satisfied its obligations with respect to commencing, or causing to be commenced, by March 31, 2027, construction of the foundation of the Minimum Improvements in accordance with permits issued by the City. The Grantor further acknowledges and agrees that the Property is released from the Right of Reentry.

IN WITNESS WHEREOF, the Grantor has caused this certificate to be duly executed on its behalf this ____ day of ____________, 20___.

.

THE ECONOMIC DEVELOPMENT AUTHORITY FOR THE CITY OF ELK RIVER

By________________________________

Its President

By________________________________

Its Executive Director

STATE OF MINNESOTA
COUNTY OF SHERBURNE

This instrument was acknowledged before me on ____________________, 20__ by _____________, as President and by _____________, as the Executive Director of the Economic Development Authority for the City of Elk River a public body corporate and politic and political subdivision under the Constitution and laws of the State of Minnesota, on behalf of the Authority.

____

Notary Public

DRAFTED BY:
Kutak Rock LLP (GAF)
60 South Sixth Street, Suite 3400
Minneapolis, MN 55402

EXHIBIT A
TO CERTIFICATE OF RELEASE
LEGAL DESCRIPTION OF THE PROPERTY

The property located in the City of Elk River, Sherburne County, Minnesota legally described as:

That part of Lot 1, Block 1, NORTHSTAR BUSINESS PARK, Sherburne County, Minnesota, lying southerly and easterly of the following described line:

Commencing at the Northeasterly corner of said Lot 1; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating.

EXHIBIT C

DUE DILIGENCE DOCUMENTS

Copies of the following in Seller's possession or control and related to the Property:

1. Copies of all agreements affecting the Property, including any assignable warranties;
2. Grading Plans
3. Phase I
4. Utility plans.

Request for Action

To
Economic Development Authority

Item Number
7.3

Meeting Date
August 17, 2026

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Resolution 26-08 Adopting 2027 Budget

Reviewed by
Cal Portner

Action Requested
Approve, by motion, the attached resolution adopting the budget for 2027 and recommending $453,500 for inclusion in the 2027 levy.

Background/Discussion
Following the budget workshop, adjustments have been made to the 2027 budget as presented for adoption. The proposed expenditures for 2027 total $533,000 as compared to $514,000 for 2026, an increase of 3.7%. Many items remain flat or see modest changes.

With interest income proposed at $75,000 and other revenue of $4,500, a levy of $453,500 is needed to balance the budget. This is a year-over-year increase of $23,650, or 5.5%.

Financial Impact
Approval of this item sets the budget for 2027 at $533,000 and recommends to the City Council that $453,500 be included in the Preliminary Levy which will be considered in September.

Mission/Policy/Goal
The EDA adopts its annual budget prior to September 30 each year.

Attachments
1. Resolution 26-08: 2027 Budget
2. Performance Measures and Goals
3. EDA 2027 Budget

City of Elk River
Economic Development Authority

Resolution 26-08

A Resolution of the City of Elk River Economic Development Authority, Establishing the Tax Levy for The Elk River Economic Development Authority for the City of Elk River, Minnesota

WHEREAS, Minnesota Statutes §469.107, Subd. 1, authorizes the Elk River Economic Development Authority to levy an amount not to exceed .01813 percent of the estimated market value within the city to be used for economic development purposes; and,

WHEREAS, the Elk River Economic Development Authority has considered at its meeting on August 17, 2026, its 2027 budget and levy request; and,

WHEREAS, the Elk River Economic Development Authority has adopted and approved its budget and recommended final levy and will forward such to the City of Elk River pursuant to Minnesota Statutes §469.100, Subd. 2.

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority of the City of Elk River, Minnesota, as follows**:** that it hereby adopts a budget for 2027 in the amount of $533,000, as attached, and requests the City Council of the City of Elk River to levy a tax in the amount of $453,500 for the year 2027 for the benefit of the Authority to be used for Economic Development Authority purposes as provided by the statute.

Passed and adopted this 17th day of August, 2026.

____
Matt Westgaard, EDA President

ATTEST:

____
Brent O'Neil, EDA Executive Director

Performance Measures & Goals for 2027

Division:	Economic Development
Completed by:	Brent O'Neil, Josh Mollan
Date:	June 1, 2026

Performance Measure	2023 Actual	2024 Actual	2025 Actual	2026 Estimated	2026 YTD	2027 Projected
Business Engagements - all substantive meetings, interactions, etc. with Elk River businesses and companies	21	40	42	50	20	45
Promote businesses on social media - Biz Reels, Development Minute	N/A	N/A	18	Not Included	7	20
Facilitate site visits to Elk River	6	4	2	5	4	5
Commercial/industrial permit value	$51,000,000	$24,000,000	$55,000,000	$50,000,000	$12,000,000	$50,000,000
Net impressions from placed ads	150,000	350,000	300,000	200,000	50,000	200,000
EDA website engaged sessions (formerly EDA website traffic; all number have been revised except 2026 est.)	2,400	3,400	4,800	7000 (old measure)	2,000	5,000

Division Goal	Goal Objective/Task
Set target fund balance levels to maintain sufficient reserves and availability of funds in anticipation of current and future large expenditures.	Set a target EDA fund balance based on the following: minimum operating reserve - 50% of budget; wetland bank - $400,000 to $500,000 (currently $415,000 accrued); property acquisition and new programs (loans, grants) - $2,000,000 to $3,000,000. Total range: $2,650,000 to $3,750,000. 5/31/26 fund balance: $2,642,000.
Plan for industrial growth areas and position for large project recruitment	Identify areas suitable for C/I land expansion and how to best facilitate private investment. This can include studies to determine how and when utility infrastructure can be implemented as well as tools for bringing more land on-line, including private and public property.
Support Elk River's existing businesses through relationship building, programmatic offerings, and high quality city services	Continue to communicate with businesses on factors impacting success, growth, and expansion, including BRE visits and other interactions. Provide technical assistance as necessary and through feedback ensure economic development programs of the city are in line with business needs and utilization. Develop and modify programming by utilizing feedback from the business community. Consider an annual or semi-annual forum of local businesses to complement business engagements and foster additional outreach to the business community.
Attract new business development to Elk River to build the city's economic vibrancy, job offerings and tax base	Market and promote the community. Make contact with prospective businesses and siting professionals, specifically highlighting the community's strengths. Market existing properties (EDA and private) and capture opportunities for land development and assembly. Continue focus on the EDA strategic plan areas: precision manufacturing, renewable energy, regional distribution, biomedical manufacturers, and health care services. Strengthen efforts in retail recruitment including outreach efforts and increasing suitability of retail sites for investment.
Enhance programs that promote the community image	Play a leading role in initiatives and activities which maintain beautification efforts and support Elk River's aesthetic image. Support beautification efforts, public art, events, and investments that attract visitors to Elk River. Direct investment in certain programs may lead to enhanced community perception and increase in visitors to Elk River.
Partner with peer organizations	Continue to work with Sherburne County, Elk River Area Chamber of Commerce, GreaterMSP, DEED, ERMU, and ISD 728. Consider regional marketing partnerships. Consider a prominent role in the efforts to launch Region 7W as a certified economic development organization.
Maintain an inventory of private and public properties available for future development	Keep a detailed and regularly-updated inventory of properties which may be suitable for development and likely available to promote to business prospects. In addition to utilizing the MNCAR system for actively available properties, also identify properties in coordination with owners that could be identified and shared with interested parties. Enhance the web-based portal for disseminating available private property not otherwise participating in a listing service.
Maintain and reposition financial incentives to enhance economic development	Leverage city programs, MnDEED monies, the Initiative Foundation, Sherburne County Revolving Loan Fund and other financial tools and incentives. Take a "right-sizing" approach to maximize private investment relative to public participation. Evaluate programs for relevance and capacity to serve current community needs; modify as necessary.
Support Downtown Street Reconstruction (2027)	Be active in the process leading into the full design and staging plan. Consider financial tools which could be implemented on short notice if needed to support businesses. Market as needed (consider the Together Elk River branding) to promote visitor activity downtown during this time.
Promote visitor attraction to Elk River	Implement marketing and other activities which boost visitor traffic to Elk River for shopping, recreation, events, and enjoyment. Recruit hotel and restaurant investment in the city. Implement structured destination marketing.

EDA

		2023 ACTUAL	2024 ACTUAL	2025 ACTUAL	2026 BUDGET	6/30/2026 YTD	2027 PRELIMINARY	Increase/ (Decrease)	% Change
	REVENUES								
920-3-0000-3111	Property Taxes	392,447	423,636	426,961	429,850	0	453,500	23,650	5.5%
920-3-0000-3322	MV Credit	232	203	223	0	0	0	0	0.0%
920-3-0000-3342	Other Local Grants	0	0	1,600	0	0	0	0	0.0%
920-3-0000-3621	Interest Income	51,185	76,760	72,813	75,000	30,311	75,000	0	0.0%
920-3-0000-3626	Contributions	0	6,400	0	0	0	0	0	0.0%
920-3-0000-3629	Miscellaneous Revenue	0	39,944	336	0	64	0	0	0.0%
920-3-0000-3910	Sale of Assets	0	317,267	0	0	0	0	0	0.0%
920-3-0000-3930	Transfer-Development	0	0	0	0	0	0	0	0.0%
920-3-0000-3949	Transfer-HRA	4,000	4,000	4,000	4,500	0	4,500	0	0.0%
	Total Revenues	**447,865**	**868,211**	**505,934**	**509,350**	**30,375**	**533,000**	**23,650**	**4.6%**
HRA	**Personal Services**								
920-4-6210-4101	Regular Pay	115,978.96	124,852.05	130,769.83	138,000.00	50,987.54	161,750.00	23,750	17.2%
920-4-6210-4103	Part-time Pay	12,600.00	12,600.00	12,600.00	12,600.00	5,250.00	12,600.00	0	0.0%
920-4-6210-4104	PERA	8,788.49	9,438.96	10,022.59	10,550.00	3,910.18	12,300.00	1,750	0.0%
920-4-6210-4105	FICA	7,698.33	7,700.42	8,185.52	9,250.00	3,230.56	10,600.00	1,350	14.6%
920-4-6210-4107	Medicare	1,826.51	1,822.68	1,977.26	2,200.00	782.95	2,550.00	350	15.9%
920-4-6210-4108	Insurance	24,105.60	28,706.40	18,424.80	31,100.00	7,560.00	18,500.00	(12,600)	-40.5%
920-4-6210-4109	Workers Comp	473.00	642.57	541.00	650.00	284.00	650.00	0	0.0%
920-4-6210-4112	PFML	0.00	0.00	0.00	800.00	242.45	850.00	50	0.0%
	Total Personal Services	171,470.89	185,763.08	182,521.00	205,150.00	72,247.68	219,800.00	14,650	7.1%
	Supplies								
920-4-6210-4201	Office Supplies	1,718.68	430.21	288.32	2,000.00	264.12	1,500.00	(500)	-25.0%
920-4-6210-4212	Fuels & Lubes	0.00	5.58	0.00	50.00	0.00	0.00	(50)	-100.0%
	Total Supplies	1,718.68	430.21	288.32	2,000.00	264.12	1,500.00	(500)	-25.0%
	Services & Charges								
920-4-6210-4304	Legal Fees	10,785.50	7,516.25	703.50	10,000.00	0.00	10,000.00	0	0.0%
920-4-6210-4319	Professional Services	0.00	0.00	0.00	25,000.00	0.00	25,000.00	0	0.0%
920-4-6210-4321	Telephone	0.00	0.00	720.00	700.00	0.00	750.00	50	7.1%
920-4-6210-4322	Postage	39.72	0.00	2.44	100.00	12.72	100.00	0	0.0%
920-4-6210-4331	Travel, Conferences & Schools	5,946.10	3,894.46	7,002.22	12,500.00	739.75	10,500.00	(2,000)	-16.0%
920-4-6210-4349	Advertising/Marketing	30,913.92	25,742.33	20,380.31	115,500.00	10,239.72	112,300.00	(3,200)	-2.8%
920-4-6210-4359	Publishing	1,070.20	318.20	77.40	1,000.00	269.00	750.00	(250)	-25.0%
920-4-6210-4361	Insurance	92.62	104.00	108.00	300.00	54.00	150.00	(150)	0.0%
920-4-6210-4404	Software Services	13,025.85	16,632.23	4,182.69	17,500.00	11,052.32	15,500.00	(2,000)	-11.4%
920-4-6210-4433	Dues & Subscriptions	4,969.13	7,350.00	15,749.03	6,200.00	5,090.00	6,250.00	50	0.8%
920-4-6210-4440	Miscellaneous	3,442.33	23,346.76	3,027.44	18,500.00	3,000.00	18,500.00	0	0.0%
	Total Services & Charges	70,285.37	84,904.23	51,953.03	207,300.00	30,457.51	199,800.00	(7,500)	-3.6%
	Capital Outlay								
920-4-6210-4510	Land	0.00	0.00	0.00	50,000.00	0.00	60,000.00	10,000	0.0%
920-4-6210-4560	Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0	0.0%
	Total Capital Outlay	0.00	0.00	0.00	50,000.00	0.00	60,000.00	10,000	0.0%
	TOTAL EDA EXPENDITURES	**243,474.94**	**271,097.52**	**234,762.35**	**464,450.00**	**102,969.31**	**481,100.00**	**16,650**	**3.6%**
	PLUS TRANSFER TO CITY						**51,900**		
	TOTAL EXPENDITURES 2027				**514,000.00**		**533,000.00**	**19,000.00**	**3.7%**

Request for Action

To
Economic Development Authority

Item Number
7.4

Meeting Date
August 17, 2026

Prepared By
Joshua Mollan, Economic Development Specialist

Item Description
Resolution 26-09: Adopting the 2027 levy for repayment of 2013 Refunding Bonds (YMCA)

Reviewed by
Cal Portner

Action Requested
Approve, by motion, Resolution 26-09 establishing the 2027 referendum tax levy of $519,680 for debt service on the YMCA facility.

Background/Discussion
In 2007, the EDA issued $12 million in bonds for the construction of a recreational facility to be leased to the YMCA. In 2013, the EDA issued $9,685,000 crossover refunding bonds to redeem the Series 2007 bonds. The refunding created interest savings and set the maturity of the bonds for 2033.

Under the lease agreement with the YMCA, the EDA pays two-thirds of the debt service, and the YMCA pays the remaining one-third. The EDA portion of the scheduled bond payment for 2027 is $494,933. The bond issuance requirements necessitate funding the annual payments with a coverage ratio of 1.05, or 105% of the bond payment. Therefore, the required levy for the 2027 bond payment is $519,680.

Financial Impact
The required levy for bond payments in 2027 is $519,680.

Mission/Policy/Goal
Support Elk River's existing businesses through relationship building, programmatic offerings, and high-quality city services.

Attachments
1. Resolution 26-09: Levy YMCA Bond

City of Elk River
Economic Development Authority

Resolution 26-09

A Resolution of the City of Elk River Economic Development Authority Establishing the Referendum Tax Levy as Approved by Voters for a Recreational Facility to be leased to the YMCA

WHEREAS, on September 12, 2006, the voters of the City of Elk River approved a referendum pledging the City's full faith, credit, and resources to $12,000,000 of bonds for a recreational facility to be leased to the YMCA; and

WHEREAS, in 2013, the EDA issued $9,685,000 cross-over refunding bonds to redeem the Series 2007 Bonds on February 1, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Authority of the City of Elk River, Minnesota, as follows**:** that it hereby levies a tax of $519,680 for taxes payable in 2027 for the purposes of funding the debt service on $9,685,000 of bonds as approved by voters to build a recreational facility to be leased to the YMCA.

Passed and adopted this 17th day of August, 2026.

____
Matt Westgaard, EDA President

ATTEST:

____
Brent O'Neil, EDA Executive Director

Request for Action

To
Economic Development Authority

Item Number
7.5

Meeting Date
August 17, 2026

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Agreement for a Mutual Driveway Easement at 17610 Tyler Street NW

Reviewed by
Cal Portner

Action Requested
Approve, by motion, authorizing a mutual driveway agreement with O'Brien Holdings.

Background/Discussion
The EDA and O'Brien Holdings desire to create a mutual access serving both EDA and O'Brien properties as part of the transaction in which O'Brien will acquire a portion of the property at 17610 Tyler St. NW. This easement ensures both parties have sufficient access to their respective parcels. Under the terms of the agreement, a roadway surface, approximately 180 feet long and 36 feet wide, will be constructed by CDI for the benefit of both properties. The easement is 200 feet by 44 ft to account for variations in the final roadway layout. As mutual access, the EDA will be responsible for 50% of the costs in this easement; however, until the EDA develops its remaining property or five years, whichever is earlier, CDI will be responsible for 100% of maintenance.

Financial Impact
The EDA's share of the construction cost is estimated at $30,000.

Mission/Policy/Goal
Support industrial growth.

Attachments
1. Mutual Driveway Easement

MUTUAL DRIVEWAY EASEMENT AGREEMENT

THIS MUTUAL DRIVEWAY EASEMENT AGREEMENT ("Agreement") is made _______________, 2026, by O'Brien Holdings, LLC, a Minnesota limited liability company ("O'Brien") and The Economic Development Authority of the City of Elk River, a public body corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota ("EDA"). O'Brien and EDA are each a "Party", and collectively are the "Parties", to this Agreement.

RECITALS

A. O'Brien is the fee owner of real property located in Sherburne County, Minnesota, and legally described on Exhibit A attached hereto (the "O'Brien Property").

B. EDA is the fee owner of real property located in Sherburne County, Minnesota, and legally described on Exhibit B attached hereto (the "EDA Property").

C. The O'Brien Property and the EDA Property are contiguous parcels of property.

D. O'Brien and the EDA desire to create a mutual driveway easement to benefit the O'Brien Property and the EDA Property and to provide the terms for the construction, maintenance, care and upkeep of the driveway.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, O'Brien and EDA agree as follows:

1. Incorporation of Recitals. The Recitals stated above are incorporated herein by reference.

2. Definition. As used herein, the term the "Easement Area" shall mean the real property that is located on a portion of the O'Brien Property and a portion of the EDA Property, and which is legally described on Exhibit C attached hereto. The Easement Area is depicted on Exhibit D attached hereto.

3. Grant to O'Brien. EDA hereby grants and conveys to O'Brien a non-exclusive appurtenant easement upon, over and across that part of the EDA Property located within the Easement Area for (i) ingress and egress by vehicular and pedestrian traffic for the benefit of O'Brien, its members, governors, managers, agents, employees, contractors, invitees, tenants (and such tenants' employees, contractors and invitees), successors and assigns (collectively, the "O'Brien Parties"), (ii) maintenance, repair and replacement of the Driveway (hereinafter defined) located within the Easement Area and (iii) maintenance, repair and replacement of other portions of the O'Brien Property.

4. Grant to EDA. O'Brien hereby grants and conveys to EDA a non-exclusive appurtenant easement upon, over and across that part of the O'Brien Property located within the Easement Area for (i) ingress and egress by vehicular and pedestrian traffic for the benefit of EDA, its directors, officers, agents, employees, invitees, tenants (and such tenants' employees, contractors and invitees), successors and assigns (collectively, the "EDA Parties"), (ii) maintenance, repair and replacement of the Driveway located within the Easement Area and (iii) maintenance, repair and replacement of other portions of the EDA Property. The EDA Property may be split into two (2) parcels in the future and the easement granted and conveyed to EDA in this Paragraph 4 shall benefit both parcels upon such split of the EDA Property.

5. No Interference/Obstructions. The O'Brien Parties shall use the Easement Area without unreasonably interfering with the EDA Parties' use and enjoyment of the EDA Property. The EDA Parties shall use the Easement Area without unreasonably interfering with the O'Brien Parties' use and enjoyment of the O'Brien Property. No truck, automobile, other vehicle, fence or other barrier which may unreasonably prevent or obstruct the passage of pedestrians or vehicular traffic within the Easement Area shall be parked, erected, installed or placed within or across the Easement Area.

6. Cross Parking Not Intended. Notwithstanding anything herein to the contrary, (a) O'Brien is not granting to EDA any rights for the EDA Parties to park any of their vehicles on the O'Brien Property, and (b) EDA is not granting to O'Brien any rights for the O'Brien Parties to park any of their vehicles on the EDA Property.

7. Construction of Driveway. On or before _______________, 202__, O'Brien shall cause a curb cut and a 36 foot driveway (collectively, the "Driveway") to be constructed within the Easement Area according to final plans and specifications for the Driveway mutually agreed to by O'Brien and EDA. The EDA shall reimburse O'Brien for fifty percent (50%) of O'Brien's design and construction costs for the Driveway within thirty-five (35) days after receipt of an invoice from O'Brien.

8. Maintenance and Repair of Driveway and Curbing.

A. O'Brien shall be responsible for performing, or causing to be performed, the maintenance, repair, and improvement of the Driveway within the Easement Area, including but not limited to, patching, resurfacing, seal coating and snow plowing (the "Driveway Condition

Obligations"). Notwithstanding the foregoing, the Parties shall each be responsible, at their own cost, for maintaining those portions of the Easement Area located on their respective parcels and lying outside the Driveway, including landscaping and lawn irrigation systems.

B. Until the earlier of (a) the date that is five (5) years after the date of completion of the initial construction of the Driveway within the Easement Area, and (b) the date that the EDA Property, or a portion thereof, has been conveyed by deed or contract for deed, or has been leased by the EDA, O'Brien shall be responsible for one hundred percent (100%) of the costs of the Driveway Condition Obligations, and thereafter O'Brien and the EDA, or each of their respective successors and assigns, shall share equally (50% to each of the O'Brien Property and the EDA Property) in the costs of the Driveway Condition Obligations.

C. Any single expense of the Driveway Condition Obligations exceeding $5,000.00 must be expressly agreed upon in advance and in writing by O'Brien and EDA. Notwithstanding the foregoing, to the extent repairs or maintenance to the Driveway are caused by the negligence or intentional acts of the O'Brien Parties or the EDA Parties, the costs for such repairs and maintenance shall be paid by the applicable Party. Failure of either Party to pay for its share of any expense incurred in connection with the Easement Area within thirty (30) days after receipt of notice and invoice for said expense shall entitle the Party that has paid the full amount of such expense to file a lien against the non-paying Party's property in the amount of such non-paying Party's share of the expense, subject to limitations proscribed by applicable law. The lien may be foreclosed in any court of competent jurisdiction in the same manner that a mechanic's lien is foreclosed. Notwithstanding anything herein to the contrary, EDA, at its sole cost, shall maintain, repair and replace the curbing located on the portion of the Easement Area that is part of the EDA Property and O'Brien, at its sole cost, shall maintain, repair and replace the curbing located on the portion of the Easement Area that is part of the O'Brien Property.

D. If O'Brien fails to perform the Driveway Condition Obligations, the EDA may, but is not required to, after thirty (30) days advance written notice to O'Brien, perform the Driveway Condition Obligations unless O'Brien has commenced performance of the required obligations. In such event, O'Brien shall reimburse the EDA for its share of such costs incurred by the EDA in accordance with the requirements of Paragraph 8.B. above.

9. Restoration. Upon completion of any work requiring the disturbance of the Easement Area, the Party responsible for the work shall, in all cases, place the Easement Area in a condition as good as it existed prior to that Party's work. The costs to restore the Easement Area shall be allocated as provided in Paragraph 8.C. above.

10. Insurance.

A. Throughout the term of this Agreement, O'Brien shall pay for and maintain general public liability insurance in the minimum amount of One Million and no/100 Dollars ($1,000,000.00) covering any injury or death to any persons, or property damage, caused by any of the O'Brien Parties and occurring within the Easement Area. All insurance required in this

Agreement shall be placed with financially sound and reputable insurers licensed to transact business in the State of Minnesota. Upon written request by the EDA, O'Brien shall furnish the EDA with a certificate or certificates of the respective insurers stating that such insurance is in force and effect. The insurance coverage herein required may be provided by a blanket insurance policy or policies.

B. Throughout the term of this Agreement, EDA shall pay for and maintain general public liability insurance in the minimum amount of One Million and no/100 Dollars ($1,000,000.00) covering any injury or death to any persons, or property damage, caused by any of EDA Parties and occurring within the Easement Area. All insurance required in this Agreement shall be placed with financially sound and reputable insurers licensed to transact business in the State of Minnesota. Upon written request by O'Brien, the EDA shall furnish O'Brien with a certificate or certificates of the respective insurers stating that such insurance is in force and effect. The insurance coverage herein required may be provided by a blanket insurance policy or policies.

C. Each insurance policy required under this Agreement shall add the other Party as an additional insured and shall provide for at least thirty (30) days written notice to the other Party prior to cancellation or reduction in coverage, or ten (10) days' notice for non-payment of premium.

11. Indemnification/Hold Harmless.

A. O'Brien shall indemnify, defend and hold harmless EDA from and against any claim, damage, cost and expense (including reasonable attorney's fees) or liability arising out of any injury, death or property damage, or contamination to the soil or ground water of the EDA Property as a result of the release of a hazardous substance, hazardous waste, pollutant or contaminant [as those terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) or the Minnesota Environmental Response and Liability Act (MERLA)], which is caused by any of the O'Brien Parties during its/their use of the Easement Area from and after the date of this Agreement.

B. Subject to the provisions of Minn. Stat. Ch. 466, the EDA shall indemnify, defend and hold harmless O'Brien from and against any claim, damage, cost and expense (including reasonable attorney's fees) or liability arising out of any injury, death or property damage, or contamination to the soil or ground water of the O'Brien Property as a result of the release of a hazardous substance, hazardous waste, pollutant or contaminant [as those terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) or the Minnesota Environmental Response and Liability Act (MERLA)], which is caused by any of the EDA Parties during its/their use of the Easement Area from and after the date of this Agreement.

12. Disputes. In the event of a disagreement over the maintenance and upkeep of the Driveway or any dispute involving the terms of this Agreement, the Parties agree to submit the issue to arbitration under the Rules of the American Arbitration Association. The Parties agree to

be bound by the decision of the arbitrator. The prevailing Party in the arbitration proceeding shall be entitled to an award by the arbitrator(s) against the non-prevailing Party for the prevailing Party's costs of the arbitration, including but not limited to, attorney's fees, witness fees, filing fees and fees of the arbitrator(s).

13. Compliance with Applicable Laws. Each Party shall at all times comply with all applicable laws, ordinances, rules, regulations, and codes, federal, state, and local, whether now or hereafter promulgated or enacted in its performance of obligations under this Agreement.

14. Entire Agreement. This Agreement contains the complete understanding and agreement of the Parties hereto with respect to all matters referred to herein, and all prior representations, negotiations, and understandings are superseded hereby.

15. Runs with the Land. The benefits and burdens of this Agreement shall run with the O'Brien Property and the EDA Property and shall be binding upon the successors and assigns of O'Brien and EDA.

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

17. Notices. Any notices required or permitted to be given hereunder shall be deemed properly given if (a) personally served on a director of EDA or a manager of O'Brien, or (b) mailed by U.S. certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to O'Brien:
O'Brien Holdings, LLC
3005 Ranchview Lane North
Plymouth, Minnesota 55447
Attn. Chief Financial Officer

If to EDA:
13065 Orono Parkway
Elk River, Minnesota 55330
Attn. Executive Director

Either Party may change its address by written notice in accordance with this section.

18. Reservation. O'Brien reserves unto itself, and the other O'Brien Parties, the right to use the portion of the Easement Area located on the O'Brien Property for other purposes not inconsistent with the rights granted to EDA under this Agreement. EDA reserves unto itself, and the other EDA Parties, the right to use the portion of the Easement Area located on the EDA Property for other purposes not inconsistent with the rights granted to O'Brien under this Agreement.

19. Waiver. No failure on the part of a Party to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof, and no single or partial exercise of any right or remedy hereunder shall preclude any other or further exercise thereof or the exercise of any other right or remedy granted hereby or by any related document or by law.

20. Modification. This Agreement may only be modified or amended in a writing signed by the Parties hereto, or their successors and assigns.

21. Severability. The invalidity of any portion of this Agreement shall not impair in any manner the validity, enforceability or effect of the rest of this Agreement.

22. Construction. Each Party and its respective legal counsel have had an opportunity to review this Agreement and negotiate its terms, and this Agreement shall not be construed against either Party based upon who drafted this Agreement.

23. Title. O'Brien and the EDA each covenants with the other, their successors and assigns, that they are well seized in fee title of their respective property and that they have the sole right to grant and convey the respective easement rights described in this Agreement.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.

IN WITNESS WHEREOF, O'Brien and EDA have hereunto set their hands the day and year first above written.

O'Brien Holdings, LLC

By: ________________________________

Its: ________________________________

The Economic Development Authority of the City of Elk River

By: ________________________________

Its: ________________________________

By: ________________________________

Its: ________________________________

STATE OF MINNESOTA)
) ss
COUNTY OF ____________)

The foregoing instrument was acknowledged before me this _____ day of ______ ______, 2026, by ________________, the ____________________ of O'Brien Holdings, LLC, a Minnesota limited liability company, on behalf of the limited liability company.

____
Notary Public

STATE OF MINNESOTA)
) ss
COUNTY OF ____________)

The foregoing instrument was acknowledged before me this __ day of ______, 2026, by __________ and _________, respectively the _________ and __________of The Economic Development Authority of the City of Elk River, a public body corporate and politic and political subdivision organized and existing under the laws of the State of Minnesota.

____
Notary Public

DRAFTED BY:
Henson & Efron, P.A. (CD)
225 South Sixth Street
Suite 1600
Minneapolis, MN 55402
(612) 339-2500

EXHIBIT A

Legal Description of the O'Brien Property

Lot 2, Block 1, NORTHSTAR BUSINESS PARK, Sherburne County, Minnesota

and

That part of Lot 1, Block 1, NORTHSTAR BUSINESS PARK, Sherburne County, Minnesota, lying southerly and easterly of the following described line:

Commencing at the Northeasterly corner of said Lot 1; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating.

EXHIBIT B

Legal Description of the EDA Property

That part of Lot 1, Block 1, NORTHSTAR BUSINESS PARK, Sherburne County, Minnesota, lying northerly and westerly of the following described line:

Commencing at the Northeasterly corner of said Lot 1; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating.

EXHIBIT C

Legal Description of the Easement Area

A driveway easement for ingress and egress purposes, 44 feet in width, the centerline of the driveway easement running along the following described line with said easement terminating at a point 200 feet southwesterly from the point of beginning:

Commencing at the Northeasterly corner of Lot 1, Block 1, NORTHSTAR BUSINESS PARK; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating. The sidelines of said easement shall be prolonged or shortened to begin at the said Southwesterly right-of-way line of Twin Lakes Road.

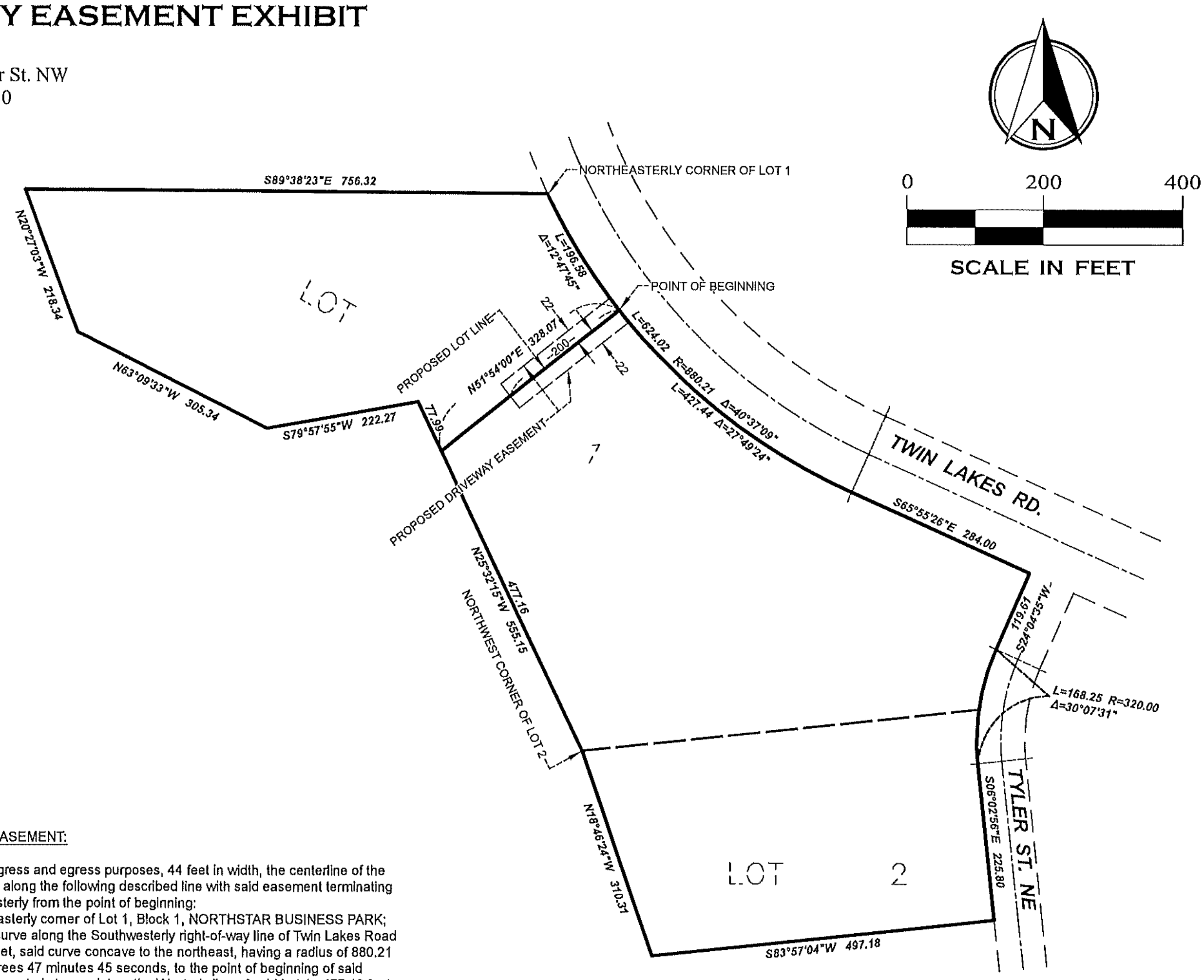
EXHIBIT D

Depiction of the Easement Area

See Attached

DRIVEWAY EASEMENT EXHIBIT

SITE ADDRESS:
17610 & 17560 Tyler St. NW
Elk River, MN 55330



PROPOSED DRIVEWAY EASEMENT:

A driveway easement for ingress and egress purposes, 44 feet in width, the centerline of the driveway easement running along the following described line with said easement terminating at a point 200 feet southwesterly from the point of beginning:
Commencing at the Northeasterly corner of Lot 1, Block 1, NORTHSTAR BUSINESS PARK; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating. The sidelines of said easement shall be prolonged or shortened to begin at the said Southwesterly right-of-way line of Twin Lakes Road.

Request for Action

To
Economic Development Authority

Item Number
7.6

Meeting Date
August 17, 2026

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Resolution 26-10 Accepting a Deed from the City of Elk River - 17610 Tyler St. NW

Reviewed by
Cal Portner

Action Requested
Approve, by motion, Resolution 26-xx accepting a quit claim deed from the City of Elk River for Lot 1, Block 1 Northstar Business Park.

Background/Discussion
As part of the EDA's sale of property in Northstar Business Park to O'Brien Holdings, the title commitment identified potential issues with the title. Those issues are planned to be addressed by the City Council. One of those issues will be resolved by the City providing a quit claim deed to the EDA for this property. This requested action by the EDA acknowledges its acceptance of the quit claim deed.

Financial Impact
N/A

Mission/Policy/Goal
Support industrial growth.

Attachments
1. RES 26-XX: Conveyance of Property

City of Elk River

City of Elk River
Economic Development Authority

Resolution 26-__

A Resolution of the Economic Development Authority in and for the City of Elk River Accepting Conveyance of Real Property

WHEREAS, the City of Elk River ("City") and The Economic Development Authority in and for the City of Elk River ("EDA") each own a portion of property as legally described in Exhibit A attached hereto ("Property");

WHEREAS, the EDA desires to convey a portion of the Property to an abutting property owner for expansion of an existing building and a parking lot to serve the abutting property;

WHEREAS, the City agrees to convey the Property to the EDA and the EDA desires to accept conveyance of the Property from the City by quit claim deed to clear title to the Property of the City's interest in the Property.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Economic Development Authority in and for the City of Elk River that the acquisition of the Property from the City by quit claim deed is hereby approved.

Approved by the Board of Commissioners of the Economic Development Authority of the City of Elk River this 17 day of August, 2026.

____
Matt Westgaard, President

ATTEST:

____
Brent O'Neil, Executive Director

EXHIBIT A

That part of Lot 1, Block 1, NORTHSTAR BUSINESS PARK, Sherburne County, Minnesota, lying northerly and westerly of the following described line:

Commencing at the Northeasterly corner of said Lot 1; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating.

Request for Action

To
Economic Development Authority

Item Number
7.7

Meeting Date
August 17, 2026

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Terminating a Mutual Access Easement Agreement at 17610 Tyler Street NW

Reviewed by
Cal Portner

Action Requested
Approve, by motion, an agreement terminating a mutual access agreement at 17610 Tyler Street NW.

Background/Discussion
The EDA shares a property boundary at 17610 Tyler Street NW with O'Brien Holdings at 17560 Tyler Street NW. For many years, the properties maintained a mutual access easement along the shared property line. As the EDA intends to sell a portion of its property to O'Brien, as well as adopt a new mutual access easement on the new shared property line, the existing mutual access will be obsolete and no longer necessary.

Financial Impact
N/A

Mission/Policy/Goal
Support industrial growth.

Attachments
1. Termination of Mutual Driveway Easement

TERMINATION OF MUTUAL DRIVEWAY EASEMENT AGREEMENT

THIS TERMINATION OF MUTUAL DRIVEWAY EASEMENT AGREEMENT ("Agreement") is made ___________, 2026, by O'Brien Holdings, LLC, a Minnesota limited liability company ("O'Brien") and The Economic Development Authority of the City of Elk River, a public body corporate and politic and political subdivision of the State of Minnesota (the "EDA").

RECITALS

A. O'Brien is the fee owner of real property located in Sherburne County, Minnesota, and legally described as follows:

> Lot 2, Block 1, NORTHSTAR BUSINESS PARK ("Lot 2")
>
> and
>
> That part of Lot 1, Block 1, NORTHSTAR BUSINESS PARK, Sherburne County, Minnesota, lying southerly and easterly of the following described line:
>
> Commencing at the Northeasterly corner of said Lot 1; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating (the "South Part of Lot 1").
>
> (Lot 2 and the South Part of Lot 1 are contiguous parcels and are collectively referred to herein as the "O'Brien Property").

B. The EDA is the fee owner of real property located in Sherburne County, Minnesota, and legally described as follows:

That part of Lot 1, Block 1, NORTHSTAR BUSINESS PARK, Sherburne County, Minnesota, lying northerly and westerly of the following described line:

Commencing at the Northeasterly corner of said Lot 1; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating (the "North Part of Lot 1" or the "EDA Property").

C. O'Brien and EDA are parties to that certain Mutual Driveway Easement Agreement dated November 21, 2005, recorded December 31, 2005, in the office of the Sherburne County Recorder as Document No. 609811 (the "Driveway Easement"). At the time the Driveway Easement was executed by O'Brien and the EDA, O'Brien owned all of Lot 2, Block 1, NORTHSTAR BUSINESS PARK and the EDA owned all of Lot 1, Block 1, NORTHSTAR BUSINESS PARK. The Easement Area described in the Driveway Easement was located 12.5 feet on either side of part of the common boundary line between Lots 1 and 2, Block 1, NORTHSTAR BUSINESS PARK (said common boundary line being the north line of said Lot 2 and the south line of said Lot 1) and provided each of O'Brien and the EDA access to their respective parcels that were contiguous to the common boundary line.

D. Effective as of the date of this Agreement, (i) the EDA has conveyed to O'Brien fee title to the South Part of Lot 1, (ii) the EDA no longer owns real property that is contiguous to the Easement Area, (iii) O'Brien owns fee title to the entire Easement Area and (iv) the EDA no longer requires the use of the Easement Area for access to real property owned by the EDA, including the above referenced EDA Property.

E. O'Brien and EDA desire to terminate the Driveway Easement according to the terms of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, O'Brien and EDA agree as follows:

1. Incorporation of Recitals. The Recitals stated above are incorporated herein by reference. Capitalized terms used in this Agreement shall have the meanings given such terms in the Driveway Easement unless the context herein requires otherwise.

2. Termination of Driveway Easement. The Driveway Easement, including all rights and obligations of O'Brien and EDA in connection with the easements created therein, is terminated in its entirety, is of no further force or effect, and no longer burdens the O'Brien Property.

3. Counterparts. This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, O'Brien and EDA have hereunto set their hands the day and year first above written.

O'Brien Holdings, LLC

By: ________________________________
Its: ______________________________

The Economic Development Authority of the City of Elk River

By: ________________________________
Its: ______________________________

By: ________________________________
Its: ______________________________

STATE OF MINNESOTA)
) ss
COUNTY OF ____________)

The foregoing instrument was acknowledged before me this _____ day of _______, 2026, by ________________, the ____________________ of O'Brien Holdings, LLC, a Minnesota limited liability company, on behalf of the limited liability company.

____
Notary Public

STATE OF MINNESOTA)
) ss
COUNTY OF ____________)

The foregoing instrument was acknowledged before me this _____ day of _______, 2026, by _________________ and _________________, respectively the President and Executive Director of The Economic Development Authority of the City of Elk River, a public body corporate and politic and political subdivision of the State of Minnesota, on behalf of the body corporate and politic.

____
Notary Public

DRAFTED BY:
Henson & Efron, P.A.
225 South Sixth Street
Suite 1600
Minneapolis, MN 55402
(612) 339-2500

Request for Action

To
Economic Development Authority

Item Number
7.8

Meeting Date
August 17, 2026

Prepared By
Brent O'Neil, Economic Development Director

Item Description
Granting a Drainage and Utility Easement

Reviewed by
Cal Portner

Action Requested
Approve, by motion, the grant of permanent utility easement to the City of Elk River.

Background/Discussion
As part of the boundary line adjustment of Lot 1, Block 1 Northstar Business Park, standard city practice would necessitate placing a drainage and utility easement along the property line. Because this property line adjustment is occurring outside the platting process and therefore cannot be granted through a plat, the easement can be put in place through a grant of easement, as attached.

Financial Impact
N/A

Mission/Policy/Goal
Support industrial growth.

Attachments
1. Grant of Easement (Easement B) to the City

The Elk River Vision

A welcoming community with revolutionary and spirited resourcefulness, exceptional service, and community engagement that encourages and inspires prosperity

(Reserved for recording)

GRANT OF PERMANENT EASEMENT FOR DRAINAGE AND UTILITY PURPOSES

THE ECONOMIC DEVELOPMENT AUTHORITY IN AND FOR THE CITY OF ELK RIVER, a public body corporate and politic under the laws of the State of Minnesota ("EDA") ("Grantor"), in consideration of One Dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby grant unto the **CITY OF ELK RIVER,** a Minnesota municipal corporation, the Grantee, hereinafter referred to as the "City", its successors and assigns, forever, a permanent easement for public drainage and utility purposes over, on, across, under and through the land situated in the County of Sherburne, State of Minnesota, legally described on the attached Exhibit "A" and depicted on the attached Exhibit "B" (the "Easement Premises").

INCLUDING the rights of the City, its contractors, agents, servants, and assigns, to enter upon the Easement Premises at all reasonable times to construct, reconstruct, inspect, repair, and maintain said public drainage and utility systems over, across, on, under, and through the Easement Premises, together with the right to grade, level, fill, drain, pave, and excavate the Easement Premises, and the further right to remove trees, bushes, undergrowth, and other obstructions interfering with the location, construction, and maintenance of said public drainage and utility systems.

The above-named Grantor, for itself, its successors, and assigns, does covenant with the City, its successors and assigns, that it is well seized in fee title of the Easement Premises; that it has the sole right to grant and convey the easement to the City; that there are no unrecorded interests in the Easement Premises; and it will indemnify and hold the City harmless for any breach of the foregoing covenants.

IN TESTIMONY WHEREOF, the Grantor hereto has signed this easement this _____ day of ______________, 2026.

GRANTOR:
THE ECONOMIC DEVELOPMENT AUTHORITY IN AND FOR THE CITY OF ELK RIVER

By:___________________________________
Brent O'Neil
Its Executive Director

By:___________________________________
Matt Westgaard
Its Chair

STATE OF MINNESOTA)
)ss.
COUNTY OF ____________)

The foregoing instrument was acknowledged before me this ____________ day of _________________, 2026, by Brent O'Neil, the Executive Director, and by Matt Westgaard, the Chair of **THE ECONOMIC DEVELOPMENT AUTHORITY IN AND FOR THE CITY OF ELK RIVER**, a public body corporate and politic under the laws of the State of Minnesota, on behalf of said entity.

____
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:
CAMPBELL KNUTSON
Professional Association
Grand Oak Office Center I
860 Blue Gentian Road, Suite 290
Eagan, Minnesota 55121
Telephone: (651) 452-5000
AMP/smt

EXHIBIT "A"
TO
GRANT OF PERMANENT DRAINAGE AND UTILITY EASEMENT

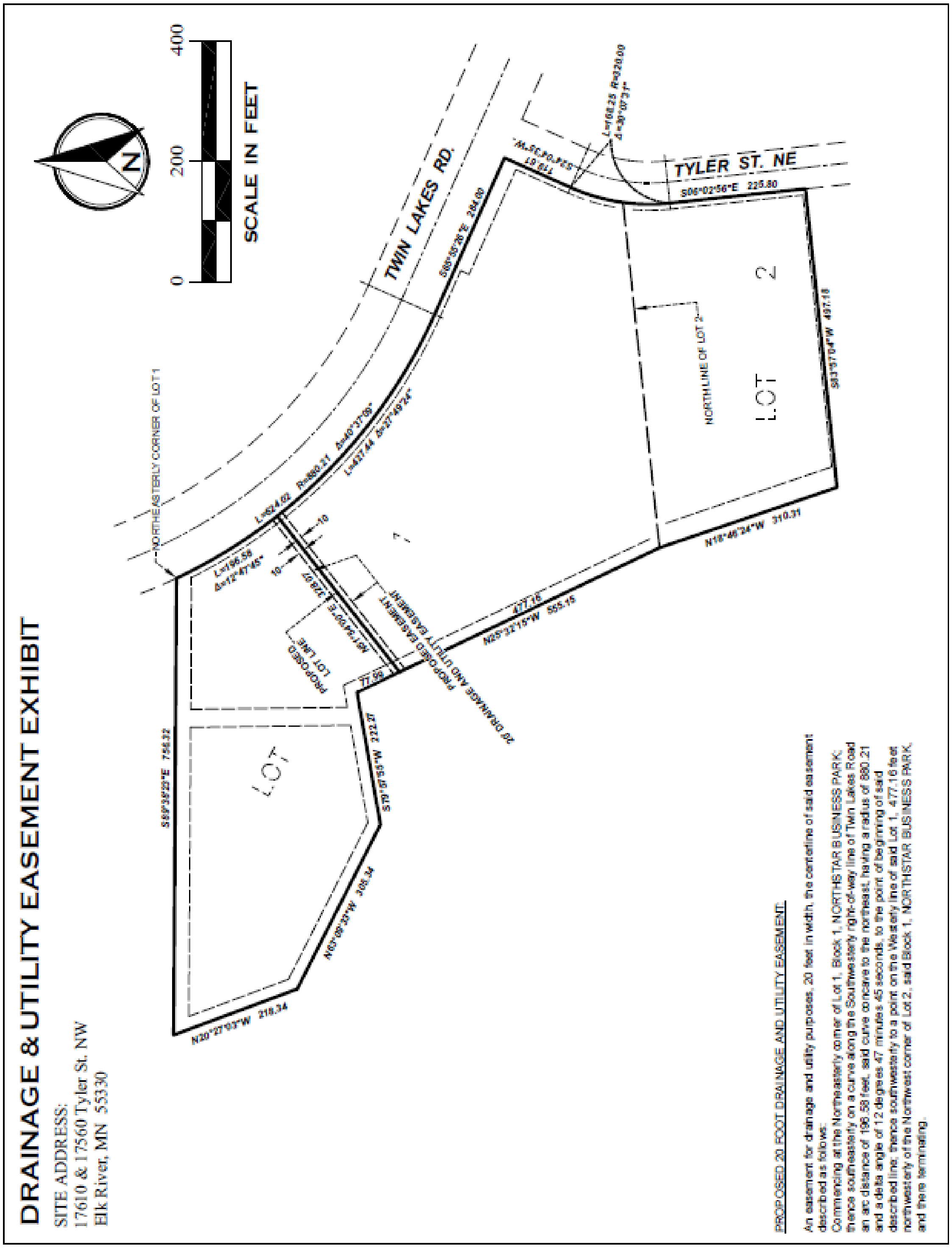
Easement Description

An easement for drainage and utility purposes, 20 feet in width, the centerline of said easement described as follows:

Commencing at the Northeasterly corner of Lot 1, Block 1, NORTHSTAR BUSINESS PARK; thence southeasterly on a curve along the Southwesterly right-of-way line of Twin Lakes Road an arc distance of 196.58 feet, said curve concave to the northeast, having a radius of 880.21 and a delta angle of 12 degrees 47 minutes 45 seconds, to the point of beginning of said described line; thence southwesterly to a point on the Westerly line of said Lot 1, 477.16 feet northwesterly of the Northwest corner of Lot 2, said Block 1, NORTHSTAR BUSINESS PARK, and there terminating.

EXHIBIT "B"
TO
GRANT OF PERMANENT DRAINAGE AND UTILITY EASEMENT

<u>Easement Depiction</u>



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