

Pursuant to due call and notice thereof, a meeting of the North Mankato Port Authority Commission was held in the Council Chambers of the Municipal Building on Monday, May 7, 2018.

President Arnold called the meeting to order at 6:15 p.m. The following were present: Commissioners Dehen, Freyberg, Steiner, Whitlock, Norland, Arnold, and Olenius, Executive Vice President Harrenstein, Finance Director McCann, Community Development Director Fischer and City Clerk Van Genderen.

Approval of the Minutes

Commissioner Dehen moved, seconded by Commissioner Norland, to approve the minutes of the Port Authority meeting of September 18, 2017. Vote on the motion: Dehen, Freyberg, Whitlock, Norland, Olenius and Arnold aye; no nays. Motion carried.

Approval of Bills

Commissioner Steiner moved, seconded by Commissioner Dehen to approve the bills as presented. Vote on the motion: Dehen, Freyberg, Whitlock, Norland, Olenius and Arnold aye; no nays. Motion carried.

Consider Offer for the purchase or sale of real property located at 315 Range Street (This portion of the meeting will be closed as permitted by Minnesota Statute 13D.05 Subdivision C(3)).

Commissioner Steiner moved, seconded by Commissioner Norland to close the meeting to discuss the purchase or sale of real property located at 315 Range Street. Vote on the motion: Dehen, Freyberg, Whitlock, Norland, Olenius and Arnold aye; no nays. Motion carried.

Commissioner Steiner moved, seconded by Commissioner Norland to open the meeting. Vote on the motion: Dehen, Freyberg, Whitlock, Norland, Olenius and Arnold aye; no nays. Motion carried.

Consider Resolution Authorizing Extension of Promissory Note for Countryside Refrigeration.

Finance Director McCann reported Countryside Refrigeration received a loan in 2002. Countryside received an extension in 2012 and is requesting a five-year extension of the loan. Countryside has been paying on the loan and hopes to pay it down low enough to finish it off. President Arnold noted the terms would be the same.

Commissioner Steiner moved, seconded by Commissioner Norland to adopt the Resolution Authorizing Extension of Promissory Note for Countryside Refrigeration. Vote on the motion: Dehen, Freyberg, Whitlock, Norland, Olenius and Arnold aye; no nays. Motion carried.

Consider Establishing Policy, Procedure, and Application Process for Northside Revival Program

Planning Analyst Courtney Kietzer appeared before the Port Authority and presented

the Northside Revival Program. The program is a home improvement program which offers incentives to homeowners completing major remodeling projects. The program was modeled after Coon Rapids Minnesota's Homes for Generations which provided funding for 40 homes in 2 years. In North Mankato the properties must be 50+ years old, homesteaded, the primary residence and the total project cost must be more than \$25,000. There is currently no income or housing value limit on the program. To be eligible, the project must add living space or repurpose existing living space. The program components include architectural & design assistance, building permit rebate of 50%, incentive grant up to \$3,000 and low-interest loan up to \$25,000. Ms. Keitzer noted the loan was up to \$25,000 with terms up to 15 years at an interest rate of prime +1% and if the home is sold, non-homesteaded or a rental permit is obtained, the loan must be paid in full. The funding source is the Local Revolving Loan Fund which has \$57,400 and will cover the cost of 2 remodels for the program year. The program will be administered through the Minnesota Valley Action Council. President Arnold thanked Ms. Keitzer and requested clarification on how the City would get the word out about the program. Finance Director McCann noted that the City had received several calls asking if the program was available. President Arnold indicated the program seems to cover all of the bases. Executive Vice President Harrenstein noted the program currently does not have an income or housing limit indicating there was enough room to try the program without those stipulations. Commissioner Olenius requested clarification on the average loan provided in Coon Rapids. Ms. Keitzer stated the minimum project value was \$30,000. Commissioner Dehen moved, seconded by Commissioner Norland to adopt Resolution Establishing the Northside Revivals Home Improvement Program. Vote on the motion: Dehen, Freyberg, Whitlock, Norland, Olenius and Arnold aye; no nays. Motion carried.

Consider 4D Tax Classification Pilot Initiative.

Commissioner Dehen moved, seconded by Commissioner Norland to move the discussion on the 4D Tax Classification Pilot Initiative to the Council Meeting. Vote on the motion: Dehen, Freyberg, Whitlock, Norland, Olenius and Arnold aye; no nays. Motion carried.

Other Business

None.

Open Meeting to the Public

President Arnold opened the meeting to the public with no one appearing.

There being no further business, Commissioner Norland moved, seconded by Commissioner Steiner, to adjourn. Vote on the motion: all ayes. Motion carried. The meeting was adjourned at 7:03 p.m.

President

Secretary



City of North Mankato, MN

Port Authority Claims

By Fund

Payment Dates 05/03/2018 - 06/18/2018

Vendor Part Number	Vendor Name	Payment Date	(None)	(None)	Amount
Fund: 228 - PORT AUTHORITY					
	BOLTON & MENK, INC.	05/09/2018			4,295.00
	KEY ENTERPRISES, LLC	05/07/2018			3,000.00
	BRIGGS AND MORGAN	05/21/2018			1,600.00
	BRIGGS AND MORGAN	05/21/2018			1,800.00
	GREATER MANKATO GROWTH	05/21/2018			750.00
	ABDO, EICK & MEYERS, LLP	06/18/2018			2,400.00
	LEAGUE OF MINNESOTA CITIES	06/18/2018			204.00
Fund 228 - PORT AUTHORITY Total:					14,049.00
Fund: 240 - JOINT ECONOMIC DEVELOPMENT					
	NICOLLET COUNTY	05/07/2018			1,221.00
	NICOLLET COUNTY	05/07/2018			1,965.00
	NICOLLET COUNTY	05/07/2018			1,972.00
	NICOLLET COUNTY	05/07/2018			1,903.00
	NICOLLET COUNTY	05/07/2018			3,067.00
	NICOLLET COUNTY	05/07/2018			2,968.00
	NICOLLET COUNTY	05/07/2018			928.00
Fund 240 - JOINT ECONOMIC DEVELOPMENT Total:					14,024.00
Grand Total:					28,073.00

Authorization Signatures

Port Authority

The above claims list for 6-18-18 is approved by:

MARK DEHEN - COMMISSIONER

JAMES WHITLOCK - COMMISSIONER

DIANE NORLAND - COMMISSIONER

WILLIAM STEINER - COMMISSIONER

ROBERT FREYBERG - COMMISSIONER

DUANE OLENIUS - COMMISSIONER

DAVID ARNOLD - COMMISSIONER

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the North Mankato Port Authority Commission will meet at the Municipal Building, 1001 Belgrade Avenue, North Mankato, Minnesota at 6:45 p.m. on Monday, July 2, 2018, to consider the sale of real estate described as the South 30 feet of the North 100 feet of Lot 1, Block 5, Original Plat of North Mankato, 315 Range Street. Such persons as desire to be heard with reference to the proposed sale of real estate will be heard at this meeting. Written or oral statements will be considered.

Dated this 18th day of June 2018.

BY ORDER OF THE NORTH MANKATO
PORT AUTHORITY

By: /s/ April Van Genderen
Secretary

BARE LAND PURCHASE AGREEMENT

1. **Parties.** This Bare Land Purchase Agreement ("Agreement") is made this _____ day of June, 2018, by and between North Mankato Port Authority Commission, a Minnesota municipal corporation ("Seller") and SOCO, LLP, a Minnesota limited liability partnership ("Buyer").

2. **Offer/Acceptance.** Buyer offers to purchase and Seller agrees to sell real property in Nicollet County described as follows:

The South 30 feet of the North 100 feet of Lot 1, Block 5, Original Plat of North Mankato, Nicollet County, Minnesota, (the "Real Property").

Address reference: 315 Range Street, North Mankato, Minnesota 56003

3. **Price And Terms.** The total purchase price to be paid by Buyer for the Real Property is Thirteen Thousand and no/100ths Dollars (\$13,000.00) ("Purchase Price"), payable as follows:

(a) **Earnest Money.** Earnest money in the amount of Five Hundred and no/100ths Dollars (\$500.00) ("Earnest Money") to be paid upon execution of this Agreement, which Earnest Money shall be held by SLS Title Services, LLC Trust Account; and

(b) **Balance.** The balance, namely the sum of Twelve Thousand Five Hundred and no/100ths Dollars (\$12,500.00) shall be due and payable by Contract for Deed as follows:

(i) The sum of Six Thousand Two Hundred Fifty and no/100ths Dollars (\$6,250.00), together with accrued interest on August 2, 2018; and

(ii) The principal balance, namely the sum of Six Thousand Two Hundred Fifty and no/100ths Dollars (\$6,250.00), together with accrued interest shall be due and payable in full on or before July 2, 2019 (the "Due Date").

4. **Closing.** The closing of the purchase and sale contemplated by this Agreement (the "Closing") shall occur on a date mutually acceptable to Buyer and Seller, but no later than June _____, 2018, subject to extension for title curative matters pursuant to Section 14 below (the "Closing Date"). The Closing shall take place at such place as may be agreed to mutually by the parties.

5. **Deed/Marketable Title.** Upon performance of the Contract for Deed by Buyer, Seller shall execute and deliver a Limited Warranty Deed, conveying title of record to Real Property.

6. **Settlement Statement.** At closing, Seller and Buyer shall execute and deliver a standard Settlement Statement.

7. **Seller Affidavits.** At closing, Seller shall supplement the warranties and representations in this Agreement by executing and delivering a Seller FIRPTA Affidavit and Minnesota Uniform Conveyancing form of Affidavit Regarding Seller.

8. **Real Estate Taxes and Special Assessments.** Seller shall pay on or before Closing general real estate taxes and special assessments payable in all years prior to the year of Closing. Real estate taxes and special assessments due and payable in the year 2018 shall be prorated by Seller and Buyer to the Closing Date. Buyer shall pay the real estate taxes payable in the year 2019 and any unpaid installments of special assessments payable therewith and thereafter. There are no current or pending special assessments.

9. **Prorations and Closing Costs.** Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement:

(a) **Title Insurance / Title Opinion.** Buyer will pay all fees associated with the issuance of a title commitment or title opinion. Buyer will pay for any premiums charged for any policies of title insurance (owners and mortgagees) and endorsements.

(b) **Deed Tax.** Seller shall pay the state deed tax.

(c) **Recording Costs and Closing Fee.** Buyer will pay the cost of recording the Limited Warranty Deed. Seller shall pay the cost of recording any documents necessary to perfect its own title, which release encumbrances or in connection with the clearance of any objections. Seller and Buyer will each pay one-half (1/2) of any reasonable and customary closing fee or charge imposed by the closing agent.

(d) **Other Costs.** All other operating costs of the Real Property will be allocated between Seller and Buyer as of the Closing Date, so that Seller pays that part of such other operating costs accruing before the Closing Date, and Buyer pays that part of such operating costs accruing from and after the Closing Date.

(e) **Attorneys' Fees.** Each party will pay its own attorneys', accountants' and consultants' fees.

10. **Seller's Restrictions and Lien Warranties.** Seller warrants that there has been no labor or material furnished to the Real Property for which payment has not been made. To Seller's knowledge there are no present violations of any restrictions relating to the use or improvement of the Real Property. These warranties shall survive the delivery of the deed.

11. **Disclosure of Notices.** Seller has not received any notice from any governmental authority as to violation of any law, ordinance or regulation affecting the Real Property. If the Real Property is subject to restrictive covenants, Seller has not received any notice from any person as to breach the covenants. Seller has not received any notice from any governmental

authority concerning any eminent domain, condemnation, special taxing district or rezoning proceedings.

12. Possession. Seller shall deliver possession of the Real Property not later than the Closing Date.

13. Examination of Title. Seller shall make available to Buyer, Seller's Owner's Policy dated March 1, 2012. Buyer may at Buyer's expense create a new Abstract of Title or obtain title insurance. Buyer shall have ten (10) business days after receipt of Owner's Policy to have Buyer's attorney examine the title and provide Seller with written objections. Buyer shall be deemed to have waived any title objections not made within the ten (10) day period for the above, except that this shall not operate as a waiver of Seller's covenant to deliver a statutory Limited Warranty Deed.

14. Title Corrections and Remedies. Seller shall have sixty (60) days from receipt of Buyer's written title objections to make title marketable. Upon receipt of Buyer's title objections, Seller shall, within ten (10) business days, notify Buyer of Seller's intention to make title marketable within the sixty (60) day period. Liens and encumbrances for liquidated amounts which can be released by payment or escrow from proceeds of closing shall not delay the closing. Cure of the defects by Seller shall be reasonable, diligent, and prompt. Pending correction of title, all payments required herein and the closing shall be postponed.

(a) If notice is given and Seller makes title marketable, then upon presentation to Buyer and proposed lender of documentation establishing that title has been made marketable, and if not objected to in the same time and manner as the original title objections, the closing shall take place within ten (10) business days or on the scheduled Date of Closing, whichever is later.

(b) If notice is given and Seller proceeds in good faith to make title marketable but the sixty (60) day period expires without title being made marketable, Buyer may declare this Agreement void by notice to Seller, neither party shall be liable for damages hereunder to the other, and Earnest Money shall be refunded to Buyer.

(c) If Seller does not give notice of intention to make title marketable, or if notice is given but the sixty (60) day period expires without title being made marketable due to Seller's failure to proceed in good faith, Buyer may seek, as permitted by law, the rescission of this Agreement by notice as provided herein, in which case the Agreement shall be null and void and all Earnest Money paid shall be refunded to Buyer.

(d) If title is marketable, or is made marketable as provided herein, and Buyer defaults in any of the agreements herein, Seller may cancel this contract as provided by statute and retain the Earnest Money as liquidated damages, or as permitted by law seek specific performance within six (6) months after such right of action arises.

(e) If title is marketable, or is made marketable as provided herein, and Seller defaults in any of the agreements herein, Buyer may cancel this contract as provided by

statute and request return of the Earnest Money, or as permitted by law seek specific performance within six (6) months after such right of action arises.

15. Notices. All notices required herein shall be in writing and delivered personally or mailed, and if mailed, are effective as of the date of mailing.

If to Seller: North Mankato Port Authority Commission
 Attn: John Harrenstein, Executive Vice President
 1001 Belgrade Avenue
 North Mankato, MN 56003

If to Buyer: SOCO, LLP
 Attn: Sandra Oachs, Partner
 2310 Abby Lane
 North Mankato, MN 56003

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

17. Well Disclosure. Seller certifies that Seller does not know of any wells on the Real Property.

18. Sewage Treatment System Disclosure. Seller certifies that there are no septic systems of the Real Property.

19. Methamphetamine Disclosure Statement. Seller is not aware of any methamphetamine production that has occurred on the Real Property.

20. Real Property Condition. Seller is selling the Real Property improvements "As-Is" and makes no representations as to the condition of the Real Property improvements.

21. Time is of the Essence. Time is of the essence for all provisions of this Agreement.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day, month, and year first above written.

Seller:

Buyer:

NORTH MANKATO PORT AUTHORITY COMMISSION

SOCO, LLP

By: _____
John Harrenstein
Its: Executive Vice President

By: _____
Clayton Oachs
Its: Partner

By: _____
Sandra Oachs
Its: Partner