



AGENDA
Port Authority Regular Meeting
Tuesday, May 20, 2025
5:00 PM
Council Chambers, City Hall

- 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**
- 2. ADDITIONS OR CORRECTIONS TO AGENDA**
- 3. CONSENT AGENDA**
 - a. Minutes of the April 15, 2025 regular meeting
- 4. CHAIRPERSON'S REPORT**
- 5. REPORTS FROM PORT AUTHORITY COMMISSIONERS**
- 6. NEW BUSINESS**
 - a. Commercial Visioning Update
 - b. Speedway Purchase Agreement
 - c. The Morrison First Amendment to Contract for Private Development
 - d. Port Authority Bylaws Amendment
- 7. OLD BUSINESS**
- 8. DISCUSSION**
- 9. ADJOURNMENT**

**ROSEMOUNT PORT AUTHORITY
REGULAR MEETING PROCEEDINGS
APRIL 15, 2025**

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Pursuant to due call and notice thereof, a regular meeting of the Rosemount Port Authority was held on Tuesday, April 15, 2025, at 6:00 PM. in Rosemount Council Chambers, 2875 145th Street West.

Chairperson Essler called the meeting to order with Commissioners Freske, Beaudette, Ober, Weisensel, Theisen and Klimpel.

ADDITIONS OR CORRECTIONS TO AGENDA

Economic Development Coordinator Van Oss added item 6.d. Speedway Update to the agenda.

Motion by Ober Second by Theisen

Motion to approve the agenda

Ayes: 7.

Nays: None. Motion Carried.

2.a. Election of Chair, Vice Chair and Treasurer

Commissioner Ober nominated Commissioner Klimpel for Chairperson.

Motion by Theisen Second by Freske

Motion to close the nominations

Ayes: 7.

Nays: None. Motion Carried.

Motion by Ober Second by Theisen

Motion to Elect Commissioner Klimpel as Chairperson

Ayes: 7.

Nays: None. Motion Carried.

Commissioner Freske nominated Commissioner Theisen as Vice Chair.

Motion by Beaudette Second by Ober

Motion to close the nominations

Ayes: 7.

Nays: None. Motion Carried.

Motion by Ober Second by Beaudette

Motion to Elect Commissioner Theisen as Vice Chair

Ayes: 7.

Nays: None. Motion Carried.

Commissioner Theisen nominated Commissioner Ober as treasurer.

Motion by Klimpel Second by Freske
Motion to close the nominations
Ayes: 7.
Nays: None. Motion Carried.

Motion by Klimpel Second by Theisen
Motion to Elect Commissioner Ober as Treasurer.
Ayes: 7.
Nays: None. Motion Carried.

CONSENT AGENDA

Motion by Freske Second by Ober
Motion to approve consent agenda
Ayes: 7.
Nays: None. Motion Carried.

CHAIRPERSON’S REPORT

None.

REPORTS FROM PORT AUTHORITY COMMISSIONERS

Commissioner Ober congratulated Community Development Director Kienberger on a recent article he was included in regarding housing projects.

NEW BUSINESS

6.a. Fair Housing Month Proclamation

Community Development Director Kienberger presented the importance of Fair Housing Month. The Port Authority read the proclamation.

Motion by Weisensel Second by Essler
Motion to approve the proclamation.
Ayes: 7.
Nays: None. Motion Carried.

6.b. Annual Report

Economic Development Coordinator Van Oss highlighted the annual report included within the packet.

Commissioner Ober questioned whether there were updates regarding Project Falcon? Staff noted this project is not included in the evaluations yet as the project has not pulled any permits to date. Staff did note that the City Council will consider approving grants to clean up the project area on the agenda this evening.

Also discussed, the Port Authority doing a tour at Spectro, proposed legislative bills regarding data centers and next phases of development near the Lifetime parcels. Commissioner Freske noted for future strategic plans to ensure staff are not losing sight of having a hotel within Rosemount. Staff noted a future joint meeting will be held to discuss commercial visioning.

Staff provided an update regarding the Clover noting several people have inquired about having an interest in the property, but so far no deals have been made.

6.c. Port Authority Bylaws Review

Community Development Director Kienberger provided an overview of the current bylaws and staff's proposed changes included in the packet. Mr. Kienberger proposes to review these bylaws on an annual basis. Staff will include these proposed changes at the next Port Authority meeting for official approval.

6.d. Speedway Update

Community Development Director Kienberger provided the latest update regarding the appraisal and the request for the Port Authority to approve a letter of intent for acquisition of the property. The Port Authority is in support of acquiring the Speedway site should the appraisal be reasonable and deemed fair.

Commissioner Essler questioned if the Port Authority supports this project, how will the Port Authority handle future similar projects? Commissioner Essler wants to ensure the Port Authority can provide consistent feedback to residents on how the Port Authority handles these projects. Community Development Director Kienberger noted this project is unique as it is currently for sale, a willing seller and there is an opportunity for an investment.

The letter of intent only needs a signature from the Chairperson and Vice- Chairperson at this time to proceed. Staff will proceed with the signed letter and update the Port Authority at the next meeting with any updates.

OLD BUSINESS

None.

DISCUSSION

None.

ADJOURNMENT

There being no further business to come before the Port Authority at the regular council meeting and upon a motion by Klimpel and a second by Freske the meeting was adjourned at 6:55 p.m.

Respectfully submitted,

Erin Fasbender
City Clerk

Port Authority Regular Meeting: May 20, 2025

AGENDA ITEM: Commercial Visioning Update	AGENDA SECTION: NEW BUSINESS
PREPARED BY: Eric Van Oss, Economic Development Coordinator	AGENDA NO. 6.a.
ATTACHMENTS:	APPROVED BY: LJM
RECOMMENDED ACTION: Presentation	

BACKGROUND

In 2020 and 2021, the City of Rosemount embarked on an effort to build upon its comprehensive plan by creating focused development visions for key nodes along its rapidly growing Highway 42 corridor east of Highway 3. The goal of the vision plans was to give city leadership a set of graphic tools that illustrated their vision when working with developers, residents, and other stakeholders during the development review process. The vision for each node began as a set of principles, which then evolved into 2D concepts, then 3D renderings, and eventually an animated video of select sites that showed both bird's-eye and ground-level views. Since 2021, there are several projects that have been developed or are undergoing development along the Highway 42 corridor. These new projects are demonstrations of the success of the 2021 vision plans. However, enough new development has occurred since 2021 that the vision plans themselves could be revised to better reflect existing conditions and to conceptualize new nodes that have been identified along the corridor.

The City contracted with the original project team at Stantec for the updating of site concept visions for key nodes along Highway 42. Stantec will prepare 2D conceptual plans for 10 sites at five nodes. The original 5 nodes will be updated with current and planned developments. Additionally, two more commercial areas will be included: the Sunbelt Rental corner, and the intersection of 42 and Highway 55. Both of these new visioning sites will incorporate future road improvements by Dakota County. Stantec met with staff and presented to the Port and Planning Commission over the course of 2024 and 2025 to gather insight and refine the commercial concepts. The project team from Stantec will present the final renderings at the May 20th regular meeting.

RECOMMENDATION

Receive presentation and provide input

Port Authority Regular Meeting: May 20, 2025

AGENDA ITEM: Speedway Purchase Agreement	AGENDA SECTION: NEW BUSINESS
PREPARED BY: Eric Van Oss, Economic Development Coordinator	AGENDA NO. 6.b.
ATTACHMENTS: DOCSOPEN-#1026866-v1-RPO - Rosemount MN - Purchase Sale Agreement 4901-1226-5529 (FINAL)	APPROVED BY: LJM
RECOMMENDED ACTION: Motion to Approve the "As Is" Purchase and Sale Agreement for certain real estate located at 14515 Dodd Boulevard.	

BACKGROUND

The property was placed in a receivership that lasted for almost 3 years. During this time, the storage tanks were removed in late 2022, and the Minnesota Pollution Control Agency (MPCA) requested further environmental investigation and mediation. The MPCA released the site from further cleanup in the spring of 2024. This allowed the property to go to auction in December 2024, where it was ultimately retained by the mortgage lender and placed on the market in February 2025. Due to the site being vacant for over a year, non-conforming uses will no longer be allowed. This means the site cannot be a gas station as it is out of compliance with our new zoning standards.

This site is along a highly visible corridor and has deteriorated to a significant degree. Staff is concerned that the site would attract marginal uses that would not complement the neighborhood, given the troubled past of this location. This site generated numerous complaints from residents over the 3-year foreclosure process and was a regular topic of frustration from neighbors. Given these concerns, staff began an inquiry into acquiring the property and had an appraisal done in early March. The Port instructed staff to enter into negotiations with the broker at the April Port meeting.

The site broker accepted the City's offer to purchase the property for \$520,000. The purchase agreement is attached to this memo and outlines the terms to close. The Port is being asked to approve the Purchase Agreement. Additionally, at a later date the Council will be asked to approve an interfund loan to help finance part of this purchase. The interfund loan would advance \$300,000 from the Water Fund.

Upon closing, staff plan to move forward with demolition of the building to remove a neighborhood blight and prepare the site for future use. Staff plan to conduct a robust engagement process to facilitate redevelopment of the site. Community feedback and involvement will be key to determining next steps.

RECOMMENDATION

Approve the "As Is" Purchase and Sale Agreement for certain real estate located at 14515 Dodd

Boulevard.

2. Purchase Price; Deposit. The total purchase price for the Property shall be the Purchase Price which shall be due and payable on the Closing Date in readily available funds delivered to Escrow Agent by wire transfer. Within five business days of the Effective Date, Buyer shall deliver to Escrow Agent the Deposit in readily available funds via cashier's check or wire transfer. The Deposit shall be delivered to Seller and credited against the Purchase Price at the closing of the purchase and sale contemplated by this transaction (the "Closing").

3. Time for Acceptance; Time of Essence. Unless this Contract is fully completed and executed by both Buyer and Seller and an executed copy delivered to all parties on or before the Effective Date, any offers made by either party will be deemed to be withdrawn and the Deposit, if any, will be returned to Buyer. Unless otherwise described herein, any time periods referenced in this Contract shall be calculated using calendar days (i.e., including Saturdays, Sundays and legal holidays). Any time period ending on a Saturday, Sunday or legal holiday will extend until 5:00 p.m. of the next business day. Time is of the essence of this Contract.

4. Closing Date and Location. The Closing shall take place on the Closing Date, unless extended by the parties or other applicable provisions of this Contract. The Closing Date will prevail over any other dates or periods set forth herein. In the event that insurance underwriting is suspended on the Closing Date and Buyer is unable to obtain property insurance, then Buyer may extend the Closing Date for a period ending no more than five (5) days after the Closing Date. The Closing shall take place by escrow, or at such location as the parties may mutually agree.

5. Financing. This Contract is not contingent upon Buyer obtaining third party financing.

6. Title Evidence.

(a) Title Commitment; Survey. Within five (5) business days of the Effective Date of this Contract, Buyer, at Buyer's expense, shall order a title insurance commitment (the "Title Commitment") issued by an agent and title insurance company of Buyer's choosing, undertaking to insure fee simple title to the Property in Buyer. If Buyer desires a survey, Buyer may obtain one at Buyer's expense.

(b) Exceptions to Title. Buyer shall take title to the Property subject to the following (collectively, the "Permitted Exceptions"): (i) easements, encumbrances, covenants and restrictions of record; (ii) all applicable laws affecting the Property, including without limitation, all zoning, land use, regulations, ordinances, building codes and other requirements and restrictions imposed by governmental authorities; (iii) outstanding oil, gas and mineral rights of record, if any; (iv) liens for all real property taxes and general and special assessments for the current year and all subsequent years, not yet due and payable (including without limitation, any installments of assessments which are pending or levied, but not certified as payable); (v) those matters shown on the Title Commitment to which Buyer accepts pursuant paragraph 6(c) below, and all exceptions or defects in Seller's title to the Property which would have been disclosed by an ALTA/ACSM survey or an inspection of the Property as of the Buyer Decision Date.

(c) Title Examination. Buyer shall have ten (10) business days from its receipt of the Title Commitment to review title (the "Title Review Period"). If, in Buyer's opinion, the title does not conform to the requirements of this Contract, Buyer shall have the option of (1) accepting the title as is, with no reduction in the Purchase Price, or (2) terminating this Contract, but only if such termination is delivered by Buyer to Seller in writing on or before 5:00 pm on the final day of the Title Review Period. If Buyer fails to make such election on or before 5:00 p.m. on the final day of the Title Review Period (time being of the essence), Buyer shall be deemed to have agreed that Seller's title as shown on the Title Commitment conforms to the requirements of this Contract and Buyer shall be deemed to have approved all exceptions to and defects in Seller's title to the Property which are disclosed of record or on the Title

Commitment, or which would have been disclosed by an ALTA/ACSM survey or an inspection of the Property. All such exceptions and defects to which Buyer accepts in accordance with this paragraph (c) shall be deemed Permitted Exceptions.

7. **Conveyance.** Seller shall convey title to the Property to Buyer by limited warranty deed (the “Deed”), free and clear of all liens and security instruments arising by, through or under Seller, subject to the Permitted Exceptions.

8. Property Condition; Buyer’s Inspections and Diligence.

(a) **Condition.** It shall be Buyer’s obligation to inspect the condition of the Property, the compliance or non-compliance of the Property with existing laws, codes, rules, regulations and ordinances, the zoning and permitted uses of the Property and such other inspections relating to the Property as Buyer may deem necessary or desirable. Seller makes no representation or warranty of any nature whatsoever regarding any matter whatsoever. **BUYER’S PURCHASE OF THE PROPERTY HEREUNDER WILL BE “AS-IS, WHERE-IS, WITH ALL FAULTS” AND, BUYER WILL BE CONCLUDING THE PURCHASE OF THE PROPERTY BASED SOLELY ON ITS AND ITS AGENTS’ AND CONSULTANTS’ INSPECTION AND INVESTIGATION OF THE PROPERTY AND ON DOCUMENTS AND OTHER MATERIALS RELATED THERETO AND WILL BEAR ANY RISK THAT SUCH INSPECTIONS, INVESTIGATIONS, DOCUMENTS AND OTHER MATERIALS ARE INCOMPLETE OR OTHERWISE FAIL TO DISCLOSE ANY PROBLEM WITH RESPECT TO THE PROPERTY.**

(b) **Inspection.** During the period from the Effective Date to the earlier of the Closing Date or the date on which this Contract is terminated, upon at least 24 hours prior notice from Buyer to Seller, Seller shall provide Buyer, its employees, contractors, agents and consultants access to the Property without charge for the purpose of Buyer’s reasonable and customary investigation and testing, all of which shall be performed at Buyer’s sole cost and expense. Buyer agrees that: (1) Buyer shall not perform any investigation or testing of a physically intrusive nature (including without limitation, Buyer shall not perform any soil, soil gas, or groundwater testing or sampling or any drilling, boring or other intrusive, invasive or destructive testing of the Property) without Seller’s prior written consent, which consent may be withheld by Seller in its sole discretion; (2) all investigation and testing shall be conducted on business days during the hours of 9:00 a.m. to 5:00 p.m.; (3) Seller will have the right to have a representative of Seller accompany Buyer and its agents and consultants at all times when performing any investigation and testing; (4) Buyer shall at all times conduct such investigation and testing in compliance with applicable laws and in a manner so as to not cause damage, loss, cost or expense to Seller or the Property; (5) Buyer will promptly repair any damage to the Property caused by any investigation or testing, and restore the Property to substantially its condition immediately preceding such investigation or testing; and (6) Buyer will pay for such inspections and investigations performed on the Property by Buyer in connection with this paragraph and shall keep the Property free and clear of any liens (including without limitation, mechanics’ liens) or encumbrances. Buyer shall hold harmless, indemnify and defend Seller from and against any and all claims, liability, losses and expenses (including reasonable attorneys’ fees) which Seller incurs by reason of any breach of this paragraph (b), including without limitation any damage to the Property, or any third-person claim against Seller, arising or asserted to arise out of, any activity of Buyer, or any of Buyer’s agents, employees, contractors, agents, inspectors, consultants or others who investigate or examine the Property on the Buyer’s behalf prior to the Closing Date. The indemnification contained under this paragraph shall survive the Closing Date or termination of this Contract without limitation, and shall run to the benefit of Seller’s and Seller’s affiliates’ respective shareholders, partners, members, directors, officers, employees, managers, agents, successors and assigns.

(c) **Minnesota Required Representations.** There are: (i) no “Wells” on the Property within the meaning set forth under Minn. Stat. § 103I.235, (ii) no “Individual Sewage Treatment Systems”

on the Land within the meaning set forth under Minn. Stat. §115.55, and (iii) other than the petroleum tank described in those certain letters dated February 21, 2024 and August 4, 2023 from the Minnesota Pollution Control Agency to Lighthouse Management Group, Inc. (the “Letters”), which petroleum tank was removed from the Property, Seller is not aware of any underground or aboveground storage tanks currently on the Property, or any underground or aboveground storage tanks formerly on the Property that had a release for which no corrective action was taken (these statements are being made pursuant to the disclosure requirements of the aforementioned statutes and Minn. Stat. § 116.48). To the best of Seller’s knowledge, no methamphetamine production has occurred on the Property.

(d) **Additional Representations.** Seller is the fee simple owner of the Property. Seller is not a “foreign person” as such term is defined in the Internal Revenue Code. Seller has full power and authority to enter into this Agreement and to perform all its obligations hereunder. To the best of Seller’s knowledge, as of the Closing Date, no contracts or agreements will be in effect with respect to the Property by which Buyer will be bound.

9. Seller Deliveries/Confidentiality. If Seller elects, in its sole discretion, to provide to Buyer any reports, surveys, contracts, assessments and/or any other information related to the Property that exist and are in Seller’s possession (“Seller Deliveries”) in conjunction with Buyer’s due diligence, Buyer agrees that the furnishing of the Seller Deliveries is without any representation or warranty by Seller with respect thereto, whether express or implied, or with respect to the right of Buyer to rely on the Seller Deliveries, all or the majority of which were prepared by third parties. Any Seller Deliveries are being delivered by Seller to Buyer solely for Buyer’s use in connection with this Contract. Accordingly, Buyer shall not (a) release any Seller Deliveries or disclose any of the information contained therein, or (b) release any other items or disclose any other information concerning the Property or this Contract (except as hereinafter provided), to any other person or entity, until after the Closing has occurred, without the prior written consent of Seller in its sole discretion, unless such disclosure is required by legal process.

10. Buyer’s Termination of Contract.

(a) If Buyer is not satisfied with the results of its feasibility analysis, if any, or its inspection of the Property or other due diligence then Buyer may terminate this Contract by delivering written notice of Buyer’s termination to Seller and Escrow Agent on or before 5:00 p.m. on the Buyer Decision Date. If Buyer deems title or survey unacceptable, then Buyer may terminate this Contract by delivering written notice of Buyer’s termination to Seller and Escrow Agent on or before 5:00 p.m. on the expiration of the Title Review Period, according to Section 6.(c) above. If Buyer gives timely notice under this paragraph, then Buyer’s Deposit shall be returned to Buyer and neither party shall have any continuing obligation to the other except for those items which expressly survive termination (including without limitation the Buyer’s indemnification obligations set forth under Section 8.(b) above and the terms and provisions of Section 16 below). If Buyer fails to timely deliver said notice (time being of the essence), then Buyer shall have no further right to terminate this Contract (subject only to paragraph Section 10.(b) and Section 14 of this Contract) and shall be obligated to proceed to Closing on the Closing Date pursuant to the terms and conditions contained in this Contract.

(b) To the contrary notwithstanding, Buyer’s obligation to purchase the Property is contingent upon the approval of this Contract by the Buyer’s governing body. To the extent that Buyer’s governing body has not approved this Contract on or prior to May 30, 2025, then, after May 30, 2025 Seller may terminate this Contract by delivering written notice to Buyer any time prior to the date that the Buyer’s governing body approves this Contract. Upon termination in accordance with this paragraph, the Deposit shall be returned to Buyer and Buyer and Seller shall be released from any further obligation each to the other in connection with this Contract except for those items which expressly survive termination (including without limitation the Buyer’s indemnification obligations set forth under Section 8.(b) above and the terms and provisions of Section 16 below).

11. Closing Procedure. At Closing, the parties shall be responsible for and shall pay as follows:

(a) **Possession:** Seller will deliver possession of the Property to Buyer at Closing. Seller will provide keys, remote controls and any security/access codes in its possession.

(b) **Costs:** Buyer shall pay (i) all search fees and charges for the Title Commitment, the premium for any owner's policy of title insurance, and any title insurance endorsements requested by Buyer, (ii) recording charges for the Deed excepting state deed tax to be charged to Seller under Subsection (y) of this Section, (iii) all charges for the preparation of any survey, environmental report and any other third party diligence or report obtained by Buyer, and (iv) all fees, charges and expenses related to Buyer's financing (if applicable) for the purchase of the Property (including, without limitation, all mortgage registry tax, mortgage recording fees, and any additional premium for a lender's policy of title insurance). Seller shall pay (y) all Minnesota state deed tax applicable for the conveyance of the Property, and (z) the commission due to Seller's Broker on the sale of the Property hereunder, in accordance with Seller's separate written agreement with Seller's Broker. Buyer and Seller will split equally any closing fees and expenses charged by the title company to administer Closing. Each Party shall be solely responsible for paying the fees and expenses of its own accountants and attorneys.

(c) **Documents:** Seller will provide the Deed, corporate resolution, FIRPTA, a certificate certifying that Seller's representations and warranties as contained in this Contract are true now and on the Closing Date as if made on the Closing Date, and standard owner's affidavit in connection with the issuance of the Title Policy. Seller and Buyer will provide any documents or instruments reasonably required by the title insurer in order to complete this transaction and issue the Title Policy. Buyer and Seller agree to provide to the title company administering the Closing all information reasonably necessary to allow the title company to file an eCRV (electronic certificate of real estate value) on behalf of Buyer and Seller.

(d) **Real Estate Taxes and Prorations:** All real estate taxes and installments for assessments (general or special) certified and payable in the years prior to the year in which the Closing Date occurs shall be paid by Seller. Real estate taxes and installments for assessments (general or special) certified and payable in the year in which the Closing Date occurs shall be prorated based upon a calendar year based upon the Closing Date. Buyer shall assume any installments of assessments (general or special) that are pending or levied, but not yet certified and payable in the year in which the Closing Date occurs, and all real estate taxes and assessments (general or special) which are certified and payable for all years after the year in which the Closing Date occurs.

(e) **Other Expenses.** All other periodic charges attributable to the Property shall be prorated between Seller and Buyer as of 12:00:01 a.m. on the Closing Date, including (without limitation) utility charges, but excluding insurance premiums (Seller's insurance with respect to the Property shall terminate as of Closing and shall not be assigned to Buyer).

12. Escrow Agent. Buyer and Seller authorize Escrow Agent to receive, deposit and hold funds and other property in escrow and, subject to collection, disburse them in accordance with the terms of this Contract. The parties agree that Escrow Agent will not be liable to any person for misdelivery of escrowed items to Seller or Buyer unless the misdelivery is due to Escrow Agent's willful breach of this Contract or gross negligence. If Escrow Agent has doubt as to Escrow Agent's duties or obligations under this Contract, Escrow Agent may, at its option, (a) hold the escrowed items until the parties mutually agree to its disbursement or until a court of competent jurisdiction or arbitrator determines the rights of the parties or (b) deposit the escrowed items with the clerk of court having jurisdiction over the matter and file an action in interpleader. Upon notifying the parties of such action, Escrow Agent shall be released from all liability except for the duty to account for items previously delivered out of escrow. In any suit in which

Escrow Agent interpleads the escrowed items or is made a party because of acting as Escrow Agent hereunder, Escrow Agent will recover reasonable attorney's fees and costs incurred, with these amounts to be paid from and out of the escrowed items and charged and awarded as court costs in favor of the prevailing party

13. Cure Period. Prior to any claim for default being made, a party will have an opportunity to cure any alleged default. If a party fails to comply with any provision of this Contract, the other party will deliver written notice to the non-complying party specifying the non-compliance. The non-complying party will have three (3) business days thereafter to cure the non-compliance. Notice and cure shall not apply to Buyer's time to make the elections in paragraphs 6(c) or 10 or failure to close.

14. Default.

(a) **Seller Default.** If Seller fails to cure any non-compliance within the timeframe set forth under Section 13 (time being of the essence), then Seller shall be in default under the terms of this Contract and Buyer shall be entitled to terminate this Contract, in which case, the return of the Deposit to Buyer shall be Buyer's sole and exclusive remedy at law and equity and Buyer acknowledges and agrees that the return of the Deposit adequately and fairly compensates Buyer, and Buyer and Seller shall be released from any further obligation each to the other in connection with this Contract except for those items which expressly survive termination (including without limitation the Buyer's indemnification obligations set forth under Section 8.(b) above and the terms and provisions of Section 16 below). For avoidance of doubt, Seller shall be entitled to the benefit of Buyer's indemnification obligations under this Contract notwithstanding any provisions of this paragraph to the contrary.

(b) **Buyer Default.** If Buyer fails to cure any non-compliance within the timeframe set forth under Section 13 (time being of the essence), then Buyer shall be in default under the terms of this Contract and Seller may terminate this Contract with written notice of termination to Buyer complying with Minnesota Statutes Section 559.21, and upon such termination Seller will retain the Deposit as liquidated damages, and Buyer and Seller agree that the retention of the Deposit adequately and fairly compensates Seller, and Buyer and Seller shall be released from any further obligation each to the other in connection with this Contract except for those items which expressly survive termination (including without limitation the Buyer's indemnification obligations set forth under Section 8.(b) above and the terms and provisions of Section 16 below). For avoidance of doubt, Seller shall be entitled to the benefit of Buyer's indemnification obligations under this Contract notwithstanding any provisions of this paragraph to the contrary.

15. Notices. All notices shall be in writing and may be delivered by mail, overnight courier, personal delivery or e-mail to the addresses specified for Seller and Buyer above and shall be effective upon receipt thereof.

16. Disclaimers, Waivers and Releases. Buyer acknowledges that Buyer has not relied, and is not relying upon any information, document, sales brochures or other literature, maps, sketches, drawings, plans, projection, proforma, statement, representation, guarantee or warranty (whether express or implied, oral or written, material or immaterial) that may have been given by or made by or on behalf of Seller.

Buyer acknowledges that by the Buyer Decision Date and the Title Review Period Buyer will have had an adequate opportunity to make such legal, factual and other inquiries and investigations as Buyer deems necessary, desirable or appropriate with respect to the Property.

Buyer acknowledges that Seller holds title to the Property through foreclosure or otherwise primarily to protect its security interest within the meaning of the Comprehensive Environmental Response,

Compensation, and Liability Act ("**CERCLA**"), 42 U.S.C. § 9601 *et seq.* and the rules and regulations promulgated thereunder and that Seller has never been deemed to be in possession of the Property.

BUYER ACKNOWLEDGES THAT BUYER IS PURCHASING THE PROPERTY SOLELY IN RELIANCE ON BUYER'S OWN INVESTIGATION, AND "AS-IS, WHERE-IS, WITH ALL FAULTS" AND WITH ALL DEFECTS, LATENT OR OTHERWISE. BUYER EXPRESSLY ACKNOWLEDGES THAT, IN CONSIDERATION OF THE AGREEMENTS OF SELLER HEREIN, AND EXCEPT AS OTHERWISE STATED IN THIS CONTRACT, SELLER MAKES AND HAS MADE NO REPRESENTATIONS, GUARANTEES OR WARRANTIES, OF ANY KIND, NATURE OR TYPE WHATSOEVER, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, WITH RESPECT TO THE PROPERTY OR ANY MATTER RELATED THERETO. AS A MATERIAL PART OF THE CONSIDERATION TO SELLER FOR THE SALE OF THE PROPERTY, BUYER HEREBY WAIVES, AND RELEASES SELLER AND WELLS FARGO & COMPANY (AND SELLER'S AND/OR WELLS FARGO & COMPANY'S SHAREHOLDERS, PARENT CORPORATIONS, SUBSIDIARY CORPORATIONS, AFFILIATED CORPORATIONS, INSURERS, INDEMNITORS, SUCCESSORS AND ASSIGNS, TOGETHER WITH ALL OF THEIR PRESENT AND FORMER DIRECTORS, OFFICERS, AGENTS, ATTORNEYS AND EMPLOYEES (COLLECTIVELY, THE "RELEASED PARTIES") FROM ANY AND ALL CLAIMS INCLUDING WITHOUT LIMITATION, CLAIMS FOR RESCISSION OR REFORMATION BASED ON MUTUAL OR UNILATERAL MISTAKE OR MISREPRESENTATION) THAT ARE BASED DIRECTLY OR INDIRECTLY ON, ARISE FROM OR IN CONNECTION WITH, OR ARE RELATED TO ANY OF THE FOLLOWING MATTERS ("Property Related Matters"):

(a) Soils, Other Conditions. Soils, seismic, hydrological, geological, topographical conditions and configurations, landscaping and any other conditions of the Property.

(b) Hazardous Materials. Oil and other petroleum products, flammable explosives, asbestos, urea formaldehyde insulation, radioactive materials, hazardous wastes, toxic or contaminated substances or similar materials (collectively "Hazardous Materials"), including, without limitation, any Hazardous Materials or other substances arising from or in connection with the release described in the Letters, or any other substances which are "hazardous substances," "hazardous wastes," "hazardous materials" or "toxic substances" under any past, present or future federal, state or local statute, ordinance, rule or regulation including but not limited to CERCLA and the Resource Conservation And Recovery Act, 42 U.S.C. § 6973 *et seq.* ("**RCRA**"); and the compliance or noncompliance of Seller or any owners, operators or other persons in regard to any past, present and future federal, state and local environmental protection, pollution control, pollution cleanup (including, without limitation, the cleanup and remedial action arising from or in connection with the Letters), and corrective action laws, rules, regulations, orders, and requirements, including without limitation CERCLA, RCRA, and others pertaining to the use, handling, generation, treatment, storage, release, disposal, removal, remediation or response to, or notification of governmental entities concerning any Hazardous Materials.

(c) Physical Defects. Physical, structural, foundation and mechanical defects in or on the Property, including without limitation, the plumbing, heating, air-conditioning and electrical systems and the roof, floor, ceilings, walls and other internal structural components of any buildings or improvements.

(d) Land and Floor Area. The area of the land and the square footage contained in any buildings or other improvements.

(e) Utilities, Schools, Other Services. Availability of adequate sewage, utilities, water, schools, public access, and fire and police protection.

(f) Assessment, Community Facilities Districts. The status and nature of any assessment districts or community facilities districts and the amount of any assessment or special tax liability.

(g) Planning and Zoning. Present, past or future conformity of the Property with planning, building, zoning, subdivision and development statutes, ordinances, regulations and permits, the general plan and the specific plan.

(h) Development. The character and amount of any fee, charge or other consideration which must be paid, dedicated or donated by Buyer to develop the Property, the development potential of the Property, and the quality of labor or materials relating in any way to the Property.

(i) Title. The condition of title to the Property, including but not limited to the existence of any easement, license or encroachment whether or not a matter of public record, and whether or not visible upon inspection of the Property.

(j) Owner's Association. The financial condition of any owner's association, including, without limitation, the adequacy of any reserves held by any owner's association.

(k) Water. The adequacy, availability, appropriateness, quality, quantity, legality, use, right to use or any other matter with respect to water, water wells, water rights, water permits or water use at or available to the Property.

(l) Use of the Property. The suitability, adequacy, appropriateness, legality or any other matter with respect to the use of the Property for any particular purpose, or the ability to obtain building permits, certificates of occupancy, and other licenses for the use and occupancy of the Property.

(m) Compliance of the Property. The compliance of the Property and its operations with any applicable code, statute, law, ordinance, rule, regulation, covenant, permit, authorization, standard, condition or restriction of any governmental or regulatory authority.

(n) Other Matters. Any other matter relating to the Property or to the condition, development or operation of the Property at any time before or after the Closing, including, but not limited to, habitability, access, legal status, value, profitability, income, profitability, feasibility, real estate taxes and assessments, costs, governmental permissions or entitlements, marketability and investment return.

WITHOUT IN ANY WAY LIMITING THE GENERALITY OF THE PRECEDING, BUYER ON BEHALF OF BUYER, BUYER'S AGENTS, INSURERS, HEIRS, SUCCESSORS AND ASSIGNS, RELEASES, ACQUITS AND FOREVER DISCHARGES THE RELEASED PARTIES from any and all claims, demands or causes of action of any kind, nature or description, whether arising in law or equity or upon contract or tort or under any state or federal law or otherwise, which Buyer has had, now has or has made claim to have against the Released Parties for, upon or by reason of any act, omission, matter, cause or thing whatsoever relating to any or all of Property Related Matters arising from the beginning of time to and including the any time in the future (the "Released Claims"), whether such claims, demands and causes of action are matured or unmatured, liquidated or unliquidated, known or unknown, fixed, contingent, direct or indirect, and shall indemnify and hold harmless the Released Parties from any and all expenses, costs, liability and fees (including but not limited to attorney's fees and expenses) incurred by any such Released Party as a result of any such action or proceeding instituted by Buyer or any third party. Buyer irrevocably covenants and agrees forever to refrain from initiating, filing, instituting, maintaining or proceeding upon, or encouraging, advising or voluntarily assisting any other person or entity to initiate, institute, maintain or proceed upon any Released Claim of any nature whatsoever released in this Contract.

Buyer acknowledges and agrees that the terms and conditions of this section shall expressly survive the termination of this Contract and/or recordation of the Deed for the Property.

17. Risk of Loss. Seller shall bear the risk of loss for the Property until Closing. In the event all or a portion of the Property is damaged by way of casualty, condemnation, or otherwise (“Risk of Loss Event”), the Seller shall notify Buyer as soon as reasonably practicable thereafter. Buyer, within 5 days after receiving notice of a Risk of Loss Event, may terminate this Contract in a writing to Seller in which event Escrow Agent shall return the Deposit to Buyer and neither of the parties shall have any further obligations under this Agreement except for those items which expressly survive termination (including without limitation the Buyer’s indemnification obligations set forth under Section 8.(b) above and the terms and provisions of Section 16 above). In the event of any Risk of Loss Event which does not result in a termination of this Agreement, Seller shall, at Closing, credit Buyer against the Purchase Price the amount of any insurance or condemnation proceeds attributable to such event, or assign to Buyer, as of Closing and in a form acceptable to Buyer, all rights or claims for relief to the same, and credit to Buyer an amount equal to the deductible (if any) under any applicable insurance policy of Seller.

18. Assignment. Buyer shall not assign this Contract without the prior written consent of Seller, which consent may be withheld by Seller in Seller’s sole and absolute discretion.

19. Attorney’s Fees and Costs. In any claim or controversy arising out of or relating to this Contract, the prevailing party shall be entitled to reasonable attorneys’ fees, costs, and expenses (including, without limitation, the allocated costs for services of in-house counsel to the extent permissible).

20. Brokers. Buyer and Seller hereby acknowledge and agree that other than Seller’s Broker identified above, no person or entity is entitled to any compensation by payment of a real estate commission, finder’s fee, or other compensation. Seller shall be responsible for all commissions due to Seller’s Broker pursuant to a separate agreement. Buyer and Seller shall indemnify each other and agree to hold each other harmless from any claim for commission, finder's fee, or other compensation made by any broker not listed above or other party if such claim is made as a result of introductions, negotiations, or other contact to or with Buyer or Seller not disclosed herein.

21. Patriot Act Compliance. Buyer represents and warrants to Seller as follows: (a) Buyer is in compliance with the USA Patriot Act of 2001 (Public Law 107-56) (“Patriot Act”), Executive Order 13224 (66 Fed. Reg. 49079 (2001)) (the “Order”), and the rules and regulations of the Office of Foreign Assets Control, Department of the Treasury (“OFAC”), and any enabling laws or other executive orders or regulations in respect thereof (the Patriot Act, the Order and such other rules, regulations, laws or orders are collectively referred in this Contract as the “Anti-Terrorism Laws”); (b) neither Buyer nor any parent, subsidiary or affiliate entity of Buyer, nor any member, partner, shareholder or other beneficial interest owner of Buyer or of any such parent, subsidiary, affiliate, member, partner, shareholder or other beneficial interest owner (i) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any of the other Anti-Terrorism Laws, (ii) is or will become a person or entity listed in or subject to the Order or (iii) knowingly engages or will engage in any dealings or transactions, or is or will be otherwise associated, with any such person or entity referred to in the foregoing clauses (i) and/or (ii); and (c) no portion of the Purchase Price has been or will be derived by Buyer in violation of any of the Anti-Terrorism Laws or from any other person or entity described in the foregoing clause (b).

22. Buyer Not an Employee or Insider. Buyer represents to Seller that neither Buyer, nor any person having control over Buyer, nor any Family Member of Buyer, is employed by a Wells Fargo Related Party or is a director, executive officer or a principal shareholder (having the power to vote more than 10% of any class of voting shares) of a Wells Fargo Related Party. In addition, Buyer represents that

Buyer is not purchasing the Property directly or indirectly for any employee of a Wells Fargo Related Party or any such employee's Family Members. "Family Member" is defined as a spouse, a domestic partner, parents, grandparents, children, grandchildren, brothers and sisters, including in all cases, step-family members. "Wells Fargo Related Party" is defined as Wells Fargo & Company, any of Wells Fargo & Company's subsidiaries, any of its subsidiaries' subsidiaries, or any correspondent banks with a Wells Fargo lending relationship.

23. Source of Payment. Buyer shall not use the proceeds of any loan or other credit accommodation from Seller, or any parent company, subsidiary or affiliate of Seller, to pay all or any portion of the Deposit, the Purchase Price or any other amounts payable by Buyer to Seller under this Contract, without Seller's prior written consent, which consent Seller shall have the right to withhold in its sole discretion.

24. Post-Closing Duties/Obligations. Effective at Closing, Buyer hereby assumes and shall undertake, comply with and discharge all duties and obligations of Seller under any applicable law, statute, ordinance, rule, regulation, order, finding or decree with respect to the Property. This paragraph and all other paragraphs that contain or relate to obligations to be performed or satisfied post-Closing on the part of either party shall survive the Closing.

25. Defined Terms; Execution. The defined terms and handwritten or typewritten provisions on Page 1 of this Contract are an integral part to the Contract. To eliminate any doubt as to their application, the parties hereby adopt and incorporate them herein by reference.

26. Severability. If any provision of this Contract or the application thereof to any person or circumstance is or shall be deemed illegal, invalid or unenforceable, the remaining provisions of this Contract shall remain in full force and effect and this Contract shall be interpreted as if such illegal, invalid or unenforceable provision did not exist.

27. Time Zone. Every reference in this Contract to a time of day shall be deemed to be a reference to the time of day on the applicable date in the State where the Property is located.

28. Miscellaneous. The addendum attached hereto are hereby incorporated in this Contract by this reference as if fully restated in this paragraph. This Contract constitutes the entire agreement between Buyer and Seller related to the Property and any prior negotiations or agreements, oral or written, are superseded by this Contract. This Contract cannot be modified or amended except in a writing executed and delivered by the party to be bound. This Contract shall be governed by, and construed in accordance with the law of the state where the Property is located. Neither party may record this Contract or any memorandum thereof. This Contract can be exercised in as many counterparts as may be convenient or required. The parties agree that faxed and electronically scanned signatures, including electronic signatures through use of DocuSign or pdf., shall be binding on both parties. Nothing in this Contract shall be construed or interpreted as creating a partnership or joint venture between Seller and Buyer relative to the Property.

*[Remainder of page intentionally left blank.
Signature page to follow.]*

IN WITNESS WHEREOF, Buyer and Seller have duly executed this Contract effective as of the Effective Date set forth above.

SELLER:

REDUS PROPERTIES, INC.,
a Delaware corporation

By: _____
Title: _____

BUYER:

ROSEMOUNT PORT AUTHORITY,
a Minnesota body corporate and politic

By: _____
Tami Klimpel, as Chairperson

By: _____
Adam Kienberger, as Executive Director

Addendum “A”
Legal Description of Property

The parties hereby agree that the legal description for the Property reflected under the vesting documents in the Title Commitment shall automatically be inserted under this Addendum “A”.

Addendum “A”

Port Authority Regular Meeting: May 20, 2025

AGENDA ITEM: The Morrison First Amendment to Contract for Private Development	AGENDA SECTION: NEW BUSINESS
PREPARED BY: Eric Van Oss, Economic Development Coordinator	AGENDA NO. 6.c.
ATTACHMENTS: DOCSOPEN-#1025442-v4, DOCSOPEN-#1026338-v3	APPROVED BY: LJM
RECOMMENDED ACTION: Motion to approve the First Amendment to Contract for Private Development. Motion to approve the Contract for Private Development.	

BACKGROUND

The Port is being asked to modify the Contract for Private Development for the Morrison Development, due to the pending sale of the commercial lot. The agreement approves the assignment of the Contract for Private Development to The Morrison Partners Commercial, LLC to accommodate their refinancing needs. Additionally, it satisfies their obligation for commercial development upon the successful sale to Altas Six. If the sale does not occur, the developer will still be required to develop the lot as commercial.

Additionally, the Assessment Agreement needs to be modified because after recording of the new plat, the property subject to the agreement will have a different legal description. The First Amendment includes the modified Assessment Agreement and authorizes its execution by the parties. A separate resolution for the Assessment Agreement has to be approved by the city council because of a specific provision in the state statute.

RECOMMENDATION

Approve the First Amendment to Contract for Private Development and approve the new Contract for Private Development.

FIRST AMENDMENT TO CONTRACT FOR PRIVATE REDEVELOPMENT

This First Amendment to Contract for Private Redevelopment (the “First Amendment”) is made this _____ day of _____, 2025 by and between the Rosemount Port Authority, a public body corporate and politic under the laws of Minnesota (the “Authority”) and The Morrison Partners, LLC, a Minnesota limited liability company (the “Redeveloper”), each a Party and, together, the Parties.

Witnesseth:

WHEREAS, the Authority and the Redeveloper entered into that certain Contract for Private Redevelopment (the “CPD”) dated July 22, 2020 and recorded on September 10, 2020 in the Office of the County Recorder, Dakota County, Minnesota as doc. no. 3397271 and in the Office of the Registrar of Titles, Dakota County, Minnesota as doc. no. 827669; and

WHEREAS, the Parties wish to amend the CPD with regard to the improvements to be constructed by the Redeveloper.

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

Section I. The CPD is hereby revised by deleting the ~~stricken~~ material and adding the underlined material as follows.

1. In Section 1.1 is amended as follows:

“Available Tax Increment” means 95 percent of the Tax Increment paid to the Authority by the County with respect to the ~~Residential~~ Redevelopment Property and the ~~Residential~~ Minimum Improvements.

“Minimum Improvements”, ~~with respect to the residential portion,~~ means demolition of the existing structures and construction of the new 124-unit multi-family residential building on the ~~Residential~~ Redevelopment Property. ~~With respect to the retail portion, the term means construction of a building containing approximately 4000 sq. ft. of retail space on the Retail Redevelopment Property.~~ After completion of ~~each element~~ of the Minimum Improvements, the term shall mean the ~~respective~~ Redevelopment Property as improved by the ~~respective~~ Minimum Improvements. ~~When the term is used without modifiers, it means both the Residential Minimum Improvements and the Retail Minimum Improvements.~~

“Qualifying Costs” means the cost of land acquisition, demolition, site preparation, utility installation, grading, and all other expenditures made by the Redeveloper related to completion of the ~~Residential~~ Minimum Improvements which the Authority intends to partially reimburse through the Note.

“Redevelopment Assistance” means the financial assistance to be offered by the Authority to the Redeveloper for the ~~Residential~~ Minimum Improvements as specified in Article III of this Agreement.

“Redevelopment Property” means the property to be acquired by the Redeveloper and upon which the ~~Residential~~ Minimum Improvements and the ~~Retail Minimum Improvements~~ will be constructed. The Redevelopment Property is legally described in Exhibit A.

“Substantial Completion” means completion of ~~either portion~~ of the Minimum Improvements to a degree allowing the issuance of a certificate of occupancy ~~for that portion~~ by the City’s building official. ~~With respect to the Residential Minimum Improvements, a Certification of Completion may be issued for each of the two phases at the request of the Redeveloper.~~

2. Section 2.2(f) is amended as follows:

(f) The Redeveloper has analyzed the economics of acquisition of the ~~Residential~~ Redevelopment Property, the cost of site improvements, including installation of utilities and demolition of the improvements currently thereon and construction of the ~~Residential~~ Minimum Improvements and concluded that, absent the Redevelopment Assistance to be offered under this Agreement, it would not undertake construction of the ~~Residential~~ Minimum Improvements.

3. Section 3.1(b) is amended as follows:

(b) The Authority agrees to pay the Redeveloper \$600,000 after acquisition of all of the Redevelopment Property. Upon receipt of a written certification by the Redeveloper that it has acquired all of the Redevelopment Property in fee and providing evidence that it has expended at least \$600,000 in acquiring the Redevelopment Property, the Authority will, within 30 days, pay the Redeveloper \$600,000. Notwithstanding anything herein to the contrary, any grants received by the Redeveloper or for the benefit of the ~~Residential~~ Minimum Improvements for acquisition of the ~~Residential~~ Redevelopment Property will be deducted from the \$600,000 to be paid by the Authority. If the Redeveloper has not received the Certificate of Completion for the ~~Residential~~ Minimum Improvements by December 31, 2023, the Developer agrees to reimburse the Authority the \$600,000 or such lesser amount paid by the Authority to the Redeveloper for acquisition of the ~~Residential~~ Redevelopment Property.

4. Section 3.2(a) is amended as follows:

Section 3.2. Issuance of Pay-As-You-Go Note. (a) In consideration of the Redeveloper constructing the ~~Residential~~ Minimum Improvements and to finance the reimbursement of the Qualifying Costs, the Authority will issue and the Redeveloper will purchase the Note in the principal amount of \$3,400,000 in substantially the form set forth in the Authorizing Resolution attached hereto as Exhibit E. The Note will bear interest at the rate of 4.35% per annum to the earlier of maturity or prepayment. The Authority and the Redeveloper agree that the consideration from the Redeveloper for the purchase of the Note will consist of the Redeveloper’s payment of the Qualifying Costs of land acquisition, demolition, site preparation, and utility installation, and other expenditures related to the ~~Residential~~ Minimum Improvements which are eligible for reimbursement with Tax Increment and which are incurred by the Redeveloper in at least the principal amount of the Note. Under no circumstance will the principal amount of the Note exceed the amount expended by the Redeveloper for the Qualifying Costs. The Authority will deliver the Note upon satisfaction by the Redeveloper of all the conditions precedent specified in section 3.3

of this Agreement. The first payment on the Note will be made by the Authority on August 1, 2023.

5. Section 3.2(b) is amended as follows:

(b) Notwithstanding anything in this Agreement to the contrary, the principal amount of the Note may be adjusted if certain grants are awarded to the Redeveloper or for the benefit of the Residential Minimum Improvements. No adjustment will be made to the principal amount of the Note with regard to grants received by or on behalf of the Redeveloper for the Residential Minimum Improvements if those grants relate to demolition, site remediation, public utilities or placing utilities underground. The amount of any other grants will be deducted from the principal amount of the Note. If a grant is received by the Redeveloper or for the benefit of the Residential Minimum Improvements for acquisition of the Residential Redevelopment Property after payment by the Authority of the \$600,000 provided for in Section 3.1(b) and the Redeveloper has not reimbursed the Authority an amount equal to the grant at the time of issuance of the Note, the principal amount of the Note will be reduced by the amount of the grant.

6. Section 3.3(c) is amended as follows:

(c) The Redeveloper has constructed at least the first phase of the Residential Minimum Improvements and the Authority has issued the Certificate of Completion for that phase;

7. Section 3.5 is amended as follows:

Section 3.5. No Business Subsidy. ~~All of the~~ The financial assistance offered by the Authority to the Redeveloper under this Agreement is to facilitate construction of 124 units of multi-family housing on the Redevelopment Property and therefore such assistance is not a “business subsidy” within the meaning of Minnesota Statutes, sections 116J.993 to 116J.995. ~~No assistance is being offered by the Authority with regard to the Retail Minimum Improvements.~~

8. Section 4.3 is amended as follows:

Section 4.3. Commencement and Completion of Construction. Subject to Unavoidable Delays, the Redeveloper shall substantially complete ~~both phases of the Residential Minimum Improvements by December 31, 2022. The Redeveloper shall substantially complete the Retail Minimum Improvements by December 31, 2025.~~ All work with respect to the Minimum Improvements to be constructed or provided by the Redeveloper on the Redevelopment Property shall be in conformity with the Construction Plans. The Redeveloper shall make such reports to the Authority regarding construction of the Minimum Improvements as the Authority deems necessary or helpful in order to monitor progress on construction of the Minimum Improvements.

9. Section 4.4(a) is amended as follows:

Section 4.4. Certificate of Completion. (a) After Substantial Completion of ~~each portion~~ of the Minimum Improvements in accordance with the Construction Plans and all terms of this Agreement and at the written request of the Redeveloper, the Authority will furnish the Redeveloper with an appropriate certificate so certifying in the form of Exhibit D attached hereto. Such certification by the Authority shall be a conclusive determination of satisfaction and

termination of the agreements and covenants in this Agreement with respect to the obligations of the Redeveloper to construct the ~~relevant portion of the~~ Minimum Improvements and the dates for the beginning and completion thereof. ~~If requested by the Redeveloper, the Authority will issue a Certificate of Completion for each phase of the Residential Minimum Improvements.~~

10. Section 6.3 is amended as follows:

Section 6.3. Right to Collect Delinquent Taxes. The Redeveloper acknowledges that the Authority is providing substantial aid and assistance in furtherance of the development of the ~~Residential~~ Minimum Improvements through issuance of the Note. The Redeveloper understands that the Available Tax Increments pledged to payment of the Note are derived from real estate taxes on the Redevelopment Property, which taxes must be promptly and timely paid. To that end, the Redeveloper agrees for itself, its successors and assigns, in addition to the obligation pursuant to statute to pay real estate taxes, that it is also obligated by reason of this Agreement to pay before delinquency all real estate taxes assessed against the Redevelopment Property and the Minimum Improvements. The Redeveloper acknowledges that this obligation creates a contractual right on behalf of the Authority to sue the Redeveloper or its successors and assigns to collect delinquent real estate taxes and any penalty or interest thereon and to pay over the same as a tax payment to the County auditor. In this type of suit, the Authority will also be entitled to recover its costs, expenses and reasonable attorney fees.

11. Section 9.4 is amended as follows:

Section 9.4. Notices and Demands. Except as otherwise expressly provided in this Agreement, any notice, demand, or other communication under the Agreement or any related document by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified United States mail, postage prepaid, return receipt requested, or delivered personally to:

- (a) in the case of the Redeveloper: The Morrison Partners, LLC
7500 West 78th Street
Edina, MN 55439
Attn: Mike Waldo

and with a copy to:

~~Bader Development~~ _____
~~3020 France Ave. S.~~ _____
~~Minneapolis, MN 55416~~ _____

and

~~Felhaber Law Winthrop & Weinstine, P.A.~~
~~220 South 6th Street~~ 225 South 6th Street
~~Suite 2200~~ Suite 3500
~~Minneapolis, MN 55402~~ Minneapolis, MN
55402
Attn: ~~Thomas J. Radio~~ Jordan E.
Mogensen

(b) in the case of the Authority:

Rosemount Port Authority
2875 145th Street
Rosemount, MN 55068
Attn: ~~Kim Lindquist~~ Adam Keinberger

and with a copy to:

Kennedy & Graven, Chartered
470 U.S. Bank Plaza
200 South Sixth Street
Minneapolis, MN 55402
Attn: Ronald H. Batty

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section 9.4.

12. Exhibit A is amended as follows:

**EXHIBIT A TO
REDEVELOPMENT AGREEMENT**

LEGAL DESCRIPTION OF REDEVELOPMENT PROPERTY

~~Lot 1, Block 1, The Morrison, Dakota County, Minnesota~~ Lot 1, Block 1, The Morrison 2nd Addition, Dakota County, Minnesota.

Section II. The Parties agree to execute a modified Assessment Agreement in the form attached hereto as Exhibit A to reflect the change in the legal description of the Redevelopment Property.

Section III. Except as modified in this First Amendment, all terms and conditions of the CPD remain in full force and effect.

EXHIBIT A
FORM OF ASSESSMENT AGREEMENT

ASSESSMENT AGREEMENT

and

ASSESSOR'S CERTIFICATION

By and among

ROSEMOUNT PORT AUTHORITY

and

THE MORRISON PARTNERS, LLC

and

COUNTY ASSESSOR FOR DAKOTA COUNTY, MINNESOTA

This Document was drafted by:

KENNEDY & GRAVEN, Chartered (RHB)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

THIS ASSESSMENT AGREEMENT, dated as of this ___ day of _____, 2025, by and between the Rosemount Port Authority, a public body corporate and politic under the laws of Minnesota (the “Authority”), and The Morrison Partners, LLC, a Minnesota limited liability company (the “Owner”).

WITNESSETH:

WHEREAS, on July 22, 2020, the Authority and the Owner entered into a Contract for Private Redevelopment concerning the property legally described on Exhibit A hereto, (the “Redevelopment Property”); and

WHEREAS, the Authority and the Owner have entered into the First Amendment to Contract for Private Development. The Contract for Private Development, as modified by the First Amendment to Contract for Private Development, is hereinafter referenced to as the “Agreement”; and

WHEREAS, pursuant to the Agreement, the Owner has constructed 124 units of multi-family rental housing on the Redevelopment Property (the “Minimum Improvements”); and

WHEREAS, the Authority and the Owner desire to establish a minimum market value for the Redevelopment Property and the Minimum Improvements constructed thereon, pursuant to Minnesota Statutes, section 469.177, Subd. 8; and

WHEREAS, the Authority and the County Assessor for Dakota County, Minnesota have reviewed the Minimum Improvements which the Owner has constructed on the Redevelopment Property pursuant to the Agreement.

NOW, THEREFORE, the parties to this Assessment Agreement, in consideration of the promises, covenants and agreements made herein and in the Agreement by each to the other, do hereby agree as follows:

1. The Minimum Market Value for the Redevelopment Property with the Minimum Improvements shall be \$19,320,000. The parties agree that this Minimum Market Value shall be placed against the Redevelopment Property as of January 2, 2026, for taxes payable beginning in 2027.

2. The Minimum Market Value herein established shall be of no further force and effect and this Assessment Agreement shall terminate on the Termination Date. The Termination Date has the meaning given to it under the Agreement.

3. This Assessment Agreement shall be promptly recorded by the Owner. The Owner shall pay all costs of recording this Assessment Agreement.

4. Neither the preambles nor the provisions of this Assessment Agreement are intended to, nor shall they be construed as, modifying the terms of the Agreement. Unless the

context indicates clearly to the contrary, the terms used in this Assessment Agreement shall have the same meaning as the terms used in the Agreement.

5. This Assessment Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

6. Each of the parties has authority to enter into this Assessment Agreement and to take all actions required of it and has taken all actions necessary to authorize the execution and delivery of this Assessment Agreement.

7. In the event any provision of this Assessment Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

8. The parties hereto agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements, amendments and modifications hereto, and such further instruments as may reasonably be required for correcting any inadequate, or incorrect, or amended description of the Redevelopment Property, or for carrying out the expressed intention of this Assessment Agreement.

9. Except as provided in Section 8 hereof, this Assessment Agreement may not be amended nor any of its terms modified except by a writing authorized and executed by all parties hereto.

10. This Assessment Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

11. This Assessment Agreement shall be governed by and construed in accordance with the laws of Minnesota.

12. This Assessment Agreement has been executed by the Parties solely to modify the legal description of the Redevelopment Property and is not intended to modify the Minimum Market Value of the Redevelopment Property with the Minimum Improvements. It replaces and supersedes the Assessment Agreement dated February 4, 2020 by and between the Authority and the Owner.

CERTIFICATION BY ASSESSOR

The undersigned, having reviewed the plans and specifications for the improvements which have been constructed and the market value assigned to the land upon which the improvements were constructed, and being of the opinion that the minimum market value contained in the foregoing Agreement appears reasonable, hereby certify as follows: The undersigned Assessor being legally responsible for the assessment of the described property, hereby certifies that the market value assigned to such land and improvements at 14555 Robert Trail S., legally described on Exhibit A attached hereto, shall be not less than \$19,320,000 as of January 2nd, 2026, for taxes payable beginning in 2027, until termination of this Agreement.

County Assessor for
Dakota County, Minnesota

STATE OF MINNESOTA)
) ss.
COUNTY OF DAKOTA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025, by _____, the County Assessor, Dakota County, Minnesota.

Notary Public

**EXHIBIT A
TO ASSESSMENT AGREEMENT**

The Redevelopment Property is legally described as follows:

Lot 1, Block 1, The Morrison 2nd Addition, Dakota County, Minnesota

CONTRACT
FOR
PRIVATE REDEVELOPMENT
By and Between
ROSEMOUNT PORT AUTHORITY

and

THE MORRISON PARTNERS, LLC

This document drafted by:

KENNEDY & GRAVEN, CHARTERED (RHB)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

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CONTRACT FOR PRIVATE REDEVELOPMENT

This Contract for Private Redevelopment (the “Agreement”) is made this _____ day of _____, 2025, by and between the Rosemount Port Authority, a public body corporate and politic under the laws of Minnesota (the “Authority”) and The Morrison Partners, LLC, a Minnesota limited liability company (the “Redeveloper”), each a Party and, together, the Parties.

WITNESSETH:

RECITALS

WHEREAS, on May 1, 1979, the Housing and Redevelopment Authority in and for the city of Rosemount (the “HRA”), created Rosemount Redevelopment Project No. 1 (the “Redevelopment Project”) in an area of the community identified as in need of redevelopment (the “Redevelopment Project Area”) and adopted a redevelopment plan (the “Redevelopment Plan”) for the Redevelopment Project; and

WHEREAS, the city of Rosemount (the “City”) subsequently established the Authority as its principal development and redevelopment entity and transferred control of and authority over the Redevelopment Project from the HRA to the Authority; and

WHEREAS, on February 4, 2020, the Authority established the KenRose Tax Increment Financing District, a redevelopment tax increment financing district, (the “TIF District”) within the Redevelopment Project Area, pursuant to Minnesota Statutes, Sections 469.174 to 469.179; and

WHEREAS, on July 22, 2020 the Authority and the Redeveloper entered into that certain Contract for Private Redevelopment (the “CPD”) concerning construction of certain multi-family residential and commercial improvements; and

WHEREAS, the Redeveloper has constructed the required multi-family residential improvements to the satisfaction of the Authority; and

WHEREAS, the Redeveloper is refinancing the multi-family residential improvements and in connection therewith is required by its lender to divest itself of the commercial position of the Redevelopment Property so that it becomes a single asset entity; and

WHEREAS, to accomplish the above, the CPD has been amended by the First Amendment to Contract for Private Development (the “First Amendment”) to focus exclusively on the multi-family residential improvements; and

WHEREAS, the Parties wish to enter into a supplement agreement regarding the commercial improvements (the “Commercial CPD”).

NOW, THEREFORE, in consideration of the covenants and the mutual obligations contained herein, the Parties hereby covenant and agree with one another as follows:

ARTICLE I

Definitions

Section 1.1. Definitions. In this Agreement the following terms shall have the meanings given unless a different meaning clearly appears from the context:

“Agreement” means this Agreement, also referred to herein as the Commercial CPD, as the same may be from time to time modified, amended, or supplemented.

“Certificate of Completion” means the certificate, in substantially the form attached hereto as Exhibit B, which will be provided to the Redeveloper pursuant to Article IV of this Agreement.

“City” means the city of Rosemount, a municipal corporation under the laws of Minnesota.

“Construction Plans” means the final plans for construction of the Minimum Improvements which shall be submitted by the Redeveloper pursuant to section 4.2 of this Agreement.

“County” means Dakota County, Minnesota.

“Event of Default” means an action by the Redeveloper or the Authority listed in Article VII of this Agreement.

“Material Change” means a change in the Construction Plans which would require another or additional approval by a governmental entity.

“Minimum Improvements” means construction of a building containing approximately 4000 sq. ft. of retail space on the Redevelopment Property. After completion of the Minimum Improvements, the term shall mean the Redevelopment Property as improved by the Minimum Improvements.

“Preliminary Plans” means the preliminary plans for construction of the Minimum Improvements which will be submitted by the Redeveloper and approved by the Authority pursuant to section 4.2 of this Agreement.

“Redeveloper” has the meaning set forth in the preamble of this Agreement. Following the assignment and assumption authorized in Section 3.3 of this Agreement, the term shall mean The Morrison Partners Commercial, LLC, a Minnesota limited liability company.

“Redevelopment Plan,” means the Redevelopment Plan for Redevelopment Project No. 1 which was approved by the Authority on May 1, 1979, and modified most recently on February 4, 2020.

“Redevelopment Project” or “Project” means Redevelopment Project No. 1.

“Redevelopment Property” means the property upon which the Minimum Improvements will be constructed. The Redevelopment Property is legally described in Exhibit A.

“Rosemount Port Authority” or “Authority” has the meaning set forth in the preamble of this Agreement.

“Sale” means any conveyance of fee simple title in and to the Minimum Improvements or the Redevelopment Property, as more fully defined in Article VII of this Agreement.

“State” means the state of Minnesota.

“Substantial Completion” means completion of the Minimum Improvements to a degree allowing the issuance of a certificate of occupancy by the City’s building official.

“Unavoidable Delays” means delays which are the direct result of unanticipated adverse weather conditions; strikes or other labor troubles; shortages of materials or labor; fire or other casualty to the Minimum Improvements; litigation commenced by third parties which, by injunction or other similar judicial action, directly results in delays; or, except those of the Authority or the City reasonably contemplated by this Agreement, any acts or omissions of any federal, State or local governmental unit which directly result in delays in construction of the Minimum Improvements; approved changes to the Construction Plans that result in delays; delays caused by the discovery of any previously unknown adverse environmental condition on or within the Redevelopment Property to the extent reasonably necessary to comply with federal and state environmental laws, regulations, orders, or agreements; and any other cause or force majeure beyond the control of the Redeveloper which directly results in delays.

Section 1.2. Exhibits. The following exhibits are attached to and by reference made a part of this Agreement:

- Exhibit A. Legal description of Redevelopment Property
- Exhibit B. Form of Certificate of Completion
- Exhibit C. Form of Assignment and Assumption Agreement

Section 1.3. Rules of Interpretation. (a) This Agreement shall be interpreted in accordance with and governed by the laws of Minnesota.

(b) The words “herein” and “hereof” and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than any particular section or subdivision hereof.

(c) References herein to any particular section or subdivision hereof are to the section or subdivision of this Agreement as originally executed.

(d) Any titles of the several parts, articles, and sections of this Agreement are inserted for convenience and reference only and shall be disregarded in construing or interpreting any of its provisions.

ARTICLE II

Representations and Warranties

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

(a) The Authority is a public body corporate and politic under the laws of Minnesota and has the power to enter into this Agreement and carry out its obligations hereunder. The Authority was established pursuant to Minnesota Statutes, section 469.0813 and has the powers of a Port Authority under Minnesota Statutes, section 469.048 through 469.068 and of a Housing and Redevelopment Authority under Minnesota Statutes, sections 469.001 through 469.047.

(b) The Authority is the successor to the Housing and Redevelopment Authority in and for the city of Rosemount.

(c) The activities of the Authority authorized herein are undertaken to facilitate the redevelopment of the Redevelopment Project Area.

(d) The Authority has received no notice or communication from any local, State, or federal official that the activities of the Redeveloper or the Authority in the Redevelopment Project Area may be or will be in violation of any environmental law or regulation. The Authority is aware of no facts the existence of which would cause the Redeveloper to be in violation of or give any person a valid claim under any local, State, or federal environmental law, regulation, or review procedure.

(e) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by, or conflicts with or results in a breach of the terms, conditions, or provisions of any restriction, agreement, or instrument of whatever nature to which the Authority is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(f) The persons executing this Agreement and related agreements and documents on behalf of the Authority have the authority to do so and to bind the Authority by their actions.

Section 2.2. Representations and Warranties by the Redeveloper. The Redeveloper makes the following representations and warranties as the basis for the undertaking on its part herein contained:

(a) The Redeveloper is a limited liability company validly existing under the laws of Minnesota. The Redeveloper has the authority to enter into this Agreement and carry out its obligations hereunder.

(b) The Redeveloper owns the Redevelopment Property in fee title.

(c) The persons executing this Agreement and related agreements and documents on behalf of the Redeveloper have the authority to do so and to bind the Redeveloper by their actions.

(d) The Redeveloper will construct the Minimum Improvements in substantial accordance with the terms of this Agreement, the Construction Plans, and all local, State and federal laws and regulations, including, but not limited to, environmental, zoning, building code, and public health laws and regulations.

(e) The Redeveloper will apply for and use all reasonable efforts to obtain, in a timely manner, all required permits, licenses, and approvals from the Authority, the City and any other relevant governmental entity and will meet, in a timely manner, the requirements of all applicable local, State, and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed or used for their intended purpose.

(f) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provisions of any organizational documents or any evidence of indebtedness, agreement or instrument of whatever nature to which the Redeveloper is now a party or by which it is bound, or constitutes a default under any of the foregoing.

Section 2.3. Redeveloper Responsible for Costs. The Redeveloper agrees to pay to the Authority an administrative fee in the amount necessary to reimburse the Authority for its reasonable costs and expenses in reviewing the redevelopment proposal involving the Minimum Improvements, including the drafting and negotiation of this Agreement. The Redeveloper will pay the Authority the administrative fee within 30 days notice from the Authority.

ARTICLE III

Purpose; No Public Assistance; Assignment

Section 3.1. Purpose. The Parties recognize that the Redeveloper is required to divest itself of the commercial portion of the Redevelopment Property in connection with refinancing the multi-family residential improvements but that the CPD also requires construction of 4,000 sq. ft. of retail space. The Parties have entered into the First Amendment to accomplish the above. This Agreement is intended to address the Redeveloper's obligations regarding the commercial improvements.

Section 3.2. No Public Assistance. The Authority will not offer any additional public assistance to the Redeveloper in connection with construction of the Minimum Improvements.

Section 3.3. Assignment. Assignment of this Agreement by the Redeveloper to The Morrison Partners Commercial, LLC is hereby approved by the Authority upon execution of an Assignment and Assumption Agreement in the form attached hereto as Exhibit C.

ARTICLE IV

Construction of Minimum Improvements

Section 4.1. Construction of Minimum Improvements. The Redeveloper agrees that it will construct the Minimum Improvements on the Redevelopment Property in accordance with the Construction Plans. The Redeveloper acknowledges that, in addition to the requirements of this Agreement, construction of the Minimum Improvements will necessitate compliance with other reviews and approvals by the City and possibly other governmental agencies and, to the extent such approvals have not already been obtained, agrees to submit all applications for and pursue to their conclusion all other approvals needed prior to constructing the Minimum Improvements.

Section 4.2. Preliminary and Construction Plans. (a) No agreement has been reached between the Authority and the Redeveloper regarding the specifics of the Minimum Improvements. Once the Authority and the Redeveloper have agreed on the type of commercial improvements which will constitute the Minimum Improvements, the Redeveloper will submit preliminary plans for approved by the Authority. Prior to beginning construction on the Minimum Improvements, the Redeveloper shall submit dated Construction Plans to the Authority. The Construction Plans shall provide for the construction of the Minimum Improvements and shall be in substantial conformity with the preliminary plans and this Agreement. The Authority will approve the Construction Plans if they (1) are consistent with the preliminary plans; (2) conform to all applicable federal, State and local laws, ordinances, rules and regulations; (3) are adequate to provide for the construction of the Minimum Improvements; (4) conform to the State building code; and (5) if there has occurred no uncured Event of Default on the part of the Redeveloper. Except as otherwise set forth herein, no approval by the Authority shall relieve the Redeveloper of the obligation to comply with the terms of this Agreement, the terms of all applicable federal, State and local laws, ordinances, rules and regulations in the construction of the Minimum Improvements. Except as otherwise set forth herein, no approval by the Authority shall constitute a waiver of an Event of Default. Notwithstanding the above, if the Sale contemplated in Section 6.2 of this Agreement occurs, the plans approved by the Authority in the Spending Plan Agreement shall constitute the preliminary plans under this Section 4.2.

(b) If the Redeveloper desires to make any Material Change or any other change in the Construction Plans affecting the size, height, footprint, exterior building materials, or any other change regarding the Minimum Improvements which would also require approval under any applicable code, ordinance or regulation after approval by the Authority, the Redeveloper shall submit the proposed change to the Authority and the City for their prior written approval. If the proposed change is consistent with the preliminary plans or is otherwise acceptable to the Authority and meets all other requirements of section 4.2(a) above, the Authority shall approve the proposed change if it has been approved by the City following the review process required by code. Such change in the Construction Plans shall be deemed approved by the Authority unless rejected, in whole or in part, by written notice by the Authority to the Redeveloper, setting forth in detail the reasons therefore. Such rejection shall be made within 10 business days after completion of the review process required by code.

Section 4.3. Commencement and Completion of Construction. Subject to Unavoidable Delays, the Redeveloper shall substantially complete the Minimum Improvements by

December 31, 2027. All work with respect to the Minimum Improvements to be constructed or provided by the Redeveloper on the Redevelopment Property shall be in conformity with the Construction Plans. The Redeveloper shall make such reports to the Authority regarding construction of the Minimum Improvements as the Authority deems necessary or helpful in order to monitor progress on construction of the Minimum Improvements. Notwithstanding the above, if the Sale contemplated in Section 6.2 of this Agreement occurs, the dates for commencement and completion of the Minimum Improvements specified in the Spending Plan Agreement shall prevail.

Section 4.4. Certificate of Completion. (a) After Substantial Completion of the Minimum Improvements in accordance with the Construction Plans and all terms of this Agreement and at the written request of the Redeveloper, the Authority will furnish the Redeveloper with an appropriate certificate so certifying in the form of Exhibit B attached hereto. Such certification by the Authority shall be a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement with respect to the obligations of the Redeveloper to construct the Minimum Improvements and the date for completion thereof.

(b) The Certificate of Completion shall be in such form as will enable it to be recorded in the proper County office for the recordation of deeds and other instruments pertaining to the Redevelopment Property. If the Authority shall refuse to provide such certification in accordance with the provisions of this section 4.4, the Authority shall promptly notify Redeveloper of the same within 20 days following receipt of request therefore from Redeveloper and shall provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to complete the Minimum Improvements in accordance with the provisions of the Agreement, or is otherwise in default of a material term of this Agreement, and what measures or acts will be necessary, in the opinion of the Authority, for the Redeveloper to take or perform in order to obtain such certification. If the Authority fails to issue such a written statement within such 20-day period, the Authority shall be deemed to have waived its right to do so and shall be deemed to have issued a Certificate of Completion to the Redeveloper. The Redeveloper shall have 60 days (or such longer period as is reasonably necessary if Redeveloper is diligently pursuing the cure) following receipt of the Authority's written response to cure or agree to terms with the Authority regarding issues to be resolved prior to the Redeveloper obtaining a Certification of Completion from the Authority.

ARTICLE V

Insurance

Section 5.1. Insurance. The Redeveloper or its general contractor will provide and maintain at all times during the process of constructing the Minimum Improvements a Special Form Basis Insurance Policy and, from time to time during that period, at the request of the Authority, furnish the Authority with proof of payment of premiums on policies covering the following:

(i) Builder's risk insurance, written on the so-called "Builder's Risk – Completed Value Basis," in an amount equal to one hundred percent (100%) of the replacement cost of the applicable portion of the Minimum Improvements at the date of

completion, and with coverage available in reporting form on the so-called “special” form of policy;

(ii) Commercial general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) with limits against bodily injury and property damage of not less than \$2,000,000 for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used); and

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

Section 5.2. Evidence of Insurance. All insurance required in this Article V of this Agreement must be taken out and maintained with responsible insurance companies selected by the Redeveloper which are authorized under the laws of Minnesota to assume the risks covered thereby. In lieu of separate policies, the Redeveloper may maintain a single policy, blanket, or umbrella policies, or a combination thereof, having the coverage required herein. Upon written request by the Authority, the Redeveloper agrees to deposit with the Authority a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. The required insurance provisions set forth in this Article V will terminate upon the issuance of the Certificate of Completion for the relevant portion of the Minimum Improvements.

ARTICLE VI

Restrictions on Sale of Minimum Improvements

Section 6.1. Prohibition Against Sale of Minimum Improvements. The Redeveloper represents and agrees that its use of the Redevelopment Property and its other undertakings pursuant to the Agreement, are, and will be, used for the purpose of construction of the Minimum Improvements on the Redevelopment Property and not for speculation in land holding. The Redeveloper represents and agrees that, except as provided for in section 6.2 of this Agreement, prior to the issuance of a Certificate of Completion regarding the Minimum Improvements, there shall be no Sale of the Redevelopment Property or the Minimum Improvements constructed thereon nor shall the Redeveloper suffer any such Sale to be made, without the prior written approval of the Authority. As a condition of approval of any such Sale, the Authority shall require, at a minimum, that the proposed transferee shall have entered into an agreement whereby the transferee expressly assumes all of the Redeveloper’s obligations under this Agreement with respect to the Minimum Improvements. Any such agreement shall include the Authority as a party and otherwise be in form and substance reasonably acceptable to the Authority.

Section 6.2. Sale to Atlas Six Properties, LLC. The Redeveloper has entered into a purchase agreement with Atlas Six Properties, LLC (“Atlas”) regarding the Sale of the Redevelopment Property. Atlas proposes to construct a coffee shop/café and barista and wine bar on the Redevelopment Property. The Authority and Atlas have entered into an agreement (the “Spending Plan Agreement”) to use a portion of the Authority’s Spending Plan tax increment to assist Atlas with construction of its proposed improvements on the Redevelopment Property. The Spending Plan Agreement requires Atlas to acquire the Redevelopment Property by July 30, 2025, commence construction by September 1, 2025 and have achieved satisfactory progress to

completion of the minimum improvements (as those terms are defined in the Spending Plan Agreement) by December 20, 2025. Sale of the Redevelopment Property to Atlas is hereby approved by the Authority and, if closed, will constitute satisfaction by the Redeveloper of its obligations under this Agreement regarding the Minimum Improvements. If the Sale of the Redevelopment Property to Atlas does not occur, the Redeveloper will remain obligated to construct the Minimum Improvements under the terms of this Agreement.

ARTICLE VII

Events of Default

Section 7.1. Events of Default Defined. Each and every one of the following shall be an Event of Default under this Agreement:

- (a) Failure by the Redeveloper to seek approvals from the City and other entities necessary in order to construct the Minimum Improvements;
- (b) Failure by the Redeveloper to complete construction of the Minimum Improvements pursuant to the terms, conditions and limitations of Article IV of this Agreement, including the timing thereof;
- (c) Failure by the Redeveloper to provide and maintain any insurance required to be provided and maintained by Article V;
- (d) If the Redeveloper files a petition in bankruptcy, or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver;
- (e) Failure by the Redeveloper to reimburse the Authority for its administrative expenses associated with the minimum developments or this Agreement;
- (f) Sale of the Redevelopment Property or the Minimum Improvements, or any portion thereof, by the Redeveloper in violation of Article VI of this Agreement; or
- (g) Failure by either party to observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.

Section 7.2. Remedies on Default. Whenever any Event of Default referred to in section 7.1 of this Agreement occurs, then the non-defaulting party may take any one or more of the following actions after providing 30 days written notice to the defaulting party of the Event of Default, but only if the Event of Default has not been cured within said 30 days from the receipt of notice or, if the Event of Default is by its nature incurable within 30 days, the defaulting party does not provide assurances to the non-defaulting party reasonably satisfactory to the non-defaulting that the Event of Default will be cured and will be cured as soon as reasonably possible:

- (a) Suspend its performance under this Agreement until it receives assurances from the defaulting party, deemed adequate by the non-defaulting party, that the defaulting party will cure its default and continue its performance under this Agreement;

(b) If the default occurs prior to completion of the Minimum Improvements, the Authority may withhold the Certificate of Completion until such default is cured; or

(c) Take whatever action, including legal or administrative action, which may appear necessary or desirable to the non-defaulting party to collect any payments due under this Agreement or to enforce performance and observance of any obligation, agreement, or covenant of the defaulting party under this Agreement.

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

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

ARTICLE VIII

Additional Provisions

Section 8.1. Conflict of Interests; Representatives Not Individually Liable. No member, official, or employee of the Authority shall have any personal financial interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his or her personal financial interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested. No member, official, or employee of the Authority shall be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach or for any amount which may become due or on any obligations under the terms of this Agreement.

Section 8.2. Equal Employment Opportunity. The Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Minimum Improvements provided for in this Agreement, it will comply with all applicable equal employment and nondiscrimination laws and regulations.

Section 8.3. Notices and Demands. Except as otherwise expressly provided in this Agreement, any notice, demand, or other communication under the Agreement or any related document by either Party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified United States mail, postage prepaid, return receipt requested, or delivered personally to:

- (a) in the case of the Redeveloper: The Morrison Partners, LLC
7500 West 78th Street
Edina, MN 55439
Attn: Mike Waldo
- and with a copy to: Winthrop & Weinstine, P.A.
225 South 6th Street, Suite 3500
Minneapolis, MN 55402
Attn: Jordan E. Mogensen
- (b) in the case of the Authority: Rosemount Port Authority
2875 145th Street
Rosemount, MN 55068
Attn: Adam Kienberger
- and with a copy to: Kennedy & Graven, Chartered
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
Attn: Ronald H. Batty

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section 8.3.

Section 8.4. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 8.5. Disclaimer of Relationships. The Redeveloper acknowledges that nothing contained in this Agreement nor any act by the Authority or the Redeveloper shall be deemed or construed by the Redeveloper or by any third person to create any relationship of third-party beneficiary, principal and agent, limited or general partner, or joint venture between the Authority and the Redeveloper.

Section 8.6. Amendment. This Agreement may be amended only by the written agreement of the Parties.

Section 8.7. Recording. the Authority intends to record this Agreement among the County land records and the Redeveloper agrees to pay for the cost of recording same.

Section 8.8. Indemnity. The Redeveloper hereby agrees that the Authority, and its governing body members, officers, agents, and employees shall not be liable for, and hereby agrees to indemnify and hold harmless the same, against any loss or claims arising under this Agreement, except for losses or claims arising out of the acts or omissions of the Authority.

Section 8.9. Titles of Articles and Sections. Any titles of the several parts, articles, and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 8.10. Governing Law; Venue. This Agreement shall be construed in accordance with the laws of Minnesota. Any dispute arising from this Agreement shall be heard in the State or federal courts of Minnesota, and all parties waive any objection to the jurisdiction thereof, whether based on convenience or otherwise.

IN WITNESS WHEREOF, the Authority and the Redeveloper have caused this Agreement to be duly executed in their names and behalves on or as of the date first above written.

ROSEMOUNT PORT AUTHORITY

By: _____

Chair

By: _____

Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument as acknowledged before me this ____ day of _____, 2025, by _____, the Chair of the Rosemount Port Authority, a public body corporate and politic under the laws of Minnesota, on behalf of the Authority.

Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument as acknowledged before me this ____ day of _____, 2025, by _____, the Executive Director of the Rosemount Port Authority, a public body corporate and politic under the laws of Minnesota, on behalf of the Authority.

Notary Public

THE MORRISON PARTNERS, LLC, a
Minnesota limited liability company

By: _____
Name: J. Michael Waldo
Its: President

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was executed before me this _____ day of _____, 2025, by J. Michael Waldo, the President of The Morrison Partners, LLC, a limited liability company under the laws of Minnesota, on behalf of the limited liability company.

Notary Public

**EXHIBIT A TO
CONTRACT FOR PRIVATE REDEVELOPMENT
LEGAL DESCRIPTION OF REDEVELOPMENT PROPERTY**

Lot 2, Block 1, The Morrison 2nd Addition, Dakota County, Minnesota

**EXHIBIT B TO
CONTRACT FOR PRIVATE REDEVELOPMENT**

**FORM OF
CERTIFICATE OF COMPLETION**

WHEREAS, the Rosemount Port Authority, a public body corporate and politic under the laws of Minnesota (the "Authority"), and The Morrison Partners, LLC, a limited liability company under the laws of the state of Minnesota (the "Redeveloper"), have entered into a certain Contract for Private Redevelopment (the "Agreement") dated the ____ day of _____, 2025, and recorded in the office of the County Recorder in Dakota County, Minnesota, on the ____ day of _____, 202_ as Document No. _____, which Agreement contained certain covenants and restrictions regarding completion of the Minimum Improvements, as defined in the Agreement; and

WHEREAS, the Redeveloper has performed said covenants and conditions in a manner deemed sufficient by the Authority to permit the execution and recording of this certification.

NOW, THEREFORE, this is to certify that all construction of the Minimum Improvements specified to be done and made by the Redeveloper has been completed and the covenants and conditions in the Agreement have been performed by the Redeveloper, and the County Recorder in Dakota County, Minnesota, is hereby authorized to accept for recording and to record the filing of this instrument, to be a conclusive determination of the satisfactory termination of the covenants and conditions relating to completion of the Minimum Improvements and the expiration of certain obligations contained in the Agreement to the extent expressly provided for therein.

Dated: _____.

ROSEMOUNT PORT AUTHORITY

By: _____
Executive Director

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument as acknowledged before me this ____ day of _____, 202_, by _____, the Executive Director of the Rosemount Port Authority, a public body corporate and politic under the laws of Minnesota, on behalf of the Authority.

Notary Public

THIS INSTRUMENT DRAFTED BY:

KENNEDY & GRAVEN, CHARTERED (RHB)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

**EXHIBIT C TO
CONTRACT FOR PRIVATE DEVELOPMENT**

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption of Contract for Private Development Agreement (this “Assignment”) is made this ___ day of _____, 2025 by and between The Morrison Partners, LLC, a Minnesota limited liability company (the “Assignor”) and The Morrison Partners Commercial, LLC, a Minnesota limited liability company (the “Assignee”).

RECITALS

A. The Assignor is the fee owner of the property legally described on Exhibit A attached hereto (the “Redevelopment Property”). The Assignor is conveying the Redevelopment Property to the Assignee.

B. The Assignor and the Rosemount Port Authority (the “Authority”) entered into that certain Contract for Private Redevelopment dated _____, 2025 (the “Commercial CPD”) regarding the Redevelopment Property.

C. The Commercial CPD requires the approval of the Authority for the Sale of the Redevelopment Property prior to completion by the Assignor of the Minimum Improvements required by the Commercial CPD.

D. The Authority has approved the conveyance of the Redevelopment Property conditioned on execution of this Agreement by the Assignor and Assignee.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained in this Assignment and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor and Assignee agree as follows:

1. The Assignor hereby grants, transfers and assigns all of its right, title and interest in the Redevelopment Property and the Commercial CPD to the Assignee.

2. The Assignee hereby accepts the foregoing assignment and assumes, agrees to be bound by and to perform all of the duties, covenants, agreements and obligations of the Assignor under the Commercial CPD to be performed by the Assignor from and after the date of this Assignment.

3. This Assignment shall inure to the benefit of and shall be binding upon the Assignor and the Assignee and their respective successors and assignees.

4. The Assignor and the Assignee agree to execute and deliver any additional documents and perform any further actions reasonably necessary to fulfill the intent of this Assignment.

5. Capitalized terms used in this Assignment but not defined herein shall have the meanings given to them in the Commercial CPD.

IN WITNESS WHEREOF, the parties have executed this Assignment on the date and year first written above.

ASSIGNOR:

THE MORRISON PARTNERS, LLC, a
Minnesota limited liability company

By: _____
Name: J. Michael Waldo
Its: President

ASSIGNEE:

**THE MORRISON PARTNERS
COMMERCIAL, LLC**, a Minnesota limited
liability company

By: _____
Name: J. Michael Waldo
Its: President

Port Authority Regular Meeting: May 20, 2025

AGENDA ITEM: Port Authority Bylaws Amendment	AGENDA SECTION: NEW BUSINESS
PREPARED BY: Adam Kienberger, Community Development Director	AGENDA NO. 6.d.
ATTACHMENTS: Port Authority Bylaws - 2025 Redlines, Port Authority Bylaws - May 2025 Clean	APPROVED BY: LJM
RECOMMENDED ACTION: Motion to recommend approval of the proposed amended bylaws of the Rosemount Port Authority as attached, and recommend approval by the Rosemount City Council at their next regular meeting.	

BACKGROUND

As part of the Port Authority's annual organizational meeting in April, staff presented a series of recommended changes to the bylaws to both align with current practices, and more accurately reflect and clarify organizational roles within the commission. Per Article XIII (Amendments to Bylaws) of the Port Authority Bylaws, the attached redlined document was sent to the Port Authority on May 6 to fulfill the two-week notice requirement to amend the bylaws.

It is occasionally good practice to review the bylaws of the Port and determine if any changes are necessary. The Port has not done a comprehensive review of these materials nor made any changes in recent memory. This is typically an indication of a well-functioning organization that is generally seen as operating efficiently and conducting their business in an ethical manner.

From what staff was able to find, the Port Authority bylaws were last amended in 2014 to provide minor text changes regarding date of their annual meeting (April), and an additional provision to add or remove meetings from their schedule.

Both a relined version and clean version of the newly-amended bylaws are attached. Changes include revising the roles within the Administrative Structure, clarifying language within Meetings of the Port Authority (time and place of meetings), and proposed changes to the Order of Business to better align with current practices.

If approved by the Port Authority, these changes will go to City Council for review and approval at their May 20, 2025 regular meeting.

RECOMMENDATION

Approve the proposed amended bylaws of the Rosemount Port Authority as attached, and recommend approval by the Rosemount City Council at their next regular meeting.

**BYLAWS
OF
ROSEMOUNT PORT AUTHORITY
A DEVELOPMENT AGENCY**

Article I. Established

There is hereby created by the City Council of the City of Rosemount, in accordance with Minnesota Statutes, 469.0813 and City of Rosemount Enabling Resolution No. 1991-53, the Rosemount Port Authority, a Development Agency.

Article II. Purpose

The purpose of the Port Authority, a Development Agency, is to carry out economic development and redevelopment within the City by acting as the development authority for the City on behalf of the City's interest in continued new job development and increased tax base.

Article III. Port Authority Members

The Port Authority Commission shall consist of seven (7) members appointed in accordance with the provisions of Enabling Resolution 1991-53, Section 6.

Article IV. Seal of Port Authority

The seal of the Port Authority shall be in the form of a circle and shall bear the name of the Port Authority, the year established and contain the logo of the City of Rosemount.

Article V. Officers

Section 1. Chairperson. The Chairperson shall preside at all meetings and shall have the duties and powers usually attendant upon such officer. The Chairperson shall be elected by the Commission members at the annual meeting.

Section 2. Vice Chairperson. The Vice Chairperson shall, in the absence or disability of the Chairperson, exercise all the powers and perform the duties of the Chairperson. The Vice Chairperson shall be elected by the Commission members at the annual meeting.

Section 3. Executive Secretary. The City Clerk shall act as Executive Secretary to the Port Authority and shall keep a record of all proceedings of Commission meetings. The Secretary shall also give notice of all meetings of the Commission and shall perform such other duties as prescribed by the Commission.

Section 4. Treasurer. The Treasurer shall receive and be responsible for all monies from whatever source derived and the same shall be deemed public funds. Monies shall be disbursed only on checks signed by the Executive Director or the City Finance Director. The Port Authority Treasurer, when the Chairperson and Vice Chairperson are absent, shall be responsible for chairing the meeting.

The City Finance Director will serve as the Port Authority Assistant Treasurer and be responsible for accounting, investment, fund maintenance and disbursement consistent with the city procedures under the direction and control of the Commissioners. Other accounting procedures shall be in accordance with Minn. Stat. 469.049, et seq. and Enabling Resolution No. 1991-53.

Article VI. Administrative Structure

Section 1. Executive Director. The Port Authority shall employ an Executive Director who shall have general supervision over the administration of its business and affairs, subject to the direction of the Port Authority. He/she shall be charged with the management of the development projects of the Port Authority. This person will be the ~~City Administrator~~Community Development Director of the City of Rosemount.

Section 2. Assistant Director. The Port Authority may employ an Assistant Director who shall assist the Executive Director in the administration of its business and affairs of the Port Authority. The Assistant Director shall have the responsibility to coordinate meetings with public and private developers, pursuant to development/redevelopment projects and general business of the Port Authority.

The Assistant Director shall also be responsible for reviewing and updating the Redevelopment Plan and written reviews of all development proposals which come before the Port Authority. Said reviews and other memorandums shall be directed to the Port Authority through an Executive Director.

The Assistant Director shall sit at regular or special meetings of the Port Authority in absence of the Executive Director, and shall attend other meetings as requested by the Port Authority or Executive Director.

Section 3. Additional Personnel. The Port Authority may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by law.

Article VII. Meetings of the Port Authority

Section 1. Meeting Place. The meetings shall be at such a place in Rosemount, Minnesota, as the Commissioners shall from time to time designate. All meetings, except otherwise authorized or provided by law, shall be open to the public. The Chairperson may change the meeting place by giving ~~five-three~~ (53) days written notice to Commission members.

Section 2. Time of Meetings.

- A. Regular Meetings. Regular meetings shall be held ~~twice-once~~ each month at the time and date specified by the Port Authority. By motion, the Port Authority may add or cancel meetings from their meeting schedule.
- B. Special Meetings. A special meeting may be called by the Chairperson, the Executive Director, or by any three (3) Commissioners by written request filed with the Executive Director who shall ~~mail or personally deliver~~ communicate to all members notice of the time and place of such meeting at least twenty- four (24) hours in advance of the scheduled meeting time. Special meeting notices must be posted and shall state time, place and purpose of the meeting and no other business shall be considered.
- C. Executive Session. Any business, properly before the Port Authority, which qualifies as attorney client or otherwise meets the legal standards for closed (Executive) session meetings, shall, following procedures established for convening such meetings, be in order. Only that business, for which the session was convened shall be in order.
- D. Annual Meeting. The Annual Meeting shall be the first meeting in April and held with the regular meeting at the time and date specified by the Port Authority.

Section 3. Quorum. A majority of the commissioners is required to constitute a quorum. When a quorum is in attendance at a meeting, action may be taken upon a vote of a majority in attendance. No voting shall be done by proxy.

Section 4. Governance of Meetings. The meetings of the Port Authority shall be governed by Robert's Rules of Order, provided that said rules shall be construed liberally to afford the Port Authority flexibility in the conduct of its meetings.

The Chairperson will at his/her prerogative control discussion among board members and regulate public comment to facilitate adequate discussion, consideration, and decision making.

Section 5. Conflict of Interest. Personal viewpoints are not to be represented to outside organizations or individuals as being those of the authority, city, or city operating departments. Special or personal interests, which may not represent the betterment of the community must remain separate from the commissioners' obligations and actions. Conflicts of interest shall be avoided by all commissioners at all times.

City Policy AD-1, Committee Selection Policy, shall apply to all actions of the authority's members.

Article VIII. Manner of Voting

The voting on all questions coming before the Port Authority shall be by roll call, and the yea and nay votes shall be entered upon the minutes of such meeting.

Article IX. Order of Business

1. Call to Order
2. Consent
 - ~~A. Approval of Minutes~~
 - ~~B. Bills and Communications~~
 - ~~C. Other Items Not Requiring Discussion~~
3. Old Business
4. New Business
5. Chairperson's Report
6. Executive Director's Report
7. Adjournment

Article X. Committees

The Chairperson shall appoint such advisory committees and subcommittees as he/she determines are necessary and select its members. No committee shall consist of more than five (5) members. Committee and subcommittee members shall consist of commissioners and/or other person selected by the Chairperson.

The Chairperson shall define the purpose of the committee and subcommittee and the expected length of time necessary to complete a report. At any time these members may be replaced or removed as deemed necessary by the Chairperson.

Article XI. Annual Budget and Annual Report

The Rosemount Port Authority, a Development Agency, shall develop an annual budget consistent with the requirements of Enabling Resolution No. 1991-53 Rosemount City Code and Minnesota Statutes, Chapter 469, et seq.

An Annual Report shall be presented by the Port Authority to the City Council each year during the month of April reviewing Port Authority plans, projects and expenditures of the previous year.

All other reports shall be kept and distributed in accordance with various statutes and Enabling Resolution No. 1991-53.

Article XII. Powers

The Port Authority may exercise all of the powers contained in the Minnesota Statutes, Chapter 469, as modified by Section 469.0813, and according to Enabling Resolution No. 1991-53.

Article XIII. Amendments to Bylaws

The Bylaws may be amended by a vote of a majority of the Commissioners only when the proposed amendment has been submitted in writing to all Commissioners two weeks prior to the meeting at which the amendment to be considered.

Article XIV. Approval of Bylaws

These Bylaws and any amendments to them shall be subject to the approval of the Rosemount City Council.

Adopted: ~~April 15~~ May 20, 2014~~25~~, at a regular meeting of the Rosemount Port Authority, a Development Agency.

Chairperson

ATTEST:

Executive Director

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Adopted: May 20, 2025, at a regular meeting of the Rosemount Port Authority, a Development Agency.

Chairperson

ATTEST:

Executive Director