



**AGENDA**  
**Port Authority Regular Meeting**  
**Tuesday, August 19, 2025**  
**6:00 PM**  
**Council Chambers, City Hall**

- 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**
- 2. ADDITIONS OR CORRECTIONS TO AGENDA**
- 3. CONSENT AGENDA**
  - a. Minutes of May 20, 2025 Meeting
  - b. Minutes of June 17, 2025 Meeting
  - c. Minutes of July 15, 2025 Meeting
- 4. OLD BUSINESS**
- 5. NEW BUSINESS**
  - a. D & D Holdings, LLC Business Subsidy Request
  - b. Amended and Restated TIF Spending Plan
  - c. Strategic Plan for Economic Development Introduction
- 6. EXECUTIVE DIRECTOR'S REPORT**
  - a. Project Updates
- 7. CHAIRPERSON'S REPORT**
- 8. ADJOURNMENT**

**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, May 20, 2025, at 5:00 PM. in Rosemount Council Chambers, 2875 145th Street West.

Chairperson Klimpel called the meeting to order with Commissioners Ober, Beaudette, Freske, Essler, Weisensel and Theisen. Planning Commissioner Michael Reed was also present.

**ADDITIONS OR CORRECTIONS TO AGENDA**

**Motion by Klimpel Second by Freske**

**Motion** to approve the agenda

**Ayes: 7.**

**Nays: None. Motion Carried.**

**CONSENT AGENDA**

**Motion by Ober Second by Essler**

**Motion** to approve the consent agenda

**Ayes: 7.**

**Nays: None. Motion Carried.**

**CHAIRPERSON'S REPORT**

None.

**REPORTS FROM PORT AUTHORITY COMMISSIONERS**

Commissioner Beaudette congratulated Eric and the City of Rosemount on the recent awards received at the Real Estate event a few weeks ago.

Commissioner Weisensel noted he passed along a Chick Fil A contact to staff as they explore additional sites.

**NEW BUSINESS**

**6.a. Commercial Visioning Study**

Economic Development Coordinator Van Oss introduced the project team at Stantec to present the updated site concept visions for key nodes along Highway 42. Stantec prepared 2D conceptual plans for 10 sites at five nodes. Additionally, two more commercial areas are included: the Sunbelt Rental corner, and the intersection of 42 and Highway 55. Both new visioning sites will incorporate future road improvements by Dakota County. Stantec presented the results from the previous discussion held in fall 2024. The results will be a useful tool to communicate with developers, stakeholders and the community.

Commissioner Freske suggests we include current landmarks on the diagrams, i.e. McDonald's,

Vermillion Bank, etc. In addition, to include what will be included in the green space area at the new schools and high school as the public often inquiries about what will be included at each.

Commissioner Beaudette questioned the walkability for some of these areas and noted that should be considered as we move forward.

Staff noted further discussions need to take place regarding county road 42 and highway 3 intersection and noted several discussions still need to take place with both the County and MNDot. However, it will be important to note to the public that improvements to the area are forthcoming.

Stantec will provide final renderings and will provide a blank slate for the City to adjust as projects develop and we can include in the final renderings for the public to view.

#### **6.b. Speedway Purchase Agreement**

Economic Development Coordinator Van Oss provided a recap of the latest discussion regarding the Speedway purchase. Staff noted the next steps will move quickly, i.e. closing June 10th, demolition in the next month, and public engagement on what the visioning for the site will be in the coming months.

Commissioner Essler suggested staff communicate the funding of the project to the public to avoid any confusion on where the funds are coming from. Staff is currently working on a communication plan for the public.

**Motion by Theisen Second by Beaudette**

**Motion** to Approve the "As Is" Purchase and Sale Agreement for certain real estate located at 14515 Dodd Boulevard.

**Ayes: 7.**

**Nays: None. Motion Carried.**

#### **6.c. The Morrison First Amendment to Contract for Private Development**

The Morrison partners are selling the northern portion of their parking lot for a coffee shop. Due to the sale, the City needs a different plat and legal description, and the development contract needs to be reflected to accommodate that request.

**Motion by Theisen Second by Beaudette**

**Motion** to approve the First Amendment to Contract for Private Development. Motion to approve the Contract for Private Development.

**Ayes: 7.**

**Nays: None. Motion Carried.**

#### **6.d. Port Authority Bylaws Amendment**

Community Development Director Kienberger highlighted several of the significant redline changes related to the conversation with the Port Authority at last month's meeting.

**Motion by Freske Second by Ober**

**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.

**Ayes: 7.**

**Nays: None. Motion Carried.**

**OLD BUSINESS**

Staff provided an update that the Willie McCoy project may not go forward due to funding. Mr. Van Oss noted restaurants have stated the market is challenging right now to be building restaurants.

**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 Essler the meeting was adjourned at 6:39 p.m.

Respectfully submitted,

Erin Fasbender  
City Clerk

**ROSEMOUNT PORT AUTHORITY  
REGULAR MEETING PROCEEDINGS  
JUNE 17, 2025**

**CALL TO ORDER/PLEDGE OF ALLEGIANCE**

Pursuant to due call and notice thereof a regular meeting of the Port Authority Commission was held on Tuesday, June 17, 2025, at 6:00 PM. in Rosemount Council Chambers, 2875 145th Street West.

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

Staff present included the following; VanOss, Kienberger, Martin and Saunders.

**CONSENT AGENDA**

**OLD BUSINESS**

None.

None.

**NEW BUSINESS**

Paul Dzubnar, CEO of D&D Holdings spoke to City Council. Mr. Dzubnar elaborated on the type of cuisine Copperfield Restaurant will feature; American cuisine. They will serve breakfast, lunch and dinner. Their food is locally sourced, with breakfast being served all day. Their food is made from scratch in their nearby commissary kitchen where food is made then delivered, along with prep at the site. The Copperfield Restaurant in Mendota Heights is highly successful.

Tim Beaudette requested Mr. Dzubnar gives more details on the cuisine being served.

Mayor Weisensel inquired about the Rosemount location being a free-standing building vs. connected to a complex. Mr. Dzubnar explained that in order to have the location in Mendota Heights, the city required them to build near a senior living community.

Schane Rudlang of Ehlers highlighted the Spending Plan for Copperfield Restaurant. D & D Holdings has requested \$500,000 to assist with a new 6,000 SF restaurant in Rosemount, creating 30 new jobs in our community. If approved, construction will begin in 2025. Both the funds and construction will need to be started by December 31, 2026, however. The next steps are conducting a Public Hearing for Business Subsidy, consideration of approval of the assistance, approval of development agreement and ensuring the spending plans TIF funds are spent by December 31, (2025) 2026, or they will return as TIF with the spending restrictions.

Mayor Weisensel is looking forward to having this establishment in Rosemount.

**Motion by Weisensel Second by Freske**

**Motion** to direct staff to move forward with a development agreement with D&D Holdings

**Ayes: 4.**

**Nays: None. Motion Carried.**

Liz Kohler with Community Development gave a debrief on the Expo hosted in April 2025. Ms. Kohler reported the Expo included classes, seminars, performers, food trucks and 65 booths. There were many returning vendors and approximately 500+ people in attendance. Ms. Kohler also noted that this year there were Platinum Sponsors to help with higher-cost items. The feedback gathered by both attendees and vendors is that the classes and performance are not as well-attended as in 2024. The most common response is to have a consistent date for the event every year.

Commissioner Freske asked the number of attendees this year vs. last year if numbers were down. Staff had to estimate due to multiple entrances, but the number of people was comparable to previous years. Freske commented that she loved the theme of Destination Rosemount for the Expo. It is a very good fit for our community.

Commissioner Klimpel asked if the location was possibly the issue with the classes not being well attended? Ms. Kohler believes it had something to do with it.

Commissioner Beaudette commented on avoiding hosting when surrounding cities are hosting their events as well, and could we reduce the hours of the event?

Kohler and Keinberger will strongly consider these suggestions.

#### **CHAIRPERSON'S REPORT**

Chairperson Klimpel does not have any items.

#### **EXECUTIVE DIRECTOR'S REPORT**

Eric VanOss reported on projects in Rosemount.

The project at Akron will be breaking ground later this summer. DCTC purchased land from Lifetime. Their plan is for 4 buildable lots - 3 commercial, 1 residential. Montessori School is one of the plans talked about. The City has purchased Speedway and demolition will take place in the next 2–3 weeks. The goal is to have the site cleaned up for Leprechan Days, with talks with residents beginning soon.

It is estimated that June 25, 2025 Croft at Rosemount groundbreaking will begin.

Commissioner Freske asked Mr. VanOss if there are any updates to The Clover site. Mr. VanOss stated that there is no news.

Lastly, Mr. VanOss reported the University of Minnesota sold land to Project Falcon last week.

#### **ADJOURNMENT**

There being no further business to come before the Port Authority at the regular meeting and upon a motion by Klimpel and a second by Beaudette the meeting was adjourned at 6:57 p.m.

Respectfully submitted,

Sarah Saunders  
Deputy City Clerk

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

**CALL TO ORDER/PLEDGE OF ALLEGIANCE**

Pursuant to due call and notice thereof, a special meeting of the Rosemount Port Authority was held on Tuesday, July 15, 2025, at 6:00 PM. at 14515 Dodd Blvd (Former Speedway location).

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

**ADDITIONS OR CORRECTIONS TO AGENDA**

None.

**CONSENT AGENDA**

None.

**OLD BUSINESS**

None.

**NEW BUSINESS**

Port Authority members toured the former Speedway location.

**CHAIRPERSON'S REPORT**

None.

**EXECUTIVE DIRECTOR'S REPORT**

None.

**ADJOURNMENT**

There being no further business to come before the Port Authority the meeting was adjourned at 6:30 p.m.

Respectfully submitted,

Erin Fasbender  
City Clerk

Port Authority Regular Meeting: August 19, 2025

<b>AGENDA ITEM:</b> D & D Holdings, LLC Business Subsidy Request	<b>AGENDA SECTION:</b> NEW BUSINESS
<b>PREPARED BY:</b> Eric Van Oss, Economic Development Coordinator	<b>AGENDA NO.</b> 5.a.
<b>ATTACHMENTS:</b> DOCSOPEN-#1036772-v5	<b>APPROVED BY:</b> AK
<b>RECOMMENDED ACTION:</b> Motion to open the public hearing, take comment, and motion to close the public hearing. Motion to approve the Contract for Private Development between Rosemount Port Authority and D & D Holdings, LLC.	

### BACKGROUND

Staff has been working with D&D Holdings (Copperfield) on a restaurant project adjacent to the new First State Bank of Rosemount at Akron and County Road 42. The Developer requested \$500,000 in excess, unobligated tax increment assistance (TIF Spending Plan) to pay for site improvement costs to offset the high costs of construction and bring a desirable use to the emerging Akron retail area. The City's financial consultant has conducted a financial analysis of the request and will be in attendance to present the findings to the Port at the public hearing.

In December 2022, the Rosemount Port Authority created a spending plan for the Tax Increment Financing Downtown Brockway District. Under state statute, the spending plan gives the Port temporary authorization to transfer unobligated tax increment to provide financial assistance in any form to private development consisting of the construction or substantial rehabilitation of buildings, which will create or retain jobs in the state. The statute requires private development to commence no later than December 31, 2026. The recent legislative session extended the TIF Spending Plan by one year.

In the past year, the Port has approved 3 business subsidies using this tool. Two were new-build restaurant projects and one was an expansion. The proposed restaurant fits within the requirements of the spending plan and aligns with the City's strategic goals. The Port identified this spending plan as a unique tool the City can use to foster new business growth and investment. This project represents a new dining development in the Akron corridor which has been an area of strategic focus for the Port.

The requirements of both parties are outlined in the attached development agreement. The Port is being asked to approve the Business Subsidy Agreement with D&D Holdings. This request is over \$250,000 and requires a public hearing per state statute.

### RECOMMENDATION

Staff recommends approval of the Contact for Private Development By and Between Rosemount Port Authority and D & D Holdings, LLC.



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**CONTRACT**  
**FOR**  
**PRIVATE DEVELOPMENT**  
**BY AND BETWEEN**  
**ROSEMOUNT PORT AUTHORITY**  
**AND**  
**D&D HOLDINGS, LLC**

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This document was drafted by:

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SIGNATURES

- EXHIBIT A Legal Description of the Property
- EXHIBIT B List of Preliminary Plans
- EXHIBIT C Form of Certificate of Substantial Completion
- EXHIBIT D Form of Notice and Assignment

## CONTRACT FOR PRIVATE DEVELOPMENT

THIS CONTRACT FOR PRIVATE DEVELOPMENT (the “Agreement”) is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2025, by and between the Rosemount Port Authority, a body politic and corporate under the laws of Minnesota, having its principal office at 2875 145<sup>th</sup> Street W., Rosemount, Minnesota 55068-4941 (the “Port”), and D&D Holdings, LLC, a Minnesota limited liability company, having its office at 1342 Grand Avenue (#200), St. Paul, MN 55116, or its transferee, assignee, or successor (the “Developer”).

### RECITALS

WHEREAS, the Port has established and administers the Downtown Brockway Tax Increment Financing District (the “TIF District”) in Rosemount; and

WHEREAS Minnesota Statutes, section 469.176, subd. 4n authorizes the Port to spend available tax increment from existing tax increment district, notwithstanding any other law to the contrary, to provide improvements, loans, interest rate subsidies for assistance in any form to private development consisting of construction or substantial rehabilitation of buildings and ancillary facilities, if the following conditions exist: (1) such assistance will create jobs in the state, including construction jobs; (2) construction commences before December 31, 2026; (3) the construction would not have commenced before December 31, 2026 without the assistance; (4) tax increment under the spending plan is spent, loaned, invested or otherwise irrevocably committed by December 31, 2026; (5) the city council approves the authority’s spending plan after a duly noticed public hearing that specifically authorizes the Port to take such actions; (6) the city council approves the amendment to the spending plan to extend the date by which transferred increment may be used; and

WHEREAS, the Port adopted a spending plan for the TIF District, which spending plan was approved by the city council on November 1, 2022 following a public hearing; and

WHEREAS, the spending plan is expected to be amended on August 19, 2025 to implement the statutory modifications enacted by the Minnesota legislature in 2025; and

WHEREAS, the spending plan authorizes assistance in amounts between \$25,000 and \$500,000 in connection with private development consisting of the construction or substantial rehabilitation of commercial, industrial, residential and/or mixed use buildings and ancillary facilities and which will result in the creation or retention of jobs in the state, including construction jobs; and

WHEREAS, the Developer has proposed to construct on the Property (as defined hereinafter) a new approximately 6,500 sq. ft. restaurant to be named Copperfields (hereinafter the “Project”); and

WHEREAS the Developer has stated in writing that the cost of constructing the Project exceeds available funding and that the Project would not be undertaken without the assistance offered by the Port in this agreement; and

WHEREAS, the Project will create temporary construction jobs as well as permanent jobs at the restaurant and tavern; and

WHEREAS, to achieve the objectives of the spending plan, the Port is prepared to offer financial assistance to the Developer to bring about development of the Project on the Property in accordance with this Agreement; and

WHEREAS, the Port believes that the fulfillment generally of this Agreement is in the vital and best interests of Rosemount and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the spending plan was adopted.

NOW, THEREFORE, in consideration of the mutual covenants and obligations of the Port and the Developer, each party does hereby represent, covenant and agree with the other as follows:

**ARTICLE I**  
**Definitions**

Section 1.1. Definitions. This Agreement, unless a different meaning clearly appears from the context:

“Agreement” means this Contract for Private Development, as the same may be from time to time modified, amended, or supplemented.

“Business Subsidy Act” means Minnesota Statutes, sections 116J.993 through 116J.995, as amended.

“Certificate of Substantial Completion” means the certificate, in the general form attached hereto as Exhibit C, which will be provided by the Port to the Developer upon completion of the Minimum Improvements or the City’s issuance of the Certificate of Occupancy, whichever occurs first.

“City” means the city of Rosemount, Minnesota.

“City Approvals” means, collectively, the land use approvals which have been granted or will be required by the City prior to the Developer being authorized to construct the Minimum Improvements.

“Construction Plans” means, collectively, the plans, drawings and specifications for the Minimum Improvements which are consistent with the Preliminary Plans and submitted by the

Developer pursuant to Article IV of this Agreement and approved by the City as confirmed by the issuance of a building permit or similar approval mechanism.

“County” means Dakota County, Minnesota.

“Developer” means D&D Holdings, LLC, a Minnesota limited liability company or its transferee, assignee, or successor.

“Event of Default” means an action listed in Article X of this Agreement.

“Financial Assistance” means the \$500,000.00 in Spending Plan TIF offered to the Developer by the Port.

“Material Change” means a change in the Construction Plans regarding the Minimum Improvements which requires revised or additional City Approvals.

“Minimum Improvements” means the construction of an approximately 6,500 sq. ft. restaurant on the Property at 1070 Upper 144<sup>th</sup> Street West in Rosemount, to be named Copperfields, consistent with the Construction Plans. After completion of the Minimum Improvements, the term shall mean the Property as improved by the Minimum Improvements.

“Port Authority” or “Port” means the Rosemount Port Authority, a body politic and corporate under the laws of Minnesota.

“Preliminary Plans” means, collectively, the plans, drawings, and specifications for the Minimum Improvements which are listed on Exhibit B attached hereto.

“Property” means the real property described in Exhibit A attached hereto.

“Qualified TIF District” means the Port’s Downtown Brockway TIF District.

“Qualifying Costs” means up to \$500,000.00 in costs associated with acquisition or preparation of the Property or construction of the Minimum Improvements.

“Spending Plan” means the Spending Plan for the Qualified TIF District which was adopted by the Port and approved by the City on November 1, 2022 and is intended to be modified on August 19, 2025 and which authorizes the use of Spending Plan TIF for projects which will create or retain jobs in the State and which would not otherwise have occurred prior to December 31, 2026.

“Spending Plan TIF” means tax increment which has been received and retained by the Port from the Qualified TIF District in accordance with the TIF Act and not otherwise pledged to other obligations of the Qualified TIF District and which, pursuant to Subd. 4n, may be used under the Spending Plan to provide assistance for qualifying private developments.

“State” means the state of Minnesota.

“Subd. 4n” means ” means Minnesota Statutes, section 469.176, subd. 4n, as amended.

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

“Tax Official” means any County assessor, County auditor, County or State board of equalization, the commissioner of revenue of the State, or any State or federal court.

“Unavoidable Delays” means delays beyond the reasonable control of the party seeking to be excused as a result thereof which are the direct result of a pandemic, strikes, other labor troubles, delays and/or unavailability of any construction materials, prolonged adverse weather or acts of God, 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 acts of any federal, State or local governmental unit (other than the Port in exercising its rights under this Agreement) which directly result 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 the Property
- Exhibit B. List of Preliminary Plans
- Exhibit C. Form of Certificate of Substantial Completion
- Exhibit D. Form of Notice and Assignment

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

(a) The Port is a body politic and corporate under the laws of Minnesota and has the power to enter into this Agreement and carry out its obligations hereunder.

(b) The individuals executing this Agreement and related documents on behalf of the Port have the authority to do so and bind the Port by their actions.

(c) The activities of the Port authorized herein are undertaken to facilitate the construction of a project which will create jobs in the State.

(d) The Financial Assistance is being offered pursuant to the Spending Plan adopted by the Port and approved by the City in accordance with Subd. 4n.

(e) The Port has received no notice or communication from any local, State, or federal official that the activities of the Developer, the Port or the City on the Property may be or will be in violation of any environmental law or regulation.

Section 2.2. Representations and Warranties by the Developer. The Developer represents and warrants that:

(a) The Developer is a Minnesota limited liability company in good standing and has the power to enter into this Agreement and carry out its obligations hereunder.

(b) The persons executing this Agreement and related agreements on behalf of the Developer have the authority to bind the Developer by their actions.

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

(d) 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 document or other restriction of the Developer or any evidence of indebtedness, agreement, or instrument of whatever nature to which the Developer is now a party or by which it is bound, or to which it will be bound to finance construction of the Minimum Improvements or constitutes a default under any of the foregoing.

(e) The Developer is not ineligible under the Business Subsidy Act to receive the Financial Assistance provided for in this Agreement.

(f) The Developer will construct the Minimum Improvements in accordance with the terms of this Agreement, the Spending Plan, all local, State and federal laws and regulations including, but not limited to, environmental, zoning, building code, public health laws and regulations.

(g) The Developer has analyzed the economics of the Project and has determined that acquisition of all of the Property and construction of the Minimum Improvements described in this Agreement would not occur without Financial Assistance being provided hereunder.

(h) The Developer will apply for and use all reasonable efforts to obtain in a timely manner all permits, licenses and approvals required by the City or other governmental entities and will meet requirements of all applicable City, State and other laws and regulations which must be met before the Minimum Improvements may be lawfully constructed and used for their intended purpose.

(i) The Developer shall promptly advise the Port in writing of all litigation or claims affecting any part of the Property or the Minimum Improvements and all written complaints and charges made by any governmental authority materially affecting the Property or the Minimum Improvements or materially affecting the Developer or its business which may delay or require changes in construction of the Minimum Improvements.

### **ARTICLE III** **Acquisition of Property**

Section 3.1. Acquisition of the Property. The Developer has entered into an agreement to purchase the Property. Closing is scheduled to occur no later than October 15, 2025.

### **ARTICLE IV** **Construction of Minimum Improvements**

Section 4.1. Construction of Minimum Improvements. The Developer agrees that it will construct the Minimum Improvements on the Property in accordance with the Construction Plans. The Developer recognizes that it is because the Developer has agreed to construct the Minimum Improvements that the Port is willing to offer the Financial Assistance outlined in this Agreement. The Developer 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 entities and 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) The Developer has submitted and the Port has approved the Preliminary Plans. After execution of this Agreement, but at least 30 days prior to initiation of construction, the Developer shall submit dated Construction Plans to the Port for

approval. 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 Port will approve the Construction Plans if they (1) conform to the Preliminary Plans; (2) conform to all applicable federal, State and City 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 Developer. No approval by the Port shall relieve the Developer of the obligation to comply with the terms of this Agreement, the terms of any applicable federal, State and City laws, ordinances, rules and regulations in the construction of the Minimum Improvements. The Port shall not unreasonably delay, condition or withhold approvals necessary for Developer to comply with this Agreement. No approval by the Port shall constitute a waiver of an Event of Default. It will be necessary for the City to issue a building permit prior to the Developer being authorized to construct the Minimum Improvements but the approval of the Construction Plans by the Port is for the purpose of ensuring compliance with the terms and conditions of this Agreement and may occur prior to or after issuance of the building permit by the City.

(b) If the Developer desires to make a material change in the Construction Plans after approval by the Port which would also require review or reauthorization of the City Approvals or under any other applicable code, ordinance or regulation, the Developer shall submit the proposed change to the Port for its approval. If the proposed change conforms to the requirements of this section 4.2 with respect to the original Construction Plans or is otherwise acceptable to the Port, the Port shall approve the proposed change. Such change in the Construction Plans shall be deemed approved by the Port unless rejected, in whole or in part, by written notice by the Port to the Developer setting forth in detail the reasons therefor. Such rejection shall be made within 15 business days after receipt of the written notice of such change from the Developer.

Section 4.3. Commencement and Completion of Construction. Subject to Unavoidable Delays, the Developer shall commence construction of the Minimum Improvements by no later than November 1, 2025. Subject to Unavoidable Delays, the Developer shall have achieved Substantial Completion of the Minimum Improvements by no later than August 1, 2026. All work with respect to the Minimum Improvements to be constructed or provided by the Developer on the Property shall be in conformity with the Construction Plans. Following written report thereof from the Port, the Developer shall make such reports to the Port regarding construction of the Minimum Improvements as the Port deems necessary or helpful in order to monitor progress on construction of the Minimum Improvements.

Section 4.4. Certificate of Substantial Completion. (a) After Substantial Completion of the Minimum Improvements in accordance with the Construction Plans and all terms of this Agreement, the Port will furnish the Developer with a Certificate of Substantial Completion in the form of Exhibit C attached hereto and which shall be issued within 15 business days of the City's issuance of the Certificate of Occupancy. Such certification by the Port shall be a conclusive determination of satisfaction and termination of the agreements and covenants in this Agreement with respect to the obligations of the Developer to construct the Minimum Improvements and the dates for the beginning and completion thereof. The Certificate of Substantial Completion shall only be issued after issuance of a certificate of occupancy by the City's building official.

(b) The Certificate of Substantial Completion provided for in this section 4.4 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 Property. If the Port shall refuse or fail to provide such certification in accordance with the provisions of this section 4.4, the Port shall, within 15 business days after written request by the Developer, provide the Developer with a written statement, indicating in specific detail in what respects the Developer 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 Port, for the Developer to take or perform in order to obtain such Certificate of Substantial Completion.

Section 4.5. Restrictions on Use; Land Use Approvals. The Developer, for itself and its successors and assigns, agrees to devote the Property and the Minimum Improvements only to such use or uses as may be permissible under the City's land use regulations.

Section 4.6. City Approvals. The Developer acknowledges that the City Approvals must be granted by the City for the Developer to implement its plans to construct the Minimum Improvements on the Property. The Developer agrees to pursue at its expense such approvals and permits as are necessary to construct the Minimum Improvements in accordance with all land use approvals, restrictions and other regulations of the City related to the Property and the Minimum Improvements as indicated in the issued building permit or similar approval mechanism and any approved Construction Plans.

## **ARTICLE V**

### **Financial Assistance**

Section 5.1. Total Development Costs. Based on the Developer's representation that the total development costs are approximately \$4,875,833, that the sources of revenue available to pay such costs, excluding the tax Financial Assistance contemplated herein is \$4,375,833, and that the Developer is unable to obtain additional private financing for the total estimated total development costs, the Port has agreed to provide to the Developer the Financial Assistance, subject to the terms and conditions as hereinafter set forth.

Section 5.2. Qualifying Costs. As of the date of this Agreement, the possibility for any development on the Property is greatly limited. The Developer has represented that the Project would not be economically feasible within the reasonably foreseeable future, and more specifically, the Developer would not have commenced construction of the Minimum Improvements before December 31, 2026 if the Developer were required to pay all of the total development costs without assistance. Consequently, subject to the terms and conditions of this Agreement, to assist the Developer in making the development of the Project feasible, the Port agrees to apply Spending Plan TIF in the amount of Financial Assistance to Developer. Other than the Financial Assistance the Port neither pledges nor provides any other financial assistance to the Developer for the costs of the construction of the Minimum Improvements.

Section 5.3. Conditions Precedent to Financial Assistance. Notwithstanding anything in this Agreement to the contrary, the Port shall not be obligated to pay the Financial Assistance to Developer until all of the following conditions precedent have been satisfied:

- (a) The Developer has acquired the Property in fee;
- (b) The Developer and the Port have executed this Agreement and it has been recorded in the County land records;
- (c) The Spending Plan has been amended to extend the date Spending Plan TIF must be spent, loaned, invested or otherwise irrevocably committed to December 31, 2026;
- (d) The Developer has demonstrated to the Port that it has incurred Qualified Costs in at least the amount of \$500,000;
- (e) The Certificate of Substantial Completion has been issued;
- (f) The Developer remains eligible for receiving a business subsidy under the Business Subsidy Act; and
- (g) There has been no Event of Default on the part of the Developer which has not been cured.

When the above conditions have been satisfied, the Port will disperse the Financial Assistance to the Developer. The Developer understands and agrees that Subd. 4n requires that all Spending Plan TIF must be spent loaned, invested or otherwise irrevocably committed by December 31, 2026. To the extent the Spending Plan TIF is not spent, loaned, invested or otherwise irrevocably committed by December 31, 2026, the Port shall have no further obligation to make any additional payments under this Agreement.

## **ARTICLE VI**

### **Insurance**

Section 6.1. Required Insurance. The Developer agrees to provide and maintain insurance as follows and at all times during the process of constructing the Minimum Improvements and, from time to time at the request of the Port, furnish the Port with proof of a certificate of insurance for:

- (a) 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 insurable value of the Minimum Improvements at the date of completion, and with coverage available in non-reporting form on the so-called "all risk" form of policy;
- (b) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance)

together with an Owner's Contractor's Policy with limits against bodily injury and property damage of not less than \$1,000,000 for each occurrence (to accomplish the above required limits, an umbrella excess liability policy may be used); and

- (c) Workers' compensation insurance, with statutory coverage.

The policies of insurance required pursuant to clauses (i) and (ii) above shall be in form and content reasonably satisfactory to the Port and shall be placed with financially sound and reputable insurers licensed to transact business in Minnesota. The policy of insurance delivered pursuant to clause (i) above shall contain an agreement of the insurer to give not less than 30 days' advance written notice to the Port in the event of cancellation of such policy or change affecting the coverage thereunder.

Section 6.2. Evidence of Insurance. All insurance required in this Article VI shall be taken out and maintained in responsible insurance companies selected by the Developer which are authorized under the laws of Minnesota to assume the risks covered thereby. Upon written request by the Port, the Developer agrees to deposit with the Port a certificate of insurance evidencing all such insurance of the respective insurers stating that such insurance is in force and effect. Unless otherwise provided in this Article VI, each policy shall contain a provision that the insurer shall not cancel nor materially modify it without giving written notice to the Developer and the Port at least 30 days before the cancellation or modification becomes effective. Not less than 15 days prior to the expiration of any policy, the Developer shall furnish the Port a certificate of insurance that has been renewed or replaced by another policy conforming to the provisions of this Article VI, or that there is no necessity therefor under the terms of this Agreement. In lieu of separate policies, the Developer may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein, in which event the Developer shall deposit with the Port a certificate or certificates of the respective insurers as to the amount of coverage in force upon the Minimum Improvements.

## **ARTICLE VII**

### **Business Subsidy Act Requirements**

Section 7.1. Compliance with Business Subsidy Provisions. The Port and the Developer agree and represent to each other as follows:

- (a) The subsidy provided to the Developer consists of the Financial Assistance provided by the Port under this Agreement. The total value of the business subsidy provided by the Port is \$500,000.00.

- (b) The public purposes of the subsidy are to promote construction of the Minimum Improvements on the Property, increase net jobs in Rosemount and the State, and increase the tax base of the City and the State.

(c) The goals for the subsidy are to secure construction of the Minimum Improvements on the Property; to maintain the Minimum Improvements for at least five years as described in clause (f) below; and to create the jobs and pay wage levels in accordance with section 7.2.

(d) If the goals described in clause (c) above are not met, the Developer must make the payments to the Port described in section 7.3.

(e) The subsidy is needed because the cost of construction of the Minimum Improvements makes development of the Property with the Minimum Improvements financially infeasible without the Financial Assistance.

(f) The Developer, or its successors, assigns, or transferees, must continue operation of the Minimum Improvements as a restaurant for at least five years after the date of issuance of the Certificate of Substantial Completion. This provision does not prevent, prohibit, or otherwise forbid Developer from selling the business, transferring the business or otherwise assigning Developer's interest in the operation provided Developer submits the assignment form that is substantially similar to that form found in Exhibit D and it is accepted and approved by the Port.

(g) The Developer is not a subsidiary of a parent company. The Developer may assign its interest in this Agreement and the Property to a related entity provided Developer submits the assignment form that is substantially similar to that form found in Exhibit D and it is accepted and approved by the Port.

(h) The Developer has not received, and does not expect to receive financial assistance from any other grantor as defined in the Business Subsidy Act in connection with acquisition or site preparation of the Property or construction of the Minimum Improvements.

(i) Developer may, upon completion of the Minimum Improvements, lease the Minimum Improvements to a tenant (the "Tenant") who will operate the restaurant. The Port understands and agrees that employment by the Tenant, and reporting by the Tenant will satisfy the requirements of Section 7.2. Any obligations of the Developer under this Section may also be satisfied by performance and reporting of the Tenant. Notwithstanding the foregoing, the Developer shall at all times remain obligated to the Port to ensure the performance requirements set forth herein are met and to repay to the Port any amounts required under this Agreement.

Section 7.2. Job and Wage Goals; Qualified Facility. Within two years after the date of issuance of the Certificate of Substantial Completion (the "Compliance Date"), the Developer or the Tenant, or their respective successors, assigns, or transferee shall cause to be created at least 5 new full-time equivalent jobs on the Property (excluding any jobs previously existing in the State as of the date of this Agreement and relocated to this site) and shall cause the wages for the 5 new full-time equivalent jobs to be no less than 200 percent of the Minnesota minimum wage, exclusive of benefits. Notwithstanding anything to the contrary herein, if the wage and job goals described in this section 7.2 are met by the Compliance Date, those goals are deemed satisfied despite the Developer's continuing obligations under Sections 7.1(f) and 7.4. The Port may, after a public hearing, extend the

Compliance Date by up to one year, provided that nothing in this Section 7.2 will be construed to limit the Port's legislative discretion regarding this matter.

Section 7.3. Remedies. If the Developer, directly or through performance of the Tenant, successors, assigns, or transferee, fails to meet the goals described in Section 7.1(c), the Developer shall repay to the Port upon written demand from the Port a pro rata share of the business subsidy authorized under this Agreement, and interest on the subsidy at the implicit price deflator as defined in Minnesota Statutes, section 275.50, subd. 2, accrued from the date of issuance of the Certificate of Substantial Completion to the date of payment. The term pro rata share means percentages calculated as follows:

(i) if the failure relates to the number of new jobs required under Section 7.2, the new jobs required less the new jobs created, divided by the new jobs required;

(ii) if the failure relates to wage levels required under Section 7.2, the number of jobs with a required wage level less the number of jobs that meet the required wage level, divided by the number of jobs with a required wage level;

(iii) if the failure relates to maintenance of the Minimum Improvements in accordance with Section 7.1(f), 60 less the number of months of operation as the Minimum Improvements (where any month in which the Minimum Improvements are in operation for at least 15 days constitutes a month of operation), commencing on the date of the Certificate of Substantial Completion and ending with the date the Minimum Improvements cease operation as determined by the Port, divided by 60; and

(iv) if more than one of clauses (i) through (iii) apply, the sum of the applicable percentages, not to exceed 100%.

Nothing in this Section 7.3 shall be construed to limit the Port's remedies under Article X hereof. In addition to the remedy described in this Section 7.3 and any other remedy available to the Port for failure to meet the goals stated in Section 7.1(c), the Developer agrees and understands that it may not receive a business subsidy from the Port or any grantor as defined in the Business Subsidy Act for a period of five years from the date of the failure or until the Developer satisfies its repayment obligation under this Section 7.3, whichever occurs first.

Section 7.4. Reports. The Developer, either directly or through the Tenant, must submit to the Port a written report regarding business subsidy goals and results by no later than March 1 of each year, commencing March 1, 2027 and continuing until the later of (i) the date the goals stated Section 7.1(c) are met; (ii) 30 days after expiration of the five-year period described in Section 7.1(f); or (iii) if the goals are not met, the date the subsidy is repaid in accordance with Section 7.3. The report must comply with section 116J.994, subdivision 7 of the Business Subsidy Act. The Port will provide information to the Developer regarding the required forms. If the Developer fails to timely file, or cause Tenant to timely file any report required under this Section 7.4, the Port will mail the Developer a warning within one week after the required filing date. If, after 14 days of the postmarked date of the warning, the Developer and/or Tenant fails to provide a report, the Developer must pay to the Port

a penalty of \$100 for each subsequent day until the report is filed. The maximum aggregate penalty payable under this Section 7.4 is \$1,000.

Section 7.5. Release from Wage and Job Requirements. Within 30 days of the occurrence of the Compliance Date, so long as the obligations of the parties herein have been met, the Port shall provide Developer an executed release in recordable form, providing for the release of the Property from the obligations regarding the creation of jobs and wages under section 7.2 of this Agreement.

## **ARTICLE VIII**

### **Use of Spending Plan TIF; Collection of Taxes**

Section 8.1. Use of Spending Plan TIF. The Spending Plan has authorized the Port to have available to it more Spending Plan TIF than it is providing to the Developer under this Agreement. The Port shall be free to use any Spending Plan TIF not committed under this Agreement for any purpose for which such Spending Plan TIF may lawfully be used, pursuant to the provisions of Subd. 4n, and the Port shall have no obligation to the Developer with respect to the use of such additional Spending Plan TIF.

Section 8.2. Right to Collect Delinquent Taxes. The Developer acknowledges that the Port is providing substantial aid and assistance in furtherance of the development of the Property. The Developer 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 Property and the Minimum Improvements. The Developer acknowledges that this obligation creates a contractual right on behalf of the Port or the City to sue the Developer 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 any such suit, the Port shall also be entitled to recover its costs, expenses, and attorney fees.

Section 8.3. Payment of Fees. The Developer agrees to pay all fees and expenses incurred by the Port in connection with preparation of this Agreement, including but not limited to the fees of the Port's legal counsel.

## **ARTICLE IX**

### **Restrictions on Sale or Encumbrance of Minimum Improvements; Assignment**

Section 9.1. Sale of Minimum Improvements. The Developer represents and agrees that its use of the 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 Property and not for speculation in land holding. The Developer represents and agrees that should the Property be sold prior to the issuance of a Certificate of Substantial Completion regarding the Minimum Improvements, the Developer shall notify the Port and the Developer shall remain responsible for all the Developer's obligations under this Agreement until receipt of a Certificate of Substantial Completion, at which point Developer shall be released from any further obligations hereunder if the Developer and its transferee have entered into an agreement substantially in the form of Exhibit

D attached hereto. Should the Property be sold after receipt of a Certificate of Substantial Completion, the Developer shall notify the Port and the proposed transferee shall have entered into an agreement substantially in the form of Exhibit D hereto, whereby the transferee expressly assumes all of the Developer's obligations under this Agreement, including compliance with the Business Subsidy Act. The Port has approved Exhibit D and agrees that upon execution of the same by the Developer and a transferee of the Property, such transferee shall be recognized as the assignee of the Developer for all purposes hereunder and the Developer shall be released from any further obligations under this Agreement.

Section 9.2. Limitation Upon Encumbrance of Property. With the exception of the type of encumbrances placed in the ordinary course of lending and development of the Property, prior to issuance of the Certificate of Substantial Completion, the Developer agrees not to engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property or Minimum Improvements, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attached to the Property or Minimum Improvements other than the liens or encumbrances approved by the Port, which approval shall not be unreasonably withheld or delayed if the Port determines that such lien or encumbrance will not threaten its security under this Agreement.

## **ARTICLE X**

### **Events of Default**

Section 10.1. Events of Default Defined. Subject at all times to Unavoidable delays, each and every one of the following shall be an Event of Default under this Agreement in the event that such failure is not cured by Developer within 30 days of written notice from the Port to Developer, or, in the event that the failure cannot be reasonably cured within 30 day period, Developer fails to commence such cure within 30 days or fails to diligently pursue such a cure to completion:

(a) Failure by the Developer to acquire the Property in fee by November 1, 2025 or failure to satisfy any other condition precedent specified in section 5.3 of this Agreement;

(b) Failure by the Developer to obtain all approvals and permits from the City and other entities necessary in order to construct the Minimum Improvements;

(c) Failure by the Developer to commence and complete construction of the Minimum Improvements pursuant to the terms, conditions and limitations of Article IV of this Agreement, including the timing thereof, unless such failure is caused by an Unavoidable Delay or waived by the Developer and the Port;

(d) Failure of the Developer to pay real estate taxes or special assessments on the Property or Minimum Improvements as they become due;

(e) Failure by the Developer to comply with the requirements of this Agreement regarding the Business Subsidy Act or with the wage requirements of Section 469.176, subd. 7 of the TIF Act;

(f) Sale of the Property or the Minimum Improvements, or any portion thereof, by the Developer in violation of Article IX of this Agreement;

(g) If the Developer shall file a petition in bankruptcy, or shall make an assignment for the benefit of its creditors or shall consent to the appointment of a receiver; or

(h) Failure by the Port or Developer to observe or perform any material covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.

Notwithstanding anything herein to the contrary, the Developer acknowledges that the time limits in Subd. 4n are statutory requirements that cannot be waived by the Port for any reason, including Unavoidable Delays.

Section 10.2. Remedies on Default. Whenever any Event of Default referred to in section 10.1 of this Agreement occurs, the non-defaulting party may take any one or more of the following actions:

(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) Terminate or rescind further performance pursuant to this Agreement;

(c) If the default occurs prior to completion of the Minimum Improvements, the Port may withhold the Certificate of Substantial Completion;

(d) Seek repayment of some or all of the Financial Assistance pursuant to Article VII of this Agreement and the Business Subsidy Act; and

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

Section 10.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the either party in this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. To entitle the Port or the Developer 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 XI of this Agreement.

Section 10.4. No Additional Waiver Implied by One Waiver. In the event any covenant or obligation 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 XI Additional Provisions**

Section 11.1. Conflict of Interests; Representatives Not Individually Liable. The Port and the Developer, to the best of their respective knowledge, represent and agree that no member, official, or employee of the Port has or shall have any personal interest, direct or indirect, in this Agreement, nor has or shall any such member, official, or employee participate in any decision relating to this Agreement which affects his or her personal 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 Port shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the Port, or for any amount which may become due to the Developer or successor or on any obligations under the terms of this Agreement. No employee, officer, shareholder or agent of Developer shall be personally liable to the Port, or any successor in interest, in the event of any default or breach by the Developer, or for any amount which may become due to the Port or successor or on any obligations under the terms of this Agreement.

Section 11.2. Release and Indemnification Covenants. (a) Except for any negligent act of the following named parties, the Developer hereby releases from and covenants and agrees that the Port and its governing body members, officers, agents, servants, and employees shall not be liable for, and hereby agree to indemnify and hold harmless the Port, and its governing body members, officers, agents, servants, and employees against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Minimum Improvements.

(b) Except for any willful misrepresentation or any willful or wanton misconduct or negligence of the following named parties, the Developer hereby agrees to protect and defend the Port and its governing body members, officers, agents, servants, and employees, now or forever, and hereby further agree to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Property or Minimum Improvements.

(c) Except for any negligent act of the following named parties, the Port and its governing body members, officers, agents, servants, and employees shall not be liable for any damage or injury to the persons or property of the Developer or its partners, officers, agents, servants or employees or any other person who may be about the Property or Minimum Improvements due to any act of negligence of any person.

(d) All covenants, stipulations, promises, agreements, and obligations of the Port contained herein shall be deemed to be the covenants, stipulations, promises, agreements, and obligations of the Port, and not of any governing body member, officer, agent, servant, or employee of the Port in his or her individual capacity.

Section 11.3. 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 11.4. Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand, or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by United States registered or certified mail, postage prepaid, return receipt requested, or delivered personally to:

(a) in the case of the Port: Rosemount Port Authority  
2875 145<sup>th</sup> Street W.  
Rosemount, MN 55068-4941  
Attn: Executive Director

with a copy to: Ron Batty  
Kennedy & Graven, Chartered  
150 South Fifth Street  
Suite 700  
Minneapolis, MN 55402

(b) in the case of the Developer: D&D Holdings, LLC  
1342 Grand Avenue (#200)  
St. Paul, MN 55116  
Attn: Paul Dzubnar

Justin Weinberg  
Taft Stettinius & Hollister LLP  
2200 IDS Center  
80 South 8th Street  
Minneapolis, MN 55402

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other as provided in this Section 11.4.

Section 11.5. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 11.6. Recording. The Port may record this Agreement and any amendments thereto among the County land records. The Developer shall pay for the cost of such recording.

Section 11.7. Attorney Fees. Whenever any Event of Default occurs on the part of the Developer or the Port and if the non-defaulting party may employ attorneys or incur other expenses for the collection of payments due or to become due, or for the enforcement of performance or observance of any obligation or agreement on the part of the parties under this Agreement, the Developer or the Port agrees that it shall, within 10 days of written demand by the non-defaulting party, pay to the non-defaulting party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party.

Section 11.8. 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.

Section 11.9. Disclaimer of Relationship. The Developer acknowledges that nothing in this Agreement nor any act of the Port shall be deemed or construed by the Developer or by any third party to create any relationship of third-party beneficiary, principal and agent, limited or general partner or joint venture between the Port and the Developer.

Section 11.10. Entire Agreement. This Agreement constitutes the entire agreement between the parties pertaining to its subject matter and it supersedes all prior contemporaneous agreements, representations, and understandings of the parties pertaining to the subject matter of this Agreement. This Agreement may be modified, amended, terminated, or waived, in whole or in part, only by a writing signed by both parties. Notwithstanding the above, nothing herein shall supersede the City's land use regulations applicable to the Property and Minimum Improvements or any agreement, permit or approval by or between the Developer and the City regarding the land use regulations applicable to the Property and the Minimum Improvements.

Section 11.11. Release. If the Developer satisfies all of its obligations under this Agreement prior to sale of the Property and release under the agreement in the form of Exhibit D attached hereto, the Port agrees to execute and deliver to the Developer within 30 days a release in recordable form so certifying.

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**EXHIBIT A TO  
CONTRACT FOR PRIVATE DEVELOPMENT  
LEGAL DESCRIPTION OF THE PROPERTY**

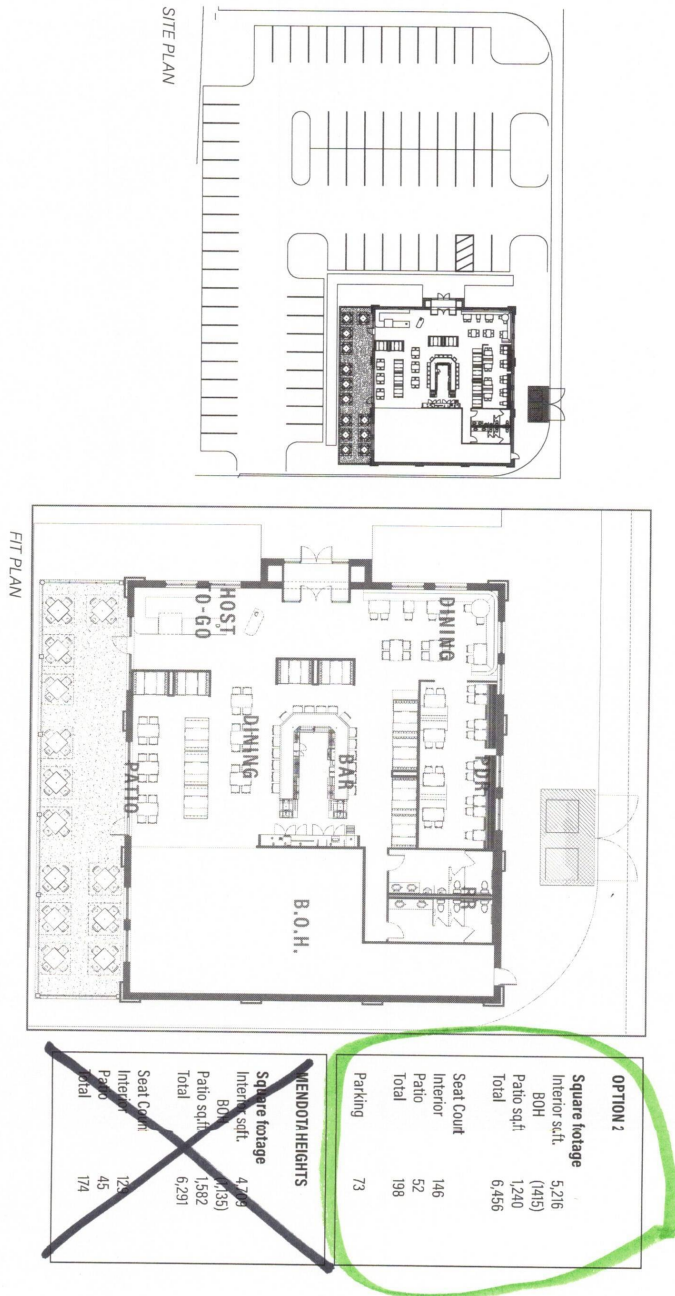
Real property is legally described as follows:

Lot 2, Block 1, Prestwick Place 26<sup>th</sup> Addition, Dakota County, Minnesota.

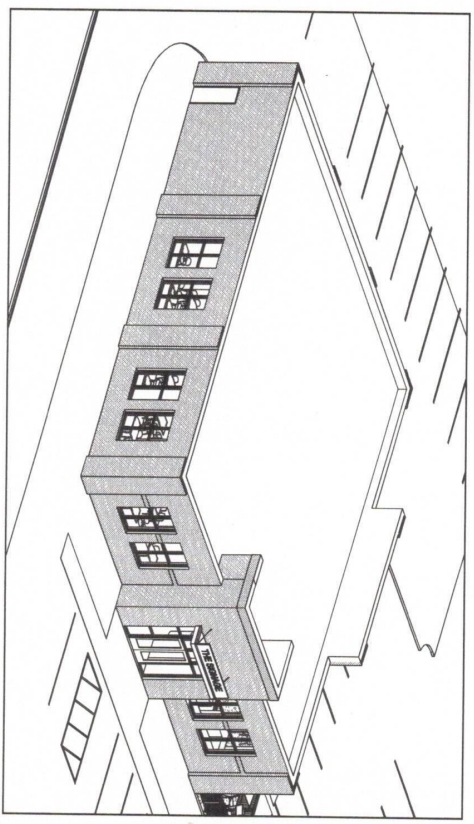
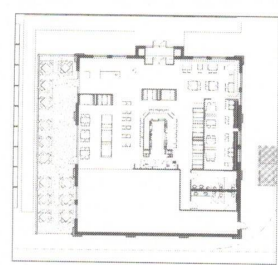
**EXHIBIT B TO  
CONTRACT FOR PRIVATE DEVELOPMENT  
LIST OF PRELIMINARY PLANS**

The Preliminary Plans consist of the following:

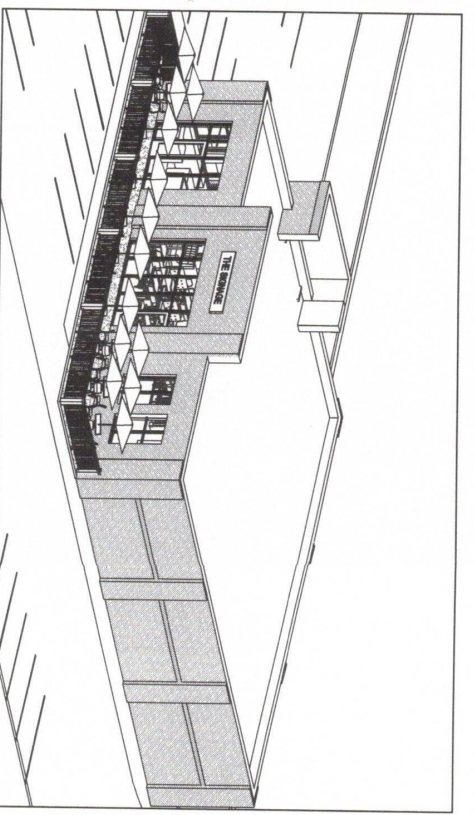
Floor Plan | Option 2



# Exterior Massing | Option 2



FRONT ENTRY



BACK FACING 145TH STREET

**EXHIBIT C TO  
CONTRACT FOR PRIVATE DEVELOPMENT  
FORM OF  
CERTIFICATE OF SUBSTANTIAL COMPLETION**

WHEREAS, the Rosemount Port Authority, a body politic and corporate under the laws of Minnesota (the “Port”) and D&D Holdings, LLC, a Minnesota limited liability company (the “Developer”), have entered into that certain Contract for Private Development by and between the Port and the Developer dated the \_\_\_\_ day of \_\_\_\_\_, 2025, and recorded in the office of the Dakota County \_\_\_\_\_, on \_\_\_\_\_ as Document No. \_\_\_\_\_, which Contract for Private Development contained certain covenants and restrictions regarding completion of the Minimum Improvements; and

WHEREAS, the land to which the Contract for Private Development applies (the “Property”) is legally described on Exhibit A attached hereto; and

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

NOW, THEREFORE, this is to certify that, with respect to the Property, all building construction and other physical improvements specified to be done and made by the Developer have been substantially completed and the above covenants and conditions in said Contract for Private Development have been performed by the Developer therein, and the Dakota County \_\_\_\_\_ 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 substantial completion of the Minimum Improvements with respect to the Property.

Dated: \_\_\_\_\_, 202\_.

ROSEMOUNT PORT AUTHORITY

By: \_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_

STATE OF MINNESOTA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 202\_\_, by \_\_\_\_\_, the \_\_\_\_\_ of the Rosemount Port Authority, a body politic and corporate under the laws of Minnesota, on behalf of the authority.

\_\_\_\_\_  
Notary Public

STATE OF MINNESOTA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 202\_\_, by \_\_\_\_\_, the \_\_\_\_\_ of the Rosemount Port Authority, a body politic and corporate under the laws of Minnesota, on behalf of the authority.

\_\_\_\_\_  
Notary Public

This instrument was drafted by:  
Kennedy & Graven, Chartered (RHB)  
150 South Fifth Street  
Suite 700  
Minneapolis, MN 55402  
(612) 337-9300

**EXHIBIT A**

**Legal Description of Property**

Lot 2, Block 1, Prestwick Place 26<sup>th</sup> Addition, Dakota County, Minnesota.

**EXHIBIT D TO  
CONTRACT FOR PRIVATE DEVELOPMENT  
FORM OF NOTICE AND ASSIGNMENT**

Date \_\_\_\_\_

To: Rosemount Port Authority  
Attn Executive Director  
2875 145<sup>th</sup> Street  
Rosemount, MN 55068

Re: Notice of sale pursuant to section 9.1 of the Contract for Private Development dated \_\_\_\_\_, 2025 by and between the Rosemount Port Authority and D&D Holdings, LLC (the "Spending Plan Agreement").

Transferee: \_\_\_\_\_.

NOTICE

To Rosemount Port Authority:

D&D Holdings, LLC gives notice pursuant to Section 9.1 of the Contract for Private Development that the Property as defined therein has been sold to the above named Transferee, and the Transferee has accepted assignment of the Developer's obligations under the Spending Plan Agreement as follows:

ASSIGNMENT

D&D Holdings, LLC, Developer under the Spending Plan Agreement does hereby assign, sell, and transfer all of its interests, rights, and obligations under the Spending Plan Agreement to Transferee. Transferee acknowledges receipt of a copy of the Spending Plan Agreement, and states and agrees that it expressly assumes all of the Developer's obligations under the Spending Plan Agreement, including compliance with the Business Subsidy Act, as well as all other provisions of the Spending Plan Agreement. Transferee shall defend and indemnify D&D Holdings, LLC against any claims by the Rosemount Port Authority, or others, arising under the Spending Plan Agreement.

Developer:

Transferee:

\_\_\_\_\_  
D&D Holdings, LLC

\_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_

Port Authority Regular Meeting: August 19, 2025

<b>AGENDA ITEM:</b> Amended and Restated TIF Spending Plan	<b>AGENDA SECTION:</b> NEW BUSINESS
<b>PREPARED BY:</b> Eric Van Oss, Economic Development Coordinator	<b>AGENDA NO.</b> 5.b.
<b>ATTACHMENTS:</b> Spending Plan - Rosemount Final , Spending Plan - Rosemount Redlines	<b>APPROVED BY:</b> AK
<b>RECOMMENDED ACTION:</b> Motion to approve the new language in the Amended and Restated Spending Plan.	

**BACKGROUND**

In 2021, the Legislature enacted expanded, temporary authority to transfer unobligated tax increments for purposes of assisting private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities, if doing so will create or retain jobs in the state. The new law temporarily permits a development authority (Rosemount Port Authority) to elect, by resolution, to transfer unobligated increment for certain specified purposes provided the following criteria are met:

1. It consists of the construction or substantial rehabilitation of buildings and ancillary facilities;
2. It creates or retains jobs in the state, including construction jobs;
3. and Construction commences before December 31, 2025 and would not have commenced before that date without the assistance.

On November 1st, 2022 the City Council approved the TIF Spending Plan. This allowed the City to transfer approximately \$2.857 million from the Downtown Brockway TIF District to a separate account by December 31st, 2022. During the 2025 legislative session, the legislature extended the project commencement deadline from December 31, 2025 to December 31, 2026, allowing the City an additional year to allow funding of potential projects. The statute also cleaned up some other confusing language in the legislation.

Given the changes to the TIF Spending Plan legislation, the City needs to amend and restate the current TIF Spending Plan policy. Staff has included a redline and clean version of the updated policy. The City Council approves the spending plan and will hold a public hearing on August 19th. Port Authority is the body that will approve (by resolution) the transfer of funds for specific projects. Ehlers, the city's financial consultant, will give a presentation on the extension and changes. Staff will give the Port an update on the current spending plan projects and a look forward to 2026.

**RECOMMENDATION**

Staff recommends the Port Authority approves the new language.

Originally Adopted: November 1, 2022  
Amended and Adopted: August 19, 2025

Rosemount City Council  
City of Rosemount,  
Dakota County, Minnesota

Amended and Restated Spending Plan  
Tax Increment Financing Downtown Brockway District

## Amended and Restated Spending Plan for Tax Increment Financing District

### PURPOSE

The Rosemont Port Authority (the “Authority”) administers Tax Increment Financing Downtown Brockway District (the “TIF Districts”) in the City of Rosemount, Minnesota (the “City”), and proposes to adopt a Spending Plan for the TIF Districts in accordance with Minnesota Statutes, Section 469.176 Subd. 4n (the “Act”). The original Spending Plan was adopted November 1, 2022. In 2025, the Minnesota legislature revised the Act which allowed, among other things, a time extension and clarifications to the interest earned on TIF transferred under the Act. This Amended and Restated Spending Plan incorporates those 2025 revisions.

The Act grants the Authority temporary authorization to transfer unobligated tax increment to provide improvements, loans, interest rate subsidies or assistance in any form to private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities, which will create or retain jobs in the State, including construction jobs, so long as such private development commences no later than December 31, 2026, and would not have commenced before that date without such assistance. The funds must be spent, loaned, invested or otherwise irrevocably committed by December 31, 2026. Such transfers must be made by resolution, pursuant to the terms of a spending plan approved by the Authority and by the City, following a public hearing of the City Council.

### PLAN

The Authority is authorized as follows:

- (a) In 2022, the Port Authority transferred \$2.857 million. Interest earned on the transferred increment shall be treated in the same manner as the transferred increment and is available to be utilized as outlined in this Amended and Restated Spending Plan.
- (b) To use transferred tax increments from the TIF Districts to provide assistance in connection with a private development consisting of the construction or substantial rehabilitation of commercial, industrial, residential and/or mixed-use buildings and ancillary facilities requiring a minimum of \$25,000 and no more than \$500,000 in financing assistance. Preference will be given to projects on parcels targeted for redevelopment that further the goals set forth in the City’s Comprehensive Plan and the City’s other strategic planning documents, and which will result in the creation and retention of jobs in the State, including construction jobs.
- (c) To amend the budget set forth in the Tax Increment Financing Plans for the Tax Increment Financing Districts as necessary to provide for the assistance authorized by this Spending Plan.
- (d) To take any other action necessary and authorized under the Act in connection with the construction or substantial rehabilitation of facilities of the type described in clause (a) above.

The assistance provided pursuant to this Plan shall be subject to Minnesota Statutes, Sections 116J.993 to 116J.995 (the “Business Subsidy Law”), if applicable, and shall be subject to the City’s Business Subsidy Policy.

Originally Adopted: November 1, 2022

AdoptedAmended and Adopted: August 19, 2025

Rosemount City Council  
City of Rosemount,  
Dakota County, Minnesota

Amended and Restated Spending Plan  
Tax Increment Financing Downtown Brockway District

## Amended and Restated Spending Plan for Tax Increment Financing District

### PURPOSE

The Rosemont Port Authority (the “Authority”) administers Tax Increment Financing Downtown Brockway District (the “TIF Districts”) in the City of Rosemount, Minnesota (the “City”), and proposes to adopt a Spending Plan for the TIF Districts in accordance with Minnesota Statutes, Section 469.176 Subd. 4n (the “Act”). The original Spending Plan was adopted November 1, 2022. In 2025, the Minnesota legislature revised the Act which allowed, among other things, a time extension and clarifications to the interest earned on TIF transferred under the Act. This Amended and Restated Spending Plan incorporates those 2025 revisions.

The Act grants the Authority temporary authorization to transfer unobligated tax increment to provide improvements, loans, interest rate subsidies or assistance in any form to private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities, which will create or retain jobs in the State, including construction jobs, so long as such private development commences no later than December 31, 202~~5~~<sup>6</sup>, and would not have commenced before that date without such assistance. The funds must be spent, loaned, invested or otherwise irrevocably committed by December 31, 2026. Such transfers must be made by resolution, pursuant to the terms of a spending plan approved by the Authority and by the City, following a public hearing of the City Council.

### PLAN

The Authority is authorized as follows:

- (a) In 202~~2~~<sup>3</sup>, the Port Authority transferred \$2.857 million~~xxxxxx~~. Interest earned on the transferred increment shall be treated in the same manner as the transferred increment and is available to be utilized as outlined in this Amended and Restated Spending Plan.
- ~~(a)~~(b) To use available-transferred tax increments from the TIF Districts to provide assistance in connection with a private development consisting of the construction or substantial rehabilitation of commercial, industrial, residential and/or mixed-use buildings and ancillary facilities requiring a minimum of \$25,000 and no more than \$500,000 in financing assistance. Preference will be given to projects on parcels targeted for redevelopment that further the goals set forth in the City’s Comprehensive Plan and the City’s other strategic planning documents, and which will result in the creation and retention of jobs in the State, including construction jobs.
- ~~(b)~~(c) To amend the budget set forth in the Tax Increment Financing Plans for the Tax Increment Financing Districts as necessary to provide for the assistance authorized by this Spending Plan.
- ~~(c)~~(d) To take any other action necessary and authorized under the Act in connection with the construction or substantial rehabilitation of facilities of the type described in clause (a) above.

The assistance provided pursuant to this Plan shall be subject to Minnesota Statutes, Sections 116J.993 to 116J.995 (the “Business Subsidy Law”), if applicable, and shall be subject to the City’s Business Subsidy Policy.

Port Authority Regular Meeting: August 19, 2025

<b>AGENDA ITEM:</b> Strategic Plan for Economic Development Introduction	<b>AGENDA SECTION:</b> NEW BUSINESS
<b>PREPARED BY:</b> Adam Kienberger, Community Development Director	<b>AGENDA NO.</b> 5.c.
<b>ATTACHMENTS:</b>	<b>APPROVED BY:</b> AK
<b>RECOMMENDED ACTION:</b> Information only	

**BACKGROUND**

Strategic planning is a key component of a successful organization. A strategic plan can be a valuable tool for both elected and appointed officials, as well as staff to provide work direction and prioritization of new initiatives. Over the past several years we have launched a variety of new economic development programs, seen unprecedented growth and development, and won multiple awards for the progress occurring in Rosemount.

The City Council, as part of their five-year plan, has identified several goals related to growth and development:

- Rosemount has a vibrant and welcoming downtown that attracts residents and visitors.
- Rosemount’s business parks showcase a varied and resilient local economy.
- Rosemount redevelops key corridors intentionally to foster functionality and visual appeal.
- Rosemount offers well-rounded neighborhoods and housing for residents in all stages of life.

Staff is recommending the Port Authority discuss developing a three-year plan related to an economic development vision and a series of goals for guiding development. This plan can be used as a starting point for the City's 2050 Comprehensive Plan update, which will start in late 2026. Staff will provide a few ideas and a broader overview of the process if this is a direction the Port would like to go.

**RECOMMENDATION**

Information only at this time

Port Authority Regular Meeting: August 19, 2025

<b>AGENDA ITEM:</b> Project Updates	<b>AGENDA SECTION:</b> EXECUTIVE DIRECTOR'S REPORT
<b>PREPARED BY:</b> Eric Van Oss, Economic Development Coordinator	<b>AGENDA NO.</b> 6.a.
<b>ATTACHMENTS:</b>	<b>APPROVED BY:</b> AK
<b>RECOMMENDED ACTION:</b> Information item	

**BACKGROUND**

EDAM on the Road: The Economic Development Association of Minnesota (EDAM) will be hosting a development tour of Rosemount for its members. Tours will include Omni Farm Winery, Life Time, and Meta's campus. Staff partnered with MTVA to provide transportation.

Speedway Site: Demolition work has been completed. Staff began the first phase of public outreach at Leprechaun Days and on the City's Speedway web page.

Kwik Trip: There will be a ribbon cutting for Kwik Trip on August 27th at 9:00am.

Emerald Trail Elementary: An opening ceremony will take place on September 24th at 2:30pm.

Aspen Fields: The DCTC/Old City Hall site east of Life Time was reguided last month. Plans call for two commercial buildings, a daycare, and an apartment building.

DEED Business Development: Rosemount will host DEED's quarterly Business Development meeting at the new PD/PW building.

**RECOMMENDATION**

Information only