ITASCA COUNTY
BOARD OF COMMISSIONERS

Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744
(218) 327-2847

Tuesday, July 16, 2024 | 2:30 PM | Itasca County Boardroom

FINAL

WORK SESSION MINUTES

I. CALL TO ORDER

Chair Johnson called the meeting to order at 2:30 PM.

Attendee Name	Title	Status	Arrived
Cory Smith	District #1	Present	2:30 PM
Terry Snyder	District #2	Present	2:30 PM
John Johnson	District #3	Present	2:30 PM
Burl Ives	District #4	Present	2:30 PM
Casey Venema	District #5	Present	2:30 PM

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF AGENDA

Motion To: Add Item #6.5 (Tax-Forfeited Land Sale to Adjoining Landowners) and approve the agenda, as amended.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Terry Snyder
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

IV. MINUTES APPROVAL

Motion To: Approve the minutes, as delineated below.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Burl Ives
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

1. Approve the minutes of the Tuesday, July 9, 2024 County Board Regular Session.

V. RECOMMENDED FOR CONSENT AGENDA

1. Approve the final payment for Contract 2024-02, SAP 031-030-003 for the 2024 Pavement Markings project, and authorize the County Board Chairperson and Clerk to the County Board to sign the necessary documents.

RESULT:	**RECOMMENDED FOR CONSENT**	**NEXT: 07/23/2024**	**2:30 PM**

2. Approve the Forest Service Stewardship Agreement 24-SA-11090300-024 between Itasca County and the Chippewa National Forest Service and authorize the County Engineer to sign the agreement.

RESULT:	**RECOMMENDED FOR CONSENT**	**NEXT: 07/23/2024**	**2:30 PM**

3. Adopt the Resolution Re: Approving Conveyance of Certain Property Owned by the County and the City of Grand Rapids to the Grand Rapids Economic Development Authority, which approves a Purchase Agreement between the County, City and the Grand Rapids Economic Development Authority (GREDA), and authorize necessary signatures.

RESULT:	**RECOMMENDED FOR CONSENT**	**NEXT: 07/23/2024**	**2:30 PM**

4. Approve the Memorandum of Agreement between Cass County Sheriff's Office and Itasca County Sheriff's Office and authorize necessary signatures.

RESULT:	**RECOMMENDED FOR CONSENT**	**NEXT: 07/23/2024**	**2:30 PM**

5. Authorize the creation of one (1) Grade 10 Road Deputy position under the LELS 493 Collective Bargaining Agreement in the Sheriff's Office.

RESULT:	**RECOMMENDED FOR REGULAR**	**NEXT: 07/23/2024**	**2:30 PM**

VI. DISCUSSION / INFORMATIONAL

1. Citizen Input

   No citizen input provided.

2. Public Hearing Re: Condition Use Permit for Tom Hammerlund

   Motion To: Open the Public Hearing Re: Conditional Use Permit (CUP) application submitted by Tom Hammerlund/SEH for commercial storage buildings.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Terry Snyder
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

   Motion To: Close the above public hearing.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Burl Ives
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

   Motion To: Approve the Conditional Use Permit (CUP) applications submitted by Tom Hammerlund/SEH for commercial storage buildings, per the Findings of Fact, Conclusions of Law, Order and Resolution of the Planning Commission at their regular meeting on July 10, 2024.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

3. Canisteo Pit Update and Next Steps

   Commissioner Terry Snyder provided a Canisteo Pit Update, including information regarding next steps relative to preparation for the bid process and the need for a Public Waters Work Permit for construction of the Prairie River outlet and a Water Appropriation Permit for construction for dewatering on the wall.

   It was the consensus of the County Board to move forward with the consideration of the need for a Public Waters Work Permit and a Water Appropriation Permit for Canisteo Pit dewatering efforts.

4. Set County Board Workshop Meeting

Motion To: Schedule a County Board Workshop Meeting on Friday, August 23, 2024 beginning at 10 AM in the Boardroom of the Itasca County Courthouse.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Casey Venema
SECONDER:	Commissioner Cory Smith
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

5. Tax-Forfeited Land Sale to Adjoining Landowners

Motion To: Adopt the Resolution Re: Authorizing and Fixing the Notice and Terms of Tax-Forfeited Land Sale to Adjoining Owners.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

VII. COMMITTEE REPORTS

Commissioner Snyder reported on his attendance at recent Fairgrounds Task Force and various township meetings, as well as a meeting with the DNR Re: Canisteo Pit and discussions held relative to mining.

Commissioner Venema reported on his attendance at a recent Western Mesabi Mine Planning Board (WMMPB) meeting.

Commissioner Johnson reported on his attendance at a recent meeting with Public Health and a walk-through of the Phase 2 construction of the Correctional Facility/Courts Construction project.

VIII. ADMINISTRATOR UPDATE

County Administrator Brett Skyles provided an Administrator Update, including information regarding work done by the Land and Auditor/Treasurer Departments relative to sale of tax-forfeited lands, as well as a renewed push to seek out grant opportunities.

IX. COMMISSIONER COMMENTS

Interim County Attorney Jacob Fauchald provided comment regarding recently held interviews for Assistant County Attorney applicants and current workloads within the Attorney's office.

Commissioner Snyder provided comment regarding the upcoming Budget Work Sessions and encouraged the public to attend.

Commissioner Venema provided comment regarding the interest to continue conversations relative to the old Balsam garage site.

Commissioner Johnson provided comment regarding a recent tour of the Hwy 65 detour and the Open on 65 campaign, reported on his attendance at the recent Coleraine City Picnic, and encouraged the public to attend the upcoming Blackberry Car Show.

X. CLOSED SESSIONS

XI. ADJOURN

Chair Johnson adjourned the meeting at 3:30 PM.

ATTEST

John Johnson
Chair of the County Board

Brett Skyles
Clerk of the County Board

ITASCA COUNTY
BOARD OF COMMISSIONERS

Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

RESOLUTION 2024-34

RE: AUTHORIZING AND FIXING THE NOTICE AND TERMS OF TAX-FORFEITED LAND SALE TO ADJOINING LANDOWNERS

WHEREAS, the Itasca County Board has classified and appraised certain tax-forfeited lands and list of said lands has been filed with Itasca County, classification of said lands have been duly approved by the town boards and municipalities and the appraised value of timber has been duly approved by the Itasca County Land Commissioner, and

WHEREAS, the Itasca County Board is by law designated with authority to provide for the sale of such tax-forfeited lands on terms included in the Notice and Terms of Tax-Forfeited Land Sale to Adjoining Landowners.

NOW THEREFORE BE IT RESOLVED, that the Notice and Terms of Tax-Forfeited Land Sale to Adjoining Landowners be given by certified mail to all adjoining landowners as provided by Minnesota Statute 282.01, subdivision 7a, that Itasca County shall open sealed bids for such tracts of land for sale in the order in which they appear in said Notice at 10:00 A.M. on FRIDAY, AUGUST 30, 2024 at the ITASCA COUNTY LAND DEPARTMENT, 1177 LAPRAIRIE AVENUE, GRAND RAPIDS, MN 55744.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

STATE OF MINNESOTA
Office of County Administrator
ss. County of Itasca

I, BRETT SKYLES, Administrator of the County of Itasca, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 16th day of July A.D. 2024 and that the same is a true and correct copy of the whole thereof.

WITNESS MY HAND AND SEAL OF OFFICE at Grand Rapids, Minnesota, this 16th day of July A.D. 2024.

Administrator

July 16, 2024

Chair:

PULL: None

ADDITIONS:

1. Item #6.5 – Tax-Forfeited Land Sale to Adjoining Landowners

CHANGES: None

INFORMATIONAL: None

ITASCA COUNTY
BOARD OF COMMISSIONERS

Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744
(218) 327-2847

Tuesday, July 9, 2024 | 2:30 PM | Itasca County Boardroom

DRAFT

REGULAR SESSION MINUTES

I. CALL TO ORDER

Chair Johnson called the meeting to order at 2:30 PM.

Attendee Name	Title	Status	Arrived
Cory Smith	District #1	Present	2:30 PM
Terry Snyder	District #2	Present	2:30 PM
John Johnson	District #3	Present	2:30 PM
Burl Ives	District #4	Present	2:30 PM
Casey Venema	District #5	Present	2:30 PM

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF AGENDA

Motion To: Approve the agenda, as presented.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Burl Ives
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

IV. MINUTES APPROVAL

Motion To: Approve the minutes, as delineated below.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Terry Snyder
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

1. Approve the minutes of the Tuesday, July 2, 2024 County Board Work Session.

V. CONSENT AGENDA

Motion To: Approve the Consent Agenda, as presented and delineated below.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Terry Snyder
SECONDER:	Commissioner Cory Smith
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

1. Adopt the Resolution Re: Squaw Lake Multi-use Recreational Trail Bridge IRRR Regional Trails Grant Application and authorize necessary signatures.
2. Approve the 2024 event lease agreement between Itasca County and the Northern Minnesota Swap Meet and Car Show, and authorize necessary signatures.

3. Approve 2024 Bass Lake Fishing Pier Coop Agreement between Itasca County and the State of Minnesota, and authorize necessary signatures.
4. Authorize out of state travel to West Palm Beach, FL for Corrections Mental Health Practitioner, Ashley Mohler, to attend a 5-day intensive Eye Movement Desensitization and Reprocessing (EMDR) training.

VI. REGULAR AGENDA

1. Citizen Input
   No citizen input provided.
2. Recognition of County Employees
   The following employees were recognized:

   Farewell to Darlene Childs, whose last day as Eligibility Specialist with the Health & Human Services Department was June 30, 2024, after 30+ years of service.

   Farewell to Kelly Lammon, whose last day as Accountant with the Transportation Department was June 26, 2024, after 9+ years of service.

   Farewell to Cassidy Kampsula, whose last day as Emergency Communications Specialist with the Sheriff's Department was July 6, 2024, after 11+ months of service.

   Congratulations to Trisha Erickson who was promoted from Eligibility Specialist to Lead Eligibility Specialist in the HHS Department, which was effective July 7, 2024.

   Welcome to new employee, Jorgan Harshbarger, Corrections Deputy with the Sheriff's Department, which was effective July 8, 2024.

   Congratulations to Garrett Smith who was promoted from Corrections Deputy to Corrections Sergeant in the Sheriff's Department, which was effective July 7, 2024.

RESULT:	**INFORMATIONAL - NO ACTION TAKEN**

3. Commissioner Warrants
   Motion To: Approve Commissioner Warrants with a check date of July 12, 2024, in the amount of $1,235,901.13.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

4. Crisis Response Team (CRT) Update
   Crisis Response Team representatives Cre Larson, Tom Gaffney, and Dr. Justin Gambill provided a Crisis Response Team update, including information regarding mental health crisis services provided in Itasca County.

RESULT:	**INFORMATIONAL - NO ACTION TAKEN**

5. TZD Grant Application
   Health Educator Shane Troumbly provided information regarding the intention of Itasca County Public Health to apply for the 2024-2025 Toward Zero Deaths (TZD) Safe Roads Grant.

RESULT:	**INFORMATIONAL - NO ACTION TAKEN**

6. Recognition of Award

Court Services Director Kevin Glass recognized Probation Agent Chelsea Rabey for receiving the Outstanding Performance Award and former Director of Itasca County Probation Jason Anderson for receiving the Al Reker Distinguished Service Award presented by the Minnesota Association of County Probation Officers (MACPO).

RESULT:	**INFORMATIONAL - NO ACTION TAKEN**

7. Out of State Travel

Motion To: Approve out of state travel for Chelsea Rabey to attend The Montana Summer Institute's Expanding the Circle: Creating Space for Hope, Health, and Connection training in Big Sky, Montana from July 16-19, 2024.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

8. American Rescue Plan (ARP) Request – Splithand Township

Motion To: Approve the American Rescue Plan (ARP) request, in the amount of $75,000, from Splithand Township for Road, Fire, and Park Maintenance projects.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Casey Venema
SECONDER:	Commissioner Terry Snyder
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

9. Schedule Budget Work Session

It was the consensus of the County Board to schedule Budget Work Sessions beginning at 8 AM on Tuesday, July 23; Tuesday, July 30; Wednesday, August 14; Tuesday, August 20; and Tuesday, August 27, 2024 in the Boardroom of the Itasca County Courthouse to discuss the 2025 budget and preliminary levy.

10. Warrant Process Discussion

Motion To: Approve entering into a weekly warrant cycle with implementation to be determined by the Auditor/Treasurer department.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Terry Snyder
SECONDER:	Commissioner Cory Smith
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

Motion To: Appoint the Vice-Chair, currently Commissioner Casey Venema, and Commissioner Burl Ives to a Finance Committee.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Terry Snyder
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

VII. COMMISSIONER COMMENTS

Commissioner Johnson provided comment regarding his attendance at a Probation Department meeting and encouraged fellow Commissioners to connect with Court Services Director Kevin Glass to schedule their own attendance at such a meeting.

Interim County Attorney Jacob Fauchald provided comment regarding upcoming interviews scheduled for Assistant County Attorney applicants.

VIII. CLOSED SESSIONS

IX. ADJOURN

Chair Johnson adjourned the meeting at 3:35 PM.

ATTEST

John Johnson Chair of the County Board	Brett Skyles Clerk of the County Board

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-309

DEPARTMENT: Transportation
TIME REQUESTED: < 5 Minutes
PRESENTER: Kory Johnson

AGENDA ITEM:
Contract 2024-02, SAP 031-030-003 - Pavement Markings; Final Payment Request

BOARD ACTION REQUESTED:
Approve the final payment for Contract 2024-02, SAP 031-030-003 for the 2024 Pavement Markings project, and authorize the County Board Chairperson and Clerk to the County Board to sign the necessary documents.

BACKGROUND:
Sir Lines A Lot, LLC has completed pavement markings (striping) on various roads throughout Itasca County, and it is recommended that the final payment be processed.

Bid Amount: $275,938.08
Final Amount: $274,762.85

COUNTY ATTORNEY REVIEW: N/A

SUPPORTING DOCUMENTATION:
1. 031-030-003 CERTIFICATE FOR FINAL PAYMENT

07/16/2024

RESULT:	**RECOMMENDED FOR CONSENT**	**NEXT: 07/23/2024 2:30 PM**

CERTIFICATE FOR FINAL PAYMENT

State of Minnesota Project No.: SAP 031-030-003

County of Itasca Contract No.: 2024-02

The County Board of Itasca County hereby recognizes that the work done by Sir Line A Lot, LLC of Edina, MN, under contract with Itasca County, made and entered into on April 9, 2024, relating to the furnishing of materials, and/or, the construction of the above-named project has been completed.

We hereby approve of the Engineer's Final Estimate hereto attached, including variations from the original plans, and hereby find the Contractor entitled to total compensation for said work according to said estimate.

Dated: _____, 20____

Signed: _____
Chairman, Itasca County Board

_____
Clerk to the County Board

CERTIFICATE OF PERFORMANCE FORM

County of Itasca

Project No.: SAP 031-030-003 – 2024 Pavement Markings

Name of Contractor: Sir Lines A Lot, LLC

Contract No.:

Total Value of Work: $274,762.85

I HEREBY CERTIFY to the Board of commissioners of the above named County, that I have been in charge of the work required by the above described contract; that all of such work has been done and performed as measured by and in accordance with and pursuant to the terms of said contract.

7-1-2024
Date

Karin Grandia
County Highway Engineer
Karin Grandia, P.E.

cc County Auditor
State Aid Engineer
County Highway Engineer

** Required for all State Aid and Federal Aid Projects

Contract Number: SAP 031-030-003
Pay Request Number: 2

Project Number	Project Description
031-030-003	2024 Pavement Markings

Contractor:	Sir Lines-A-Lot, LLC 7175 Cahill Road Edina, MN 55439	**Vendor Number:** **Up To Date:**	N/A 06/28/2024

Contract Amount		**Funds Encumbered**	
Original Contract	$275,938.08	Original	$275,938.08
Contract Changes	$3,927.00	Additional	N/A
Revised Contract	$279,865.08	Total	$275,938.08

Work Certified To Date	
Base Bid Items	$270,835.85
Contract Changes	$3,927.00
Material On Hand	$0.00
Total	$274,762.85

Work Certified This Request	Work Certified To Date	Less Amount Retained	Less Previous Payments	Amount Paid This Request	Total Amount Paid To Date
$120,644.86	$274,762.85	$0.00	$146,412.09	$128,350.76	$274,762.85
		Percent: Retained: 0%			Percent Complete: 98.18%

This is to certify that the items of work shown in this certificate of Pay Estimate have been actually furnished for the work comprising the above-mentioned projects in accordance with the plans and specifications heretofore approved.

Approved By
first_name last_name Kory Johnson
County/City/Project Engineer
Obtained
Date 7/10/2024

Approved By Sir Lines-A-Lot, LLC
first_name last_name Chaise VanOverbeke, President
Contractor
Obtained
Date July 8, 2024

Payment Summary

No.	Up To Date	Work Certified Per Request	Amount Retained Per Request	Amount Paid Per Request
1	2024-05-31	$154,117.99	$7,705.90	$146,412.09
2	2024-06-28	$120,644.86	($7,705.90)	$128,350.76

Funding Category Name	Funding Category Number	Work Certified to Date	Less Amount Retained	Less Previous Payments	Amount Paid this Request	Total Amount Paid to Date
Paint Striping	1	$274,762.85	$0.00	$146,412.09	$128,350.76	$274,762.85

Accounting Number	Funding Source	Amount Paid this Request	Revised Contract Amount	Funds Encumbered to Date	Paid Contractor to Date
01	Regular (CSAH)	$102,762.85	$107,865.08	$103,938.08	$102,762.85
02	County Highway Preservation	$25,587.91	$172,000.00	$172,000.00	$172,000.00

Contract Item Status

Base/Alt	Line	Item	Description	Units	Unit Price	Contract Quantity	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
Base Bid	1	2582.503	4" SOLID LINE PAINT	L F	$0.07	2765425	1168796	$81,815.72	2648622	$185,403.54
Base Bid	2	2582.503	4" DOUBLE SOLID LINE PAINT	L F	$0.14	472965	233268	$32,657.52	476624	$66,727.36
Base Bid	3	2582.503	4" BROKEN LINE PAINT	L F	$0.07	183989	88166	$6,171.62	182185	$12,752.95
Base Bid	4	2582.518	CROSSWALK PAINT	S F	$8.00	408	0	$0.00	744	$5,952.00
Base Bid Totals:								**$120,644.86**		**$270,835.85**

Project Category Totals

Project	Category	Amount This Request	Amount To Date
031-030-003		$120,644.86	$270,835.85

Contract Change Item Status

Project	CC	Line	Item	Unit Price	Contract Quantity	Contract Amount	New Item or Adj to Existing	Quantity This Request	Amount This Request	Quantity To Date	Amount To Date
031-030-003	CO1	5	2582.502 6" SOLID LINE WHITE-PAINT (L F)	$2.10	1870	$3,927.00	ITM	$0.00	$0.00	1870	$3,927.00
Contract Change Totals:									**$0.00**		**$3,927.00**

Contract Change Totals

Number	Description	Effective Date	Amount

1	Added a 6" crosswalk line in the City of Keewatin	05/31/2024	$3,927.00

Material On Hand Additions

Line	Item	Description	Date	Added	Comments

Material On Hand Balance

Line	Item	Description	Date	Added	Used	Remaining

Contract Total	**$274,762.85**

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-298

DEPARTMENT: Transportation
PRESENTER: Ryan Sutherland

TIME REQUESTED: < 5 Minutes

AGENDA ITEM:
Forest Service Stewardship Agreement

BOARD ACTION REQUESTED:
Approve the Forest Service Stewardship Agreement 24-SA-11090300-024 between Itasca County and the Chippewa National Forest Service and authorize the County Engineer to sign the agreement.

BACKGROUND:
Each year Itasca County and the Chippewa National Forest work together to deliver projects within Itasca County. The Stewardship Agreement 24-SA-11090300-024 allows for the two parties to cooperate on road maintenance activities on mutually beneficial roads in Itasca county within the Chippewa National Forest. Forest Service funding of $152,934.00 is included in this agreement through May 1, 2034 of which $55,434.00 is dedicated towards a culvert replacement project on County State Aid Highway 37.

COUNTY ATTORNEY REVIEW: Yes and/or Pending

SUPPORTING DOCUMENTATION:
1. 24SA11090300024 Itasca County Stewardship_For Coop Signature

07/16/2024

RESULT:	**RECOMMENDED FOR CONSENT NEXT: 07/23/2024 2:30 PM**

FS Agreement No. 24-SA-11090300-024

Cooperator Agreement No. _____

STEWARDSHIP AGREEMENT
Between The
County of Itasca
And The
USDA, FOREST SERVICE
Chippewa National Forest

This Stewardship Agreement is hereby made and entered into by and between the County of Itasca, hereinafter referred to as "Itasca County," and the United States Department of Agriculture (USDA), Forest Service, Chippewa National Forest, hereinafter referred to as the "Forest Service," under the authority and provisions of the Agricultural Act of 2014, Pub. L. 113-79, Sec. 8205 and Wyden Amendment (Public Law 105-277, Section 323 as amended by Public Law 109-54, Section 434, and permanently authorized by Public Law 111-11, Section 3001).

Background: In 2003 Congress authorized the Forest Service and the Bureau of Land Management to enter into stewardship contracts and agreements "to achieve land management goals for the national forests that meet local and rural community needs." The primary focus of this legislation is to achieve land management goals through stewardship projects awarded under contracts or agreements. Unique to the legislation is the ability to exchange goods for services that meet the land management objectives.

The area addressed in this Stewardship Agreement is known as the Chippewa National Forest and lies within the borders of the States of Minnesota. This area includes an un-estimated number of acres to be treated during the term of this Stewardship Agreement.

This Stewardship Agreement provides a framework for cooperative road management activities between Itasca County and the Chippewa National Forest necessary to maintain and improve water quality on or near our transportation system within the Chippewa National Forest and Itasca County.

Title: Forest Service Road Improvement and Landscape Restoration in Itasca County

I. PURPOSE:

The purpose of this Stewardship Agreement is to document the cooperative effort between the parties for landscape restoration activities within the Chippewa National Forest in accordance with the following provisions and the hereby incorporated Appendices.

Appendix A	Definitions
Appendix B	Technical Proposal

Appendix C	Map of Stewardship Project Area
Appendix D	Financial Plan

II. STATEMENT OF MUTUAL BENEFIT AND INTERESTS:

The Forest Service is a land management agency dedicated to the wise use and management of National Forest System (NFS) lands, including the responsibility for maintaining and improving resource conditions.

The Chippewa National Forest manages over 290,000 acres of National Forest System (NFS) lands and many miles of roads within Itasca County.

Itasca County Highway Department is responsible for providing a safe and environmentally sound transportation system. Itasca County is also responsible for maintaining and managing many miles of roads and numerous bridges respectively that are located within the Chippewa National Forest.

The Itasca County Highway Department and the Chippewa National Forest will work together in coordinating road improvements on roads within both the Chippewa National Forest and Itasca County to address water quality, non-native invasive weed concerns, and to reduce deferred maintenance costs. The work will include but is not limited to the following:

- Hauling and placing aggregate, reshaping roadways, culvert replacements and maintenance, bridge repair and maintenance, and road washout repairs that impact water quality.

- Trimming of hazardous trees from the roadside, shoulder mowing, and full-width mowing to mitigate non-native invasive species.

- Roadway drainage restoration and installing or replacing drainage structures such as but not limited to culverts, water crossings, and AOP (Aquatic Organism Passage) projects.

Mission accomplishment for both parties will be furthered by the restoration of natural resources across the landscape.

All projects conceived under this Stewardship Agreement will undergo a collaborative process to determine specific habitat improvements. The collaborative process will ensure that the benefits of undertaking restoration activities are mutually beneficial to Itasca County and the Forest Service as well as being beneficial to a wide diversity of interests involved in collaboration.

Both parties share an interest in improving the ecosystem condition and function of the landscape. A healthy landscape provides a variety of benefits beyond the needs of a single species, and therefore benefits both parties.

It is therefore mutually beneficial for the parties to work together to implement these landscape

restoration and enhancement projects.

In consideration of the above premises, the parties agree as follows:

III. THE PARTNER SHALL:

A. LEGAL AUTHORITY. Itasca County shall have the legal authority to enter into this Stewardship Agreement, and the institutional, managerial, and financial capability to ensure proper planning, management, and completion of the project, which includes funds sufficient to pay the non-Federal share of project costs, when applicable.

B. TECHNICAL PROPOSAL. In coordination with the Forest Service, prepare and submit for review a Technical Proposal, which will be attached as Appendix B when finalized. This Technical Proposal must address agreed upon land management activities within in the Stewardship Project Area displayed in Appendix C, for the proposed operating period. The Technical Proposal must abide by all laws and regulations pertaining to the management and protection of National Forest System (NFS) lands and adhere to the National Environmental Policy Act (NEPA) document and all mitigation identified therein. The Technical Proposal will be used to make an evaluation and arrive at a determination as to whether the proposal will meet the requirements of the Forest Service. Therefore, the Technical Proposal must present sufficient information to reflect a thorough understanding of the requirements and a detailed description of the techniques, procedures, and program for achieving the objectives of the specifications/statement of work. Technical Proposals will be evaluated on the basis of the following criteria. As a minimum, the Technical Proposal must clearly provide the following:

1. A plan of operations for stewardship project work. Include a timeline and the rationale for the work activities identified to ensure activities will be completed by the expiration date of the agreement.

2. Quality control plan for stewardship projects.

The approved Technical Proposal will become part of this agreement without necessity of a formal modification.

C. BILLING. Bill the Forest Service for costs incurred on the project. *See related Provision IV. H. Payment/Reimbursement.*

IV. THE FOREST SERVICE SHALL:

A. Have the Regional Forester or authorized designee approve all stewardship project proposals.

B. Inform Itasca County of any changes in stewardship policy, law and regulations.

C. Recognize Itasca County's contribution, in a manner acceptable to both parties, in news releases, interpretive signs, photographs, or other media as appropriate.

D. SERVICE WORK. Review the Technical Proposal and work with Itasca County to make any necessary changes. *See related Provision III-B.*

E. TECHNICAL PROPOSAL EVALUATION. Evaluate the Technical Proposal on technical and cost evaluation criteria, such as, but not limited to:

1. Timber Harvest.
2. Slash Treatment - Capable of the greatest utilization of Non-sawtimber and Biomass.
3. Weed Treatment.
4. Quality Control.
5. Utilization of Local Work Force.

F. TECHNICAL PROPOSAL REVIEW. Review the Technical Proposal and work with Itasca County to make any necessary changes. *See related Provision III-B.*

G. PAYMENT/REIMBURSEMENT The Forest Service shall reimburse Itasca County for the Forest Service's share of actual expenses incurred, **not to exceed $152,934.00**,as shown in the Financial Plan. In order to approve a Request for Reimbursement, the Forest Service shall review such requests to ensure payments for reimbursement are in compliance and otherwise consistent with the terms of the agreement. The Forest Service shall make payment upon receipt of **Itasca County's Annual invoice**. Each invoice from Itasca County shall display the total project costs for the billing period, separated by Forest Service and Itasca County's share. In-kind contributions must be displayed as a separate line item and must not be included in the total project costs available for reimbursement. The final invoice must display Itasca County's full match towards the project, as shown in the financial plan, and be submitted no later than 120 days from the expiration date.

Each invoice must include, at a minimum:

1. Itasca County's name, address, and telephone number.
2. Forest Service agreement number: **24-SA-11090300-024**.
3. Invoice date.
4. Performance dates of the work completed (start & end).
5. Total invoice amount for the billing period, separated by Forest Service and Itasca County share with in-kind contributions displayed as a separate line item.
6. Display all costs, both cumulative and for the billing period, by separate cost element as shown on the financial plan.
7. Cumulative amount of Forest Service payments to date.
8. Statement that the invoice is a request for payment by "reimbursement".
9. If using SF-270, a signature is required.
10. Invoice Number, if applicable.

The invoice must be forwarded to:

EMAIL: SM.FS.ASC_GA@USDA.GOV

FAX: 877-687-4894

POSTAL: USDA Forest Service
Albuquerque Service Center
Payments – Grants & Agreements
101B Sun Ave NE
Albuquerque, NM 87109

Send a copy to: Trapper Marshall, trapper.marshall@usda.gov

V. IT IS MUTUALLY AGREED AND UNDERSTOOD BY AND BETWEEN THE PARTIES THAT:

A. PRINCIPAL CONTACTS. Individuals listed below are authorized to act in their respective areas for matters related to this Stewardship Agreement.

Principal Partner Contacts:

Ryan Sutherland 123 4th St NW Grand Rapids, MN 55744 218-327-2853 218-327-0688 FAX ryan.sutherland@co.itasca.mn.us	See Cooperator Program Contact
Title/Role/Responsibility: Cooperator Program Contact	*Title/Role/Responsibility*:

Principal U.S. Forest Service Contacts:

Trapper Marshall 200 Ash Ave NW Cass Lake, Mn, 56633 218-556-3094 218-335-8699 FAX trapper.marshall@usda.gov	Andrea Grimm 200 Ash Ave NW Cass Lake, Mn, 56633 218-481-1256 Email: andrea.grimm@usda.gov
Title/Role/Responsibility: Program Manager	*Title/Role/Responsibility*: Grants Management Specialist

B. ASSURANCE REGARDING FELONY CONVICTION OR TAX DELINQUENT STATUS FOR CORPORATE ENTITIES. This agreement is subject to the provisions

contained in the Department of Interior, Environment, and Related Agencies Appropriations Act, 2012, P.L. No. 112-74, Division E, Section 433 and 434 regarding corporate felony convictions and corporate federal tax delinquencies. Accordingly, by entering into this agreement Itasca County acknowledges that it: 1) does not have a tax delinquency, meaning that it is not subject to any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, and (2) has not been convicted (or had an officer or agent acting on its behalf convicted) of a felony criminal violation under any Federal law within 24 months preceding the agreement, unless a suspending and debarring official of the United States Department of Agriculture has considered suspension or debarment is not necessary to protect the interests of the Government. If Itasca County fails to comply with these provisions, the U.S. Forest Service will annul this agreement and may recover any funds Itasca County has expended in violation of sections 433 and 434.

C. AVAILABILITY FOR CONSULTATION. Both parties will make themselves available at mutually agreeable times, for continuing consultation to discuss the conditions covered by this Stewardship Agreement and agree to actions essential to fulfill its purposes.

D. ANNUAL MEETING. At a minimum, the parties will meet annually to discuss potential stewardship projects and jointly review the active stewardship project proposal list.

E. ENVIRONMENTAL MANAGEMENT SYSTEM (EMS). The parties will comply with the Forest Service's environmental management system (EMS) which is a systematic approach to improving environmental performance by identifying activities and environmental impacts that occur on National forest system (NFS) lands. The Forest Service will provide Itasca County with details for compliance.

F. NEPA COMPLIANCE. The Forest Service will assure that this Stewardship Agreement incorporates necessary design criteria and standards for operation to comply with the NEPA document. Itasca County will work with the Forest Service to comply with these terms on the ground.

G. LIMITATION OF FUNDS. U.S. Forest Service funds in the amount of **$ 152,934.00** are currently available for performance of this agreement through **May 1st, 2034**. The U.S. Forest Service's obligation for performance of this agreement beyond this date is contingent upon the availability of appropriated funds from which payment can be made. No legal liability on the part of the U.S. Forest Service for any payment above this amount until Itasca County receives notice of availability confirmed in a written modification by the U.S. Forest Service.

H. OVERPAYMENT. Any funds paid to Itasca County in excess of the amount entitled under the terms and conditions of this agreement constitute a debt to the Federal Government. The following must also be considered as a debt or debts owed by Itasca County to the Forest Service:

- Any interest or other investment income earned on advances of agreement funds; or

- Any royalties or other special classes of program income which, under the provisions of the agreement are required to be returned.

If this debt is not paid according to the terms of the bill for collection issued for the overpayment, the Forest Service may reduce the debt by:

1. Making an aministrative offset against other requests for reimbursement.
2. Withholding advance payments otherwise due to Itasca County.
3. Taking other action permissed by statute (31 U.S.C. 3716 and 7 CFR, Part 3, Subpart B).

Except as otherwise provided by law, the Forest Service may charge interest on an overdue debt.

H. TECHNICAL AND COST EVALUATION. Best approach determination is the evaluation method used by the Forest Service to approve stewardship agreement technical proposals. Such consideration shall primarily consider criteria other than cost. These non-price criteria include, but are not limited to:

1. The extent of mutual interest and benefit.
2. The advantages and effectiveness of mutual participation.
3. Joint expertise.
4. Past performance.
5. Technical approach.
6. Factors relevant to cost such as volunteer participation, contribution from other parties, cost sharing, etc.
7. Ability to utilize, educate and/or train a local workforce.
8. Benefits to the local community.
9. Ability to complete work in a timely manner.
10. Experience in performing similar work.
11. Ability to conduct work in an environmentally sound manner.

I. NOTICES. Any communications affecting the operations covered by this agreement given by the Forest Service or Itasca County is sufficient only if in writing and delivered in person, mailed, or transmitted electronically by e-mail or fax, as follows:

To the Forest Service Program Manager, at the address specified in this Stewardship Agreement.

To Itasca County, at Itasca County's address shown in this Stewardship Agreement or such other address designated within this Stewardship Agreement.

Notices will be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

J. PARTICIPATION IN SIMILAR ACTIVITIES. This Stewardship Agreement in no way restricts the Forest Service or Itasca County from participating in similar activities with other public or private agencies, organizations, and individuals.

K. ENDORSEMENT. Any of Itasca County's contributions made under this Stewardship Agreement do not by direct reference or implication convey Forest Service endorsement of Itasca County's products or activities.

L. NON-FEDERAL STATUS FOR COOPERATOR PARTICIPANTS. Itasca County agree(s) that any of Itasca County's employees, volunteers, and program participants shall not be deemed to be Federal employees for any purposes including Chapter 171 of Title 28, United States Code (Federal Tort Claims Act) and Chapter 81 of Title 5, United States Code (OWCP), as Itasca County has hereby willingly agreed to assume these responsibilities.

Further, Itasca County shall provide any necessary training to Itasca County's employees, volunteers, and program participants to ensure that such personnel are capable of performing tasks to be completed. Itasca County shall also supervise and direct the work of its employees, volunteers, and participants performing under this agreement.

M. MEMBERS OF U.S. CONGRESS. Pursuant to 41 U.S.C. 22, no member of, or delegate to, Congress shall be admitted to any share or part of this Stewardship Agreement, or benefits that may arise therefrom, either directly or indirectly.

N. DRUG-FREE WORKPLACE.

1. Itasca County agree(s) that it will publish a drug-free workplace statement and provide a copy to each employee who will be engaged in the performance of any project/program that receives Federal funding. The statement must

   a. Tell the employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in its workplace;

   b. Specify the actions Itasca County will take against employees for violating that prohibition; and

   c. Let each employee know that, as a condition of employment under any award, the employee:

      (1) Shall abide by the terms of the statement, and

      (2) Shall notify you in writing if he or she is convicted for a violation of a criminal drug statute occurring in the workplace, and must do so no more than five calendar days after the conviction.

2. Itasca County agree(s) that it will establish an ongoing drug-free awareness program to inform employees about

   a. The dangers of drug abuse in the workplace;

   b. The established policy of maintaining a drug-free workplace;

   c. Any available drug counseling, rehabilitation and employee assistance programs; and

   d. The penalties that you may impose upon them for drug abuse violations occurring in the workplace.

3. Without the Program Manager's expressed written approval, the policy statement and program must be in place as soon as possible, no later than the 30 days after the effective date of this Stewardship Agreement, or the completion date of this Stewardship Agreement, whichever occurs first.

4. Itasca County agree(s) to immediately notify the Program Manager if an employee is convicted of a drug violation in the workplace. The notification must be in writing, identify the employee's position title, the number of each project which the employee worked. The notification must be sent to the Program Manager within ten calendar days after Itasca County learn(s) of the conviction.

5. Within 30 calendar days of learning about an employee's conviction, Itasca County shall either:

   a. Take appropriate personnel action against the employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973 (29 USC 794), as amended, or

   b. Require the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for these purposes by a Federal, State or local health, law enforcement, or other appropriate agency.

O. NONDISCRIMINATION. The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, and so forth.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

P. ELIGIBLE WORKERS. Itasca County shall ensure that all employees complete the I-9 form to certify that they are eligible for lawful employment under the Immigration and Nationality Act (8 USC 1324a). Itasca County shall comply with regulations regarding certification and retention of the completed forms. These requirements also apply to any contract or supplemental agreement awarded under this Stewardship Agreement.

Q. SYSTEM FOR AWARD MANAGEMENT REGISTRATION REQUIREMENT (SAM). Itasca County shall maintain current organizational information and the original Unique Entity Identifier (UEI) provided for this agreement in the System for Award Management (SAM) until receipt of final payment. This requires annual review and updates, when needed, of organizational information after the initial registration. More frequent review and updates may be required for changes in organizational information or agreement term(s). Any change to the original UEI provided in this agreement will result in termination of this agreement and de-obligation of any remaining funds. For purposes of this agreement, System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a Cooperative. Additional information about registration procedures may be found at the SAM Internet site at www.sam.gov.

R. STANDARDS FOR FINANCIAL MANAGEMENT.

1. Financial Reporting

Itasca County shall provide complete, accurate, and current financial disclosures of the project or program in accordance with any financial reporting requirements, as set forth in the financial provisions.

2. Accounting Records

Itasca County shall continuously maintain and update records identifying the source and use of funds. The records shall contain information pertaining to the agreement, authorizations, obligations, unobligated balances, assets, outlays, and income.

3. Internal Control

Itasca County shall maintain effective control over and accountability for all Forest Service funds. Itasca County shall keep effective internal controls to ensure that all United States Federal funds received are separately and properly allocated to the activities described in the agreement and used solely for authorized purposes.

4. Source Documentation

Itasca County shall support all accounting records with source documentation. These documentations include, but are not limited to, cancelled checks, paid bills, payrolls,

contract documents. These documents must be made available to the Forest Service upon request.

S. AGREEMENT CLOSEOUT. Within 120 days after expiration or notice of termination the parties shall close out the award/agreement.

Any unobligated balance of cash advanced to the Itasca County must be immediately refunded to the Forest Service, including any interest earned in accordance with 7CFR3016.21/2CFR 215.22.

Within a maximum of 120 days following the date of expiration or termination of this grant, all financial performance and related reports required by the terms of the agreement must be submitted to the Forest Service by Itasca County.

If this agreement is closed out without audit, the Forest Service reserves the right to disallow and recover an appropriate amount after fully considering any recommended disallowances resulting from an audit which may be conducted later.

T. PROGRAM MONITORING AND PROGRAM PERFORMANCE REPORTS. The parties to this agreement shall monitor the performance of activities under this Stewardship Agreement to ensure that performance goals are being achieved.

Performance reports must contain information on the following:

- A comparison of actual accomplishments to the goals established for the period. Where the output of the project can be readily expressed in numbers, a computation of the cost per unit of output, if applicable.

- Reason(s) for delay if established goals were not met.

- Additional pertinent information.

Itasca County shall **submit Annual performance reports** to the U.S. Forest Service Program Manager. These reports are due 90 days after the reporting period. The final performance report shall be submitted either with Itasca County's final payment request, or separately, but not later than 120 days from the expiration date of this Stewardship Agreement.

U. RETENTION AND ACCESS REQUIREMENTS FOR RECORDS. Itasca County shall retain all records pertinent to this Stewardship Agreement for a period of no less than three years from the expiration or termination date. As used in this provision, records include books, documents, accounting procedures and practice, and other data, regardless of the type or format. Itasca County shall provide access and the right to examine all records related to this Stewardship Agreement to the Forest Service Inspector General, or Comptroller General or their authorized representative. The rights of access in this section

must not be limisted to the required retention periond but must last as long as records are kept.

If any litigation, claim, negotiation, audit, or other action involving the records has been started before the end of the 3-year period, the records must be kept until all issues are resolved, or until the end of the regular 3-year period, whichever is later.

Records for nonexpendable property acquired in whole or in part, with Federal funds shall be retained for 3 years after its final disposition.

V. FREEDOM OF INFORMATION ACT (FOIA). Public access to Stewardship Agreement records must not be limited, except when such records must be kept confidential and would have been exempted from disclosure pursuant to "Freedom of Information" regulations (5 U.S.C. 552).

Public access to culturally sensitive data and information of Federally-recognized Tribes may also be explicitly limited by P.L. 110-234, Title VIII Subtitle B §8106 (2008 Farm Bill).

W. TEXT MESSAGING WHILE DRIVING. In accordance with Executive Order (EO) 13513, "Federal Leadership on Reducing Text Messaging While Driving," any and all text messaging by Federal employees is banned: a) while driving a Government owned vehicle (GOV) or driving a privately owned vehicle (POV) while on official Government business; or b) using any electronic equipment supplied by the Government when driving any vehicle at any time. All Cooperators, their Employees, Volunteers, and Contractors are encouraged to adopt and enforce policies that ban text messaging when driving company owned, leased or rented vehicles, POVs or GOVs when driving while on official Government business or when performing any work for or on behalf of the Government.

X. FUNDING EQUIPMENT AND SUPPLIES. Federal funding under this Stewardship Agreement are not available for reimbursement of Itasca County's purchase of equipment and supplies. Equipment is defined as having a fair market value of over $5,000 per unit and a useful life of over one year.

Y. PROPERTY IMPROVEMENTS. Improvements placed on National Forest System land at the direction or with approval of the Forest Service becomes property of the United States. These improvements are be subject to the same regulations and administration of the Forest Service as would other National Forest improvements of a similar nature. No part of this Stewardship Agreement entitles Itasca County to any interest in the improvements, other than the right to use and enjoy them under applicable Forest Service regulations.

Z. OFFSETS, CLAIMS AND RIGHTS. Any and all activities entered into or approved by this Stewardship Agreement will create and support afforestation/ reforestation efforts within the National Forest System without generating carbon credits. The Forest Service does not make claims of permanence or any guarantees of carbon sequestration on lands

reforested or afforested through Itasca County's assistance. The Forest Service will provide for long-term management of reforested and afforested lands, according to applicable Federal statute regulations and forest plans.

AA. REMEDIES FOR COMPLIANCE RELATED ISSUES. If Itasca County materially fail(s) to comply with any term of the Stewardship Agreement, whether stated in a Federal statute or regulation, an assurance, the Stewardship Agreement, the Forest Service may take one or more of the following actions:

1. Temporarily withhold cash payments pending correction of the deficiency by Itasca County or more severe enforcement action by the Forest Service;

2. Disallow (that is, deny both use of funds and matching credit for) all or part of the cost of the activity or action not in compliance;

3. Wholly or partly suspend or terminate the current Stewardship Agreement for Itasca County's program;

4. Withhold further awards for the program, or

5. Take other remedies that may be legally available, including debarment procedures under 2 CFR part 417.

BB. TERMINATION BY MUTUAL AGREEMENT. This Stewardship Agreement may be terminated, in whole or part, as follows:

- When the Forest Service and Itasca County agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated.

- By 30 days written notification by Itasca County to the Forest Service setting forth the reasons for termination, effective date, and in the case of partial termination, the portion to be terminated. If the Forest Service decides that the remaining portion of the Stewardship Agreement must not accomplish the purpose for which the Stewardship Agreement was made, the Forest Service may terminate the award upon 30 days written notice in its entirety.

Upon termination of an Stewardship Agreement, Itasca County shall not incur any new obligations for the terminated portion of the Stewardship Agreement after the effective date, and shall cancel as many outstanding obligations as possible. The Forest Service shall allow full credit to Itasca County for the Forest Service share of obligations that cannot be canceled and were properly incurred by Itasca County up to the effective date of the termination. Excess funds shall be refunded within 60 days after the effective date of termination.

CC. ALTERNATE DISPUTE RESOLUTION – PARTNERSHIP AGREEMENT. In the event

of any issue of controversy under this agreement, the parties may pursue Alternate Dispute Resolution procedures to voluntarily resolve those issues. These procedures may include, but are not limited to conciliation, facilitation, mediation, and fact finding.

DD. DEBARMENT AND SUSPENSION. Itasca County shall immediately inform the Forest Service if they or any of their principals are presently excluded, debarred, or suspended from entering into covered transactions with the Federal government according to the terms of 2 CFR Part 180. Additionally, should Itasca County or any of their principals receive a transmittal letter or other official Federal notice of debarment or suspension, then they shall notify the Forest Service without undue delay. This applies whether the exclusion, debarment, or suspension is voluntary or involuntary.

EE. MODIFICATION. Modifications within the scope of this Stewardship Agreement must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized, signatory officials, prior to any changes being performed. Requests for modification should be made in writing, at least 30 days prior to implementation of the requested change. The Forest Service is not obligated to fund any changes not properly approved in advance.

FF. COMMENCEMENT/EXPIRATION DATE. This Stewardship Agreement is executed as of the date of the last signature and is **effective through May 1st, 2034** at which time it will expire. The expiration date is the final date for completion of all work activities under this agreement.

GG. AUTHORIZED REPRESENTATIVES. By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this Stewardship Agreement.

In witness whereof, the parties have executed this Stewardship Agreement as of the last date written below.

KAREN GRANDIA, County Engineer Itasca County	Date
MICHAEL STANSBERRY, Forest Supervisor U.S. Forest Service, Chippwa National Forest	Date

The authority and format of this Stewardship Agreement have been reviewed and approved for signature.

BRENDA FRENZEL Digitally signed by BRENDA FRENZEL Date: 2024.06.26 09:44:32 -05'00'	6/26/24
BRENDA FRENZEL U.S. Forest Service Grants Management Specialist	Date

Paperwork Reduction Act Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond, to a collection of information unless it displays a valid OMB control number. Persons are not required to respond to this collection of information unless it displays a currently valid OMB control number. The OMB control number for this information collection is 0596-0217. Response to this collection of information is mandatory. The authority to collect the information Section 7 of the Granger-Thye Act (16 U.S.C. 580d) and Title IV of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1751-1753). The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: U.S. Department of Agriculture, Clearance Officer, OIRM, 1400 Independence Avenue, SW, Room 404-W, Washington, D.C. 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB# 0596-0217), 725 17th Street NW, Washington, D.C. 20503.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency or USDA's TARGET Center at (202) 720-2600 (voice and TYY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at How to File a Program Discrimination Complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.

The Privacy Act of 1974, 5 U.S.C. 552a and the Freedom of Information Act, 5 U.S.C. 552 govern the confidentiality to be provided for information received by the Forest Service.

APPENDIX A
DEFINITIONS

Technical and Cost Evaluation. The evaluation used by the Forest Service to award projects. Such consideration shall primarily consider criteria other than cost. These non-price criteria include, but are not limited to, extent of mutual cooperation and benefits, past performance, experience, technical approach, and benefits to the local community.

Integrated Resource Service Account. The account maintained by the Forest Service of all Itasca County's deposits, credits, payment guarantees, and charges for:

1. Timber at Timber Payment rates;
2. Brush disposal, road maintenance, and agreement scaling rates;
3. Stewardship Credits established; and
4. Other charges provided in this agreement.

Operations. Any industrial activity involving the felling, skidding, and processing of timber and biomass.

Operations Fire. An "Operations Fire" is a fire caused by Itasca County's Operations, in the course of fulfilling the agreement, other than a Negligent Fire.

agrees to reimburse Forest Service for such cost for each Operations Fire, subject to a maximum of the dollar amount stated in Appendix F.15. The cost of Itasca County's actions, supplies, and equipment on any such fire provided pursuant to **Appendix G.47 Fire Control**, or otherwise at the request of Forest Service, shall be credited toward such maximum. If Itasca County's actual cost exceeds its fire liability limit stated in Appendix F.15, Forest Service shall reimburse Itasca County for the excess.

Negligent Fire. A "Negligent Fire" is a fire caused by carelessness or fault of Itasca County's Operations, including, but not limited to, one caused by smoking by persons engaged in Itasca County's Operations during the course of their service, or during rest or lunch periods; or if Itasca County's failure to comply with the requirements of **Appendix G.46 Fire Precautions and Control** results in a fire starting or permits a fire to spread. Damages and the cost of suppressing Negligent Fires shall be borne by Itasca County.

Payment Guarantee. In lieu of establishing Stewardship Credits or establishing advanced deposits, Appendix F, for advance payment of Included Timber, Itasca County may guarantee payment by furnishing and maintaining an acceptable surety bond or deposit in a Federal Depository negotiable security of the United States. The securities shall be deposited through the Regional Fiscal Agent accompanied by a power of attorney and agreement authorizing the bond-approving officer to sell or collect such securities if payment is not made within 30 days of billing by the Forest Service. The penal sum of such surety bond or market value at time of deposit of such negotiable securities shall be the maximum amount of the payment guaranteed. In lieu of surety bond or negotiable securities as a payment guarantee, Itasca County may use an Irrevocable Letter of Credit when approved by the Forest Service.

Required Deposits. Deposits Itasca County may be required to pay for brush disposal (16 U.S.C. 490) and road maintenance (16 U.S.C. 537), erosion control, etc.

Retained Receipts. The portion of residual receipts that is deposited in the Forest Service SSCC account and retained for transfer to other stewardship contracts or stewardship agreements when approved in advance by the Regional Forester in accordance with sections FSH 2409.19, sections 67.1 and 67.3.

Stewardship Credits. Credits that are earned and established when work listed in the schedule of items has been performed and accepted.

Stewardship Project Proposal. A written request submitted by Forest and Grassland Supervisors to the Regional Forester for review and approval for proposed stewardship projects. The request for approval must include appropriate information about the proposed project, such as land management goals of the project, the total value of the project, products to be removed, the value of services to be received, the value of goods to be exchanged for services, contributed funds or work to be received, and expected residual receipts from the project.

After reviewing a proposed project, the Regional Forester shall approve or disapprove the project through a formal written reply in correspondence to the Forest or Grassland Supervisor. Only the projects and associated work activities approved by the Regional Forester with completed NEPA analysis are to be included in this Stewardship Agreement.

APPENDIX B
TECHNICAL PROJECT PROPOSAL AND PLAN OF OPERATIONS

I. General Project Description:

This technical proposal covers the coordination, plan of operations, and implementation for the road improvements within the Chippewa National Forest and Itasca County.

II. PROJECT SPECIFICS:

The Itasca County Highway Department and Chippewa National Forest will work together in coordinating improvements on roads, bridges, and other water structures/crossings to address water quality, watershed restoration, and, non-native invasive weed concerns. Annually a Plan of Operations shall be established. The work will include but is not limited to the following:

- Hauling and placing aggregate, reshaping roadways, culvert replacements and maintenance, bridge repair and maintenance, and road washout repairs that impact water quality. This work includes unplanned or "emergency" work subject to the conditions of this agreement.

- Trimming of hazardous trees from the roadside, shoulder mowing, and full width mowing to mitigate non-native invasive species.

- Roadway drainage restoration and installing or replacing drainage structures such as but not limited to culverts, water crossings, and AOP (Aquatic Organism Passage) projects.

No less than annually Itasca County and the Chippewa National Forest shall develop a plan of operations for the next "Construction Season" that includes specific work items, locations, time of operations and a plan or schedule for completion.

A. Itasca County Highway Department will:

1. Provide labor, supplies, and personnel for implementation or personnel to administer contracts for improvements to roads needing maintenance.

2. Use Best Management Practices on all maintenance work.

3. Provide updates to CNF staff on improvements made each season.

B. Term of Seasonal Operating Plan:

The project work will be completed during the entire length of this agreement, which all work shall be completed prior to May 1st 2034.

C. Payments/Reimbursements:

The Itasca County Highway Department will be responsible for billing the Chippewa National Forest monthly for the work completed.

D. 2024 Plan of Operations –

1. HWY 37 AOP Project – Replacement of 2 CMP culverts with Arch Pipes to meet AOP specification, restore natural stream velocities, and reestablish the natural stream alignment.

2. Gravel placement including material hauling, roadway reshaping, and grading for proper drainage establishment and reduction of sediment deposition on:

    (1) NFSR2033 – Rainbow Road
    (2) NFSR2151 – Mac Road
    (3) NFSR2143 – Forestry Road/Wilderness Trail
    (4) NFSR2231 – (Itasca 163/Kinghurst Rd)
    (5) NFSR2147 – Northstar Lake Road

3. Calcium Chloride Treatment for dust control on NFSR2143. This treatment stabilizes the existing gravel surface by reducing fine particle erosion and sedimentation. It also mitigates fine particulates in the air which helps maintain healthy watersheds, reduces air pollution, and the deposition of dust on adjacent vegetation.

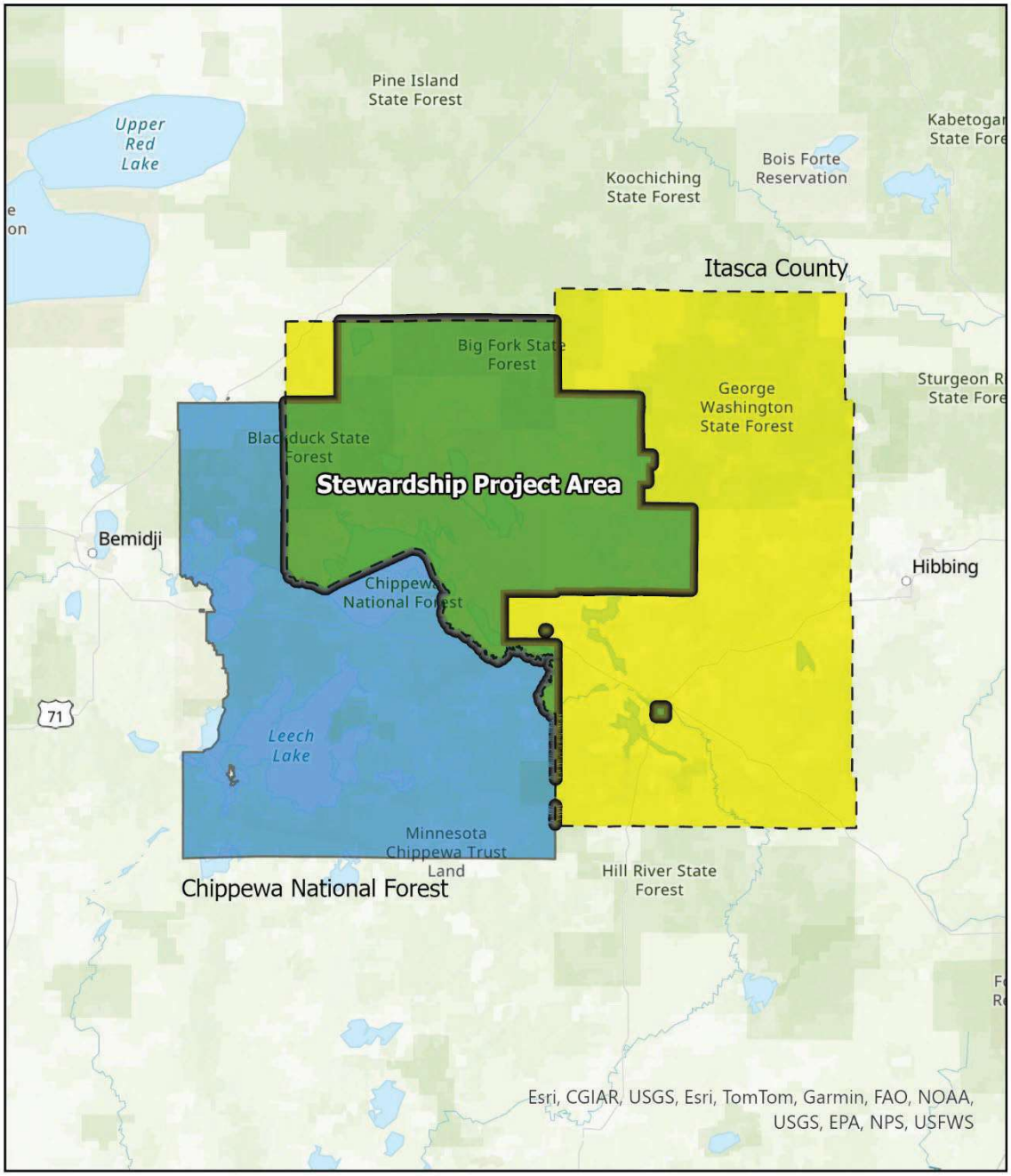
4. Other planned maintenance items as needed. Maintenance may include (but will not be limited to) culvert replacement, road washout repair, spot gravel, hazardous tree removal, mowing, and non-native invasive species management in order to continue to promote healthy forest stands and the restoration and maintenance of wildlife and fish habitat.

Subsequent years' plan of operations will be developed prior to that year's field season.

APPENDIX C
MAP OF STEWARDSHIP PROJECT AREA

Project Location:

The restoration service projects are located Forest-wide on multiple Ranger Districts. All of the proposed stewardship activities will be conducted within the Chippewa National Forest Proclamation Boundary (see map below). The Forest plans on using Wyden Amendment Authority to complete restoration work identified in the stewardship proposal that occur on non-Forest Service lands within the proclamation boundary.



U.S. Forest Service

OMB 0596-0217
FS-1500-17B

Appendix D

USFS Agreement No.: 24SA11090300024 Mod. No.:

Cooperator Agreement No.:

Note: This Financial Plan may be used when:
(1) No program income is expected and
(2) The Cooperator is not giving cash to the FS and
(3) There is no other Federal funding

Agreements Financial Plan (Short Form)

Financial Plan Matrix: Note: All columns may not be used. Use depends on source and type of contribution(s).

	FOREST SERVICE CONTRIBUTIONS		COOPERATOR CONTRIBUTIONS		
	(a)	(b)	(c)	(d)	
COST ELEMENTS	Noncash	Cash to Cooperator	Noncash	In-Kind	(e) Total
Direct Costs					
Salaries/Labor	$4,000.00	$0.00	$9,900.00	$0.00	$13,900.00
Travel	$0.00	$0.00	$0.00	$0.00	$0.00
Equipment	$0.00	$97,500.00	$41,500.00	$0.00	$139,000.00
Supplies/Materials	$0.00	$55,434.00	$0.00	$0.00	$55,434.00
Printing	$0.00	$0.00	$0.00	$0.00	$0.00
Other	$0.00	$0.00	$16,622.00	$0.00	$16,622.00
Other					$0.00
Subtotal	$4,000.00	$152,934.00	$68,022.00	$0.00	$224,956.00
Coop Indirect Costs		$0.00	$0.00		$0.00
FS Overhead Costs	$0.00				$0.00
Total	$4,000.00	$152,934.00	$68,022.00	$0.00	
Total Project Value:					$224,956.00

Matching Costs Determination	
Total Forest Service Share = (a+b) ÷ (e) = (f)	(f) 69.76%
Total Cooperator Share (c+d) ÷ (e) = (g)	(g) 30.24%
Total (f+g) = (h)	(h) 100.00%

WORKSHEET FOR

FS Non-Cash Contribution Cost Analysis, Column (a)

Salaries/Labor

Standard Calculation

Job Description		Cost/Day	# of Days		Total
Forest Engineer		$400.00	10.00		$4,000.00
					$0.00
					$0.00

Non-Standard Calculation

Total Salaries/Labor		**$4,000.00**

Travel

Standard Calculation

Travel Expense	Employees	Cost/Trip	# of Trips		Total
					$0.00
					$0.00

Non-Standard Calculation

Total Travel		**$0.00**

Subtotal Direct Costs	$4,000.00

Forest Service Overhead Costs

Current Overhead Rate	Subtotal Direct Costs			Total
	$4,000.00			$0.00
Total FS Overhead Costs				**$0.00**

TOTAL COST	**$4,000.00**

WORKSHEET FOR

FS Cash to the Cooperator Cost Analysis, Column (b)

Equipment

Standard Calculation

Piece of Equipment		Cost/Hour	# of hour		Total
Mower Tractor Combination + Operator		$115.00	100.00		$11,500.00
Rubber Tire Backhoe + Operator		$125.00	124.00		$15,500.00
Motorgrader + Operator		$125.00	250.00		$31,250.00
Dumptruck/Plowtruck + Operator		$125.00	200.00		$25,000.00
Excavator + Operator		$150.00	95.00		$14,250.00

Non-Standard Calculation

Total Equipment		**$97,500.00**

Supplies/Materials

Standard Calculation

Supplies/Materials		# of Items	Cost/Item	Total
5X1 Corrugated Steel Pipe		116.00	$316.11	$36,668.28
78" 16 Ga Arch 2 Pc Std		2.00	$385.86	$771.72
Lift Straps		4.00	$150.00	$600.00
Top & Bottom Step Bevel		4.00	$490.00	$1,960.00
Stabilization Materials		1.00	$15,434.00	$15,434.00

Non-Standard Calculation

Total Supplies/Materials		**$55,434.00**

Subtotal Direct Costs	$152,934.00

Cooperator Indirect Costs

Current Overhead Rate	Subtotal Direct Costs			Total
	$152,934.00			$0.00
Total Coop. Indirect Costs				**$0.00**

TOTAL COST	**$152,934.00**

WORKSHEET FOR

Cooperator Non-Cash Contribution Cost Analysis, Column (c)

Salaries/Labor

Standard Calculation

Job Description		Cost/Day	# of Days		Total
County Engineer		$500.00	10.00		$5,000.00
Assistant County Engineer		$350.00	14.00		$4,900.00
					$0.00

Non-Standard Calculation

Total Salaries/Labor					**$9,900.00**

Equipment

Standard Calculation

Piece of Equipment	# of Units	Cost/Day	# of Days		Total
Mower Tractor Combination + Operator		$1,200.00	5.00		$6,000.00
Rubber Tire Backhoe + Operator		$1,400.00	5.00		$7,000.00
Motorgrader + Operator		$1,500.00	10.00		$15,000.00
Dumptruck/Plowtruck + Operator		$1,200.00	5.00		$6,000.00
Excavator + Operator		$1,500.00	5.00		$7,500.00

Non-Standard Calculation

Total Equipment					**$41,500.00**

Standard Calculation

Item		# of Units	Cost/Unit		Total
Design/Engineering AOP		1.00	$6,000.00		$6,000.00
Contracting/Admin		1.00	$10,622.00		$10,622.00
					$0.00

Non-Standard Calculation

Total Other					**$16,622.00**

Subtotal Direct Costs	$68,022.00

Cooperator Indirect Costs

Current Overhead Rate	Subtotal Direct Costs			Total
	$68,022.00			$0.00
Total Coop. Indirect Costs				**$0.00**

TOTAL COST	**$68,022.00**

WORKSHEET FOR

Cooperator In-Kind Contribution Cost Analysis, Column (d)

Salaries/Labor					
Standard Calculation					
Job Description		Cost/Day	# of Days		Total
					$0.00
					$0.00
Non-Standard Calculation					
Total Salaries/Labor					**$0.00**

Travel					
Standard Calculation					
Travel Expense	Employees	Cost/Trip	# of Trips		Total
					$0.00
					$0.00
Non-Standard Calculation					
Total Travel					**$0.00**

Subtotal Direct Costs	$0.00

TOTAL COST	**$0.00**

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-311

DEPARTMENT: Land Department
PRESENTER: Rob Mattei

TIME REQUESTED: < 5 Minutes

AGENDA ITEM:
Resolution & Purchase Agreement

BOARD ACTION REQUESTED:
Adopt the Resolution Re: Approving Conveyance of Certain Property Owned by the County and the City of Grand Rapids to the Grand Rapids Economic Development Authority, which approves a Purchase Agreement between the County, City and the Grand Rapids Economic Development Authority (GREDA), and authorize necessary signatures.

BACKGROUND:
The Grand Rapids Economic Development Authority (GREDA) is very interested in purchasing a 12.5-acre parcel (91-033-4105), jointly owned by the City and County as part of the Airport. The parcel is no longer needed for Airport purposes as the crosswind runway was built to the north of its location decades after the City and County's initial purchase of this parcel for that purpose.

The addition of this parcel to the adjacent GREDA 22.5-acre tract would produce a 35-acre site that is zoned General Industrial with direct access to sanitary sewer, water, and three-phase power. As has been reinforced through our recent work on the L&M Distribution Center project, it is important to have a larger site to offer to some industrial prospects. The addition of this parcel would fulfill that part of GREDA's development site inventory.

This parcel was not originally purchased with an FAA grant, so their clearance for the sale of this property from the City and County is much less involved. The only stipulations imposed on this purchase by the FAA are that the purchase price be at a fair market value established by and appraisal and that the proceeds of the sale, received by the City and County, be used for Airport operations. A fair market value of $146,000 was established by the attached appraisal, completed and approved by the FAA last fall.

GREDA has already adopted a resolution approving the attached Purchase Agreement between the County, City and GREDA.

COUNTY ATTORNEY REVIEW: Yes and/or Pending

SUPPORTING DOCUMENTATION:

1. Resolution Exhibits A-D
2. 956002-v2-Purchase Agreement- City County and EDA
3. G2307012 - Grand Rapids - 12.17 acres

07/16/2024

RESULT:	RECOMMENDED FOR CONSENT	NEXT: 07/23/2024 2:30 PM

ITASCA COUNTY
BOARD OF COMMISSIONERS

Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

RESOLUTION

RE: APPROVING CONVEYANCE OF CERTAIN PROPERTY OWNED BY THE COUNTY AND THE CITY OF GRAND RAPIDS TO THE GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

BE IT RESOLVED, by the Board of Commissioners (the "Board") of Itasca County, Minnesota (the "County") as follows:

Section 1. Recitals.

1.01. The County and the City of Grand Rapids (the "City") are the owners of certain property legally described as set forth in Exhibit A (the "Property").

1.02. The Property was to be used by the City and the County for the Grand Rapids/Itasca County Airport pursuant to an Airport Joint Powers Cooperative Agreement entered into between the City and the County on October 12, 2023.

1.03. The City and the County have determined that the Property is not needed for the airport. Therefore, the City and the County intend to convey the Property to the Grand Rapids Economic Development Authority, a public body corporate and politic under the laws of Minnesota (the "EDA"), for future economic development.

1.04. The County and the City have followed applicable statutory provisions, including but not limited to, Minn. Stat. § 465.035 and Minn. Stat. § 471.64.

1.05. The County Board has determined that the conveyance of the Property as described in this resolution is in the best interest of the County and its residents.

Section 2. Sale of Property Approved; Further Proceedings.

2.01. The County Board hereby approves the conveyance of the Property to the EDA and any other documents required by the title company relating to the conveyance of the Property to the EDA including but not limited to a quit claim deed (the "Conveyance Documents").

2.02. The County Board hereby authorizes the Board Chair and County Administrator, in their discretion and at such time, if any, as they may deem appropriate, to execute the Conveyance Documents on behalf of the County, and to carry out, on behalf of the County, the County's obligations thereunder when all conditions precedent thereto have been satisfied.

2.03. County staff and officials are authorized to take all actions necessary to perform the County's obligations hereunder, including without limitation execution of the Conveyance Documents.

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

The property located in the City of Grand Rapids, Itasca County, Minnesota legally described as:

The Northeast Quarter of the Southeast Quarter (NE ¼ SE ¼), Section Thirty-three (33), Township Fifty-five (55), Range Twenty-five (25), lying South of the North Eight Hundred Twenty-eight feet (N. 828') and LESS the West Five Hundred Forty-five feet (W. 545') of the South Two Hundred feet (S. 200'), according to the Government survey thereof on file and of record in the office of the Itasca County Recorder.

Subject to mineral reservations, restrictions and easements as they may appear of record.

PID #91-033-4105

EXHIBIT B

LEGAL DESCRIPTION OF THE NORTH PARCEL PROPERTY

East Three Hundred Thirty Feet (E. 330') of the Southeast Quarter of the Northeast Quarter (SE1/4 NE1/4), LESS the South 30 acres, Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty-five (25), West of the Fourth Principal Meridian,

AND

East Three Hundred Thirty Feet (E. 330') of the North 10 acres of the South 30 acres of the Southeast Quarter of the Northeast Quarter (SE1/4 NE1/4), Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty-five (25), West of the Fourth Principal Meridian, all according to the government survey thereof, on file and of record in the office of the County Recorder of said county and state.

PID 91-033-1405

EXHIBIT C

LEGAL DESCRIPTIONS OF THE DEVELOPER PROPERTY

The South Half of the Northeast Quarter (S ¼ NE ¼), Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty-five (25) West of the Fourth Principal Meridian LESS the East 330 feet thereof, Itasca County, Minnesota.

PID 91-033-1430

AND

The Southeast Quarter of the Northeast Quarter (SE 1/4 NE 1/4), Section Thirty-three (33), Township Fifty-five (55) North, Range Twenty-five (25), West of the Fourth Principal Meridian, LESS the following three (3) tracts: Tract 1: South Twenty (20) acres thereof; Tract 2: North 198 feet of West 440 feet thereof; Tract 3: East 330 feet of the North Half thereof, Itasca County, Minnesota.

Subject to easements, restrictions, or reservations of record, if any.

PID 91-033-1410

EXHIBIT D

LEGAL DESCRIPTION OF THE PROPERTY TO BE DEEDED

The East 330 feet of the SE ¼ of the NE ¼ of Section 33, Township 55 North, Range 25 West, Itasca County, Minnesota.

PURCHASE AGREEMENT

This Purchase Agreement ("Agreement") is made this _____ day of _____, 2024, by and between the City of Grand Rapids, Minnesota, a municipal corporation and political subdivision organized and existing under the Constitution and laws of the State of Minnesota and Itasca County, a public body politic and corporate under the laws of the State of Minnesota (the "Sellers"), and the Grand Rapids Economic Development Authority, a public body politic and corporate under the laws of the State of Minnesota ("Buyer").

1. PROPERTY. Sellers are the owners of property located on certain property in the City of Grand Rapids, Minnesota which is legally described on the attached Exhibit A ("Property").

2. OFFER/ACCEPTANCE. In consideration of and subject to the terms and provisions of this Agreement, Buyer offers and agrees to purchase and Sellers agree to sell and hereby grant to Buyer the exclusive right to purchase the Property and all improvements thereon, together with all appurtenances. All fixtures located on the Property on the date of this Agreement are included in the purchase of the Property.

3. PURCHASE PRICE FOR PROPERTY AND TERMS.

a. **PURCHASE PRICE:** The total purchase price for the Property is: $146,000 ("Purchase Price").

b. **DEED/MARKETABLE TITLE:** Subject to performance by Buyer, Sellers agree to execute and deliver a Quit Claim Deed conveying marketable fee simple title to the Property to Buyer to deliver the same, free and clear of any mortgages, liens or encumbrances other than matters created by or acceptable to Buyer, subject only to the following exceptions:

i. Building and zoning laws, ordinances, state and federal regulations;

ii. Reservation of minerals or mineral rights to the State of Minnesota, if any; and

iii. Public utility and drainage easements of record which will not interfere with Buyer's intended use of the Property.

4. DOCUMENTS TO BE DELIVERED AT CLOSING BY SELLERS. In addition to the Quit Claim Deed required at paragraph 3(b) above, Sellers shall deliver to Buyer at closing:

a. An affidavit from Sellers sufficient to remove any exception in the policy of title insurance for mechanics' and materialmens' liens and rights of parties in possession;

b. A "bring-down" certificate, certifying that all of the warranties made by Sellers in

this Agreement remain true as of the Closing Date;

c. Affidavit of Sellers confirming that Sellers are not foreign persons within the meaning of Section 1445 of the Internal Revenue Code;

d. A statement that Sellers do not know of any wells on the Property;

e. Any notices, certificates, and affidavits regarding any private sewage systems, underground storage tanks, and environmental conditions as may be required by state or federal statutes, rules or regulations; and

f. Any other documents reasonably required by Buyer's title insurance company or attorney to evidence that title to the Property is marketable and that Sellers have complied with the terms of this Purchase Agreement.

5. CONTINGENCIES. Buyer's obligation to purchase the Property is contingent upon the following:

a. Approval of this Purchase Agreement by Buyer's and Sellers' governing bodies;

b. Sellers' removal of all personal property, junk, and debris from the Property; and

c. Buyer's determination of marketable title pursuant to paragraph 6 of this Agreement.

Buyer shall have thirty (30) days from the date of approval of this Agreement to remove or waive the foregoing contingencies (the "Due Diligence Period"). These contingencies are solely for the benefit of Buyer and may be waived by Buyer. If Buyer or its attorney gives written notice to Sellers that all contingencies are duly satisfied or waived, Buyer and Sellers shall proceed to close the transaction as contemplated herein.

If one or more of the contingencies is not satisfied, or is not satisfied within the Due Diligence Period, and is not waived by Buyer, this Agreement shall thereupon be void at the written option of Buyer, and Buyer and Sellers shall execute and deliver to each other documentation effecting the termination of this Agreement. As a contingent Purchase Agreement, the termination of this Agreement is not required pursuant to Minnesota Statutes Section 559.21, et. seq.

6. TITLE EXAMINATION/CURING TITLE DEFECTS. Buyer shall, at its expense and within a reasonable time after Sellers' acceptance of this Agreement, obtain a commitment for title insurance ("Commitment") for the Property. Buyer shall have 10 business days after receipt of the later of the Commitment and executed Purchase Agreement to examine the same and to deliver written objections to title, if any, to Sellers, or Buyer's right to do so shall be deemed waived. Sellers shall have until the end of the Due Diligence Period (or such later date as the parties may agree upon) to make title marketable, at Sellers' cost. In the event that title to the Property cannot be made marketable or is not made marketable by Sellers within the Due Diligence Period, then this Agreement may be terminated at the option of Buyer.

7. CLOSING DATE. The date of closing shall be on the earlier of (a) seven (7) days following the satisfaction of all contingencies; and (b) _____, 2024 ("Closing Date"). Delivery of all papers and the closing shall be made at the offices of Buyer, 420 North Pokegama Avenue, Grand Rapids, MN 55744 or at such other location as is mutually agreed upon by the parties.

8. SELLERS' WARRANTIES. Sellers hereby represent and warrant to Buyer and Sellers will represent and warrant to Buyer as of the Closing Date that:

a. **Mechanics' Liens.** Sellers warrant that, prior to the closing, Sellers shall pay in full all amounts due for labor, materials, machinery, fixtures or tools furnished within the 120 days immediately preceding the closing in connection with construction, alteration or repair of any structure upon or improvement to the Property caused by or resulting from any action of Sellers.

b. **Notices.** Sellers warrant that Sellers have not received any notice from any governmental authority as to violation of any law, ordinance or regulation in connection with the Property.

c. **Tenants.** Sellers warrant that that there are no tenants or third parties in possession of the Property.

d. **Legal Proceedings.** There are no legal actions, suits or other legal or administrative proceedings, pending or threatened, that affect the Property or any portion thereof, and Sellers have no knowledge that any such action is presently contemplated.

e. **Legal Capacity.** Sellers have the legal capacity to enter into this Agreement.

f. **Methamphetamine Production.** To the best of Sellers' knowledge, methamphetamine production has not occurred on the Property.

Sellers' representations and warranties set forth in this paragraph shall be continuing and are deemed to be material to Buyer's execution of this Agreement and Buyer's performance of its obligations hereunder. All such representations and warranties shall be true and correct on or as of the Closing Date with the same force and effect as if made at that time; and all of such representations and warranties shall survive closing and any cancellation or termination of this Agreement, and shall not be affected by any investigation, verification or approval by any part hereto or by anyone on behalf of any party hereto. Sellers agree to defend, indemnify, and hold Buyer harmless for, from and against any loss, costs, damages, expenses, obligations and attorneys' fees incurred should an assertion, claim, demand or cause of action be instituted, made or taken, which is contrary to or inconsistent with the representations or warranties contained herein.

9. CLOSING COSTS/RECORDING FEES/DEED TAX. Buyer shall pay: (a) any transfer

or deed taxes and any deferred taxes due as a result of this transaction; and (b) closing fees customarily charged by the title company.

10. DEFAULT/REMEDIES. If Buyer defaults under this Agreement, Sellers have the right to terminate this Agreement by giving written notice of such election to Buyer, which notice shall specify the default. If Buyer fails to cure such default within 15 days of the date of such notice, Sellers may terminate this Agreement. The termination of this Agreement will be the sole remedies available to Sellers and Buyer, and Buyer and Sellers will not be further liable for damages.

11. NOTICE. Any notice, demand, request or other communication which may or shall be given or served by the parties, shall be deemed to have been given or served on the date the same is personally served upon one of the following indicated recipients for notices or is deposited in the United States Mail, registered or certified, return receipt requested, postage prepaid and addressed as follows:

SELLERS: City of Grand Rapids, Minnesota
420 North Pokegama Avenue
Grand Rapids, MN 55744
Attn: City Administrator

Itasca County
123 NE 4th Street
Grand Rapids, MN 55744
Attn: County Administrator

BUYER: Grand Rapids Economic Development Authority
420 North Pokegama Avenue
Grand Rapids, MN 55744
Attn: Executive Director

12. ENTIRE AGREEMENT. This Agreement, including exhibits attached hereto, and any amendments hereto signed by the parties, shall constitute the entire agreement between Sellers and Buyer and supersedes any other written or oral agreements between the parties relating to the Property. This Agreement can be modified only in a writing properly signed on behalf of Sellers and Buyer.

13. SURVIVAL. Notwithstanding any other provisions of law or court decision to the contrary, the provisions of this Agreement shall survive closing.

14. BINDING EFFECT. This Agreement binds and benefits the parties and their successors and assigns.

(the remainder of this page intentionally left blank)

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date and year above.

Buyer:

GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY

By: _____
Its: President

By: _____
Its: Executive Director

Sellers:

CITY OF GRAND RAPIDS, MINNESOTA

By: _____
Its: Mayor

By: _____
Its: City Administrator

ITASCA COUNTY

By: _____

Its: _____

By: _____

Its: _____

EXHIBIT A

Legal Description of Property

The property located in the City of Grand Rapids, Itasca County, Minnesota legally described as:

The Northeast Quarter of the Southeast Quarter (NE ¼ SE ¼), Section Thirty-three (33), Township Fifty-five (55), Range Twenty-five (25), lying South of the North Eight Hundred Twenty-eight feet (N. 828') and LESS the West Five Hundred Forty-five feet (W. 545') of the South Two Hundred feet (S. 200'), according to the Government survey thereof on file and of record in the office of the Itasca County Recorder.

Subject to mineral reservations, restrictions and easements as they may appear of record.

PID #91-033-4105

Report Type
Appraisal Report

Effective Date
August 26, 2023

Date of Inspection:
August 26, 2023

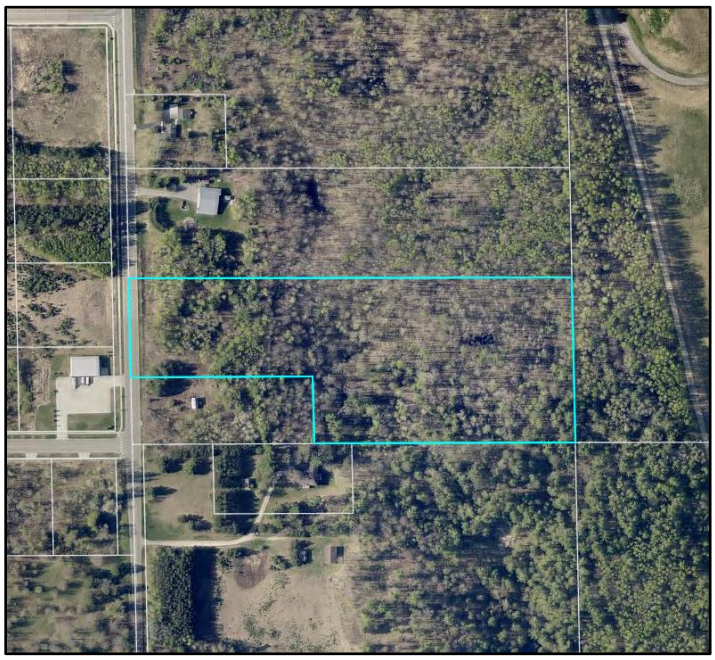
Date of Report:
September 12, 2023

Client

City of Grand Rapids
Attn: Rob Mattei, Director of Community Development
420 North Pokegama Avenue
Grand Rapids, MN 55744-2662

Subject Property

Vacant Land
XXXX 7th Avenue Southeast
Grand Rapids, Itasca County, Minnesota 55744
Owner: City of Grand Rapids
Project: n/a



File # G2307012

Prepared By:
Erin Waytas, MAI, Appraiser
William R. Waytas, Appraiser

Nagell Appraisal Incorporated
12805 Highway 55, Suite 300
Plymouth, Minnesota 55441
Tel: 952.544.8966 | Fax: 952.544.8969

NAGELL APPRAISAL INCORPORATED
12805 Highway 55, #300 **Phone: 952-544-8966**
Plymouth, MN 55441 **Fax: 952-544-8969**
Established in 1968

City of Grand Rapids
Attn: Rob Mattei, Director of Community Development
420 North Pokegama Avenue
Grand Rapids, MN 55744-2662

September 12, 2023

To Rob Mattei:

In accordance with your request, an **appraisal report** has been made on the following described property:

Subject Property: Vacant Land
XXXX 7th Avenue Southeast
Grand Rapids, MN 55744

Described below is a summary of the appraisal report contained herein.

Property Overview

The subject is a 12.17 acre site located in Grand Rapids, a community approximately 3.0 hours north of the Twin Cities Metro Area in Itasca County. Grand Rapids sits at the intersection of Highway 2 (east/west corridor) and Highway 169 (north/south corridor).

The City of Grand Rapids owns the subject site, and it is part of the City of Grand Rapids / Itasca County Airport. The City of Grand Rapids is in the process of transferring / selling the subject site to the City of Grand Rapids Economic Development Authority, who will in turn assemble the site with adjacent lots and sell to a possible end user for a larger industrial development. No reported signed purchase agreement. The purpose of the appraisal is to determine the sale price between the City of Grand Rapids (seller) and the City of Grand Rapids Economic Development Authority (potential buyer).

The subject site is currently zoned Industrial Park and is guided for a similar district in the 2040 Future Land Use Plan by the city. Public utilities are located in the street.

The appraiser verbally invited Matt Romanik, the City of Grand Rapids Airport Manager, to accompany the appraiser on the inspection. Romanik chose not to accompany the appraiser.

Overall, the subject is rated to have average industrial development appeal and to be in an average location.

Intended Use

Is for selling purposes from the City Owned Land for the airport to the Grand Rapids Economic Development Authority

Intended User(s)

City of Grand Rapids
Federal Aviation Administration (FAA)
Grand Rapids Economic Development Authority

Extraordinary Assumptions

None

Hypothetical Conditions

None

Property Rights Appraised

- *Fee Simple:* The subject is vacant land. The appraised value reflects the fee simple interest.

Property Components Appraised

- *Real Estate:* The appraised value includes the real estate value opinion.
- *Furniture, Fixtures, & Equipment (FF&E):* The appraised value does not include any values of fixtures, furnishings, and equipment. The appraised value reflects real estate only.
- *Business Value:* The appraised value does not include business value.

Highest and Best Use Conclusions

- *As Vacant:* The subject would be developed with an industrial use
- *As Improved:* Not applicable as the subject is vacant land.

Valuation Methodology

Given the highest and best use, the following approaches are used:

- *Cost Approach:* Not applied due to subjective depreciation amounts.
- *Sales Comparison Approach:* Similar land sales.
- *Income Approach:* Not applied as land like the subject is generally not rented.

The below conclusions reflect the entire subject parcel.

Market Value (as-is, effective August 26, 2023) Fee Simple Interest	**$146,000**

Exposure Time / Marketing Time

Marketing Time:	Marketing times for appropriately priced properties is generally 12 months +/-.

Our company has 10 employees, has been in business since 1968 and has sufficient knowledge, education, experience, resources and/or contacts to competently complete this assignment. The accompanying report contains data secured from my personal investigation and from sources considered to be reliable; however, correctness is not guaranteed. To the best of my knowledge and belief, the statements contained in this report are true and correct. Neither my employment to make this appraisal, nor the compensation, is contingent upon the value reported. This report has been prepared in conformity with the code of professional ethics and standards of professional appraisal practice of the Appraisal Institute and appraisal standards set forth by Uniform Standards of Professional Appraisal Practice.

The report also conforms to the standards in Uniform Appraisal Standards for Federal Land Acquisitions ("Yellow Book") and the Federal Aviation Administration Order 5100.37B Standards – Land Acquisition and Relocation Assistance for Airport Projects.

Please contact us if you have further questions.

Sincerely,

Erin Waytas, MAI
Certified General MN 40368620

William R. Waytas
Certified General MN 4000813

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SUMMARY OF IMPORTANT FACTS & CONCLUSIONS



General Description:	Land
Appraisal Report:	Appraisal Report
Current Use:	Vacant Land
Extraordinary Assumptions:	None
Hypothetical Assumptions:	None
Total Site Area:	12.52 acres (545,371 SF) – gross site area 12.17 acres (530,125 SF) – net site area
Easement Acquisition:	No easement acquisitions.
Fee Title Acquisition:	100% fee acquisition
Building Improvements:	None, the site is vacant land
Building Rights:	The upland appears to be developable at this time
Zoning:	I1, Industrial Park
Guided Land Use:	Industrial Park
Highest and Best Use:	Speculate for future industrial
Property Rights Appraised:	Fee Simple
Business Value / FF&E:	No business value or FF&E included
Market Value:	**$146,000**

VALUE TYPE, CONDITION & STABILITY OF PROPERTY

Type of Value:	This report provides an opinion of **Market Value**.
Condition of Value:	This report provides an opinion of the **as-is** value.
Occupancy:	The subject is vacant land.

INTENDED USE OF THE APPRAISAL

Intended Use:	The client intends to use the appraisal for selling purposes from the City Owned Land for the airport to the Grand Rapids Economic Development Authority. No party, other than the named client and listed intended users, may use or rely upon any part of this report without the prior written authorization of both the named client and the appraiser. This report is not valid unless it contains the original signatures in blue ink. Any unauthorized third party relying upon any portion of this report does so at its own risk. This appraisal may not be used for any other use by the named client.
Intended User(s):	**City of Grand Rapids** **Federal Aviation Administration (FAA)** **Grand Rapids Economic Development Authority**

DATE OF APPRAISAL

Effective Date:	**August 26, 2023**
Inspection Date:	**August 26, 2023**
Date of Report:	September 12, 2023

SCOPE OF THE APPRAISAL REPORT

USPAP defines Scope of Work as: The type and extent of research and analyses in an assignment.

For each appraisal, appraisal review and appraisal consulting assignment, an appraiser must:

1) Identify the problem to be solved,
2) Determine and perform the scope of work necessary to develop credible assignment results; and
3) Disclose the scope of work in the report.

1)	Provide a reasonably supported value opinion as it relates to the intended use & scope.
2)	Per assignment request (see addenda for engagement letter), the following degree of research and analysis has been made. The narrative format used is an **Appraisal Report**, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2a of USPAP. See individual approaches for further detail.
3)	**The scope of work for this appraisal includes:** • **a)** *Property Identification:* Public record, plat maps, zoning maps and aerial photographs were used to identify the subject property. • **b)** *Property Inspection:* A viewing of the subject property and neighborhood by the appraiser. *Physical factors:* Based on property viewing and conversations with the client, city and county officials. Lot size is based on county information. *Economic Factors:* Consisted of gathering of information from market experts, city and/or county offices, and internet about the region, community, neighborhood, zoning, utilities, and any pending projects in the area that may affect the subject property. • **c)** *Extent of Data Researched:* Sales data of competing properties within the subject market area were given primary consideration. The most relevant data is used in this report. Sources include, appraiser data files, assessor, internet, developers, agents, MLS, periodicals, in-office library, etc. In addition, during the course of appraisal practice and of this appraisal process, the appraiser has had ongoing discussions with market participants (buyers, sellers, property managers, real estate agents/brokers, appraisers, etc.) and/or viewed market data in relation to how the current real estate market may impact the subject value. The appraiser has not researched the title or ownership records. • **d)** Type and Extent of Analysis Applied at Opinions or Conclusions: An extensive review of market data was performed. The most recent, similar and proximate data has been used. The data used will be adjusted on a grid. Reasonable and appropriate collection, verification, analysis and viewing has been performed in the valuation approaches, given the purpose and intended use of the report. A final value opinion will be discussed and correlated.

The data used was obtained from sources considered credible, yet its accuracy is not guaranteed. If found otherwise, value could differ.

PROPERTY RIGHTS APPRAISED

Real property ownership consists of a group of distinct rights. There are two primary property rights, Fee Simple and Leased Fee (as defined by The Appraisal of Real Estate, 13th Edition, Appraisal Institute).

Fee Simple Interest: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Note: This would typically reflect an owner-occupied property. When the property rights appraised are the unencumbered fee simple interest of the real estate, the appraised value is subject to normal easements for drainage, public streets and utilities, if any. The effect of any existing mortgage or delinquent taxes on the subject property has not been considered in this appraisal.

Leased Fee Interest: The ownership interest held by a lessor (landlord), which includes the right to the contract rent specified in the lease plus reversionary right when the lease expires. The lessor's interest in a property is considered a leased fee interest regardless of the duration of the lease, specified rent, the parties to the lease, or any of the terms in the lease contract.

A leased property, even one with rent that is consistent with market rent, is appraised as a leased fee interest, not as a fee simple interest. Even if the rent of the lease terms are not consistent with market terms, the lease fee interest must be given special consideration and is appraised as a leased fee interest. (The Appraisal of Real Estate, 13th Edition, Page 114)

Given the scope of the assignment the appraised value reflects the **fee simple interest.**

PROPERTY COMPONENTS APPRAISED

Real Estate: The appraised value includes the real estate value opinion. The methods utilized for the real estate valuation include:

- Sales Comparison Approach

FF&E: *Furniture, Fixtures, & Equipment (FF&E):* The appraised value does not include any values of fixtures, furnishings and equipment. The appraised value reflects real estate only.

Business Value: There is no business value included in the appraised value.

IDENTIFICATION

Address:	XXXX 7th Avenue Southeast, Grand Rapids, MN 55744
County PID:	91-033-4105
Legal:	NE-SE LYG S OF N 828' LESS W 545' OF S 200 Section 33 Township 55 Range 25
Fee Owner:	City of Grand Rapids
Census Tract #:	4808.03

REAL ESTATE TAXES

Taxes, per County Records		
	Payable 2023	**Payable 2024**
Tax	$0	n/a
Tax ratio	*0%*	--
Special Assessments / Solid Waste Fee / Other	$0	$0
Total Tax & Assessments:	$0	n/a
Delinquent taxes:	None noted	
COUNTY ASSESSOR'S VALUE		
	Payable 2023	**Payable 2024**
Land	$85,800	n/a
Building	$0	n/a
TOTAL	**$85,800**	**n/a**
Price per Acre	$7,050 per Acre	n/a

Typical Tax Ratios by Property Type	
Commercial (retail, office, industrial, hotel, other, etc.)	1.5% – 4.0%
Residential (multi-family, apartment, etc.)	0.9% – 1.5%
Single-family dwellings	0.8% – 1.5%

The appraised value given in this report assumes any/all special assessments, and/or liens are paid in full and that there are no delinquent taxes, fees, payments, association dues, etc. Should it be found that any of these exist the amount should be deducted from the appraised value. Appraiser did not research these items; typically, a title search would reveal any of these.

Note: The subject is owned by the City of Grand Rapids and is tax exempt.

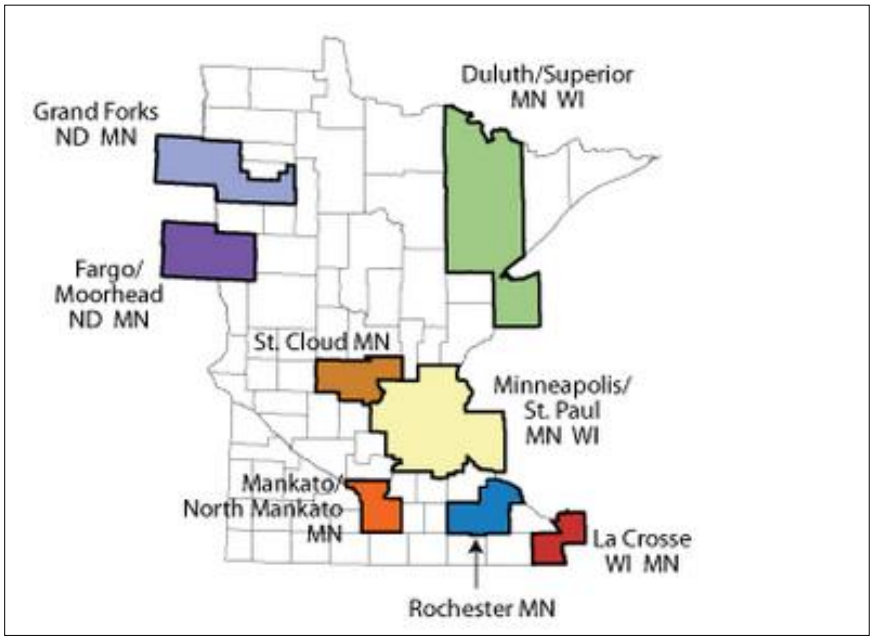
SUBJECT SALES & BUILDING HISTORY

Listing History:	The subject is not publicly listed on MLS, RediComps, CoStar, or MnCAR.	
Sales History:	***Sale Price:***	n/a
	Sale Date:	n/a
	Buyer:	n/a
	Seller:	n/a
	Terms:	n/a
	Source:	Owner
	There are no known or reported sales of the subject property within the past 10 years.	
Pending Sale:	There is a potential pending sale for the subject site by Grand Rapids Economic Development Authority. This appraisal is part of the negotiation process. The Grand Rapids EDA plans to sell the property to a potential developer for industrial.	
Building History:	The subject is vacant land and has been as such for an extended period of time.	
Lease History:	None noted	
Leasehold Interest:	None apparent.	
Association Dues:	None, the subject is not part of a common interest community.	

REGIONAL DATA

Regional HUB Twin Cities Metro Area (TCMA): Minneapolis-Saint Paul is the most populous urban area in the state of Minnesota, United States, and is composed of 186 cities and townships. Built around the Mississippi, Minnesota and St. Croix rivers, the area is also nicknamed The Twin Cities for its two largest cities, Minneapolis and Saint Paul, the former the larger and the latter the state capital.

The area is part of a larger U.S. Census division named Minneapolis-St. Paul-Bloomington, MN-WI, the country's 16th-largest metropolitan area composed of eleven counties in Minnesota and two counties in Wisconsin. This larger area in turn is enveloped in the U.S. Census combined statistical area called Minneapolis-St. Paul-St. Cloud, MN-WI with an estimated population of 3.5 million people in 2006, ranked the 13th most populous in the U.S. In both of the fully developed central cities--Minneapolis and St. Paul--the population has declined due to smaller household sizes, yet growth in other areas of their counties has been offsetting.



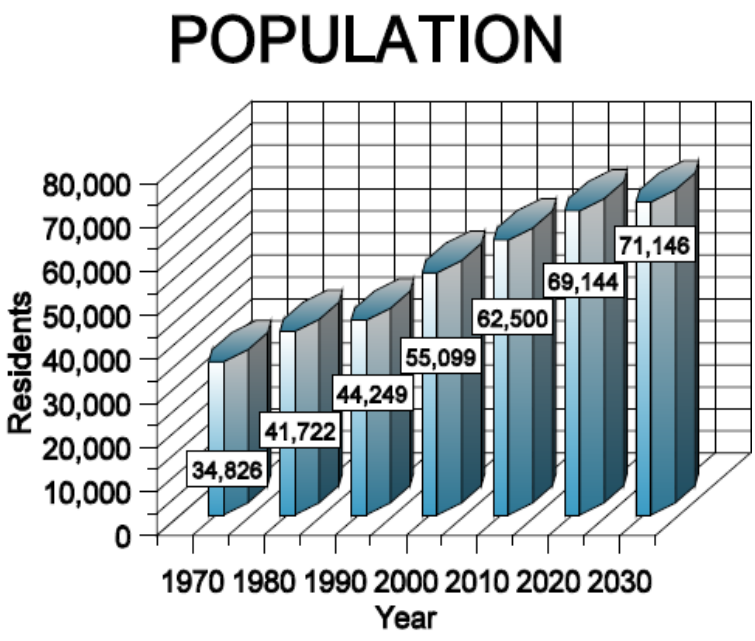
Statistical Area	Population *2021*
Minnesota	5,707,000
Minneapolis-St Paul-Bloomington, MN-WI Metro SA	3,690,512
Duluth, MN-WI Metro SA	291,638
Fargo-Moorhead, ND-MN Metro	252,136
Rochester, MN Metro SA	227,151
St Cloud, MN Metro SA	289,291
La Crosse, WI-MN Metro SA	139,211
Grand Forks, ND-MN Metro SA	104,362
Mankato, MN Metro SA	103,566

Central Minnesota: The subject is located in Grand Rapids, which is north of the "Central Lakes Region" and Brainerd/Baxter Area. The area is located about 120 miles north of the Twin Cities Metro Area (TCMA) and has average access via numerous thoroughfares; Highway 371, Highway 210, Highway 10, etc.

The Brainerd/Baxter Area is a popular vacation area for fisherman, outdoorsman and nature seekers. There are a large number of lakes, resorts, golf courses and other recreational opportunities located in the area, which provide a good base for tourism. Although the Crow Wing County area is known for its vacation, recreational and seasonal opportunities, the area also has a skilled and professional work force that should continue to provide year round economic stability into the future.

Area	Census 2000	Census 2010	Census (est) 2020	Median Income 2021
Twin Cities Metro Area	2,837,560	3,116,653	3,690,261	$87,433
Crow Wing County	55,099	62,500	66,123	$60,810
Brainerd	13,178	13,590	14,395	$41,671
Baxter	5,555	7,610	8,612	$64,634

Since 1970, Crow Wing County's population has increased by almost 60%, growing from 34,826 to 55,099 in 2000. The area's population grew approximately 13.00% between the years 2000 and 2010, with projected increases of approximately 11.63% by 2020 and 13.83% by 2030.



The Baxter/Brainerd Area includes most communities located within Crow Wing County, including Brainerd, Baxter, Breezy Point, Crosby, Crosslake, Nisswa, Pequot Lakes, etc. The area is home to the Gull Lake Chain of Lakes, Whitefish Chain of Lakes, Cross Lake, etc. Due to the seasonal demand in the area, the population increases significantly during the summer months. However, the year-round population base has increased within the last 10 years as well.

Source: Mn State Demographic Center

Economic Trends

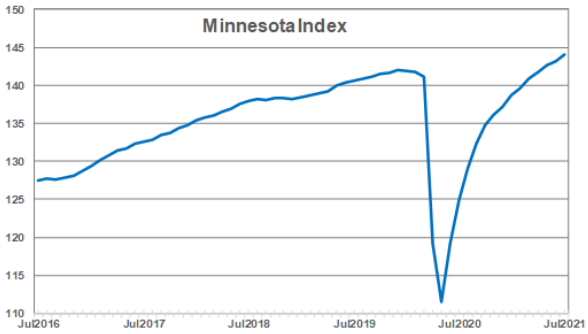
The current residential interest rates for a typical 30-year mortgage are around 7.00% to 8.50+%. Commercial rates are around 7.00% to 8.50+%. Rates may increase to continue to combat inflation.

The state of the macro economy (national, state, etc.) declined from its peak in 2006, but in 2010 began showing signs of recovery. Many economists are terming 2007 through 2009 as ***"The Great Recession".***

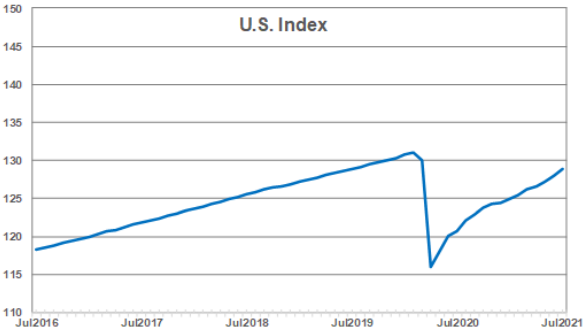
New construction labor costs have steadily increased, along with material costs as well. Overall, construction costs are less competitive to what they were 5 to 6 years ago. Generally, when vacancy is over 10%, new commercial/industrial construction is slow.

Listing prices have been increasing steadily since 2012 +/- and are starting to approach peak levels similar to the market in 2006, which was a period of high seller expectations. However, recent buyer and seller expectations regarding value and list prices appear to be trending towards equilibrium.

Although well diversified, the TCMA and surrounding Minnesota economy is not immune to the recent soft/declining trends of the overall economy.



Jul-20	124.8
Aug-20	129.0
Sep-20	132.4
Oct-20	134.8
Nov-20	136.1
Dec-20	137.1
Jan-21	138.7
Feb-21	139.5
Mar-21	140.8
Apr-21	141.7
May-21	142.6
Jun-21	143.1
Jul-21	144.0
% Change from	
Month Ago	0.6
Year Ago	15.4

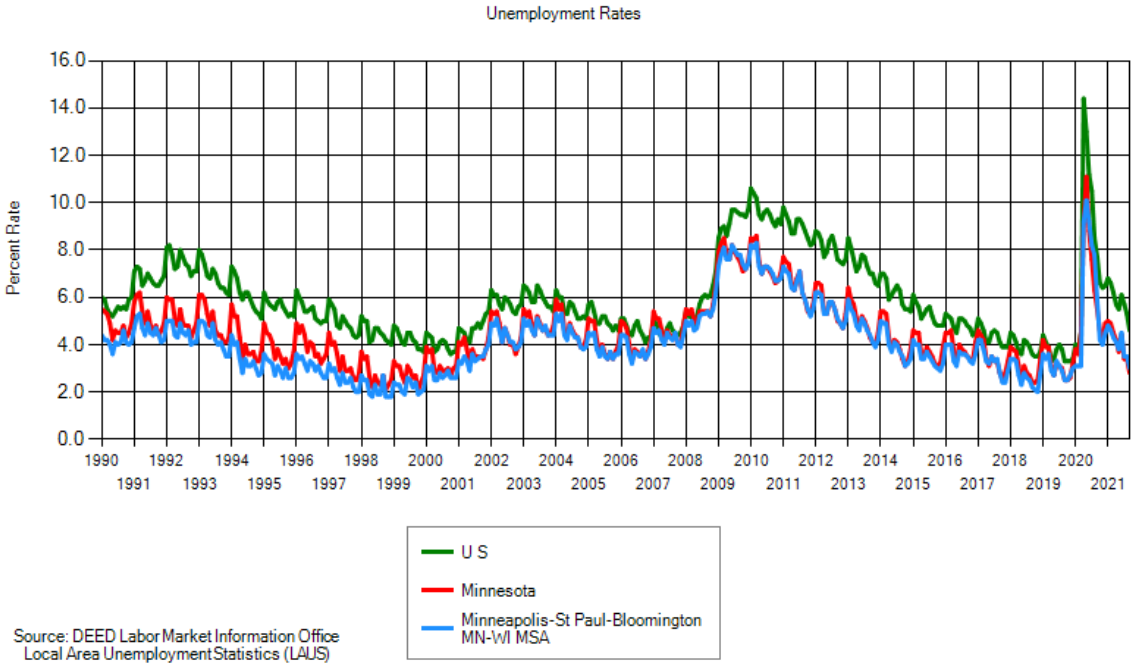


Jul-20	120.7
Aug-20	122.1
Sep-20	122.9
Oct-20	123.8
Nov-20	124.3
Dec-20	124.4
Jan-21	125.0
Feb-21	125.5
Mar-21	126.2
Apr-21	126.5
May-21	127.3
Jun-21	127.9
Jul-21	128.9
% Change from	
Month Ago	0.8
Year Ago	6.8

Source: Minnesota DEED

The recent COVID-19 pandemic created a significant drop in the economy due to high unemployment and decreased spending in early 2020. However, spending has increased, employment is recovering, and the COVID-19 vaccines have given markets stability.

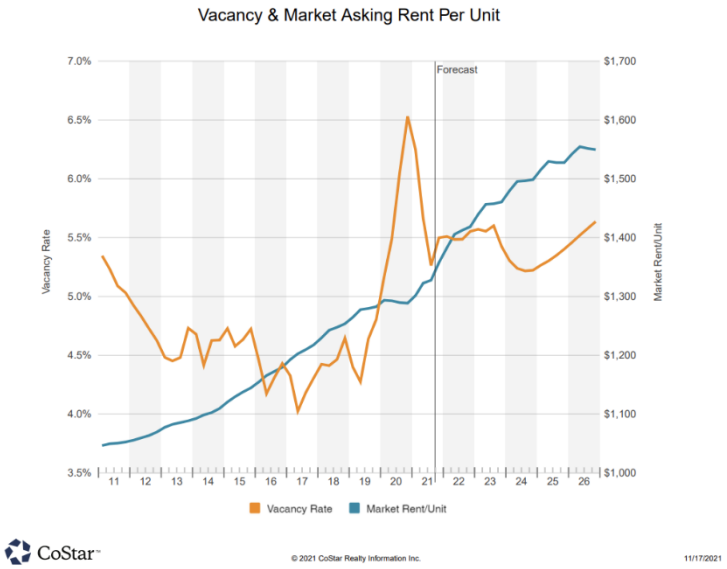
EMPLOYMENT & LABOR



Over the past ten years, unemployment rates have gone from a peak of around 7.0% to near historical lows of around 2% in late 2018. In 2020, the COVID-19 pandemic created a significant spike in the unemployment rate. The most recent data, shown below, indicates that the rate has dropped significantly and is approaching 2019 levels.

Regional Data – continued

APARTMENT MARKET

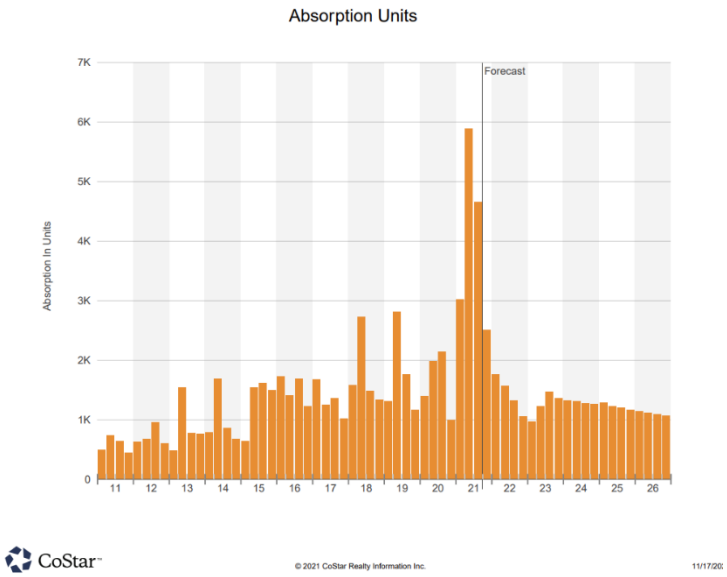


CoStar reports that rents have been trending upward consistently for the past 10+ years. The current average asking rate for an apartment unit in the Twin Cities Metro is around $1,350 per month.

Vacancy has fluctuated, but was trending downward until 2020. The COVID-19 pandemic caused a spike in vacancy, which has since been declining.

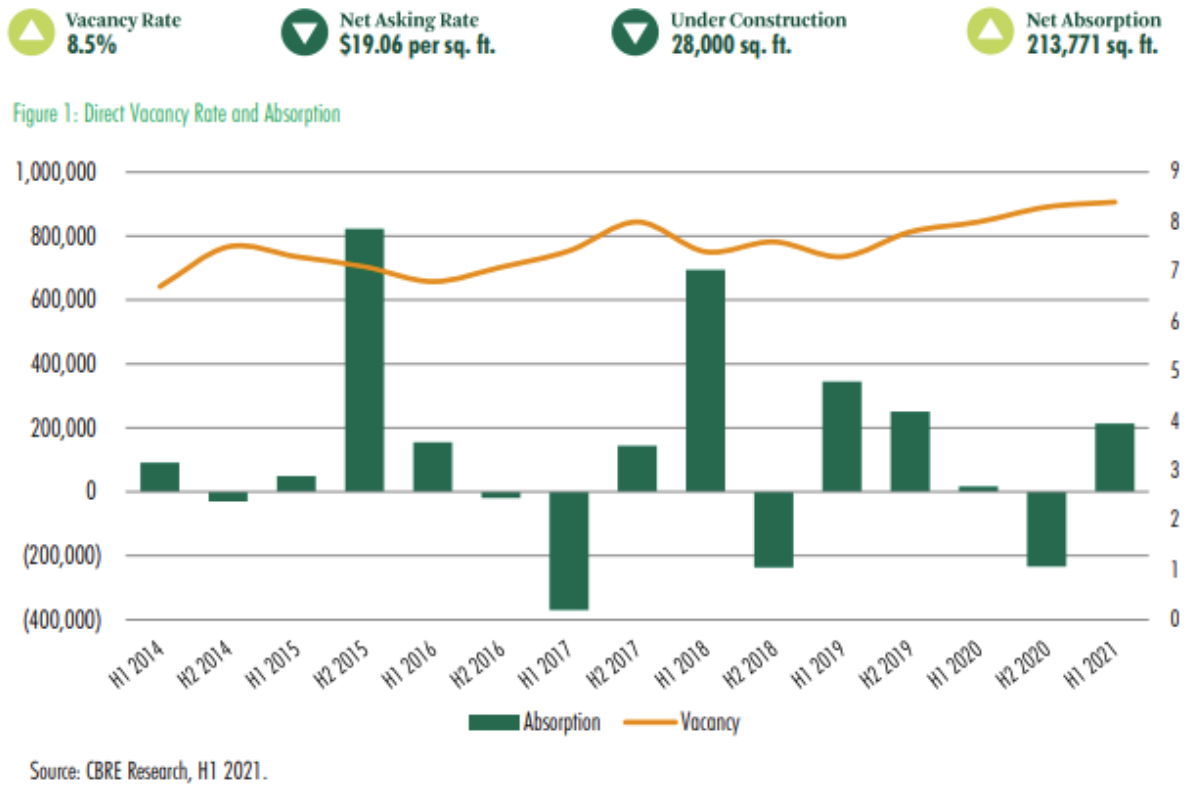
However, vacancy is higher due to significant new construction, both in Minneapolis and surrounding suburbs.

The following chart shows the annual absorption of apartment units:



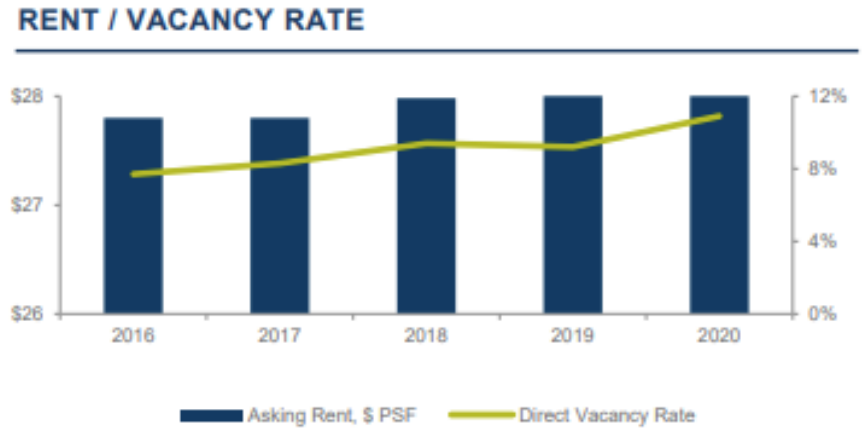
Regional Data – continued

RETAIL MARKET



CBRE indicates that current retail vacancy rates have been increasing and asking rent rates have been declining. There has been absorption of vacant space in the market, however, many developers are cautious about new retail construction. Strong locations retain typical demand; more speculative retail construction generally does not occur.

Similarly, Cushman & Wakefield also shows stagnating retail asking rents and increasing vacancy:

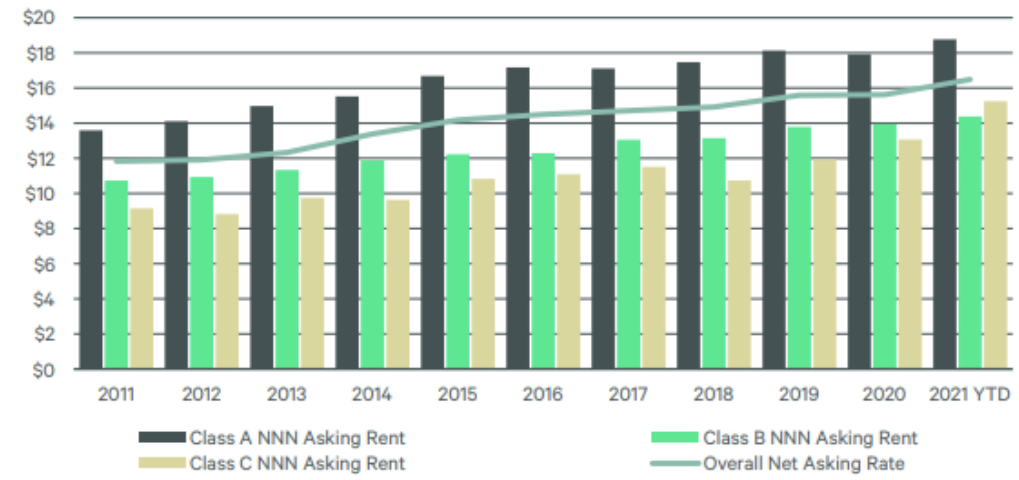


Regional Data – continued

OFFICE MARKET

CBRE data shows that asking rents for the overall office market have generally been increasing. This has also corresponded with an increase in vacancy rates as well. With the COVID-19 pandemic, many employers and workers realized that working remotely was a viable option. It is anticipated that many more companies will offer remote work full-time or part-time; this could impact office space as companies need less square footage. The counterpoint, however, is that companies might retain the same space and create social distancing opportunities in case of possible future COVID-19 flare-ups.

FIGURE 1: Historical Annual Net Asking Rates



Source: CBRE Research, Q3 2021.



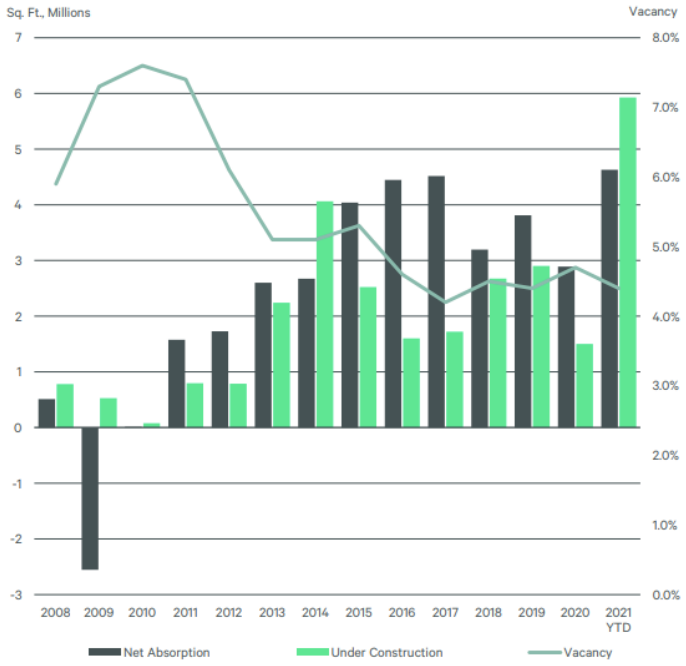
Source: CBRE Research, Q3 2021.

INDUSTRIAL MARKET

The industrial market nationwide has seen increases in rental rates and occupancy. Construction costs have been increasing as well, due to shortages created by the COVID-19 pandemic. In Minnesota the trend is similar to the country overall, vacancy has decreased, construction of new buildings is significant,

CBRE indicates that vacancy has been dropping, construction starts have increased, and absorption is significant:

FIGURE 3: Minneapolis/St. Paul Industrial Net Absorption and Under Construction Vs. Direct Vacancy

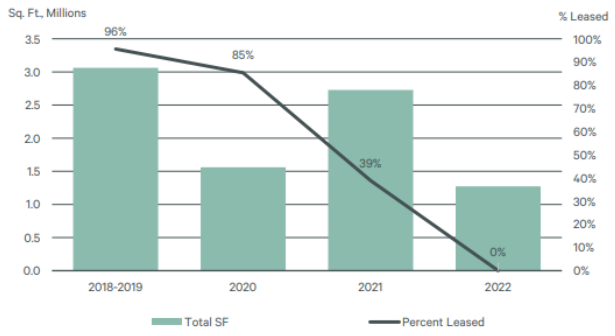


Source: CBRE Research, Q3 2021.

Speculative development, per CBRE, has been significant. For example, almost 3 million square feet of speculative construction occurred in 2018/2019; of this, 96% has been leased. In 2020 around 1.5 million square feet was constructed, around 85% is leased.

Buildings in 2021 are about 39% leased. It appears the market is supporting speculative industrial development at this time.

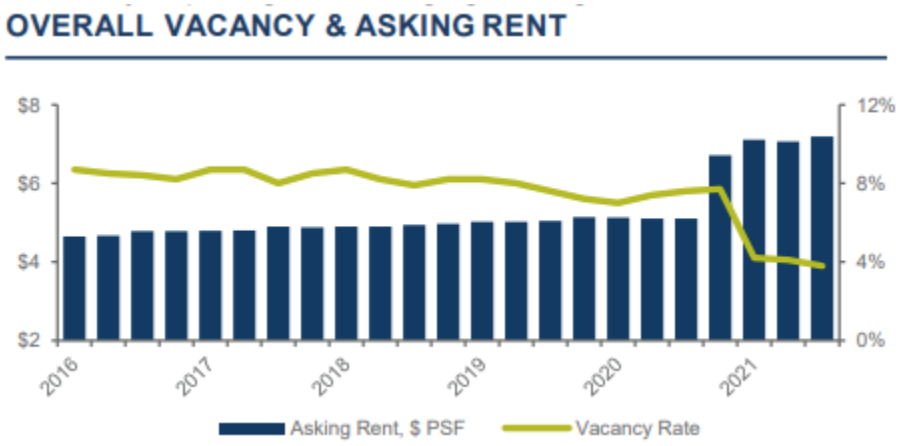
FIGURE 2: Speculative Development by Year Built and Percentage Leased



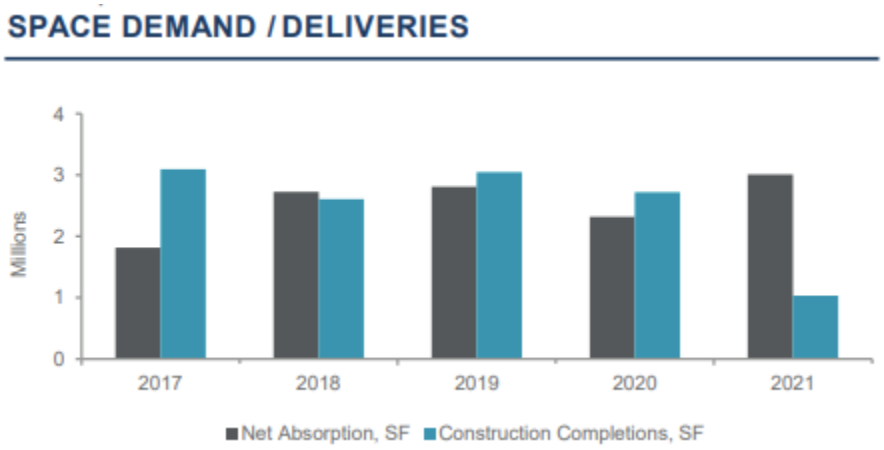
Source: CBRE Research, Q3 2021.

Regional Data – continued

Cushman & Wakefield also reports decreasing vacancy rates and significant increases in asking rates for industrial space.



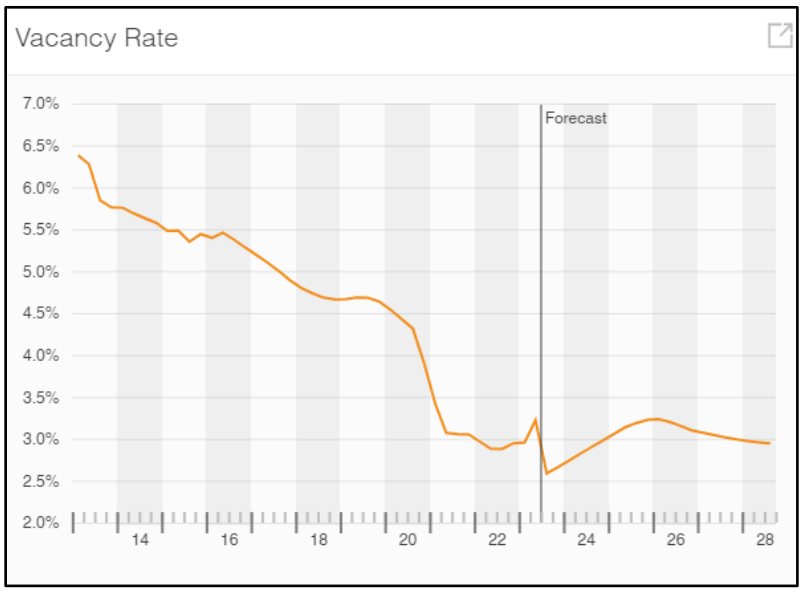
Total construction and absorption has been generally stable, but in 2021 there was significantly more absorption than construction. This would imply there is demand for more industrial space.



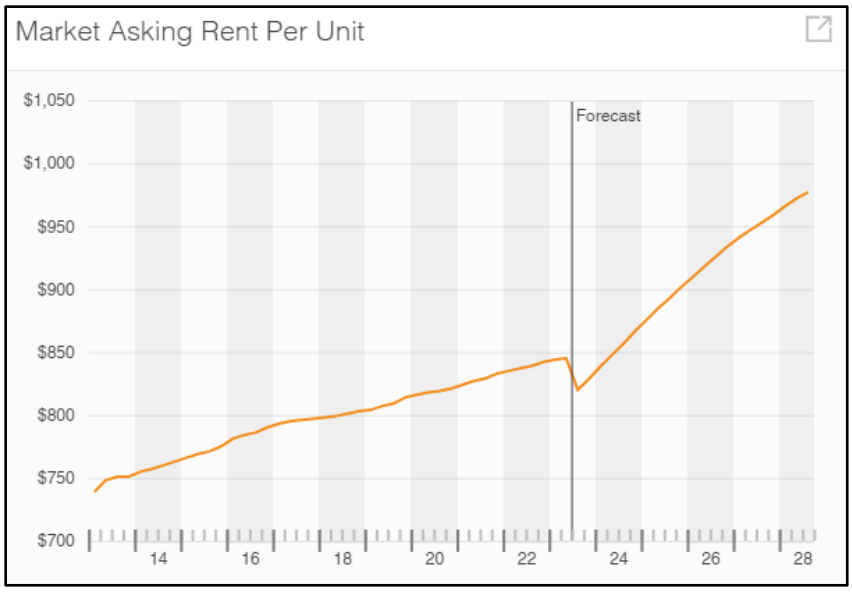
ITASCA COUNTY APARTMENT MARKET

The Itasca County apartment market, per CoStar, has seen declining vacancy rates and increasing asking rent rates.

Apartment vacancy is currently around 3.2% in Q2:



The typical asking rent rate for an apartment unit in Itasca County is $845 per month in Q2:

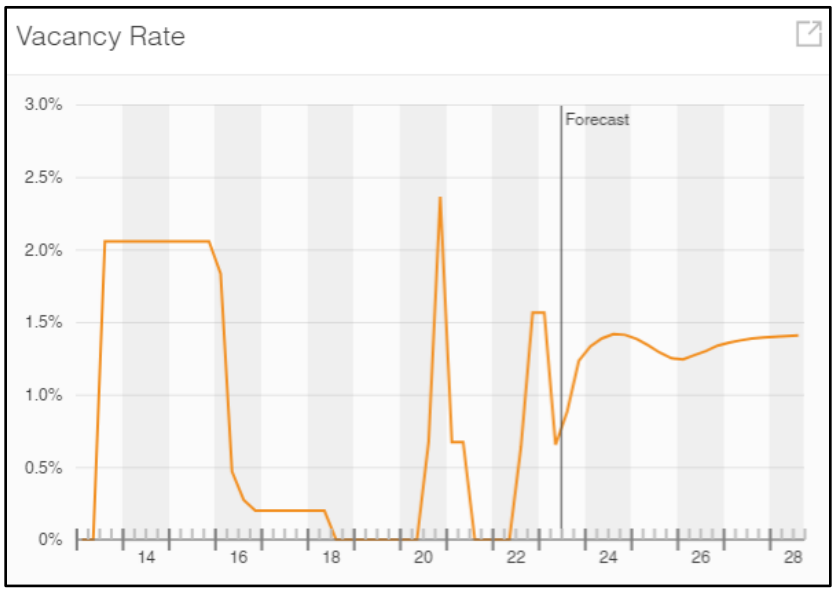


Overall, there has been limited new apartment construction and thus limited increasing rent rates. The Itasca County apartment market is considered stable with some limited new growth.

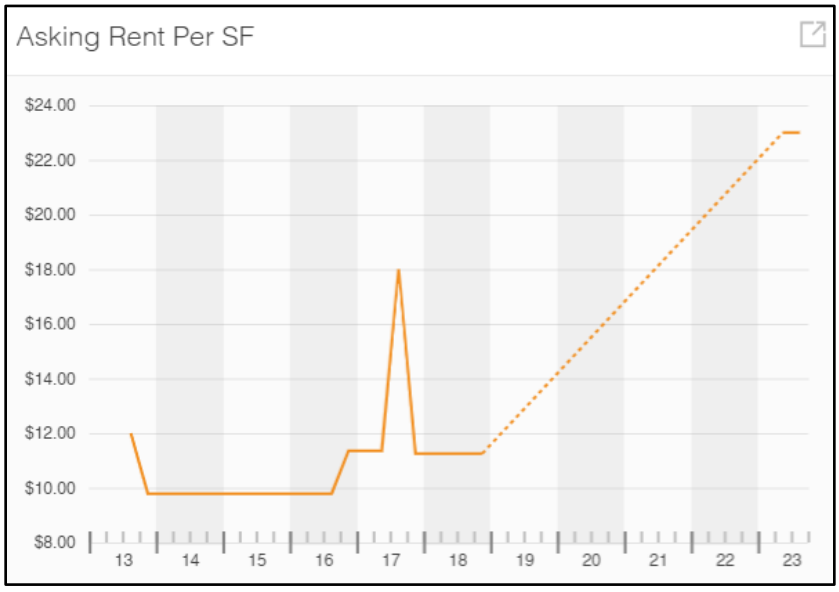
ITASCA COUNTY OFFICE MARKET

Like the overall country, the Itasca County market has been impacted by COVID-19. The current vacancy rate has seen an uptick while asking rents have declined.

Current office vacancy is 1.5 – 2.5%:



Limited asking rental data within Itasca County.



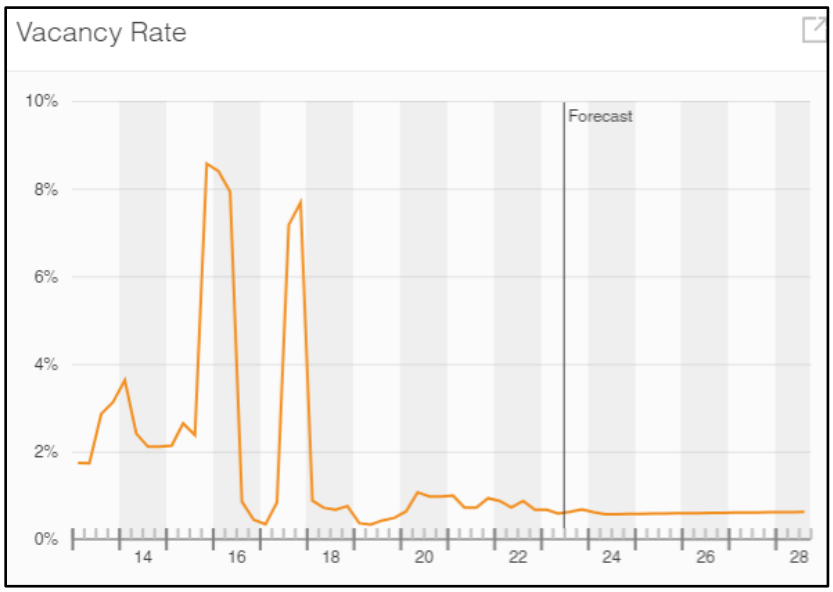
With increasing vacancy and decreasing rates, more investors are pessimistic about the office market.

Regional Data – continued

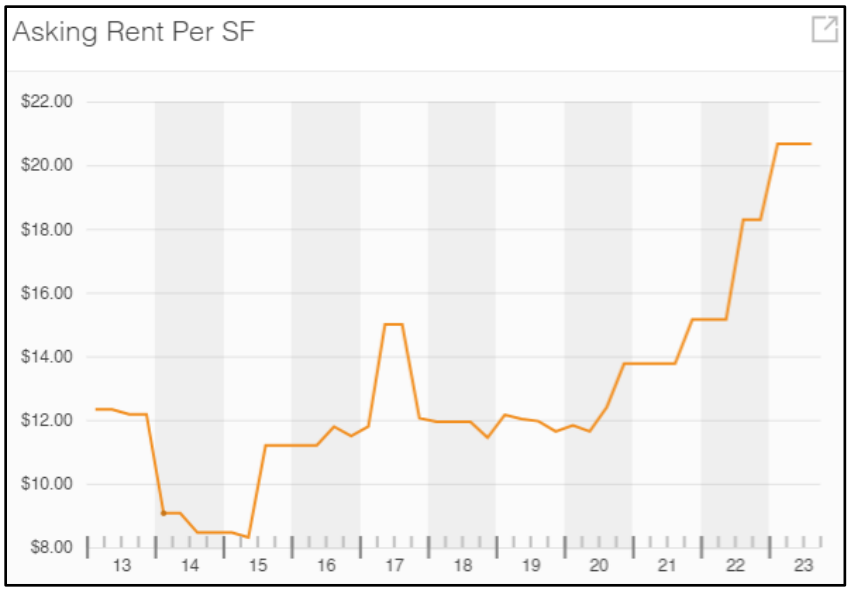
ITASCA COUNTY RETAIL MARKET

Retail has been historically fluctuating; the current COVID-19 pandemic has impacted the market. Vacancy increased sharply during the pandemic but has started to decline as retailers become more optimistic. Similarly, asking rents decreased, but have started to recover.

The current retail vacancy is 1% - 3%:



Asking rents are around $20.67 per SF:



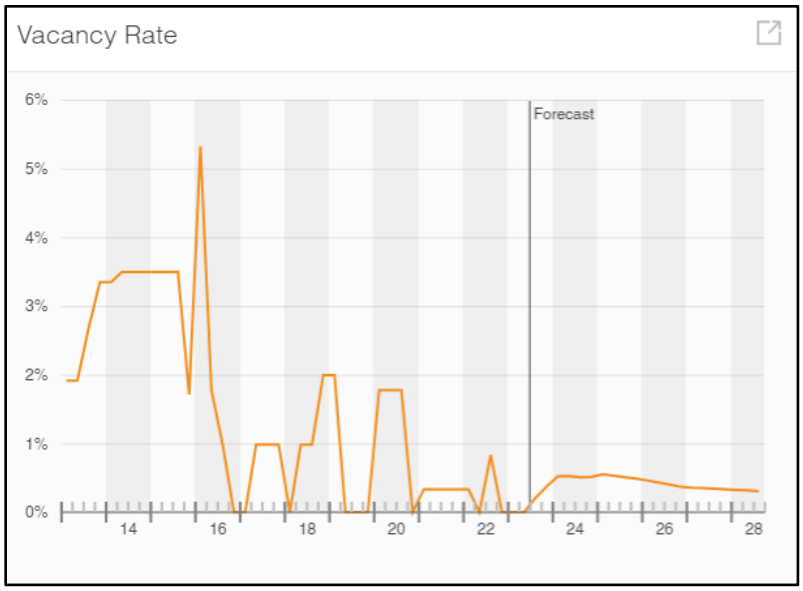
Overall, the retail market appears to be recovering. As prior to COVID-19, retail is starting to shift from goods to services as online ordering increases market share.

Regional Data – continued

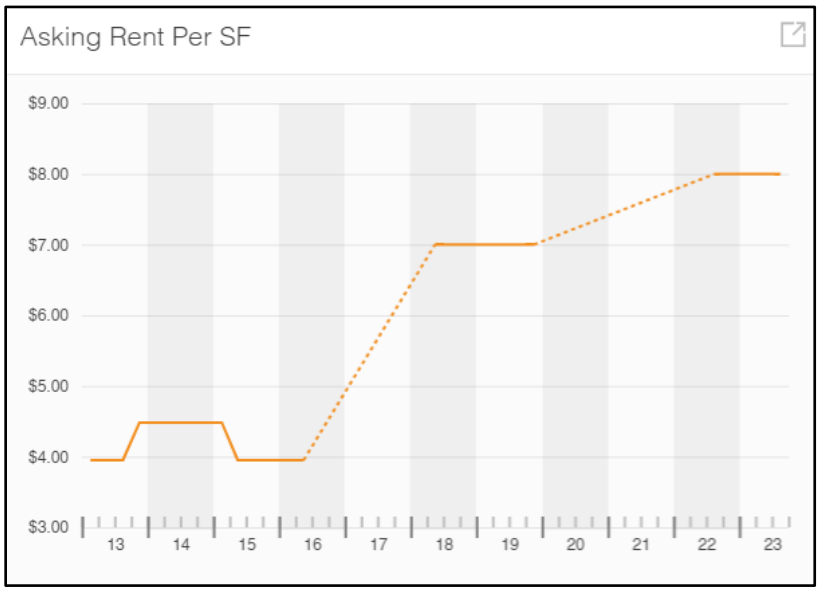
ITASCA COUNTY INDUSTRIAL MARKET

Nationwide, the industrial market has seen significant increasing in rent and decreases in vacancy. The COVID-19 pandemic has led to an increase in physical goods. Supply chain shortages have also led to increased prices.

The current vacancy rate is 1%- 5%. Limited supply of data.

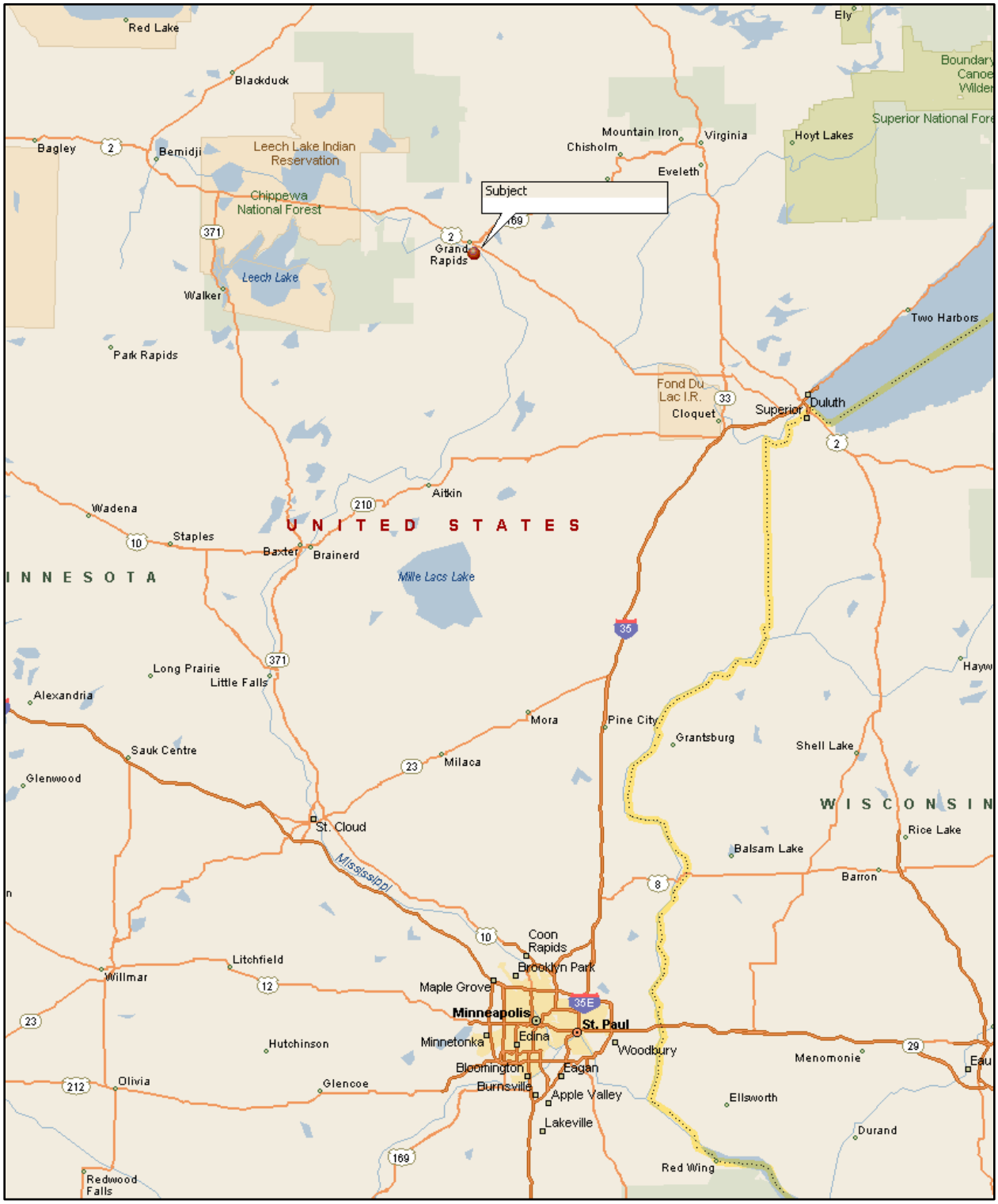


Asking rent is $8.00 per SF, which has been increasing:



The industrial market in Itasca County is considered stable, with increasing rent rates.

REGIONAL MAP



CITY & NEIGHBORHOOD DESCRIPTION

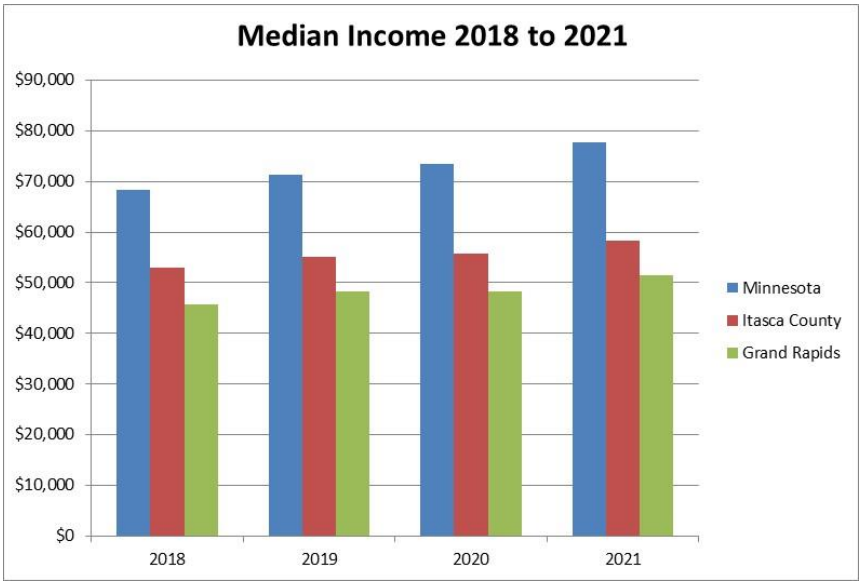
Type of neighborhood:	Mid-Size Northern Minnesota Community	
Percent built-up:	85% developed (within city limits)	
Stage of Development:	Stable	
Neighborhood boundaries:	City Limits	
Redevelopment	Limited redevelopment occurring, updating of properties is occurring	
Major Transportation:	Highway 2, Highway 169	
Predominant Type & Conformity:	*Single Family Residential*	*45%*
	Two- & Multi-Family	*10%*
	Commercial/Industrial	*30%*
	Other/Vacant/Public Land	*15%*
	Total:	*100%*
	Average conformity.	
Reputation of the area:	Average	
Typical property age:	New to 100+ years	
Single-Family Home Sales:	$50,000 to $500,00+ (lake front can be higher)	
Apartment Sales:	$25,000 to $65,000+ per Unit	
Office Property Sales:	$30 to $100+ per SF	
Retail Property Sales:	$40 to $150 + per SF	
Industrial Property Sales:	$20 to $60+ per SF	
Capitalization Rates:	8 - 12% Historic	
Subject Market:	Stable	
Neighborhood Trend:	Stable	
Detrimental influences:	No major apparent	

Area / City: Grand Rapids is considered a full-service community and a regional business center with all necessary services and businesses to support its residents located within the community, such as numerous churches, ambulance service, a volunteer fire department, police presence, educational opportunities for families, public recreational facilities and parks, financial institutions, healthcare facilities, and adequate public utilities. The business culture contains a mix of retail stores and small specialty shops. Another important feature of the economy includes forestry and its related products and activities. Grand Rapids has an airport.

Neighborhood: The subject is located in the southeastern quadrant of the community. The property is located adjacent to Grand Rapids / Itasca County Airport, surrounding uses are destination commercial, light industrial, residential, and vacant land.

Subject City:

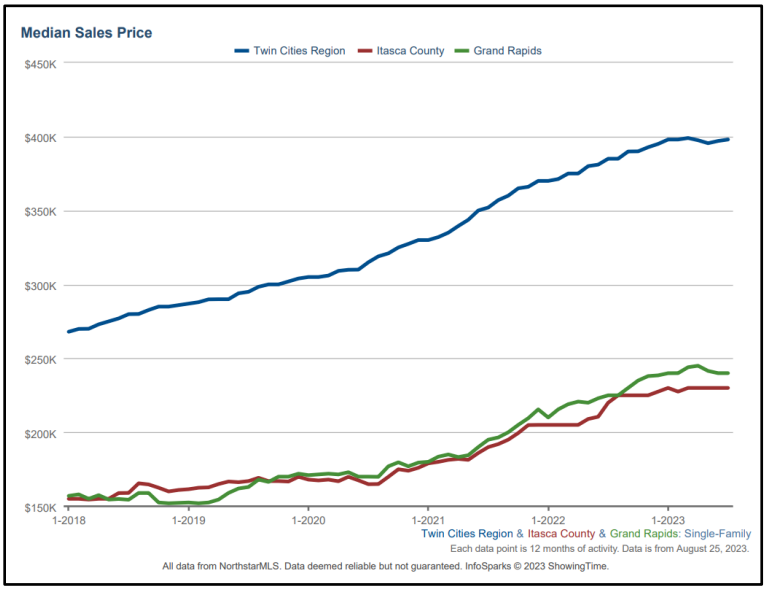
For the city of **Grand Rapids** as of the 2010 census the population was 10,866, in 2000 it was 10,330. This represents an increase of about **5.2%** from 2000 to 2010. The 2021 population estimate is 11,220, a increase of **3.3%**.



The median income for the city is below state and county levels (per Census Bureau). Income has generally increased over the time frame.

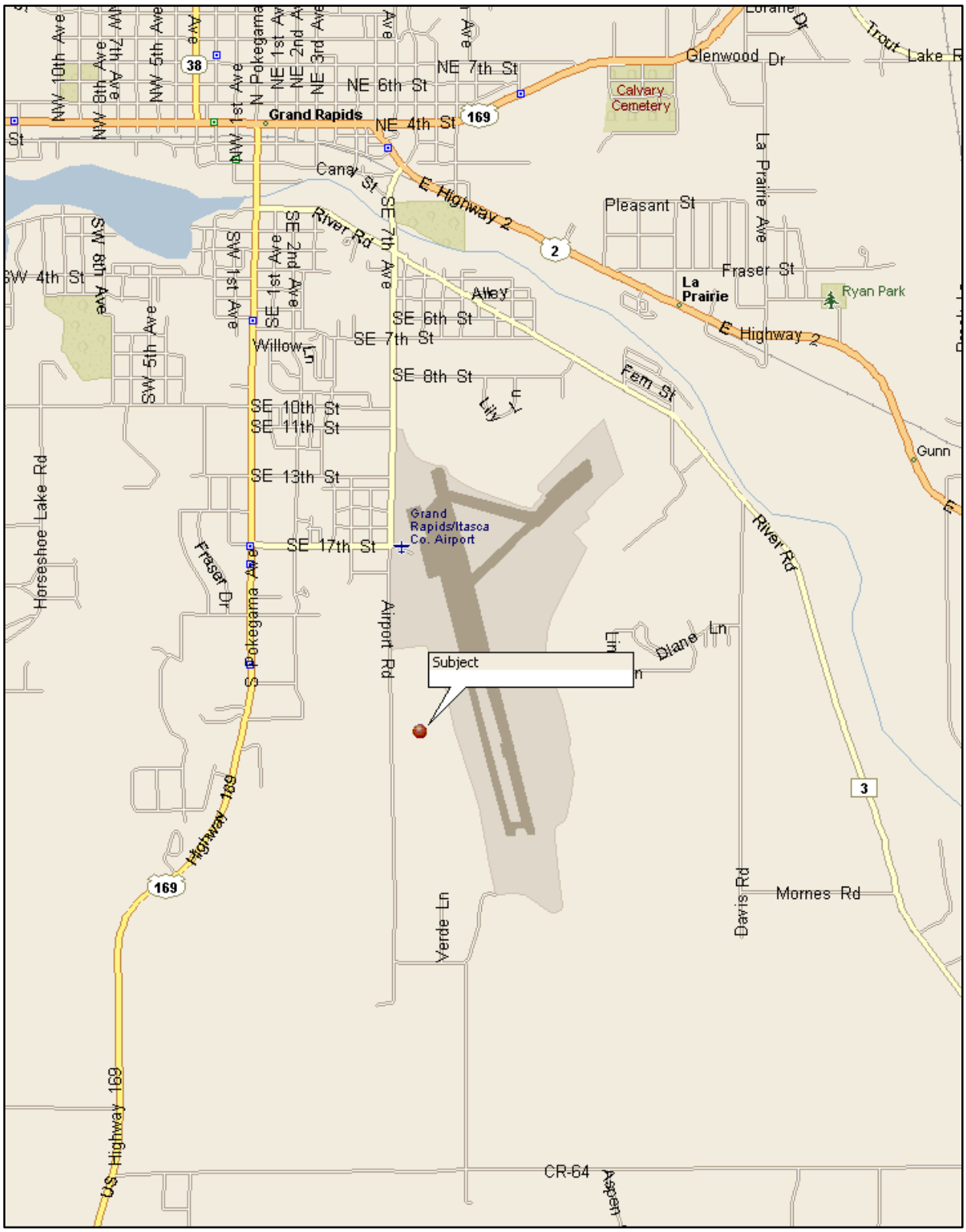
Median Home Prices: City of Grand Rapids

Source: Northstar MLS



The median house sale price in Grand Rapids has generally increased over the timeframe. The city levels are fairly even with the county levels, both are below the Twin Cities Region levels.

NEIGHBORHOOD MAP



SURROUNDING USES



The subject is located adjacent to the Airport in Grand Rapids with surrounding uses being vacant land, residential, and some light industrial/destination commercial

SITE DESCRIPTION

Dimensions:	Irregular	
Gross Site Size:	**12.52 acres (545,371 SF)**, per county, confirmed with aerial GIS measure; **12.17 acres (530,125 SF)** is considered useable, excluding the right-of-way area (see comments)	
Topography / Shape / Low:	Rolling topography / Somewhat rectangular / Two small areas of low/wetland areas, see following map, considered nominal	
Soil conditions / Drainage:	Assume Stable / Appears Average	
Utilities:		
Electricity/Gas	Yes / Yes	
Water/Sanitary Sewer	Public water / Public sewer – located in 7th Avenue Southeast	
Off-Site Improvements:		
Street/Curb/Gutter:	Bituminous / Concrete	
Sidewalk/Alley:	Yes along 7th Avenue Southeast on the western side of lot / None	
Visual Road Condition:	Average, typical wear and tear	
Street Lights / Storm Sewer:	Standard / Yes, in street	
Frontage/Access to site (#):	7th Avenue Southeast (assumed when developed adequate via 7th Avenue Southeast)	
Visibility/Exposure:	Average	
Flood hazard zone:	No flood hazard areas on the site, see following map	
Bus Line:	None apparent in the immediate area	
Apparent Easements:	Typical drainage and utility apparent; above ground power lines located along northern edge of property	
Encroachments/Conditions:	None noted	
Surplus/Excess Land:	Not applicable, vacant land	
Land to Building Ratio:	n/a	
Use / Functional Adequacy:	Vacant land / Average	
Surrounding Uses:	N – Residential	S – Residential, Vacant land (owned by Grand Rapids EDA)
	E – Grand Rapids Airport	W – Light Industrial
Distance to Major Road:	About a quarter mile west to Highway 169, north/south corridor; 2.75 miles north to Highway 2 west/east corridor	

The subject is fairly wooded with two small areas of wetland areas. The county indicates the subject has 12.17 acres of upland space and an additional 0.35 acres of road right-of-way. This appraised value will reflect the useable/upland area of 12.17 acres. Surrounding uses are vacant land, airport, residential, and some destination commercial/light industrial.

ZONING

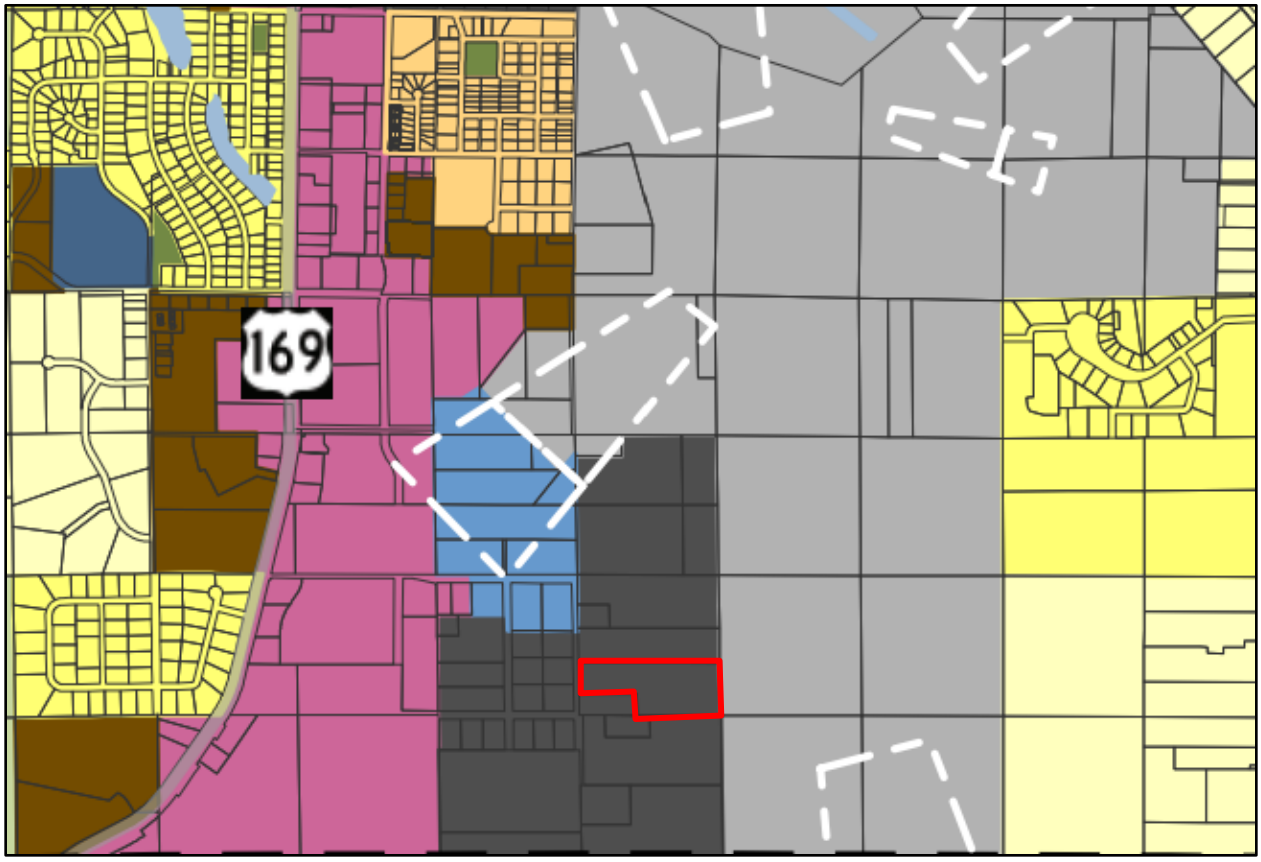
Subject Zoning:	**I1, Industrial Park District**
Intent (city code):	I1 Industrial Park District and the SI1 Shoreland industrial park district. These are planned districts that are intended to accommodate new, modern, high performance, low impact industrial uses in a park-like setting. They allow a full range of industrial activities plus support services but allow only limited sales of goods and services directly to the public. For uses permitted by right refer to Section 30-512. SI-1 districts are also subject to shoreland management standards.
Permitted Uses:	Group homes, foster homes and residential treatment centers 7+ persons; accessory buildings to residential uses; auto-truck fleet storage; warehouse, general; warehouse mini storage; Waterhouse motor freight terminal; water sewage treatment; treatment, power substations, neighborhood parks; transportation major or minor; industrial monument work/sales; industrial military post; manufacturing light or heavy; light and heavy industrial activities; recycling center; wholesale distribution facility;
Conditional Uses:	Health care use (interim use); telecommunications tower; jail, detention center, and juvenile detention center; mining of sand and gravel
Major Restriction/ requirements in this district:	**Minimum lot size:** 1 acre **Minimum width:** 150 feet **Minimum setback:** 50 feet **Interior or street side setback:** 25 feet **Rear yard setback:** 25 feet **Maximum lot coverages:** 50 feet **Total surface percentage:** 90% **Maximum building height:** 40 feet **Minimum dimension:** 24 feet
Parking:	**Varies on use**
Use	The subject meets minimum lot size and width and is considered to be a conforming lot of record. The subject is adjacent to the airport which can have additional restrictions for improvements and uses, however, not located in a cone area, see future land use plan.
Source:	*Zoning map, zoning code*

ZONING MAP

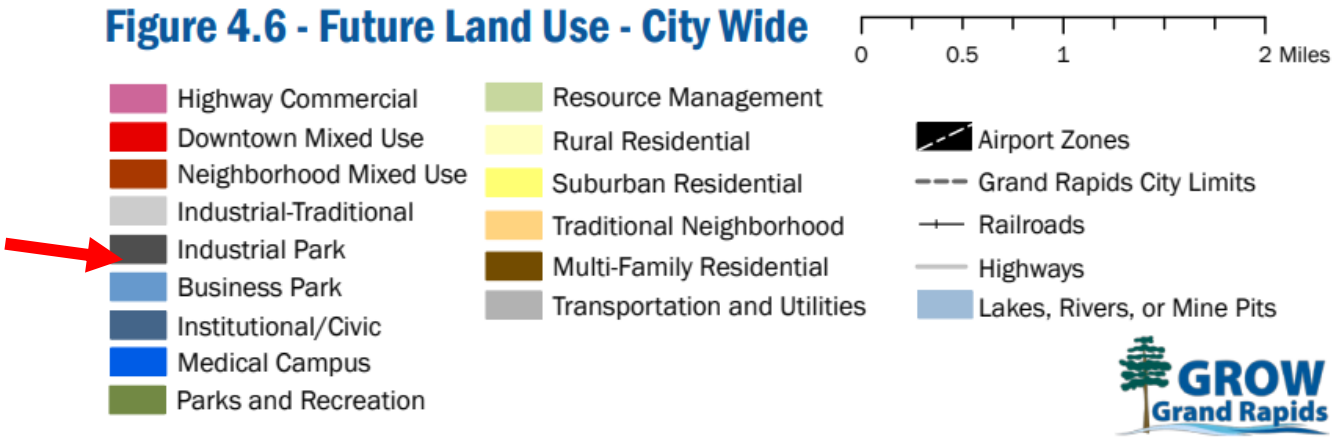


The subject is zoned Industrial Park

- One-Family Residence
- One-Family Residence (Small Lot)
- Shoreland One-Family Residence
- One and Two-Family Residence
- Shoreland One and Two-Family Residence
- Multi-Family Residence (High Density)
- Multi-Family Residence (Medium Density)
- Shoreland Multi-Family Residence
- Muliti-Family Resiedence (High Density)
- Shoreland Muliti-Family Resiedence (High Density)
- Rural Residential
- Shoreland Rural Residential
- Recreational Commercial
- Shoreland Recreational Commercial
- Limited Business
- Shoreland Limited Business
- Central Business
- General Business
- Shoreland General Business
- Medical
- Shoreland Medical
- Business Park
- Shoreland Business Park
- Industrial Park
- Shoreland Industrial Park
- General Industrial
- Shoreland General Industrial Park
- Public Use
- Shoreland Public Use
- Conservancy
- Mining Overlay District
- Planned Unit Development
- Scenic By-Way Commercial Overlay District
- Urban Overlay
- Agricultural
- Airport



The subject is guided for Industrial Park. The subject is also in the Airport Zones also.



Below is the following description of the future land use:

Industrial Park:

Description: Traditional Industrial Uses, Including High intensity warehouse and manufacturing.

Primary Land Use: Production / manufacturing, warehouse, large-scale wholesale with trucking, transfer facilities

Potential Secondary Land Uses: Office/administrative associated with primary uses. Retail outlets associated with and secondary to primary use.

Conclusion:

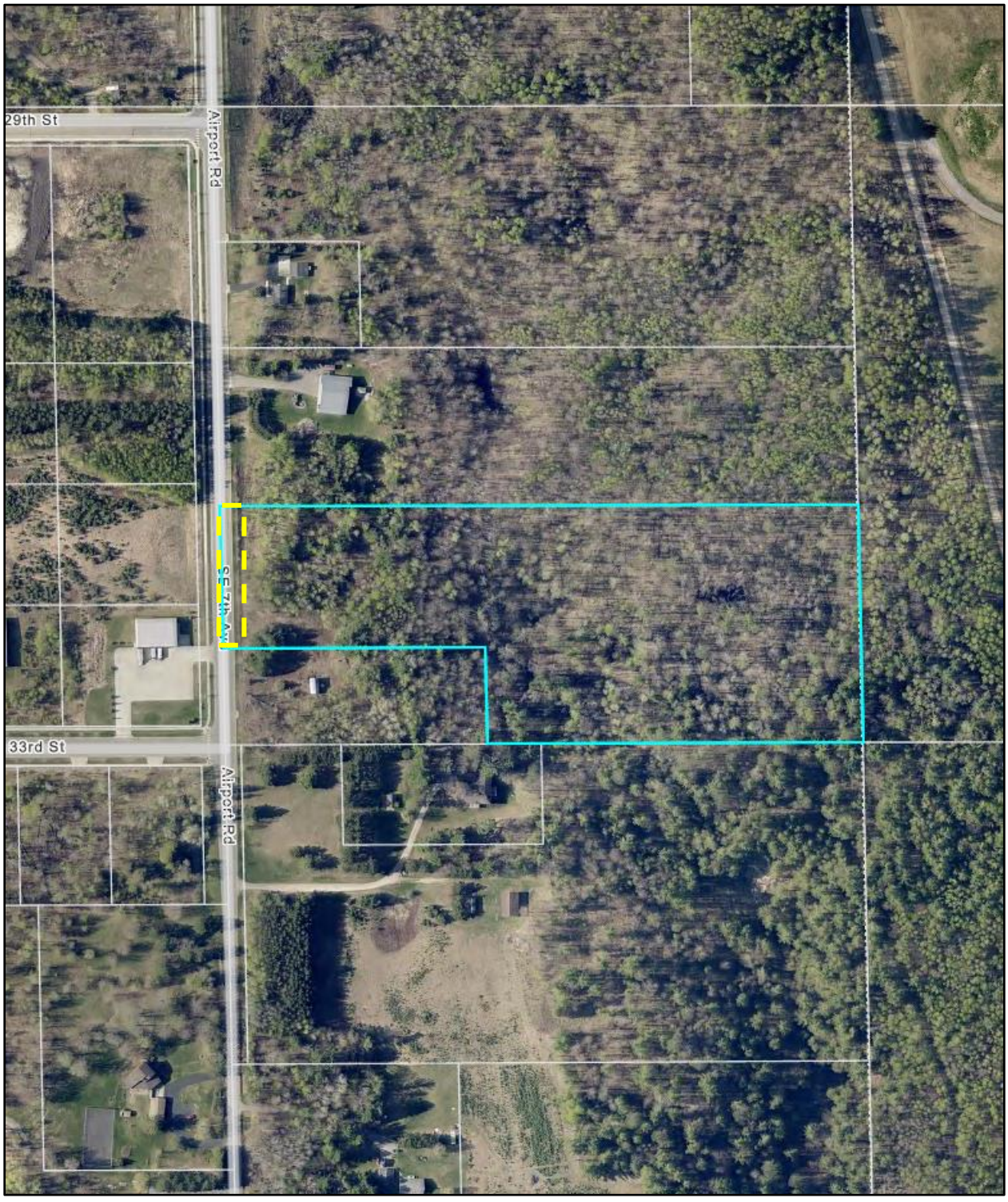
The subject, along with surrounding parcels, are guided for Industrial Park which encourages predominately industrial related uses. The current zoning is I1, Industrial Park District which is compatible with the future land use plan. As such, the subject would be developed with an industrial related use given zoning and future land use plan.

FLOOD MAP



Per map, there are no flood areas on the subject site.

PLAT MAP



The blue outline reflects the gross subject site which includes right-of-way and upland/useable areas.

The yellow outline reflects the approximate right-of-way area of 0.35 acres, the remaining site is 12.17 acres.

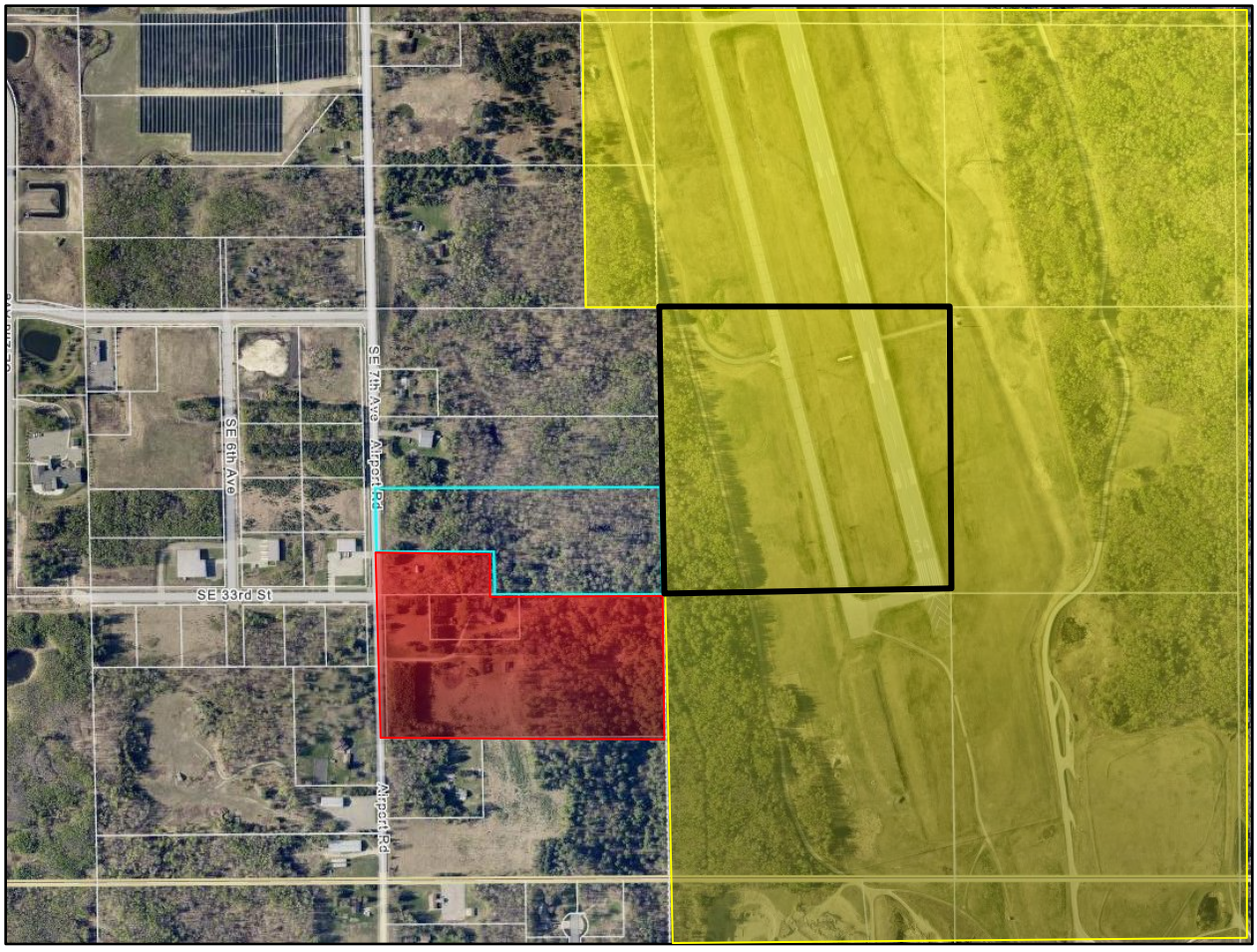
LARGER PARCEL

The larger parcel rule has three tests about whether or not to include surrounding land with the same ownership for severance purposes:

1. Unity of Ownership
2. Contiguity
3. Unity of Use

Ownership:

The subject site is owned by the City of Grand Rapids. The yellow shaded areas are owned by the City of Grand Rapids and are used for the airport, specifically the runway. The shaded red areas are owned by the Grand Rapids Economic Development Authority; although it is a related party, it is not the same owner as the subject.



Contiguity:

The properties shaded in yellow on the prior page are owned by the same owner and are contiguous, however, the only parcel that borders the subject site is the parcel outlined in black.

Unity of Use:

The subject site is vacant land. The property directly to the east (outlined in black) is 40.5 acres and it is the only parcel that borders the subject site. This parcel is used specifically for the runway of the airport and has a different highest and best use than the subject.

The subject's highest and best use is for industrial development, whereas the parcel directly to the east is considered to be airport related.

Conclusion:

The subject is adjacent to properties with similar ownership. The subject site's highest and best use is for industrial, whereas the parcel directly to the east is considered to have a different highest and best use than the subject. As such, the larger parcel is not applied.

As previously mentioned, the properties to the south are owned by the City of Grand Rapids Economic Development Authority, considered not to be the same property owner.

The subject will be appraised as a standalone site, the larger parcel does not apply.

WETLAND MAP

The below map is from the national wetland inventory website of the federal government. The highlighted areas are generally considered probable wetlands (an official wetland delineation survey would need to be completed to fully determine the exact wetland edges).

Based on the map, there are wetland areas on the site.

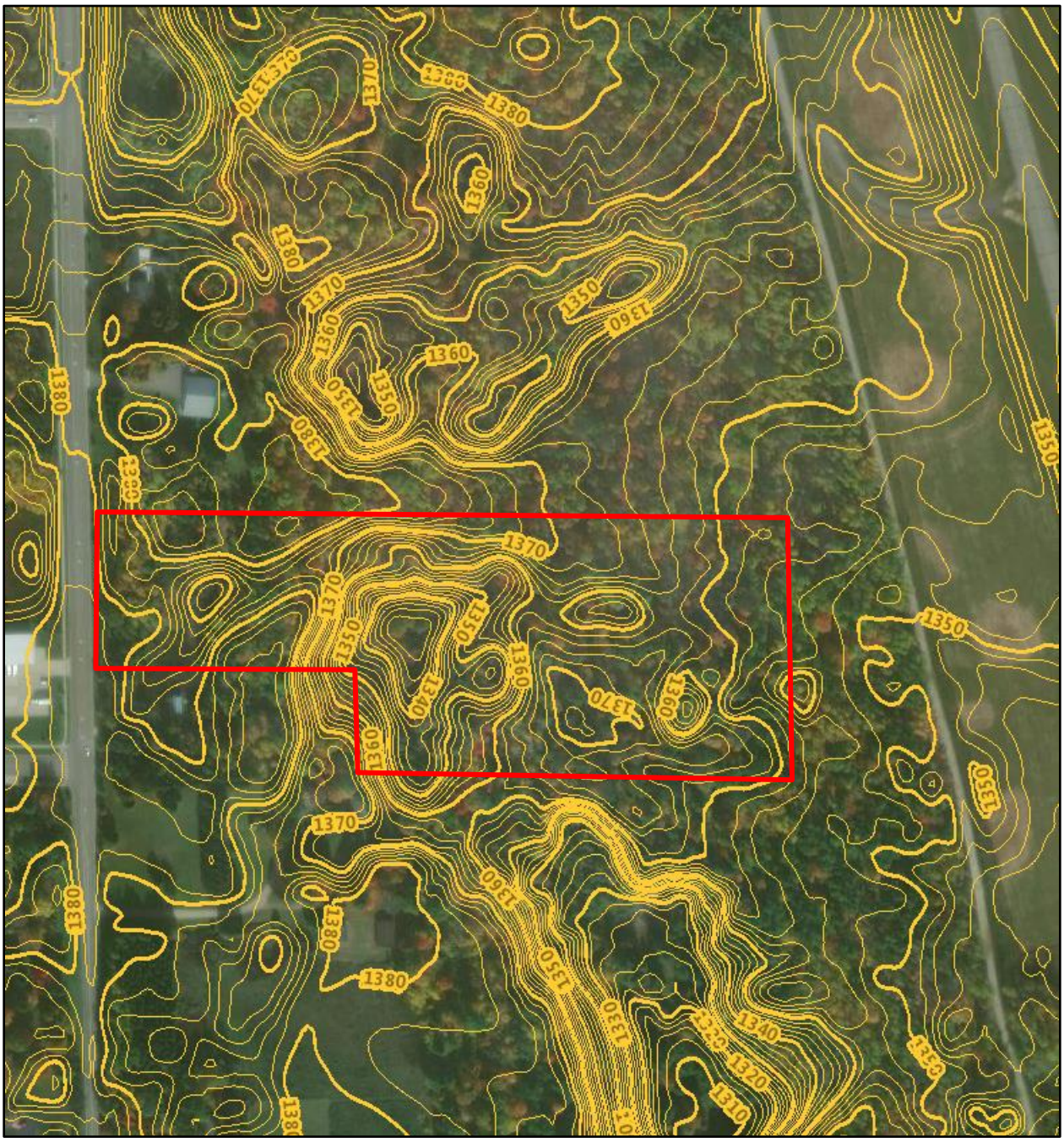


The red outline reflects the approximate subject area.

The wetland area on the subject site is fairly nominal.

TOPOGRAPHY MAP

The following exhibit is from the MN DNR website and reflects the subject's topography.



The red outline reflects the approximate subject site.

The subject has rolling topography based on the available topography map. Elevations range from 1,332 feet to 1,382 feet.

SUBJECT PHOTOGRAPHS



Photo #1 – Looking north on 7th Ave SE / Airport Road 8/26/2023, taken by Erin Waytas, MAI, red arrow indicates location of the subject



Photo #2 – Looking south on 7th Ave SE / Airport Road 8/26/2023, taken by Erin Waytas, MAI, red arrow indicates location of the subject



Photo #3 – Looking east into the subject site 8/26/2023, Taken by Erin Waytas, MAI



Photo #4 – Looking northeast into the subject site 8/26/2023, Taken by Erin Waytas, MAI

Subject Photographs – Continued



Photo #5 – Looking southeast into the subject site
8/26/2023, Taken by Erin Waytas, MAI



Photo #6 – Looking east into the subject site
8/26/2023, Taken by Erin Waytas, MAI

HIGHEST AND BEST USE

Highest and best use as defined in The Appraisal of Real Estate, Thirteenth Edition, by the Appraisal Institute, is: "The reasonably probable and legal use of vacant land or an improved property, that is physically possible, legally permissible, appropriately supported, financially feasible, and that results in the highest value." Highest and best use is analyzed in two ways, site as vacant and site as improved.

Typically, there are four criteria in highest and best use analysis	
Legally permissible uses	*What uses are allowed by zoning?*
Physically possible uses	*What uses are physically possible on the site?*
Financially feasible use	*Which possible and permissible uses will produce a positive return?*
Maximally productive use	*Of the financially feasible uses, which use produces the highest return warranted by the market (the ideal improvements)?*

Site as Vacant: Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. *The Dictionary of Real Estate Appraisal, Fifth Edition, by the Appraisal Institute.*

Legally Permissible Uses: The current **I1, Industrial Park District** zoning allows for predominately industrial related uses such as warehouses, light industrial, and heavy industrial. There are some other specified residential uses that are allowed such as group homes, foster homes, and residential treatment centers. The subject site meets minimum lot size and minimum width requirements.

The subject is guided for **Industrial Park** which primarily allows for production / manufacturing, warehouse, large-scale wholesale with trucking, transfer facilities, etc. The future land use plan is considered to be compatible with the existing zoning district.

Physically Possible Uses: The subject site is predominately wooded throughout and based on the topography of the site there are some rolling areas, rear portion of the site appears to be more level / less rolling.

Public water and public sewer are available in 7th Avenue Southeast / Airport Road which would be available for development along with gas and electric being available as well.

Financially Feasible Uses: Typically, surrounding uses, market demand, and availability of financing drive financially feasible uses.

Surrounding Uses: The airport is located to the east of the subject. Surrounding uses are vacant land, residential, and some industrial uses. Limited new construction industrial in the immediate area, most recent structure is across street that was built in 2012 +/-.

Financing: Availability of financing is currently average. There appear to be no site conditions that would adversely impact the availability of financing. Current interest rates range from 6.50% to 8.50%. Lenders typically desire to see market demand for speculative multi-tenant industrial development prior to extending financing.

Market Demand: The subject is rated to have fair to average appeal in the market for development, larger site and topography can lengthen potential development demand. Furthermore, there is available land in the subject's market (directly across the street) and in other parts of the city. There is also available land in adjacent cities (La Prairie and Cohasset), overall demand for industrial land is rated to be softer.

Financially Feasible Uses: The subject is currently vacant and would allow for development. The site would likely appeal to a single-user or owner-occupant. Development would be financially feasible, lengthier development timing given larger site and availability of land, and market participants would likely wait for the gap between cost and value to narrow. Government programs such as TIF and various grant programs can help narrow the gap as well.

Maximally Productive Use:

A typical market participant would likely consider the following options:

1. Leave vacant
2. Develop with an industrial use

The subject is vacant land. The subject has not been openly marketed due to City of Grand Rapids ownership, there is available land in the immediate and greater area.

The subject site would likely appeal to a single-user (owner-occupant) for industrial related use. Development time is likely lengthy given the available land and size of site. Limited new construction in the immediate area, likely attributable to the gap between cost and value.

As such, the highest and best use for the subject site is to speculate for industrial-related development as market demand warrants and zoning allows. Site would likely appeal to a single-user/owner-occupant and development timing as a standalone site is now to 5+ years.

Site as Improved: The use that should be made of a property as it exists. An existing improvement should be renovated or retained as so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. *The Dictionary of Real Estate Appraisal, Fifth Edition, by the Appraisal Institute.*

The subject is vacant land. This analysis is not applicable.

Most Probable Buyer: The most likely buyer of the subject would be an owner-occupant.

COST APPROACH

The subject is vacant land, the Cost Approach is not considered to be applicable.

INCOME APPROACH

The Income Approach was not applied. Specific subdivision development costs and approved number of lots are not available, rendering the Income Approach an unreliable indicator of value for the subject property.

SALES COMPARISON APPROACH

The Sales Comparison Approach to Value is predicated upon sales of properties with similar characteristics as the subject. The primary premise of this approach is that the market value of the subject is directly related to the prices of competing properties after adjustment. Adjustments are made in an effort to account for significant differences.

Supply and Demand: Sales in the market result from negotiations between buyers, sellers and lenders. Buyers reflect market demand and sellers supply. If demand is high, prices tend to increase, if it is low, prices usually decrease.

Substitution: The principle of substitution holds that the value of a property tends to be set by the price paid to acquire a substitute property of similar utility and desirability within a reasonable amount of time (The Appraisal of Real Estate, 14th Edition). The Sales Comparison Approach is less reliable if substitute properties are not available in the market. There are adequate sales to apply the sales comparison approach and formulate a reliable indication of market value.

Balance: The market tends to force a balance between supply and demand. Balance can change due to shifts in population, variations in purchasing power, consumer tastes and preference and time.

Externalities: When possible, select comparables with similar location, economic conditions and support facilities.

The Following Outline Is Used In The Sales Comparison Approach:

- A location map of the comparable sales.

- Comparable sales are listed.

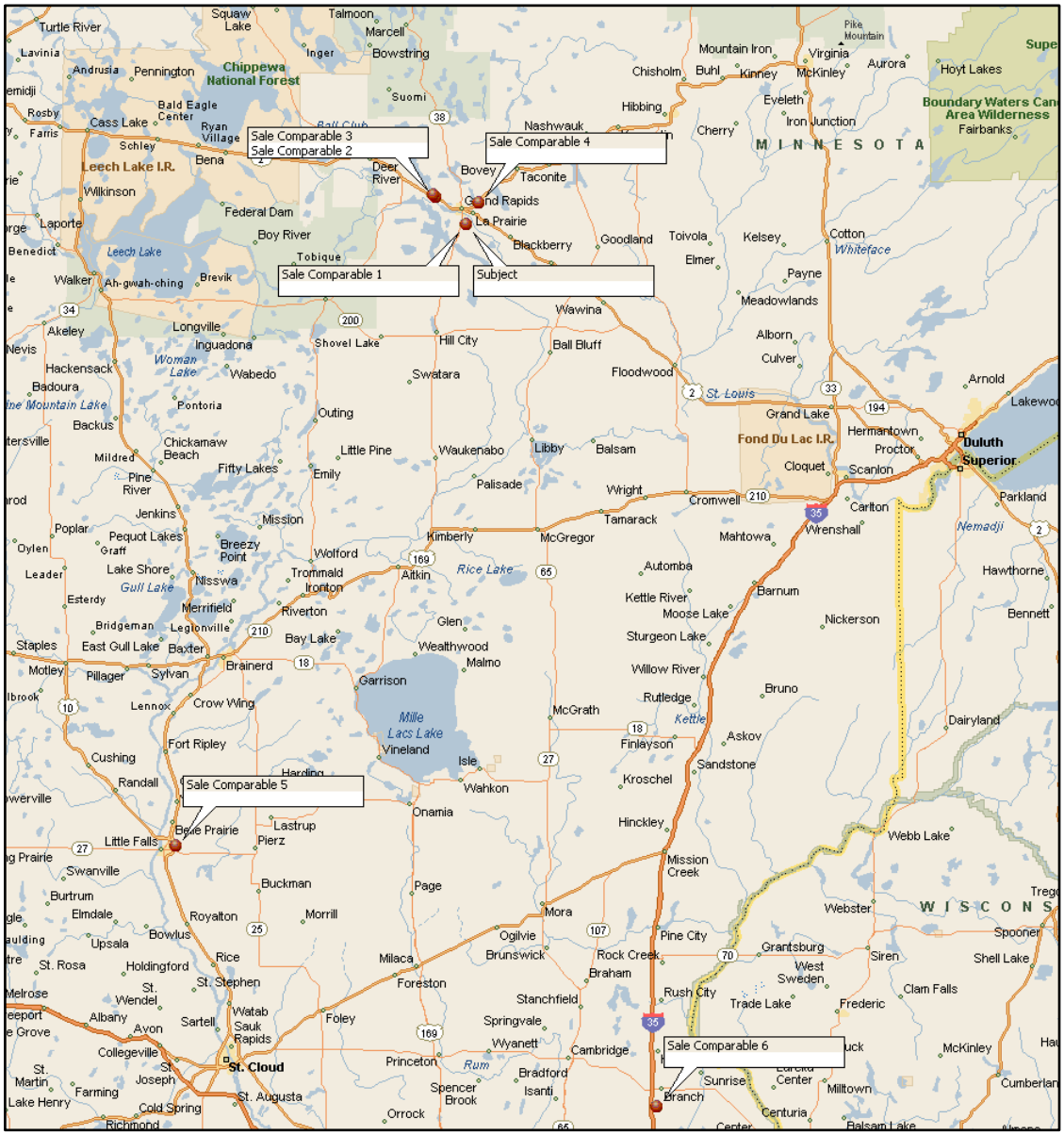
- An adjustment grid using the comparable sales.

- A discussion of adjustment and conclusion of value.

Comparable Location Map

Primary Comparable Selection/Search Criteria:

- Primary emphasis of industrial related properties, or commercial with close proximity that allows for some general light industrial uses.
- Sale date of January 1, 2019 +, older sales may be considered if appropriate
- Data from competing communities, primary consideration to the subject's community
- In some instances, older data and/or data from competing communities will be utilized due to proximity to the subject and other characteristics similar to the subject.



The comparable site photographs are indicated below and on the following page; photographs of comparables were taken from public right-of-way:



Comparable Sale #1



Comparable Sale #2



Comparable Sale #3



Comparable Sale #4



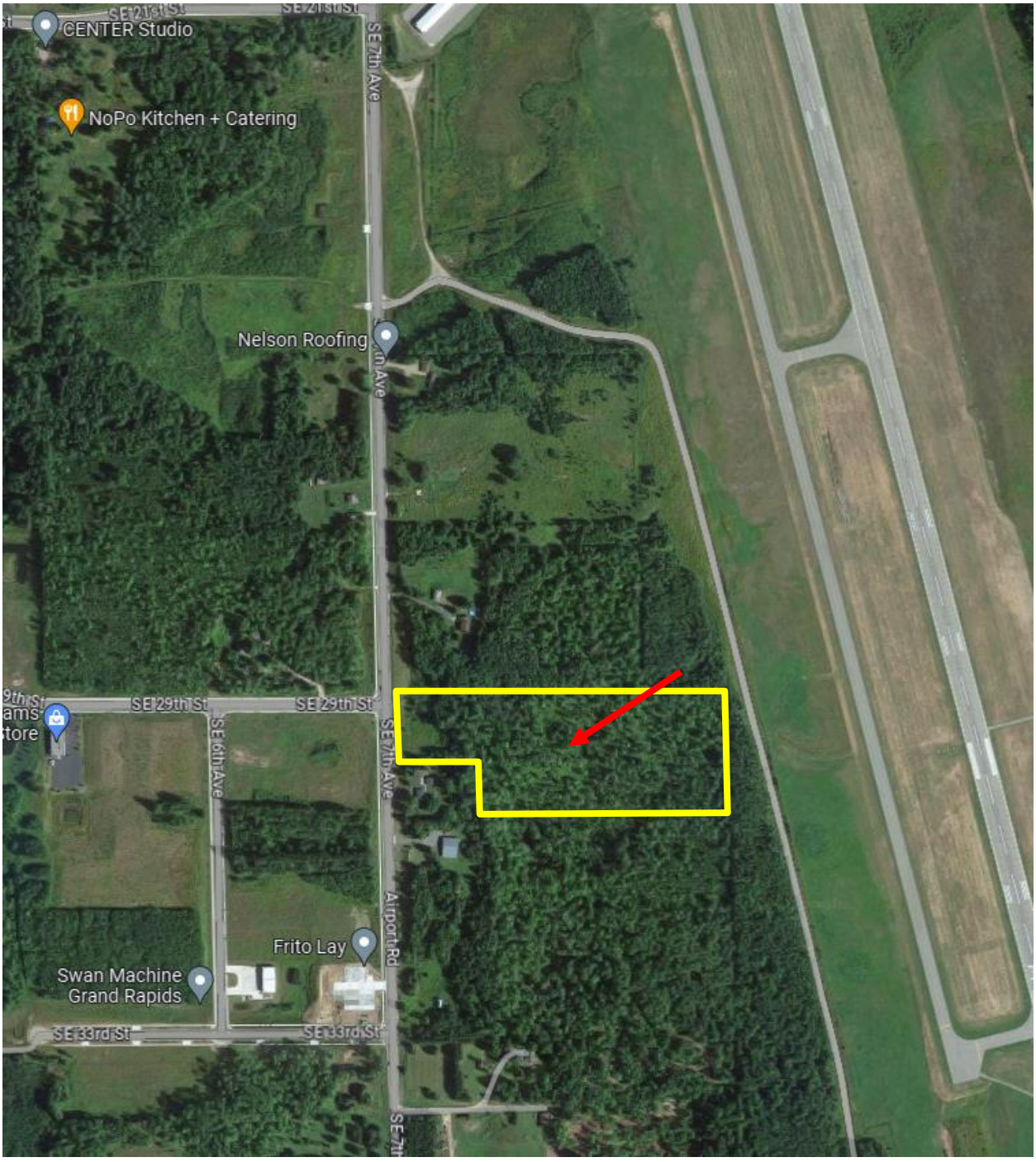
Comparable Sale #5

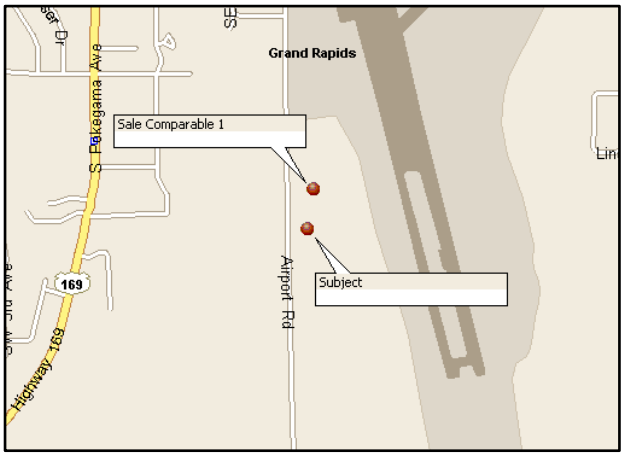


Comparable Sale #6

Land Sale 1 is surrounded by the airport, vacant land, industrial, and some residential uses.

The sale is indicated by the red arrow below and approximate yellow outline.



Land Sale Comparable #1	
	

Property Data			
Address:	XXXX 7th Avenue Southeast, Grand Rapids		
PID/Legal Description:	91-033-4120		
Description:	Land parcel	**Zoning/Intended Use:**	Industrial
Physical Characteristics:	Wooded, Nominal low/wetland	**Utilities:**	Public, In street
Site Size:	13.39 acres	**Improvements:**	None
Comments:	Vacant land located in Grand Rapids with close proximity to the subject. The subject is currently zoned Industrial Park and guided for Industrial Park, which is the same district as the subject site. The site is heavily wooded with a similar rolling topography. The site area noted above excludes the reported right-of-way by county.		

Sale Data			
Sale Price:	$129,900	**Price /Acre:**	**$9,701 per Acre**
Sale/Close Date:	November 26, 2019	**Sale Terms:**	Cash
Buyer:	Michael & Mary Ives	**Sale Conditions:**	Typical
Seller:	Carol Lessin	**Source/Verification:**	MLS, CREV 1042078
Comments:	The property was listed on the open market. The listing agent, Jeffrey Dick 218-326-3411, verified the sale information.		

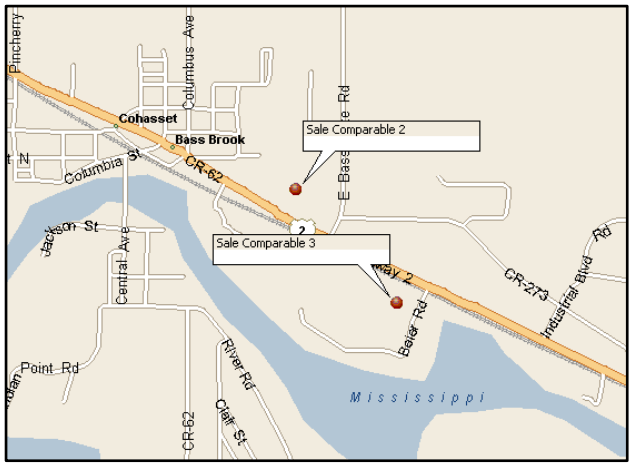
Land Sale 2 is surrounded by a industrial, vacant land, residential, and is located along the Highway 2 corridor.

The sale is indicated by the red arrow below and approximate yellow outline.



Land Sale Comparable #2



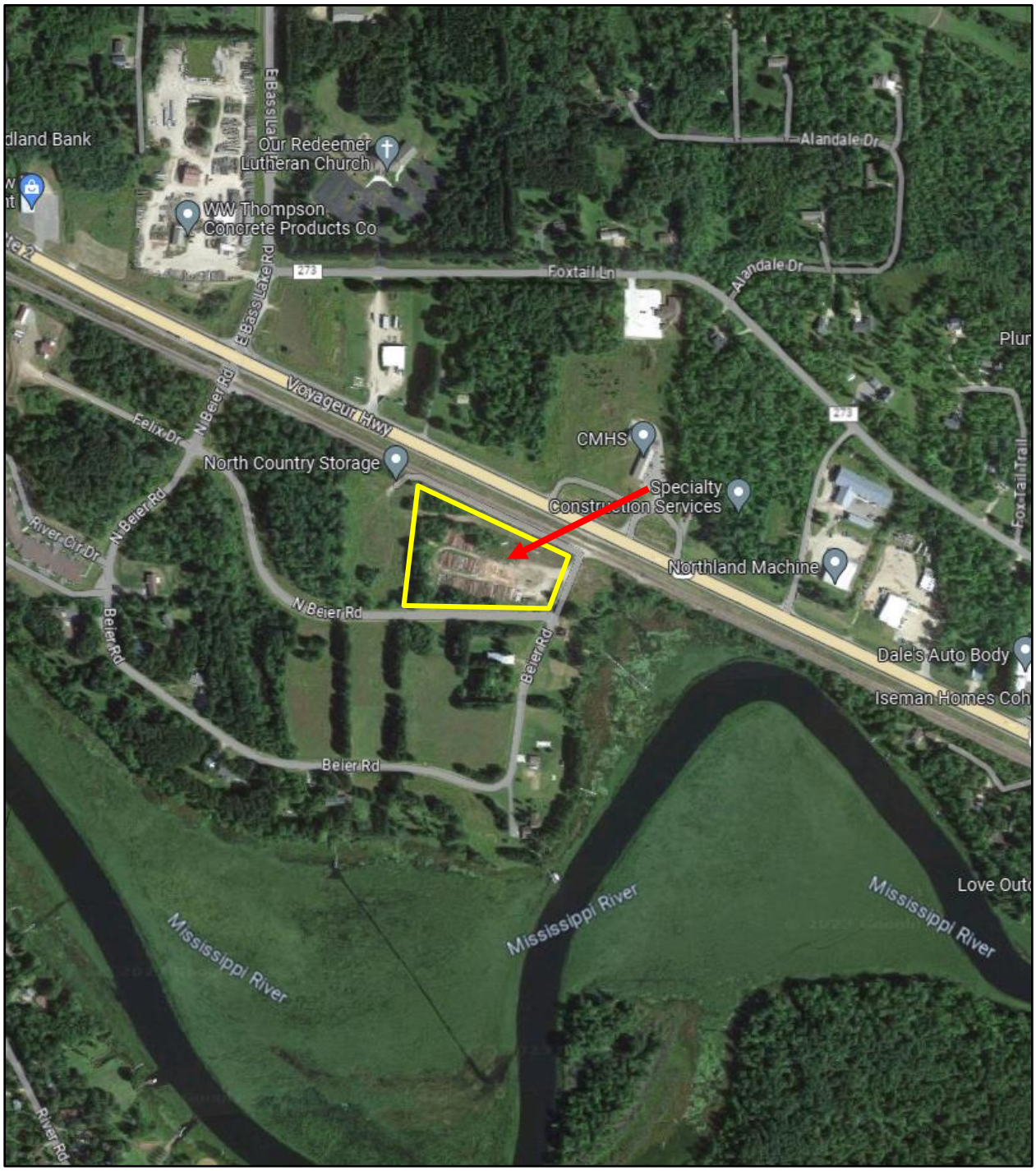


Property Data			
Address:	XXXX Highway 2, Cohasset		
PID/Legal Description:	05-470-0120, 05-470-0115		
Description:	Land parcel	**Zoning/Intended Use:**	Commercial / Ind
Physical Characteristics:	Wooded, Open Space, Nominal low/wetland	**Utilities:**	Public, In street
Site Size:	5.42 acres	**Improvements:**	None
Comments:	Property located in Cohasset along the Highway 2 corridor. Property is comprised of two parcels with sloping throughout with wooded and open areas. Public utilities are located in the street. The site is zoned General Business which allows for general commercial uses along with some light industrial including general warehouse, mini-storage, contractor uses, outdoor storage, assembly uses (small, large is allowed with a conditional use permit). The property was marketed with industrial potential. Property is used due to proximity, some industrial uses are allowed, the adjacent properties are industrial in nature.		

Sale Data			
Sale Price:	$100,000	**Price /Acre:**	**$18,450 per Acre**
Sale/Close Date:	August 16, 2022	**Sale Terms:**	New Mortgage
Buyer:	Daniel Martin	**Sale Conditions:**	Typical
Seller:	Evergreen Land Company	**Source/Verification:**	MLS / CREV 1454554
Comments:	The property was listed on the open market on August 2, 2021, with a price of $195,000. The property was on the market for 323 days prior to closing at $100,000. The listing agent, Jackie Lawson 218-259-4678, verified the sale information.		

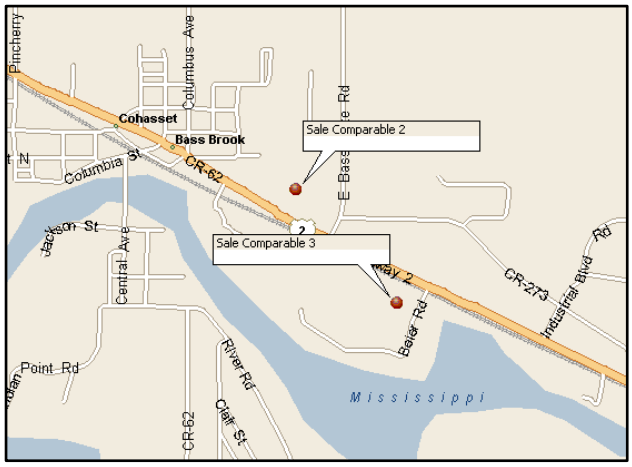
Land Sale 3 is surrounded by industrial, destination commercial, residential, and is located along the Highway 2 corridor.

The sale is indicated by the red arrow below and approximate yellow outline.



Land Sale Comparable #3



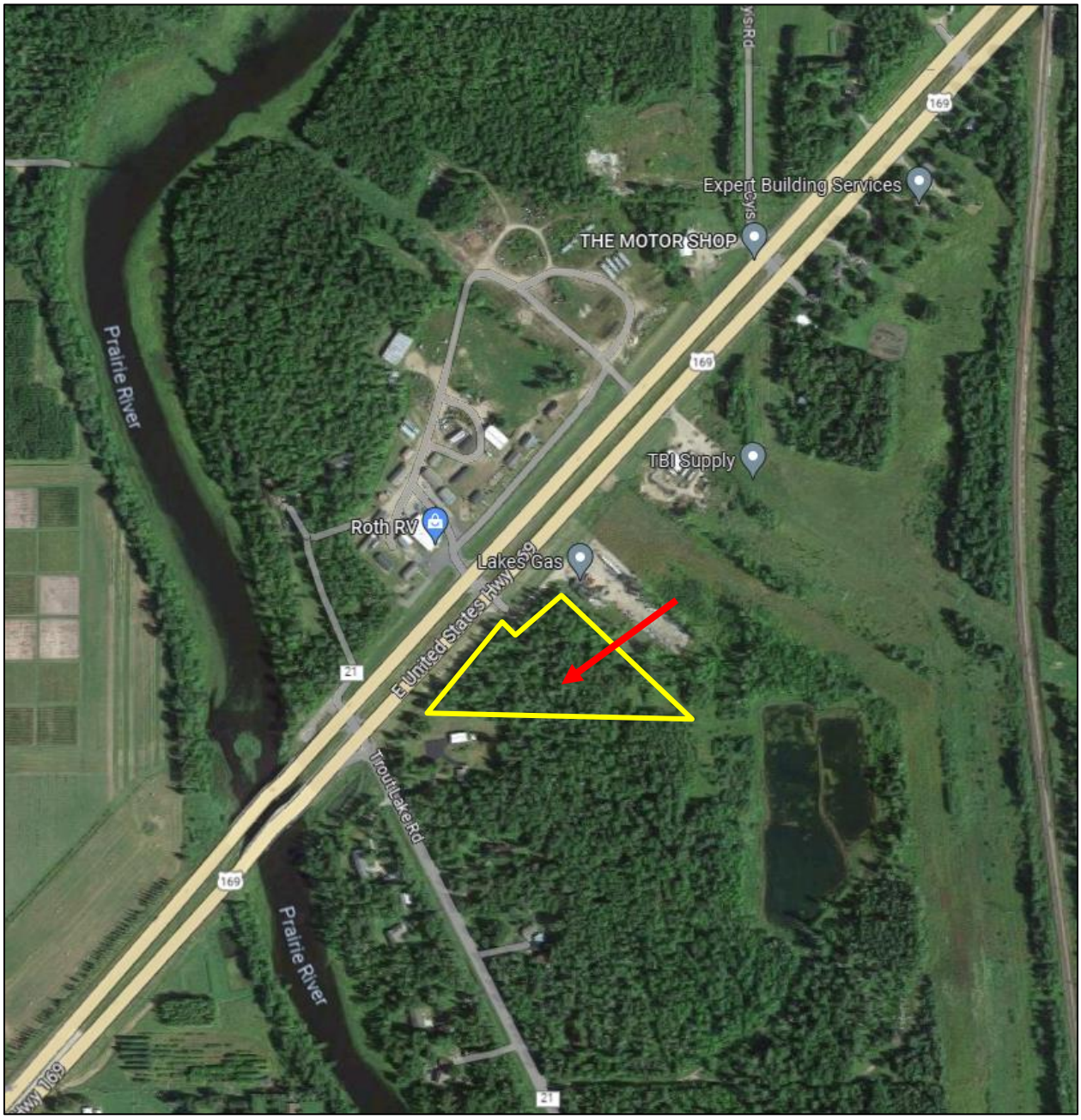


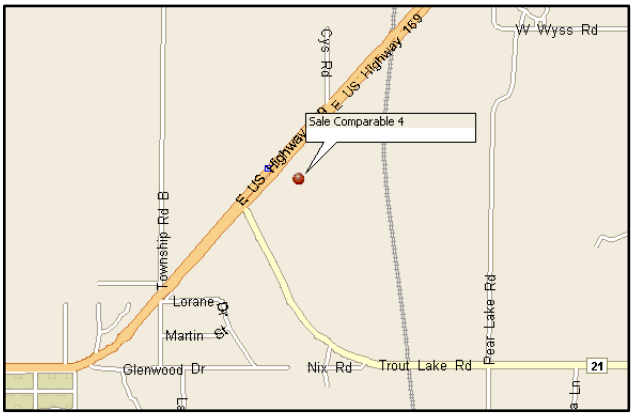
Property Data			
Address:	35462 Beier Road, Cohasset		
PID/Legal Description:	05-011-4204		
Description:	Land parcel	**Zoning/Intended Use:**	Commercial / Ind
Physical Characteristics:	Open, Wood, nominal low/wetland	**Utilities:**	Public, In street
Site Size:	4.70 acres	**Improvements:**	Small shed , Billboard
Comments:	The property is located in Cohasset along Highway 2 corridor (no direct access, circuitous access). At time of transaction there was a small shed (aerial above is after the sale buyer built a mini-storage and warehouse building). There was a billboard on the site at time of transaction, however, no reported income. The site is zoned General Business which allows for general commercial uses along with some light industrial including general warehouse, mini-storage, contractor uses, outdoor storage, assembly uses (small, large is allowed with a conditional use permit). The property was marketed with industrial potential. Property is used due to proximity, some industrial uses are allowed, the adjacent properties are industrial in nature.		

Sale Data			
Sale Price:	$90,000	**Price /Acre:**	**$19,149 per Acre**
Sale/Close Date:	August 19, 2020	**Sale Terms:**	New Mortgage
Buyer:	North Country Development, LLC	**Sale Conditions:**	Typical
Seller:	Barbara Foss	**Source/Verification:**	MLS / CREV 1166275
Comments:	The property was listed on the open market. The site was originally listed on March 6, 2019, for $100,000. The property was on the market for 310 days and closed at $90,000. The listing agent, Karyn Davidson 218-326-8200, confirmed details of the sale. The property had previously been listed on the market for about a year before expiration and being relisted and selling in August 2020.		

Land Sale 4 is surrounded by vacant land, residential, industrial, and some destination commercial uses.

The sale is indicated by the red arrow below and approximate yellow outline.



Land Sale Comparable #4	
	

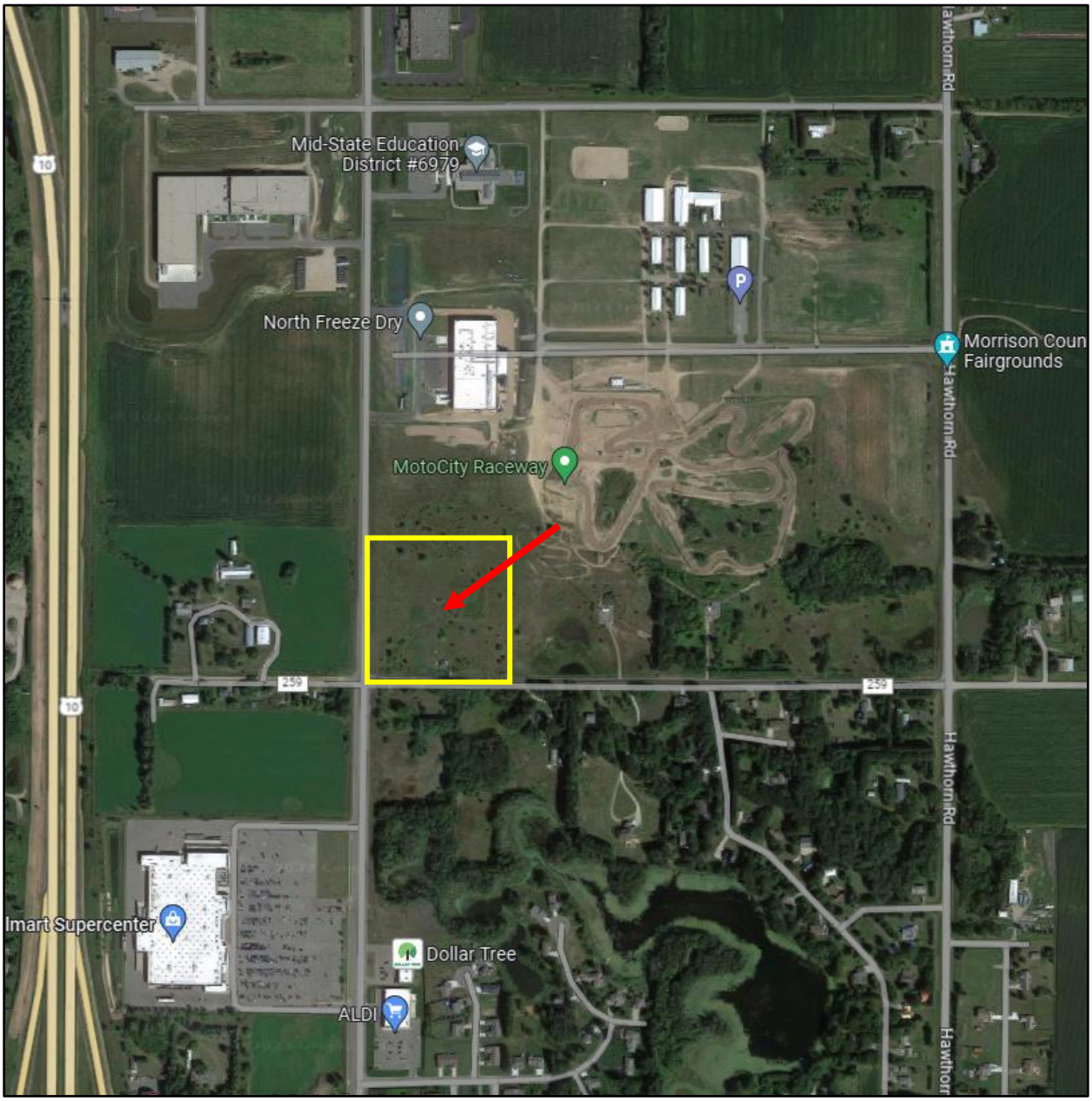
Property Data			
Address:	XXXX Highway 169, Grand Rapids		
PID/Legal Description:	88-453-0130, 88-453-0140		
Description:	Land parcel	**Zoning/Intended Use:**	Industrial
Physical Characteristics:	Wooded, Nominal low/wetland	**Utilities:**	Private
Site Size:	3.88 acres	**Improvements:**	None
Comments:	Industrial property located outside the city of Grand Rapids (mailing address is Grand Rapids). Property has general commercial and industrial potential; the property directly next door is an industrial related use. Private utility appeal only, no public sewer or water. Property is used due to proximity and fairly recent transaction.		

Sale Data			
Sale Price:	$65,000	**Price /Acre:**	**$16,753 per Acre**
Sale/Close Date:	August 3, 2022	**Sale Terms:**	Cash
Buyer:	Kyle Brekke	**Sale Conditions:**	Typical
Seller:	Evergreen Land Company	**Source/Verification:**	MLS / CREV 1449350
Comments:	The property is comprised of two parcels that were listed separately but sold together. Both parcels were listed in March 2018 and were on the market for around 1,590 days before selling for $65,000 total. The listing agent, Jackie Lawson 866-327-9889, confirmed details of the sale.		

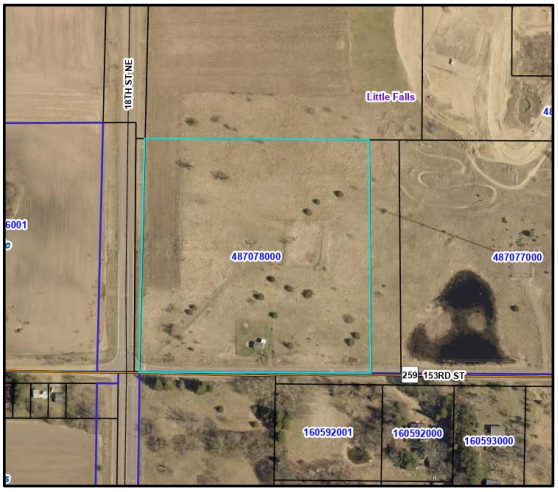
Sales Comparison Approach – Continued

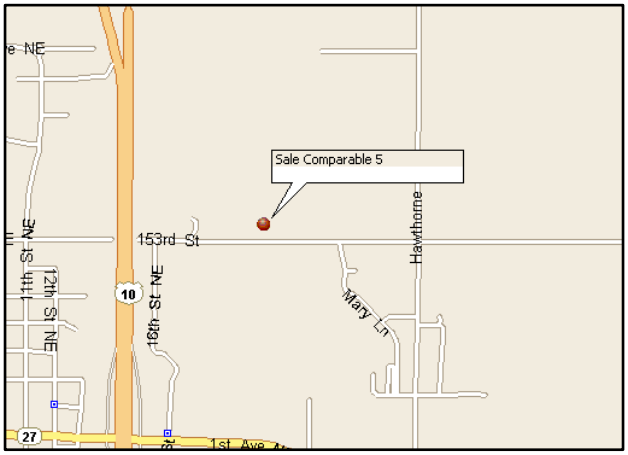
Land Sale 5 is surrounded by industrial, vacant land, residential, and commercial to the south (Walmart)

The sale is indicated by the red arrow below and approximate yellow outline.



Land Sale Comparable #5



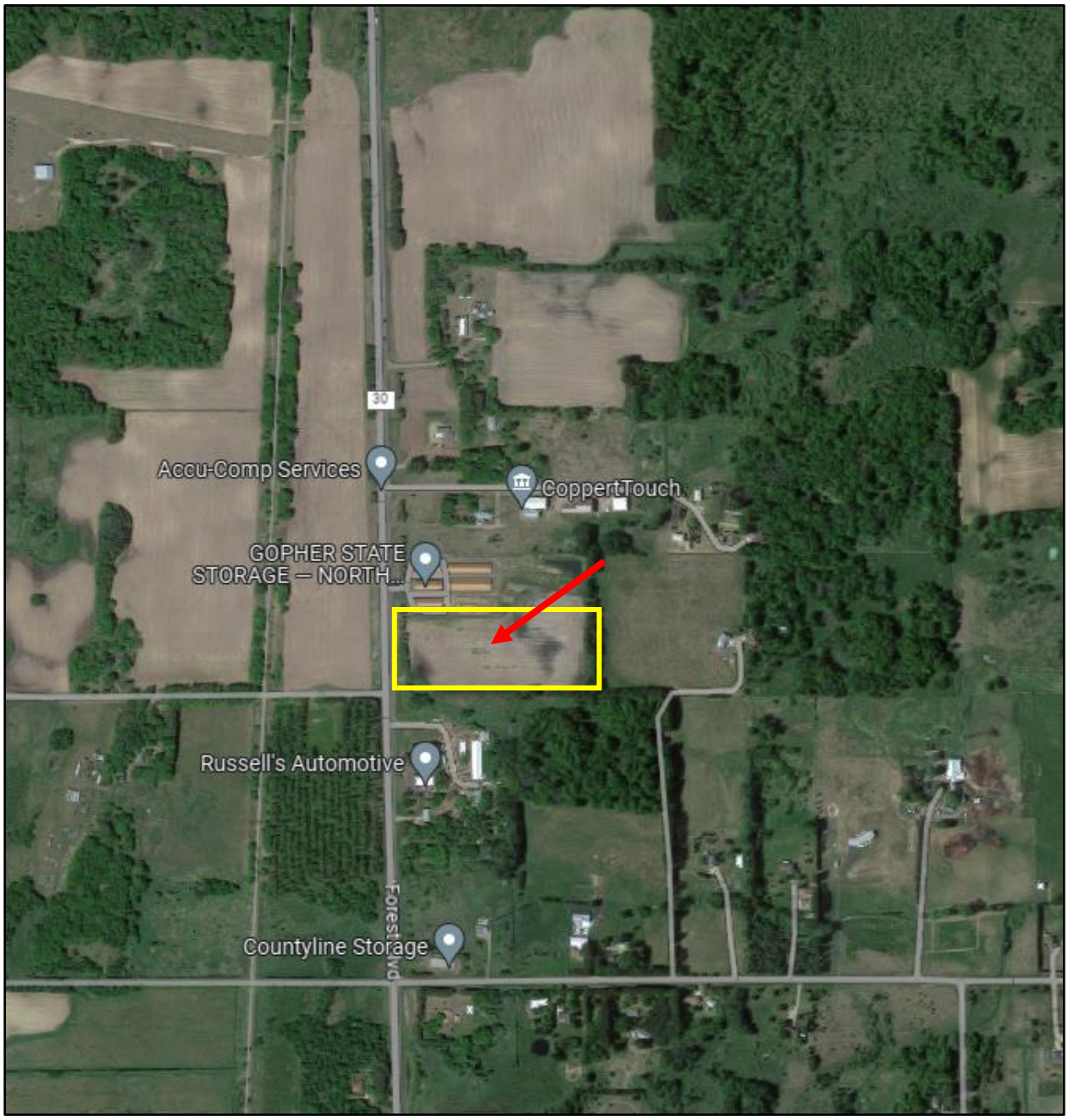


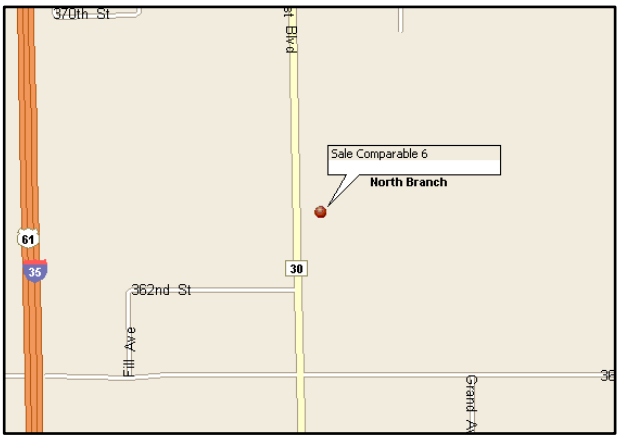
Property Data			
Address:	15616 - 153rd Street, Little Falls		
PID/Legal Description:	48-7078-000		
Description:	Land parcel	**Zoning/Intended Use:**	Industrial
Physical Characteristics:	Open space, nominal low/wetland	**Utilities:**	Public, In Street
Site Size:	9.47 acres	**Improvements:**	Small Shed
Comments:	Industrial property located in Little Falls. The property is fairly open, however, some rolling topography. Site size excludes the estimated right-of-way. Property was purchased and developed with an industrial building after transaction. Public utilities are available in the street (southwestern corner). Small shed located on the southern portion of the site, reportedly used for shed/storage.		

Sale Data			
Sale Price:	$90,000	**Price /Acre:**	**$9,504 per Acre**
Sale/Close Date:	October 17, 2022	**Sale Terms:**	New Mortgage
Buyer:	Jodi & Timothy Schneioder	**Sale Conditions:**	Typical
Seller:	Riverside Bible Church	**Source/Verification:**	MLS / CREV 1479983
Comments:	The property was listed on the open market. The original list price was $189,900 and was on the market for 234 days before closing for $90,000. The listing agent, Steven Hansen, 320-251-2200, confirmed details of the sale.		

Land Sale 6 is surrounded by residential, industrial, and agriculture properties.

The sale is indicated by the red arrow below and approximate yellow outline.



Land Sale Comparable #6	
	

Property Data			
Address:	XXXX Forest Boulevard North, North Branch		
PID/Legal Description:	11-00682-10		
Description:	Land parcel	**Zoning/Intended Use:**	Industrial
Physical Characteristics:	Open space, nominal low/wetland	**Utilities:**	Private
Site Size:	6.56 acres	**Improvements:**	None
Comments:	Vacant property located in North Branch, the property has more of a rural setting and is in the city with industrial zoning. The site size excludes the estimated right-of-way. Property is fairly level with open areas. Surrounding improved sites are predominately industrial in nature.		

Sale Data			
Sale Price:	$125,000	**Price /Acre:**	**$19,055 per Acre**
Sale/Close Date:	June 7, 2023	**Sale Terms:**	Cash
Buyer:	Heavy Iron Holdings, LLC	**Sale Conditions:**	Typical
Seller:	Maryann & Erik Wersen, Marvin Hansen	**Source/Verification:**	MLS / CREV 1545398
Comments:	The property is being used due to a recent transaction. The property was listed on the open market with an initial asking price of $125,000 and was on the market for ten days. The listing agent, Bob Muske 651-464-7070, confirmed details of the sale.		

Sales Comparison Approach -- continued

Listed below is the adjustment grid for the comparables listed on the previous pages. Comparable items of significant difference are rated either inferior, similar or superior to the subject.

Description	Subject	1	2	3	4	5	6
Address	XXXX 7th Avenue SE Grand Rapids	XXXX 7th Avenue SE Grand Rapids	XXXX Highway 2 Cohasset	35462 Beier Road Cohasset	XXXX Highway 169 Grand Rapids	15616 153rd Street Little Falls	XXXX Forest Boulevard North North Branch
Proximity	Subject	Adjacent	6.1 mi NW	5.6 mi NW	3.3 mi NE	94.4 mi SW	121 mi SE
Financing	Market	Cash	New Mortgage	New Mortgage	Cash	New Mortgage	Cash
Conditions	Typical	Typical	Typical	Typical	Typical	Typical	Typical
Market Conditions	--	Nov-19	Aug-22	Aug-20	Aug-22	Oct-22	Jun-23
Location	Average	Average	Good	Average / Good	Average	Average	Fair / Average
Zoning/Use	Industrial	Industrial	Commercial / Ind	Commercial / Ind	Industrial	Industrial	Industrial
Phys Char	Wooded, Nominal low/wetland	Wooded, Nominal low/wetland	Wooded, Open Space, Nominal low/wetland	Open, Wood, nominal low/wetland	Wooded, Nominal low/wetland	Open space, nominal low/wetland	Open space, nominal low/wetland
Development Appeal	Rolling Topography - Average	Rolling Topography - Average	Gradual sloping throughout - average/good	Level site - good	Level site - Good	Rolling Topography - Average	Level site - Good
Improvements	None	None	None	Small shed , Billboard	None	Small Shed	None
Size	--	--	--	600 SF	--	500 SF	--
Age	--	--	--	--	--	--	--
Condition	--	--	--	--	--	--	--
Utilities	Public, In street	Public, In street	Public, In street	Public, In street	Private	Public, In Street	Private
Sale Price	--	$129,900	$100,000	$90,000	$65,000	$90,000	$125,000
Site Size (ac)	12.17	13.39	5.42	4.70	3.88	9.47	6.56
Price per Acre - Site Size		**$9,701**	**$18,450**	**$19,149**	**$16,753**	**$9,504**	**$19,055**
Cond. Adj.	+/-						
Financing	Market						
Conditions	Typical						
Market Conditions	--	11.25%	3.00%	9.00%	3.00%	2.50%	0.50%
Net Cond. Adj.		**11.25%**	**3.00%**	**9.00%**	**3.00%**	**2.50%**	**0.50%**
Effective $/Acre - Site Size		**$10,793**	**$19,004**	**$20,872**	**$17,255**	**$9,741**	**$19,150**
Adjustments	+/-						
Location	Average	Similar =	Superior +2	Superior +1	Similar =	Similar =	Inferior -1
Zoning/Use	Industrial	Similar =	Superior +2	Superior +2	Similar =	Similar =	Similar =
Phys Char	Wooded, Nominal low/wetland	Similar =	Superior +1	Superior +2	Similar =	Superior +2	Superior +2
Development Appeal	Rolling Topography - Average	Similar =	Superior +1	Superior +2	Superior +2	Similar =	Superior +2
Improvements	None	Similar =	Similar =	7%	Similar =	6%	Similar =
Utilities	Public, In street	Similar =	Similar =	Similar =	Inferior -3	Similar =	Inferior -3
Site Size (ac)	12.17	Similar =	Smaller -2	Smaller -2	Smaller -3	Smaller -1	Smaller -2
Overall Rating		**Similar =**	**Superior +4**	**Superior +5**	**Inferior -4**	**Superior +1**	**Inferior -2**
Adjusted Price per Acre - Site Size		**Similar than $10,793**	**Less than $19,004**	**Less than $22,333**	**Greater than $17,255**	**Less than $10,325**	**Greater than $19,150**

The DNR "Uniform Appraisal Standards for Federal Land Acquisitions" resource, effective January 1, 2016, states the following:

> "The comparable sales should be adjusted through quantitative and/or qualitative analysis, depending on the market data available, to derive an indication of the market value of the subject Property. Quantitative adjustments should be made whenever adequate market data exist to support dollar or percentage amount adjustments. Qualitative adjustments (i.e., inferior, superior) can be made when market data is not sufficient to support reliable quantitative adjustments. Quantitative and qualitative adjustments are not mutually exclusive methodologies: because one factor of adjustment cannot be quantified by market data does not mean that all adjustments to a sale property must be qualitative. All factors that can be reliably quantified should be adjusted accordingly. When using quantitative adjustments, appraisers must recognize that not all factors are suitable for percentage adjustments. Percentage and dollar adjustment may, and often should, be combined. Each item of adjustment must be carefully analyzed to determine whether a percentage or dollar adjustment is appropriate. When both quantitative and qualitative adjustments are used, all quantitative adjustment should be made first."

The appraiser was able to reliably and credibly support adjustments for razing costs, improvement value, and market conditions. The remaining adjustments are based on a qualitative analysis, which is an approved methodology for the Uniform Appraisal Standards for Federal Land Acquisitions.

It should be noted that the positive and minus indications on the adjustment grid should not be summed, rather, each element has a different impact to a comparable property. The "Overall Rating" at the bottom of the grid reflects the appraiser's conclusion of that comparable property relative to the subject.

Elements of Comparison

Property Rights:
Refers to the ownership interest conveyed at the time of sale. Properties with leases or other encumbrances in place can sell for more or less than comparable properties that sell fee simple interest. The sale prices of the comparable properties were not impacted by existing lease terms (if any).

Financing:
The impact financing may have had on the sale price, favorable interest rate or term. All sales were cash or estimated to be near or at market rates.

Conditions of sale:
Reflects non-market conditions, which may or may not have impacted the sale price, such as differing motivations of buyer or seller (related parties, distressed or liquidation sale, listings, pending, occupancy, assemblage, etc.), impending eminent domain proceedings, influence due to tax ramifications, or lack of market exposure.

Market Conditions:
Data in the report addenda shows a 3% annual adjustment is supported. The adjustment is made to the sales accordingly.

Location:
Comparable 1 is rated to have average locational appeal, located along the same corridor as the subject.

Comparable 2 is rated to have good exposure and visibility with good access along Highway 2 (direct access).

Comparable 3 is rated to have average / good locational appeal due to Highway 2 visibility. The access is circuitous from the highway (not direct).

Comparable 4 is rated to have average locational appeal overall. Although property has some setback visibility along Highway 169, property has a more rural setting.

Comparable 5 rated to have average overall locational appeal. Adequate access and visibility from surrounding roads, located down the street from Walmart, similar to subject.

Comparable 6 rated to have slightly inferior locational appeal, although in North Branch, rural setting on low traffic corridor.

Zoning/Use:
Comparables 1, 4, 5, and 6 are all comparables with similar industrial zoning. Rated to be fairly competing, no adjustments warranted.

Comparable 2 and 3 have commercial zoning that allows for commercial and some light industrial / warehouse uses. Although the locations and surrounding uses are industrial in nature, rated to be superior.

Physical Characteristics:
Comparable 1 considered to be competing with similar wooded site appeal, limited to nil wetland.

Comparable 2 rated to be superior due to large open space and wooded area in the rear. Open space is considered more appealing, limited to nil wetland onsite.

Comparable 3 is effectively 100% open with limited wooded areas. Limited to nil wetland onsite.

Comparable 4 considered competing, site is effectively 100% wooded with limited to nil wetland onsite.

Comparable 5 is mostly open with limited wooded or wetland areas.

Comparable 6 is mostly open space with limited wooded or wetland areas.

Development Appeal: Considers the subject and comparable development appeal (topography, wetland placement, off-site infrastructure costs, etc.). The comparables are described below:

Comparable 1 has similar development appeal and potential as the subject site. The property has competing rolling topography throughout the site.

Comparable 2 has gradual sloping throughout the site, rated to be superior overall for development potential.

Comparable 3 has a fairly level site that allows for traditional development appeal and potential. Rated to be superior overall.

Comparable 4 has a fairly level site that allows for traditional development appeal and potential. Rated to be superior overall.

Comparable 5 has a rolling and sloping site, rated to be fairly competing overall with the subject.

Comparable 6 has a fairly level site that allows for traditional development appeal and potential. Rated to be superior overall.

Improvements:

Comparable 3 had a small shed on the subject site at time of closing which was eventually razed. Based on aerial GIS measure had about 600 SF a rate of $10 per SF is applied of $6,000. Concluding an adjustment of 7% rounded ($6,000 / $90,000). Costs are based on the market and Marshall & Swift Cost Manual. There was a billboard on the site, no reported income to the property owner. Appeal of billboard is considered to be offsetting.

Comparable 5 had a small shed on the subject site at time of closing. Based on aerial GIS measure had about 500 SF a rate of $10 per SF is applied of $5,000. Concluding an adjustment of 6% rounded ($5,000 / $90,000). Costs are based on the market and Marshall & Swift Cost Manual.

The remaining sales are similar to the subject, no building improvements noted.

Utilities:
Comparables 1, 2, 3, and 5 are considered competing with public utilities appeal.

Comparable 4 and 6 require private utilities for development, no public utilities in the immediate area.

Site Size: Typically, larger parcels of land sell for less per acre than smaller sites. Comparables 3, 4, 5, 6, and 7 are smaller than the subject and would indicate a downward adjustment. Comparable 1 consdiered to be competing in similar size. Comparable 2 is larger, which would indicate an upward adjustment.

Conclusion: The comparables used are rated to be the most indicative of data analyzed and bracket the subject value. Other sales reviewed were older, further and/or needed more adjustment. Adjustments are made on a qualitative basis. The comparables utilized in this analysis each have several similar characteristics in common with the subject. While none are totally identical to the subject, each represents a viable alternative to a prospective buyer of the subject property and, after adjustment, can be utilized as an indicator of market value for the subject property.

Sale Comparable Ranking:
Based on the qualitative adjustment grid on the previous page the comparable sales are ranked by the overall rating on the grid on the previous page, see discussion for additional details:

Sale 4	Sale 6	Sale 1	Sale 5	Sale 2	Sale 3
Inferior -4	Inferior -2	Similar =	Superior +1	Superior +4	Superior +5
$17,255 per acre	$19,150 per acre	$10,793 per acre	$10,325 per acre	$23,275 per acre	$22,333 per acre

The ranking of the comparables indicates the subject should land between Sale 6 and Sale 5 (inferior implies the subject is greater than, and superior the subject is less than).

Sale Comparable 4 is rated to be inferior due to private utility appeal and smaller site size. The comparable indicates the subject is **greater than $17,255 per acre.**

Sale Comparable 6 is also rated to be inferior due to a more rural setting and private utility appeal. Sale 6 indicates the subject is **greater than $19,150.** This comparable is given less weight due to location in North Branch (further away).

Sale Comparable 1 is rated to be fairly similar due to similar site size and location appeal. This comparable is given primary weight due to proximity, similar future land use plan, and proximity to the airport. Sale 1 indicates the subject is **similar to $10,793 per acre.**

Sale Comparable 5 is rated to be superior than the subject due to open space (not wooded). This comparable is given less weight due to further away location, however, indicates the subject is less than **$10,325 per acre.**

Sale Comparable 2 is rated to be superior than subject due to visibility, commercial potential, and more open space. This comparable, although in Cohasset, has fairly close proximity to the subject and indicates the subject is **less than $19,004 per acre.**

Sale Comparable 3 is rated to be superior due to visibility, commercial zoning (purchased for industrial / warehousing purposes / mini-storage), and level site. Sale 3 indicates the subject is **less than $22,333 per acre.**

Sales Comparison Approach – continued

As mentioned, primary weight is given to Comparable 1 which indicates the subject is fairly similar $10,793 per acre. Comparables 2 and 3 both have close proximity and indicate the subject is less than $19,004 and $22,333 per acre.

Below are two additional sales in the immediate area with extremely close proximity to the subject, airport, and similar zoning / future land uses.

There is a sale down the street from the subject of 15.75 acres that sold on August 22, 2019, with private utility appeal with public in the area. The sale price was $74,000 or **$4,698 per acre**. Sale was privately negotiated with a realtor. Details of sale could not be confirmed. This sale is not included on the grid, however, noted due to proximity. Appears to be somewhat of an outlier, however, brackets the lower end of the market.

The City of Grand Rapids Economic Development Authority purchased a 2.27 acre site adjacent to the subject on November 1, 2022 for $30,000 or about $**13,216 per acre**. The buyer was a government agency and owned the adjacent site, sale is noted due to proximity. Site has more rolling topography than the subject site.

Given the subject would likely range between $10,793 to $19,004, the sales noted above (especially the more recent sale in 11/2022) a rate in the mid-range is considered appropriate when looking at zoning, utility appeal, site characteristics, size, future land use plan, location, other comparables, etc. As such, a rate towards the lower end of the range is appropriate.

Value per Acre (blended)
$12,000

Acres	Value per Acre (blended)	Total
12.17	$12,000	$146,040
Sales Comparison Approach		**$146,000 rnd.**

RECONCILIATION

Indicated Value by Cost Approach	Not Applied
Indicated Value by Sales Comparison Approach	**$146,000**
Indicated Value by Income Approach	Not Applied

The **Cost Approach** to value was not considered relevant as the subject is vacant land.

The Direct **Sales Comparison Approach** to value analyzed recent sales of land as compared with the characteristics of the subject property. The sales were considered on a qualitative basis.

The **Income Approach** was not considered reliable as land like the subject is not typically leased and development costs are unknown at this time.

Conclusion: The Sales Comparison Approach was considered to be the most relevant and applicable approach to value. Therefore, the following value is concluded:

Final Value Opinion – Fee Simple	**$146,000**

EXPOSURE TIME / MARKETING TIME

Marketing Time Opinion: *12 months or less after the effective date of the appraisal.*

DEFINITIONS

Market Value per the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA):

> Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of value, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property.

The above definition requires a jurisdictional exception from USPAP regarding not providing exposure time in the appraisal. The federal definition of market value already presumes that the property was exposed on the open market for a reasonable length of time, given the character of the property and its market.

ENVIRONMENTAL & STRUCTURAL ISSUES

Regarding any adverse environmental and/or improvement structural conditions (such as, but not limited to, hazardous wastes, toxic substances, mold, construction defects or inadequacies, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: **None are apparent**, however, appraiser is not an expert in this field. Value assumes no hazardous or structural conditions exist. Value assumes any abandoned wells will be properly sealed. If any of these conditions exist the appraised value could differ significantly.

EXTRAORDINARY ASSUMPTIONS & HYPOTHETICAL CONDITIONS

As stated by USPAP;

Extraordinary Assumption: An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions of conclusions.

None

Hypothetical Condition: That which is contrary to what exists but is supposed for the purpose of analysis.

None

ASSUMPTIONS AND LIMITING CONDITIONS

1. The appraisers assume no responsibility for matters of a legal nature affecting the property appraised or the title thereto, nor do the appraisers render any opinion as to the title, which is assumed to be good and marketable. The property is appraised as though under responsible ownership and good management.

2. The furnished legal description is assumed to be correct.

3. Any sketch in the report may show approximate dimensions and is included to assist the reader in visualizing the property. The appraisers have made no survey of the property. It is assumed unless otherwise noted that no survey has been viewed and that all improvements are located within the legally described property.

4. The appraisers are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question, unless arrangements have been previously made therefore.

5. The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

6. The appraisers assume that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. The appraisers assume no responsibility for such conditions, or for engineering, which might be required to discover such factors.

7. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, radon gas, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

8. Information, estimates, and opinions furnished to the appraisers, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, the appraisers can assume no responsibility for accuracy of such items furnished the appraisers.

9. Disclosure of the contents of the appraisal report is governed by the Bylaws and Regulations of the professional appraisal organizations with which the appraisers are affiliated. No part of the contents of this report, or copy thereof (including conclusions as to the property value, the identity of the appraiser, professional designations, reference to any professional appraisal organizations, or the firm with which the appraiser is connected), shall be disseminated to the public through advertising, public relations, news, sales, or any other public means of communications without the prior written consent and approval of the appraisers.

Assumptions & Limiting Conditions – continued

10. The appraisers have no present or contemplated future interest in the property appraised; and neither the employment to make the appraisal, nor the compensation for it, is contingent upon the appraised value of the property. The appraisers have no personal interest or bias with respect to the parties involved.

11. The appraiser has personally inspected the subject site (unless noted otherwise). The comparable sales data has been viewed via aerial maps, photographs and/or online street views along with file pictures, when available, and viewing of comparables from the public right-of-way was also completed. To the best of the appraiser's knowledge and belief, all statements and information in this report are true and correct, and the appraisers have not knowingly withheld any significant information.

12. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, unbiased professional analyses, opinions, and conclusions. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice. The appraisal is for the sole use of the named client.

13. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of the property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

14. No one provided significant professional assistance to the person(s) signing this report.

15. This appraisal assignment was not based on a requested minimum valuation or specific valuation or approval of a loan.

16. To the best of our knowledge and belief, the reported analysis, opinions, and conclusions were developed, and this report was prepared in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

17. The appraised value opinion assumes all leases (if any) are current and paid in full as of the effective date of the appraisal.

18. Excel grids and tables may have slight deviations due to rounding, which may have a nominal impact on value.

19. The appraised value opinion assumes all formulas used in the Excel grids throughout the report are accurate.

20. Unless noted, value assumes no apparent adverse site, building or zoning issues or conditions.

21. Site and building sizes are based on public record, data services, client and/or appraiser measurement at the time of appraisal and are considered reliable, but not guaranteed. Actual sizes herein could vary if made by an engineer/surveyor/contractor.

22. Because market and property conditions may change rapidly, the appraised value set forth in this appraisal should not be relied on after thirty days from the date of the report.

23. If any of the above is found to be different, value could change.

CERTIFICATION

I certify that, to the best of my knowledge and belief:

1) The statements of fact contained in this report are true and correct.

2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analysis, opinions, and conclusions.

3) I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.

4) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

5) My engagement in this assignment was not contingent upon developing or reporting predetermined results.

6) My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

7) My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

8) The reported analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice, which includes the Uniform Standards of Appraisal Practice.

9) **Erin Waytas, MAI** made a personal inspection of the property that is the subject of this report. **William R. Waytas** did not inspect the property. Erin Waytas wrote and selected all the data in the report. William R. Waytas read the report, concurred with the findings, and then co-signed the report.

10) No one provided significant professional assistance to the person signing this report.

11) In accordance with the competency provision USPAP, I have verified that my knowledge, experience and education are sufficient to allow me to competently complete this appraisal. See attached qualifications.

12) As of the date of this report, William R. Waytas and Erin Waytas have completed the requirements of the continuing education program of the appraisal institute.

13) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representative.

Certification -- Continued

14) We **have not** provided services as an appraiser, regarding the subject property within the 3-year period immediately preceding acceptance to this assignment.

15) The appraisal was developed and the appraisal report was prepared in conformity with the *Uniform Appraisal Standards for Federal Land Acquisitions*

16) The appraisal was developed and the appraisal report prepared in conformance with the Appraisal Standards Board's *Uniform Standards of Professional Appraisal Practice* and complies with USPAP's Jurisdictional Exception Rule when invoiced by Section 1.2.72 of the *Uniform Appraisal Standards for Federal Land Acquisitions;* and

17) The appraiser (**Erin Waytas, MAI)** has made a physical inspection of the property appraised and that the property owner, or [his][her] designated representative, was given the opportunity to accompany the appraiser on the property inspection.

Below is the concluded value of the subject property:

FINAL VALUE OPINION (as-is, effective August 26, 2023)	**$146,000**

Our company has 10 employees, has been in business since 1968 and has sufficient knowledge, education, experience, resources and/or contacts to competently complete this assignment. The accompanying report contains data secured from my personal investigation and from sources considered to be reliable; however, correctness is not guaranteed. To the best of my knowledge and belief, the statements contained in this report are true and correct. Neither my employment to make this appraisal, nor the compensation, is contingent upon the value reported. This report has been prepared in conformity with the code of professional ethics and standards of professional appraisal practice of the Appraisal Institute and appraisal standards set forth by Uniform Standards of Professional Appraisal Practice.

The report also conforms to the standards in Uniform Appraisal Standards for Federal Land Acquisitions ("Yellow Book") and the Federal Aviation Administration Order 5100.37B Standards – Land Acquisition and Relocation Assistance for Airport Projects.

Erin Waytas, MAI
Certified General MN 40368620
Date: see report

William R. Waytas, SRA
Certified General MN 4000813
Date: see report

QUALIFICATIONS

Appraisal Experience

Presently and since 2008, **Erin Waytas, MAI** has been employed as an employee of Nagell Appraisal Incorporated, an independent appraisal firm (10 employees) who annually prepares 1,500 +/- appraisal reports of all types. She is currently a full-time licensed certified general real estate appraiser and partner at the firm since 2020.

Properties Appraised

- **Commercial –** low and high-density multi-family, retail, office, office condos, storage units, mixed-use, industrial, restaurant, fast-food restaurant, strip-centers, gas stations (branded), convenience stores, auto- service and repair, greenhouse/landscaping properties, redevelopment land, resort, food production and distribution, churches, airplane hangars, bed & breakfasts, numerous special use properties, and subdivision analysis.
- **Residential –** single-family residences, residential with water frontage, hobby farms, townhouses, and land
- **Eminent Domain –** assisted with extensive partial and total acquisition appraisal services provided to numerous government agencies and private owners.
- **Special Assessment –**street improvement and utilities projects for both government and private owners
- **Clients –** served include banks, trust companies, corporations, governmental bodies, attorneys, and private individuals;
- **Area of Service –** most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Also, numerous assignments throughout Minnesota and Wisconsin.

Testimony

-- District Court, has been given
-- Arbiter

Professional Membership, Associations & Affiliations

License: Certified General, MN License #40368620
Holds the MAI designation from the Appraisal Institute
Appraisal Institute NorthStar Chapter Board of Directors 2021-2023

Education

-- Bemidji State University, Bemidji, MN
Mathematical Education, Statistics and Middle Emphasis
Summa Cum Laude Graduate

-- **General & Professional Practice Courses & Seminars**
-- Basic Appraisal Procedures
-- Basic Appraisal Principles
-- 2012-2013 15-Hour National Uniform Standards of Professional Appraisal Practice
-- The Sales Comparison Approach
-- General Appraiser Income Approach -- Part 1
-- General Appraiser Income Approach – Part 2
-- Advanced Income Capitalization
-- Real Estate Finance, Statistics, and Valuation Modeling
-- Quantitative Analysis
-- General Appraiser Report Writing and Case Studies
-- Advanced Market Analysis & Highest and Best Use
-- General Appraiser Market Analysis& Highest and Best Use
-- Advanced Concepts and Case Studies
-- General Appraiser Sales Comparison Approach
-- General Appraiser Site Valuation and Cost Approach

Appraisal Experience

Presently and since 1985, **William R. Waytas** has been employed as a full-time real estate appraiser. Currently a partner and President of Nagell Appraisal Incorporated, an independent appraisal firm (10 employees) who annually prepare 1,500 +/- appraisal reports of all types. Mr. Waytas was employed with Iver C. Johnson & Company, Ltd., Phoenix, AZ from 1985 to 1987.

Properties appraised:

- ***Commercial*** *- low and high-density multi-family, retail, office, industrial, restaurant, church, strip-mall, fast-food, convenience stores, auto-service and repair, hotel, hotel water park, bed & breakfast, cinema, marina, numerous special use properties, and subdivision analysis.*
- ***Residential*** *– single-family residences, hobby farms, lakeshore, condominiums, townhouses, REO and land.*
- ***Eminent Domain*** *– extensive partial and total acquisition appraisal services provided to numerous governmental agencies and private owners.*
- ***Special Assessment*** *– numerous street improvement and utilities projects for both governmental and private owners.*
- ***Review*** *– residential, commercial and land development.*
- ***Clients*** *- served include banks, savings and loan associations, trust companies, corporations, governmental bodies, relocation companies, attorneys, REO companies, accountants and private individuals.*
- ***Area of Service -*** *most appraisal experience is in the greater Twin Cities Metro Area (typically an hour from downtown metro). Numerous assignments throughout Minnesota.*

Professional Membership, Associations & Affiliations

License: Certified General Real Property Appraiser, MN License #4000813.
Appraisal Institute: SRA, Senior Residential Appraiser Designation,
General Associate Member
Employee Relocation Council: CRP Certified Relocation Professional Designation.
International Right-Of-Way Association: Member
HUD/FHA: On Lender Selection Roster and Review Appraiser
DNR: Approved appraiser for Department of Natural Resources

Testimony

-- Court, deposition, commission, arbitration & administrative testimony given.

Mediator

-- Court appointed in Wright County.

Committees

-- President of Metro/Minnesota Chapter, 2002, Appraisal Institute.
-- Chairman of Residential Admissions, Metro/MN Chapter, AI.
-- Chairman Residential Candidate Guidance, Metro/Minnesota Chapter, AI.
-- Elm Creek Watershed Commission, Medina representative 3 years.
-- Medina Park Commission, 3 years.

Education

-- Graduate of Bemidji State University, Minnesota. B.S. degree in Bus. Ad.
-- During college, summer employment in building trades (residential and commercial).
-- Graduate of Cecil Lawter Real Estate School. Past Arizona Real Estate License.

-- **General & Professional Practice Courses & Seminars**
-- Course 101-Introduction to Appraising Real Property.
-- Numerous Standards of Professional Practice Seminar.
-- Fair Lending Seminar.
-- Eminent Domain & Condemnation Appraising.
-- Eminent Domain (An In-Depth Analysis)
-- Property Tax Appeal
-- Eminent Domain
-- Business Practices and Ethics
-- Scope of Work
-- Construction Disturbances and Temporary Loss of Going Concern
-- Uniform Standards for Federal Land Acquisitions (Yellow Book Seminar)
-- Partial Interest Valuation Divided (conservation easements, historic preservation easements, life estates, subsurface rights, access easements, air rights, water rights, transferable development rights)

Commercial/Industrial/Subdivision Courses & Seminars

-- Capitalization Theory & Techniques
-- Highest & Best Use Seminar
-- General & Residential State Certification Review Seminar
-- Subdivision Analysis Seminar.
-- Narrative Report Writing Seminar (general)
-- Advanced Income Capitalization Seminar
-- Advanced Industrial Valuation
-- Appraisal of Local Retail Properties
-- Appraising Convenience Stores
-- Analyzing Distressed Real Estate
-- Evaluating Commercial Construction
-- Fundamentals of Separating Real Property, Personal Property and Intangible Business Assets

Residential Courses & Seminars

-- Course 102-Applied Residential Appraising
-- Narrative Report Writing Seminar (residential)
-- HUD Training session local office for FHA appraisals
-- Familiar with HUD Handbook 4150.1 REV-1 & other material from local FHA office.
-- Appraiser/Underwriter FHA Training
-- Residential Property Construction and Inspection
-- Numerous other continuing education seminars for state licensing & AI

Speaking Engagements

-- Bankers
-- Auditors
-- Assessors
-- Relocation (Panel Discussion)

Publications

-- Real Estate Appraisal Practice (book): Acknowledgement
-- Articles for Finance & Commerce and Minnesota Real Estate Journal

ADDENDA TO APPRAISAL REPORT

Market Conditions Adjustment:

The appraiser completed a search of MLS industrial land sales, 1+ acres in the State of Minnesota excluding the Metro Counties (Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Sherburne, Washington, Wright). The land sales reflect all parcels of land:

Average Price:

Year	2018	2019	2020	2021	2022
# of Sales	3	7	16	12	22
Average Price	$133,267	$167,414	$181,081	$211,975	$245,143
Average Acres	22.59	4.53	11.2	23.05	14.77
$/Acre	$5,899	$36,957	$16,168	$9,196	$16,597
% Change	--	526.45%	-56.25%	-43.12%	80.48%

Median Price:

Year	2018	2019	2020	2021	2022
# of Sales	3	7	16	12	22
Median Price	$79,900	$85,000	$83,200	$122,500	$180,000
Median Acres	61.32	2.5	3.12	2.78	3.39
$/Acre	$1,303	$34,000	$26,667	$44,065	$53,097
% Change	--	2509.36%	-21.57%	65.24%	20.50%

The median data is useful as it shows that many lots are smaller. As such, the aggregate price could be considered using the median data:

Year	2018	2019	2020	2021	2022
# of Sales	3	7	16	12	22
Median Price	$79,900	$85,000	$93,200	$122,500	$180,000
% Change	--	6.38%	9.65%	31.44%	46.94%

The most useful data is likely the aggregate median sale price. This data showed some variance in the data set. Large increase from 2021 to 2022, however, since 2020 there has been a trend upwards. The average rate is 23.60% per year. There is limited number of data which can skew data.

The appraiser also completed a search of land parcels of 1+ acres or across the state of Minnesota for the same time period. The results are shown on the following page.

Average Price:

Year	2018	2019	2020	2021	2022
# of Sales	10	21	14	24	35
Average Price	$531,770	$301,809	$357,857	$610,192	$350,407
Average Acres	16.6	6.84	10.48	20.15	11.85
$/Acre	$32,034	$44,124	$34,147	$30,282	$29,570
% Change	--	37.74%	-22.61%	-11.32%	-2.35%

The average annual increase is 0.36%.

Median Price:

Year	2018	2019	2020	2021	2022
# of Sales	10	21	14	24	35
Median Price	$219,450	$185,000	$139,700	$199,450	$180,000
Median Acres	3.25	2.5	3.86	4.43	5.22
$/Acre	$67,523	$74,000	$36,192	$45,023	$34,483
% Change	--	9.59%	-51.09%	24.40%	-23.41%

The average annual decrease of 10.13%

As this subset of data is more impacted by site size, a price per acre analysis is warranted.

The appraiser also considered a range of sales 1+ acres within the state of Minnesota, which is shown as follows:

Median Price:

Year	2018	2019	2020	2021	2022
# of Sales	10	21	14	24	35
Median Price	$219,450	$185,000	$139,700	$199,450	$180,000
% Change	--	-15.70%	-24.49%	42.77%	-9.75%

The average annual decrease is 1.79%.

Average Price:

Year	2018	2019	2020	2021	2022
# of Sales	10	21	14	24	35
Average Price	$531,770	$301,809	$357,857	$610,192	$350,407
% Change	--	-43.24%	18.57%	70.51%	-42.57%

The average annual increase is 0.82%.

The number of sales in each scenario noted above has a lot of variances due to the limited number of sale, below are some industrial sales of properties to conclude an adjustment with consideration to the charts noted above. Properties are larger than 1 acre.

35462 Beier Road, Cohasset (CREV # 631011 & 1166275)
August 2020 - $90,000
March 2017 - $80,000
Difference $10,000 or 12.5% increase (**3.66% annual increase**)

XXXX E Coney Street, Perham (CREV #1508593 & 527352, 524237)
January 2023 - $193,999
June/July 2016- $165,500
Difference $28,499 or 17.2% increase (**0.22% annual increase**)

XXXX 19th Avenue Southwest, Willmar (CREV #1427798 & 1511288)
June 2023 - $129,500
July 2022 - $100,000
Difference $29,500 or 29.5% increase (**27.2% annual increase**)

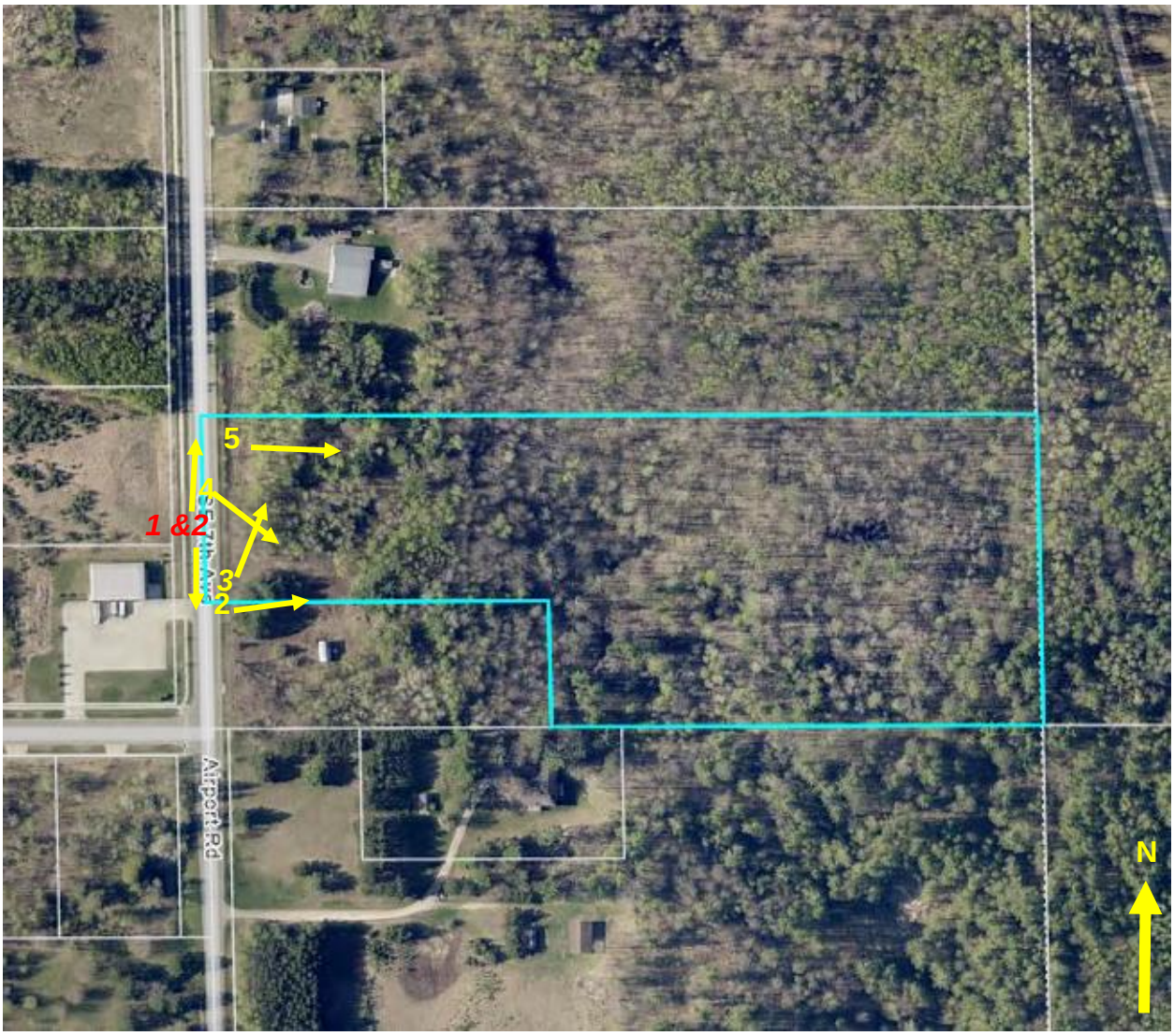
Market Conditions Conclusion:

The sales noted above have an average 10.36% annual increases. The sale in Willmar is in a large hub community, whereas the other two sales are more comparable to the subject's market, especially the Cohasset sale.

When looking at 1+ acres in Minnesota the average annual increase was 0.82% (average sale price) and the average annual increase was 1.79% (median sale price), which lines up with the sales of Cohasset and Perham properties.

When considering all available data and the subject site size, probable buyer, characteristics, etc., an appreciation rate of **3%** is concluded.

Location Map of Photos Taken on Subject Site:



The location of the number is the approximate location of the photo when taken, arrow shows the direction. Pictures 1 and 2 were taken in the street (noted red, the yellow numbers are the site pictures)

NAGELL APPRAISAL & CONSULTING

12805 Highway 55
Plymouth, MN 55441
Established in 1968

Phone: **952-544-8966**
Fax **952-544-8969**

Client: City of Grand Rapids
Attn: Rob Mattei, Dir. Of Community Dev.
420 N Pokegama Avenue
Grand Rapids, MN, 55744-2662

Dear Rob,

RE: **Engagement letter for appraisal services for land at 3XXX 7th Ave SE, Grand Rapids, MN (PID 91-033-4105)**

Per your request, below is an appraisal engagement letter with the following research and analysis.

Report Use: The report use is for selling purposes, from the City Owned Land for the airport to Grand Rapids Economic Development Authority (GREDA).

Intended Users: City of Grand Rapids and the FAA

Value Type: Current market value with one overall value for the appraisal of real estate per highest and best use per Uniform Standards of Professional Appraisal Practice and Uniform Standards for Federal Land Acquisitions (USFLA) and FAA order 5100.37B standards.

Property Description: Land 12.5 acres owned by the city.

Scope of Report: (1) View the property and neighborhood. (2) Report the physical and/or economic factors that could affect the property. (3) Appropriate research, collection, verification, analysis and viewing of pertinent market data will be conducted. (4) Report findings and conclusions. The appraiser will work with the reviewer regarding requested changes.

Report Format: An appraisal report standard narrative format. One report, *PDF copy provided.*

Fee/Timing City is responsible for payment upon receipt of appraisal.

Expert Witness: If needed, any additional meetings, testifying and preparation, report revisions/updates/upgrades are extra and billed at $175 per hour. **Ethan C. Waytas, MAI or Erin Waytas, MAI** to sign report and testify if needed.

Information needed by the appraiser: Appraised value assumes any FAA easement or likewise will be removed for the Grand Rapids Economic Development Authority (GREDA).

Our Company: Our has 10 employees and has been in business since 1968 and has sufficient knowledge, experience, education, contacts and resources to competently complete this assignment. Our services will be delivered in a manner that is independent, impartial, and objective. We do not warrant the outcome of this matter, and neither the amount nor payment of our fees is contingent on any result.

If you agree to the above terms, please sign below and return by email or mail. If you have any additional questions, please do not hesitate to contact me.

Sincerely,

William R. Waytas
Certified General MN 4000813

Signature

Date

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-307

DEPARTMENT: Sheriff
TIME REQUESTED: < 5 Minutes
PRESENTER: Joe Dasovich

AGENDA ITEM:
Memorandum of Understanding Between Cass County Sheriff's Office and Itasca County Sheriff's Office

BOARD ACTION REQUESTED:
Approve the Memorandum of Agreement between Cass County Sheriff's Office and Itasca County Sheriff's Office and authorize necessary signatures.

BACKGROUND:

COUNTY ATTORNEY REVIEW: Yes and/or Pending

SUPPORTING DOCUMENTATION:
1. 2024 Cass - Itasca Memorandum of Understanding

07/16/2024

RESULT:	**RECOMMENDED FOR CONSENT**	**NEXT: 07/23/2024 2:30 PM**

MEMORANDUM OF UNDERSTANDING BETWEEN

Cass County Sheriff's Office

AND

Itasca County Sheriff's Office

THIS AGREEMENT MADE this____ day of July 2024 by and between Cass County Sheriff's Office, and Itasca County Sheriff's Office (hereinafter Facility), to provide physical facilities to support personnel who are providing EMERGENCY DISPATCH COMMUNICATIONS and or INTEGRATED PUBLIC ALERT and WARNING SYSTEM (IPAWS) Use of physical facilities or IPAWS would only come as a result of shut down of the Cass County Dispatch Center due to disaster, equipment failure or system testing.

A. DUTIES AND RESPONSIBILITIES

The Facility agrees to the following:

1. Provide facility located at:_____108 NE 5th Street Grand Rapids, MN 55744_____
(Street) (City) (State) (Zip Code)

2. Provide support to access appropriate and necessary telecommunications resources. Cass County will reimburse costs associated with the use

3. Provide access to facility/utility resources. Cass County will reimburse costs associated with use.

B. TERM.

This Contract shall be effective on the ____ day of July 2024 and shall terminate on the _____ day of July 2029.

C. OTHER CONSIDERATIONS

The parties agree to the following:

1. No modifications or changes will be made to the facility/property without the express written approval of the owner/operator.

2. Prior to occupancy, representatives of both parties will inspect the facility/property and will note any discrepancies on the inspection form, and/or this agreement.

3. Prior to vacating the facility, representatives of both parties will again inspect the facility/property to note any discrepancies on the release form.

D. NOTICE AND CORRESPONDENCE

All notices and correspondence, which may be necessary or proper for either party, shall be addressed as follows:

TO:

Cass County Sheriff's Office
Po Box 1119
Walker, MN 56484

Attention: Sheriff Bryan Welk

TO THE FACILITY:

Itasca County Sheriff's Office
108 NE 5th ST
Grand Rapids, MN 55744

Attention: Sheriff Joe Dasovich

E. INTERPRETATION

This agreement shall be interpreted according to the laws of the State of Minnesota, regardless of its place of execution. Any actions, suits, or claims that may arise pursuant to this agreement shall be brought in a court of competent jurisdiction in the State of Minnesota.

This document represents the entire Agreement between the parties. Any amendments shall be in writing and agreed upon by both parties.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed as of the date and year first above written.

FOR: Cass County Commissioner Board Chair

Neal Gaalswyk _____

Date: 7-2-2024

FOR: Itasca County Commissioner Board Chair

John Johnson _____

Date: _____

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-312

DEPARTMENT: Sheriff
TIME REQUESTED: < 5 Minutes
PRESENTER: Joe Dasovich

AGENDA ITEM:
Position Creation - Grade 10 Road Deputy

BOARD ACTION REQUESTED:
Authorize the creation of one (1) Grade 10 Road Deputy position under the LELS 493 Collective Bargaining Agreement in the Sheriff's Office.

BACKGROUND:
The Itasca County Sheriff's Office is requesting one additional grade 10 Road Deputy to be utilized in a floater position. Floater positions function in many capacities and allow for a reduction in overtime. Previously, Meds1 Ambulance Service transported bodies. However, with the sale of Meds1 to North Memorial, North Memorial will not continue transportation services. It is estimated that to contract that service out would cost approximately $175,000 to $200,000. The additional 1 FTE Road Deputy would provide the Sheriff's Office the capacity to provide body transports as well as reduce overtime.

COUNTY ATTORNEY REVIEW: N/A

SUPPORTING DOCUMENTATION: None

07/16/2024

RESULT:	**RECOMMENDED FOR REGULAR**	**NEXT: 07/23/2024 2:30 PM**

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-92

DEPARTMENT: Administrative Services
TIME REQUESTED: 10 Minutes
PRESENTER: Chair

AGENDA ITEM:
Citizen Input

BOARD ACTION REQUESTED:
Receive Citizen Input

BACKGROUND:
The Itasca County Board of Commissioners encourages citizen input. Each citizen will be allowed to address the County Board one time for up to three (3) minutes in length. Comments should be directed to the Board as a body. When addressing the Board, please state your name and address for the record. The Board will take all information under advisement. As part of County Board protocol, it is unacceptable for any speaker to slander or engage in character assassination at a County Board meeting. In addition, no political grandstanding, candidate endorsement, or other attempts to influence the outcome of an election shall be permitted. Any violation of the above statement shall result in the loss of your remaining time.

COUNTY ATTORNEY REVIEW: N/A

SUPPORTING DOCUMENTATION: None

RESULT:	**INFORMATIONAL - NO ACTION TAKEN**

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-310

DEPARTMENT: Environmental Services **TIME REQUESTED:** 10 Minutes
PRESENTER: Greg Stoltz

AGENDA ITEM:
Public Hearing Re: Conditional Use Permit for Tom Hammerlund

BOARD ACTION REQUESTED:
Hold a Public Hearing for the Conditional Use Permit (CUP) application submitted by Tom Hammerlund/SEH for commercial storage buildings as approved by the Planning Commission at their regular meeting on July 10, 2024.

BACKGROUND:
On July 10, 2024, the Itasca County Planning Commission reviewed a Conditional Use Permit (CUP) submitted by Tom Hammerlund/SEH for commercial storage buildings. It is the Planning Commission's recommendation to the Itasca County Board of Commissioners that this CUP be approved according to their attached Findings of Fact, Conclusions of Law, Order and Resolution that sets forth the CUP background and processing information. Per Section 2.5 of the Zoning Ordinance, a CUP that is of a commercial nature in a Farm Residential zone that is not listed as a permitted or conditional use must be approved by the County Board.

COUNTY ATTORNEY REVIEW: N/A

SUPPORTING DOCUMENTATION:
1. Hammerlund CUP Packet
2. Hammerlund CUP Criteria

Motion To: Approve the Conditional Use Permit (CUP) applications submitted by Tom Hammerlund/SEH for commercial storage buildings, per the Findings of Fact, Conclusions of Law, Order and Resolution of the Planning Commission at their regular meeting on July 10, 2024.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

DATE 06.07.24 PHONE # _____ PERMIT #_____

ITASCA COUNTY CONDITIONAL USE APPLICATION
USES NOT PROVIDED FOR WITHIN ZONING DISTRICTS

APPLICANT/ADDRESS Tom Hammerlund, 40 County Rd 63, Grand Rapids, MN 55744

AGENT/ADDRESS SEH, 1200 SE 4th Ave Suite 200, Grand Rapids, MN 55744

PROPERTY ADDRESS 56138 County Rd 115, Deer River, MN 56636

PROPERTY DESCRIPTION/PARCEL # S 500' of W 540' of SE-SE less S 33' of E 120' of W 540', S. 13, 146-27, Parcel #79-013-4401

ZONE DISTRICT: Farm Residential LAKE NAME/CLASS N/A EX. USE: Personal Storage

DESCRIPTION OF PROPOSED USE 30, 40'x30' gated, commercial storage buildings with gravel road access

ATTACH A MAP SHOWING PROPERTY LOCATION, EXISTING CONDITIONS, PROPOSED DEVELOPMENT, AND NEARYBY USES, INCLUDING ANY OTHER INFORMATION THAT IS PERTINENT TO THIS REQUEST.

MANDATORY LAKESHORE MITIGATION PRACTICES: *(To be included with the C/U application)*

A. Septic System: Certified N/A ; Shall be Upgraded N/A with Permit/Design obtained by: N/A
Certification of New Septic System by: _____;

B. Erosion control, storm water management, and mitigation plan. This plan shall describe erosion control during/after construction, storm water management/runoff control and mitigation/buffer screening. The mitigation plan shall require a shoreline buffer which shall be in the shore impact zone and consist of trees, shrubs and ground cover of native plants and understory to effectively screen structure(s) as viewed from the waters. This may be accomplished by working with Itasca SWCD or other sources but said plan must be reviewed by Itasca SWCD. The required buffer shall be as follows:

Lake Class	Buffer (Distance from OHWL landward)
GD	10'
RD	15'
NE &PSL	50'

Plant materials for native vegetation buffers shall be as prescribed according to the landscape position, water table, soil type and exposure of the project site. For every 5,000 square feet of buffer are, there shall be a variety of types of native trees, shrubs, forbs, and grasses planted to achieve full coverage. The survival of planting materials must be maintained for a minimum of five years, so that the approved coverage plan is adhered to.

SITE INSPECTION. The applicant acknowledges that no one can be prohibited from coming onto the property when the site is inspected by the Planning Commission or County Board. Photographs may be taken at the site inspection and displayed at the public hearing for use in the decision making process.

Unless otherwise stipulated, a conditional use permit shall remain in effect for so long as all conditions agreed upon are observed. Legal action may result if the provisions and conditions are not complied with as set forth in the application. Upon approval of this conditional use, it shall be the responsibility of the applicant to notify the Environmental Services Department, upon completion of the project, including any conditions. The property may be inspected at any time to assure and affirm all conditions and terms of the permit are in compliance.

SIGNATURE/DATE: Tom Hammerlund 06-07-24

PCBA 01
C:PCBA

On 6/20/24, the Environmental Services Department received the completed application, accompanying information and the fee is paid in full. A copy of the information handout has been given to the applicant/agent.

THE APPLICANT HAS THE BURDEN OF DEMONSTRATING A RIGHT TO A CONDITIONAL USE BY SHOWING [DETAILED EXPLANATION] THAT ALL OF THE FOLLOWING STANDARDS AND CRITERIA WILL BE SATISFIED.

1. Describe how the proposed use conforms to the comprehensive plan of the County. This helps the county's Commercial/Industrial and Recreation Goals by keeping vacationers coming back thanks to the convenience of a developed storag system. It also benefits the transportation goal by enhancing safety of roads across the state,

2. Describe how the use is compatible with the existing neighborhood. The existing resort lacks storage for the residents to use. By providing storage options for the residents close to their vacation destination it will create a greater satisfaction and ease of use for the surrounding area while keeping the cabin shores free of unnecessary storage clutter.

3. Describe how the use shall not materially adversely impact air quality, water quality or cause soil disturbance. When building the cold storage buildings, dust control measures will be in place to protect air quality. Effective stormwater management, waste disposal, and meeting Itasca County's impervious requirements will ensure water quality is maintained, while minimal excavation, and controlled construction practices will minimize soil disturbance.

4. Describe how the site has sufficient access for ingress and egress and is adequate for water supply and sewage treatment. Due to the nature of the project the ingress and egress of people will be relatively sporadic. Sewer and water will not be available for use.

5. Describe how the use shall not cause unsafe or unhealthy conditions. Adding these storage buildings for the residents would only improve the safety of the surrounding area by preventing unnecessary travel of large recreational and personal items. This improves the safety of the surrounding roads and the people driving on them.

PERMIT APPROVAL: In accordance with MS#15.99, Itasca County must approve or deny the variance application within 60 days of submission of the completed application/fee. If said application is denied, the reason/s must be stated in writing at the time of denial. This time line may be extended by Itasca County for another 60 days provided the applicant/s receive written notice with reasons for the extension. The extension may not exceed 60 days unless approved by the applicant. The 60 days will end on: 8/9/24.

On _____ Planning Commission/BoA authorized an extension for the following reasons with an expiration date of:

Authorizing Signature and Date: _____

PCBA 0/20
C:PCBA

RECOMMENDATIONS

TOWN BOARD OF _____ APPROVAL CHAIR_____
OR AMEMD DATE_____
UNORGANIZED TOWNSHIP REJECTION COMMISSIONER_____

REASONS:_____

When a land use in any zoning district is not specifically listed as a Permitted Use or Conditional Use, the land use may be considered as a Conditional Use. The applicant shall make a showing that the proposed use is similar to a Permitted Use or Conditional Use, consistent with the purpose of the zoning district in which the proposed use will be located, compatible with surrounding uses, and conforms to the Comprehensive Land Use Plan. The Zoning Administrator shall determine if the Conditional Use Permit Application is complete and then submit the Application for consideration by the Planning Commission. If the use is of a commercial nature and proposed for a residential zoning district (Rural Residential or Farm Residential), the Planning Commission shall hold a public hearing, evaluate the Application under the criteria in Article 21, and submit a report of its finding and recommendations to the County Board. The County Board shall hold a public hearing, evaluate the Application under the criteria in Article 21, consider the Planning Commission's report, and act on the Application.

On 7/10/2024 the Planning Commission/Board of Adjustment, unanimously/ majority vote

APPROVED AMENDED DENIED a Conditional Use for: 30, 40'x30' gated, commercial storage buildings to be leased or rented as per findings of fact

[description of conditional use and conditions or reasons for denial]

Lisa Marsh
Chairperson – Itasca County Planning Commission/Board of Adjustment

DECISION

On _____ the County Board of Commissioners, unanimously/ majority vote

APPROVED AMENDED DENIED a Conditional Use for: _____

[description of conditional use and conditions or reasons for denial]

Chairperson – Itasca County Board of Commissioners

Approval includes the findings of fact and compliance with all County, State and Federal Rules, Regulations and Statutes as required by law. In accordance with Section 18.4.1 of the Zoning Ordinance , any aggrieved person may obtain judicial review by obtaining a writ of certiorari from Court of Appeals within 60 days after receipt of due notice of the proceeding and decision sought to be reviewed and by serving said writ upon the Itasca County Auditor and any other adverse party within such period of 60 days.

INTERPRETATION:
The proposed use will be for 30, 40'x30' gated, commercial storage buildings (to be rented or leased). The parcel is zoned Farm Residential.

ZONING ORDINANCE (Effective 5/1/2024):

Section 2.5 Uses Not Provided for Within Zoning Districts
When a land use in any zoning district is not specifically listed as a Permitted Use or Conditional Use, the land use may be considered as a Conditional Use. The applicant shall make a showing that the proposed use is similar to a Permitted Use or Conditional Use, consistent with the purpose of the zoning district in which the proposed use will be located, compatible with surrounding uses, and conforms to the Comprehensive Land Use Plan. The Zoning Administrator shall determine if the Conditional Use Permit application is complete and then submit the application for consideration by the Planning Commission. The application shall be accompanied by the appropriate fee for a Conditional Use Permit. If the use is of a commercial nature and proposed for a residential zoning district (Rural Residential or Farm Residential), the Planning Commission shall hold a public hearing, evaluate the application under the criteria in Article 21, and submit a report of its finding and recommendations to the County Board. The County Board shall hold a public hearing, evaluate the application under the criteria in Article 21, consider the Planning Commission's report, and act on the application. A notice of extension of the 60-day time deadline requirement of Minn. Stat. 15.99 shall be provided if necessary.

REQUEST OF APPLICANT FOR INTERPRETATION:
Attachment: Conditional Use Permit (CUP) application submitted on 6/20/2024 by Tom Hammerlund for the S 500' of W 540' of SE SE Less S 33' of E 120' of W 540', Section 13, Unorganized Township 146-27, Parcel #79-013-4401

Based on the Conditional Use Permit application and the following, my determination is that the proposed commercial storage buildings would be appropriate for conditional use.

- Similar requests for Conditional Use Permits have been granted by the County Board and Planning Commission; and
- Conditional Use Permits are intended for uses that would not be appropriate generally or without restrictions through the zoning district, but which are controlled as to number, area, location with the neighborhood, and other pertinent considerations would not be injurious to the public health, safety, welfare, morals order, appearance, prosperity, or general welfare thereof. Such uses may be granted by issuance of Conditional Use Permits by the Planning Commission.

Signed: Katie Benes 7/8/24
Katie Benes, Environmental Services Director Date

NOTE: This document shall be attached to the Conditional Use application.

COPY: File, Hammerlund, PC/BoA

PCBA o/c
PCBA

STATE OF MINNESOTA
COUNTY OF ITASCA COUNTY

ITASCA COUNTY PLANNING COMMISSION/BOA
REGULAR DIVISION

In Re:

FINDINGS OF FACT/CONCLUSIONS OF LAW
RESOLUTION AND ORDER

The Conditional Use Permit (CUP) submitted by: Tom Hammerlund
40 County Rd 63, Grand Rapids, MN 55744

AGENT: SEH
1200 SE 4th Ave, Suite 200, Grand Rapids, MN 55744

Location of Property: S 500' of W 540' of SE SE Less S 33' of E 120' of W 540', Section 13, Unorganized Township 146-27, Parcel #79-013-4401

This matter came before the Itasca County Planning Commission/Board of Adjustment (PC/BoA), for public hearing, at their regular meeting on 7/10/2024 with Tom Olson/SEH present as representative. In addition to Board Members Maasch, Butterfield and Kortekaas, also present were Environmental Services Director Katie Benes and Environmental Services Coordinator Greg Stoltz. Upon the records, files and proceedings herein, the Board makes the following:

FINDINGS OF FACT

1. The parcel is:
   - A total of 6.10 acres in area;
   - Is accessed by County Road 115, a Class C Highway; divided by Sunset Trail (a platted road) and National Forest Road #2044;
   - Zoned Farm Residential;
   - Non-shoreland;
   - Located in Unorganized Township T146-R27, Commissioner District #1.

2. On 6/20/2024, Tom Hammerlund submitted a CUP application for 30, 40'x30' gated, commercial storage buildings with gravel road access. The storage buildings will be leased/rented to property owners for storage of recreational and personal items.

3. As per Section 2.5, Uses not provided for within zoning districts, the applicant must show that the proposed use is:
   - similar to a permitted use or CU consistent with the purpose of the zoning district in which the proposed use will be located,
   - compatible with the surrounding uses and
   - conforms to the comprehensive land use plan.

   If the CU is of a commercial nature and proposed for a residential zoning district (Rural Residential or Farm Residential), the Planning Commission shall hold a public hearing, evaluate the application under the criteria in Article 21, and submit a report of its finding and recommendations to the County Board. The County Board shall hold a public hearing, evaluate the application under the criteria in Article 21, consider the Planning Commission's report, and act on the application.

4. The proposed use is consistent with the existing neighborhood, and the purpose statement of the Farm Residential (Zoning District) per Section 6.1, which is to implement the following goals including those contained in the Itasca County Comprehensive Land Use Plan:
   Section 6.1 Purpose
   The purposes of the Farm Residential Zoning District are to implement the following goals, including those

contained in the Itasca County Comprehensive Land Use Plan:

6.1.1 To protect and promote the continuation of rural living, farming, and forestry in areas of Itasca County that have historically contained these uses and, therefore, have developed compatible residential patterns and transportation infrastructure;

6.1.2 To permit primarily agriculture and forestry land uses and activities;

6.1.3 To separate agricultural and forestry land uses and activities from incompatible residential, commercial, industrial development, and public facilities;

6.1.4 To achieve the goals of growth management, natural resource protection, and economic diversity as stated in the Itasca County Comprehensive Land Use Plan; and

6.1.5 To maintain agricultural and forest land in sufficient size tracts for economic operations.

5. Per Section 21.3.2, a Conditional Use Permit may be granted only upon finding all of the following:
   A. The use conforms to the Comprehensive Land Use Plan of the County;
   B. The use is compatible with the existing neighborhood;
   C. The use shall not materially adversely impact air quality and water quality;
   D. The use shall not cause soil disturbance;
   E. The site has sufficient access for ingress and egress;
   F. The site is adequate for water supply and sewage treatment; and
   G. The use shall not cause unsafe or unhealthy conditions.

6. Per the Comprehensive Land Use Plan, the Commercial/Industrial Goal encourages the development of new businesses.

7. Mitigation practices on the CUP application do not apply as property is non-shoreland.

8. The MPCA requirement to obtain a General Storm Water Permit prior to construction activity (clearing, grading and excavation activities) that results in the disturbance of one acre or more is the applicants' responsibility.

9. The project shall not cause unsafe or unhealthy conditions and shall meet all zoning requirements.

10. On 7/3/2024, emails were received from Ryan Fox, Greg & Holly Benke, Shawn & Angie Peck, Jean Kelly and Peggy Reed in support of the application.

11. No recommendation was received from Commissioner Smith.

12. As required in Article 18, notice of the 7/10/2024 PC/BoA hearing and 7/16/2024 County Board hearing was sent to property owners within ¼ mile of the affected properties, SWCD, DNR (Rian Reed), DNR Forestry, Itasca County Engineer, Leech Lake Band of Ojibwe and Commissioner Smith for their information and comment.

13. Notice of the 7/10/2024 site inspection and public hearing was published in the 6/26/2024 issue of the *Grand Rapids Herald Review* and the 6/27/2024 issue of the *Scenic Range NewsForum.* Notice of the 7/16/2024 County Board hearing was published in the 7/3/2024 issue of the *Grand Rapids Herald Review* and the 7/4/2024 issue of the *Scenic Range NewsForum.*

14. Per Minnesota Statute 15.99, the 60-day timeline shall expire on 8/9/2024.

15. The site was viewed by the Planning Commission/BOA on 7/10/2024 in the morning before the hearing.

16. If said conditional use is approved, it shall be the responsibility of the applicant to notify the Environmental Services Department upon completion of the project including any conditions. The property may be inspected at any time to ensure and affirm all conditions and terms of the permit are in compliance.

17. At the 7/10/2024 hearing, PCBA 01C (interpretation) was added to the record and the following documents:
    PCBA 12- Email dated 7/8/2024 to Diane Thompson, Leech Lake Band of Ojibwe, and requested documentation relating to the public access road;
    PCBA 13- Email dated 7/8/2024 from Zac McLellan, Forest Service, and history of FR 2044 and comments indicating they have no records of ROW or easement on file for this road;
    PCBA 14- Email dated 7/8/2024 from Karin Grandia, Itasca County Engineer, commenting they have no concerns or input on this application;
    PCBA 15- Comments in opposition received 7/9/2024 from Jim Anderson with concerns regarding traffic, etc.;
    PCBA 16- Comments in opposition received 7/9/2024 from Mary Schmidt-Luhring with various concerns including traffic/safety, commercial use in a residential area, etc. and petition signed by five owners of surrounding properties (2 pgs.).

18. The record consists of:
    PCBA 01- Conditional Use application submitted on 6/20/2024, interpretation (4 pgs.);
    PCBA 02- Site plans/map (3 pgs.);
    PCBA 03- Notice dated 6/26/2024 to property owner, etc.;
    PCBA 04- Notice dated 6/24/2024 to Commissioner Smith;
    PCBA 05- Notice dated 6/26/2024 to affected property owners; list of affected property owners; parcel map; plat book map (5 pgs.);
    PCBA 06- Conditional Use Order;
    PCBA 07- Email dated 7/3/2024 from Ryan Fox;
    PCBA 08- Email dated 7/3/2024 from Greg Benke;
    PCBA 09- Correspondence dated 7/3/2024 from Shawn & Angie Peck;
    PCBA 10- Email dated 7/3/2024 from Jean Kelly;
    PCBA 11- Email dated 7/3/2024 from Peggy Reed;
    PCBA 12- Email dated 7/8/2024 to Diane Thompson, Leech Lake Band of Ojibwe, and requested documents (11 pgs.);
    PCBA 13- Email dated 7/8/2024 from Zac McLellan, Forest Service & documents (4 pgs.);
    PCBA 14- Email from Karin Grandia, Itasca County Engineer;
    PCBA 15- Comments received 7/9/2024 from Jim Anderson;
    PCBA 16- Email dated 7/9/2024 and petition from Mary Schmidt-Luhring (2 pgs.);
    PCBA 17- Staff report dated 7/5/2024 (3 pgs.);
    PCBA 18- Criteria forms completed by the PCBA members (3 pgs.).

FROM THE FOREGOING FINDINGS OF FACT, the Board makes the following:

CONCLUSIONS OF LAW

The conditional use application should be approved pursuant to Sections 21.3 of the Zoning Ordinance because:

A. The use conforms to the comprehensive plan of the County as the CLUP encourages the development of new businesses; storage facilities are needed;
B. The use is compatible with the existing neighborhood—providing safe/secure storage can be beneficial to the neighborhood; use will be located in a residential area, on a dead-end road, with few nearby neighbors;
C. The proposed use will not materially adversely impact air quality, water quality or cause soil disturbance—there will be minimal soil disturbance during construction;
D. There is sufficient access for ingress and egress and adequate water supply and sewage treatment—there is sufficient access; there will be no well or septic;
E. The use will not cause unsafe or unhealthy conditions as it will provide secure storage; generate minimal traffic; and will meet all zoning requirements.

NOW THEREFORE, Maasch/Kortekaas motioned to recommend (to the County Board) approval of the CUP application submitted by Tom Hammerlund/SEH for commercial storage buildings as set forth in the 7/5/2024 staff report. Motion carried unanimously with the following conditions:

Condition/s: 1) Any exterior lighting shall be directed away from neighbors;
2) Add screening from neighbors;
3) Comply with Best Management Practices during construction;

ITASCA COUNTY PLANNING COMMISSION/BOARD OF ADJUSTMENT:

Lisa Maasch — 7-10-24

Lisa Maasch, Chairperson — Date

ATTEST:

Katie Benes — 7/11/24

Katie Benes, Environmental Services Director — Date

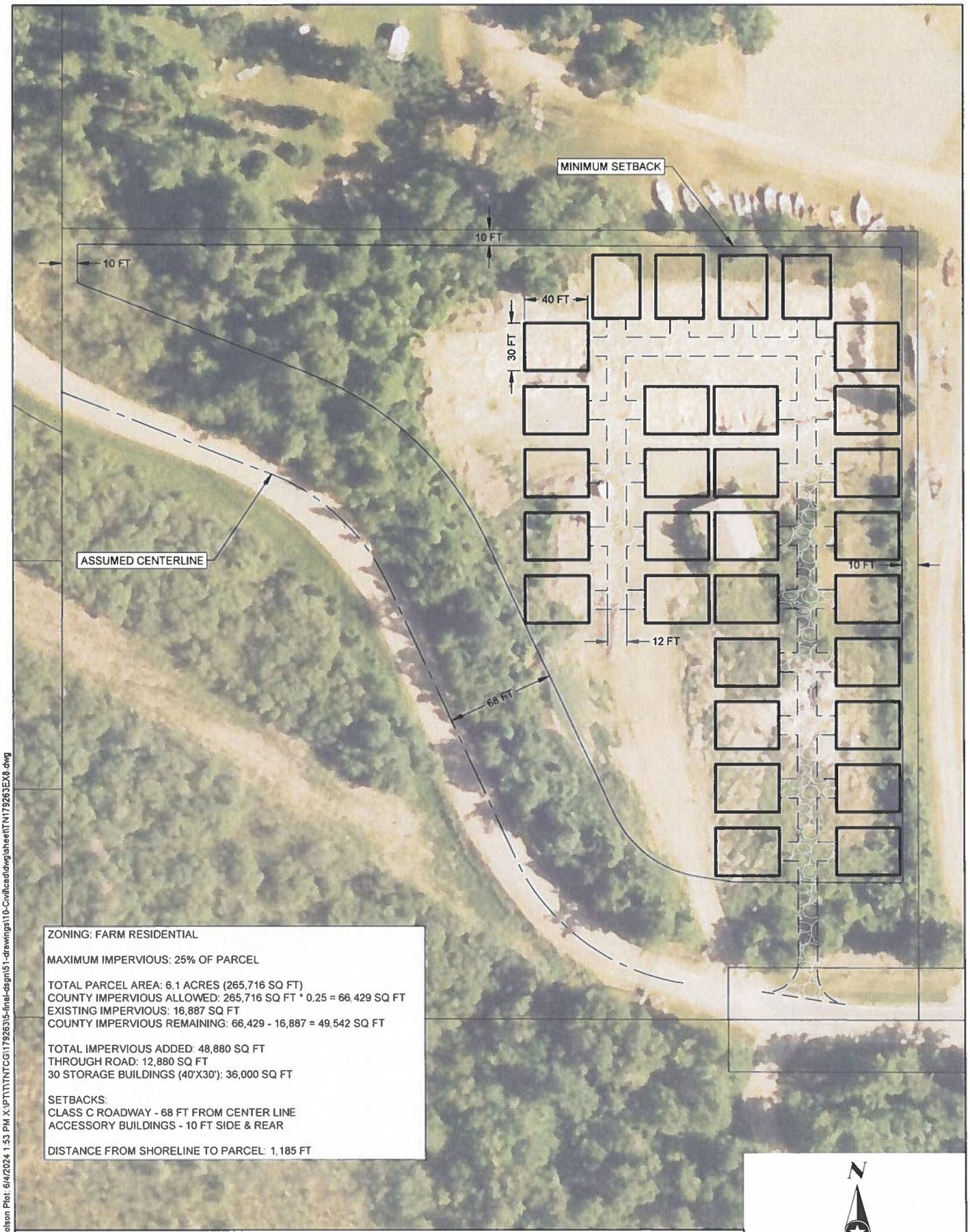
Excerpt from the 7/10/2024 PCBA Minutes:

Tom Hammerlund/SEH/CUP—(Part of SE SE, Section 13, Unorganized Township 146-27, Parcel #79-013-4401) — submitted a conditional use permit application for 30, 40'x30' gated, commercial storage buildings to be leased or rented. The following documents were added to the record: PCBA 01C (interpretation), PCBA 12 (email, documents to Leech Lake Band of Ojibwe), PCBA 13 (email, documents from Zac McLellan, US Forest Service), PCBA 14 (email from Karin Grandia, Itasca County Engineer), PCBA 15 (comments from Jim Anderson) and PCBA 16 (email, petition from Mary Schmidt-Luhring). It was noted that the Leech Lake Band of Ojibwe was also notified. An aerial photo of the property was displayed on the overhead screen. Tom Olson/SEH was present (representing Tom Hammerlund) and discussed his application for 30 commercial storage buildings to be rented or leased and will be used for cold storage, the proposed driveway entrance will be gated, and the existing structure shown on the photos has been removed. There was discussion regarding the lake access road which goes through the property and concerns that more information/approval may be needed from the Leech Lake Band of Ojibwe. Kortekaas/Butterfield motioned to close the public portion of the meeting which carried unanimously. There was discussion regarding the height of the structures and the height needed for RV storage.

***Motion*: Maasch/Kortekaas motioned to recommend (to the County Board) approval of the CUP application submitted by Tom Hammerlund/SEH for 30, 40'x30' commercial storage buildings as set forth in the 7/5/2024 staff report. Motion carried unanimously.**

***Condition/s*:**
1) **Any exterior lighting shall be directed away from neighbors;**
2) **Add screening from neighbors;**
3) **Comply with Best Management Practices during construction;**

As per Section 2.5 of the Zoning Ordinance, since this CUP is of a commercial nature and proposed for a residential zoning district, the Planning Commission will make their recommendation to the County Board who will act on the application after holding a public hearing scheduled for the 7/16/2024 County Board meeting.



ZONING: FARM RESIDENTIAL

MAXIMUM IMPERVIOUS: 25% OF PARCEL

TOTAL PARCEL AREA: 6.1 ACRES (265,716 SQ FT)
COUNTY IMPERVIOUS ALLOWED: 265,716 SQ FT * 0.25 = 66,429 SQ FT
EXISTING IMPERVIOUS: 16,887 SQ FT
COUNTY IMPERVIOUS REMAINING: 66,429 - 16,887 = 49,542 SQ FT

TOTAL IMPERVIOUS ADDED: 48,880 SQ FT
THROUGH ROAD: 12,880 SQ FT
30 STORAGE BUILDINGS (40'X30'): 36,000 SQ FT

SETBACKS:
CLASS C ROADWAY - 68 FT FROM CENTER LINE
ACCESSORY BUILDINGS - 10 FT SIDE & REAR

DISTANCE FROM SHORELINE TO PARCEL: 1,185 FT

N

40 0 40 80
scale 20 feet

SEH

PROJECT NO.
TNTCG179263

DATE:
6/4/2024

CONDITIONAL USE PERMIT EX8
PARCEL NUMBER 79-013-4401
56138 COUNTY ROAD 115

FIGURE NO. 2

Save: 6/4/2024 1:50 PM tolson Plot: 6/4/2024 1:53 PM X:\PT\TNTCG\179263\5-final-dsgn\51-drawings\10-Civil\cad\dwg\sheet\TN179263EX8.dwg

PCBA 02
C:\PCBA



ZONING: FARM RESIDENTIAL

MAXIMUM IMPERVIOUS: 25% OF PARCEL

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DISTANCE FROM SHORELINE TO PARCEL: 1,185 FT

N

40 0 40 80
scale 20 feet

SEH

PROJECT NO.
TNTCG179263

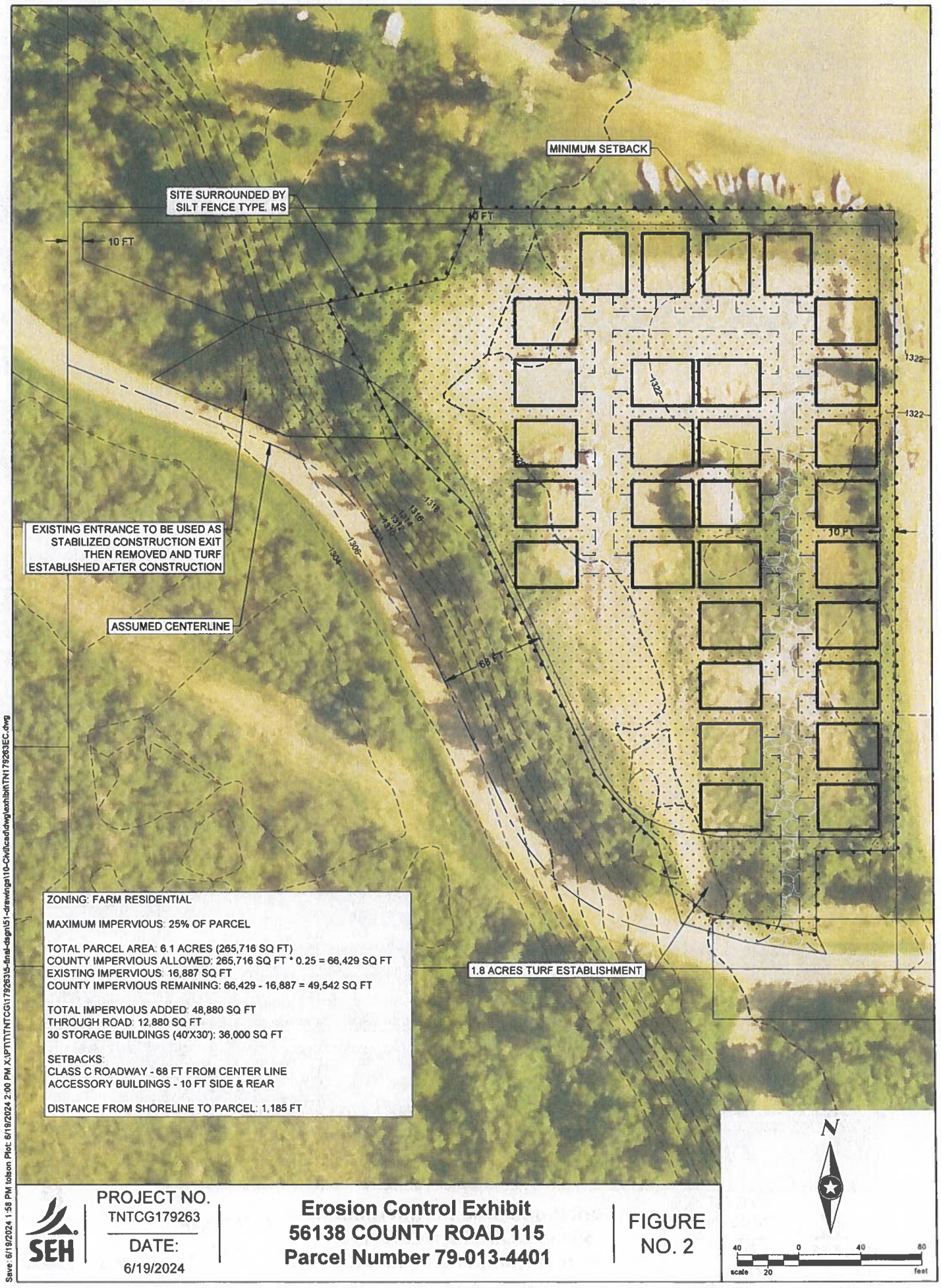
DATE:
6/19/2024

Conditional Use Permit Exhibit
56138 COUNTY ROAD 115
Parcel Number 79-013-4401

FIGURE NO. 1

Save: 6/19/2024 11:02 AM tolson Plot: 6/19/2024 2:00 PM X:\P\T\TNTCG\179263\5-final-dsgn\51-drawings\10-Civil\cad\dwg\exhibit\TN179263EX.dwg

PCBA 02a
C: PCBA



SEH

PROJECT NO.
TNTCG179263

DATE:
6/19/2024

Erosion Control Exhibit
56138 COUNTY ROAD 115
Parcel Number 79-013-4401

FIGURE NO. 2

Save: 6/19/2024 1:58 PM tobson Plot: 6/19/2024 2:00 PM X:\PT\TNTCG\179263\5-final-dsgn\51-drawings\10-Civil\cad\dwg\exhibit\TN179263EC.dwg

C:PCBA

Diane Nelson

From: Ryan Fox
Sent: Wednesday, July 3, 2024 1:11 PM
To: Diane Nelson
Subject: County rd 115

[You don't often get email from Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

CAUTION: This email originated from outside of the Itasca County email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Diane,

I'm a writing to you in support of Tom Hammerlunds request for a conditional use permit. I reside in the Sunsetview HOA and am its current president. There are several residents within the HOA and adjacent properties that have inquired with Mr. Hammerlund about purchasing storage buildings on the designated property. The plan as presented is favorable and will fill a very necessary need for area residents. I would ask that you take this into consideration when evaluating and approve the conditional use permit.

Respectfully,

Ryan Fox
40051 Sunset Lane
Deer River MN 56636

Sent from my iPhone

PCBA 07
cc: PCBA, KB

Diane Nelson

From: Greg Benke
Sent: Wednesday, July 3, 2024 1:41 PM
To: Diane Nelson
Subject: 56138 CR. 115

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Diane,

I am a resident of Sunset View HOA at the end of CR 115. I am in support of Tom Hammerlunds request to zone and build storage structures as I plan to buy one.

Greg and Holly Benke
40057 Sunset TRL. Deer River.

PCBA 08
CC PCBA, KB

July 3, 2024

Re: Conditional Use Permit submitted by Tom Hammerlund

Good afternoon, Diane,

I am writing regarding the notice received from your office relating to the "Conditional Use Permit" submitted by Tom Hammerlund.

My husband and I are in favor of the approval for the permit. We hope to obtain storage space and feel that it will also benefit other members of the resort as well.

Sincerely,

Shawn and Angie Peck

PCBA 09
C: PCBA, KB

Diane Nelson

From: Angela Peck
Sent: Wednesday, July 3, 2024 1:56 PM
To: Diane Nelson
Subject: Conditional Use Permit submitted by Tom Hammerlund
Attachments: Storage unit.docx

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Good afternoon, Diane,

I have attached a letter in favor of Tom Hammerlund being approved for the permit for extra storage.

Thank you for considering our point of view.

Enjoy your holiday weekend!

Angie Peck

Diane Nelson

From: Jean Kelly ·
Sent: Wednesday, July 3, 2024 3:11 PM
To: Diane Nelson
Subject: Tom Hammerlund proposed site for storage units

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To Whom It May Concern:

My husband and I have just purchased a cottage in the Sunset View Estate property. I received a letter in mail about Mr. Hammerlund's proposal to build storage units.

My husband and I are open to this proposal as it would be convenient for storage of our lake toys, etc. The proposal would not interfere with our little community as far as I can see. Although it may add more traffic on 115, it is reasonable to infer that the traffic will be minimal as he is proposing 30 units. Most people who have storage units, do not visit them daily or even weekly or monthly.

If you need to contact us, you can reach us by this email address. Thank you.

PCBA 10

Diane Nelson

From: Peggy Reed
Sent: Wednesday, July 3, 2024 3:18 PM
To: Diane Nelson
Subject: Tom Hammerlund storage units

[You don't often get email from Learn why this is important at https://aka.ms/LearnAboutSenderIdentification]

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Hi Diane my name is Peggy Reed and I own a cabin at 40045 Sunset lane and I am in favor of Tom Hammerlund building the storage units at 56138 County Road 115 Sent from my iPad

PCBA 11

Diane Nelson

From: Katie Benes
Sent: Monday, July 8, 2024 9:14 AM
To: Diane Thompson
Cc: Diane Nelson
Subject: RE: Conditional Use Application
Attachments: Forestry Rd Communication-Hammerlund CUP.pdf

Diane,

Past permits for PID 79-013-4401 were sent last week at your request. I do not have permits in the system related to the access to the lake, but I do have a series of communications between the Band and Itasca County Environmental Services from 2003 when the Sunset View Estates CIC Subdivision was being reviewed.

One of these letters references a "history" from the Chippewa National Forest. This was not in my files, but I am expecting to receive a copy of that this morning and can forward it once received.

Katie Benes | *Director*
Itasca County Environmental Services
katie.benes@co.itasca.mn.us
direct: (218) 327-7430 | main: (218) 327-2857

From: Diane Thompson <diane.thompson@llojibwe.net>
Sent: Tuesday, July 2, 2024 1:38 PM
To: Katie Benes <Katie.Benes@co.itasca.mn.us>
Cc: Diane Nelson <Diane.Nelson@CO.ITASCA.mn.us>
Subject: RE: Conditional Use Application

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Katie,

Can you send me all the information regarding the property and all the permits for the access to the lake.

Thanks

Diane Thompson
Leech Lake Band of Ojibwe
Land Director
218-335-7419

From: Katie Benes <Katie.Benes@co.itasca.mn.us>
Sent: Tuesday, July 2, 2024 10:36 AM

PCBA 12
C: PCBA, applicant

To: Diane Thompson <diane.thompson@llojibwe.net>
Cc: Diane Nelson <Diane.Nelson@CO.ITASCA.mn.us>
Subject: Conditional Use Application

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Diane,

Attached to this email is an application for conditional use from Tom Hammerlund who owns property within the reservation located at 56138 County Rd 115, Deer River.

This request is scheduled for review and recommendation by our Planning Commission Wednesday, July 10th at a public hearing at 11:30 am. The final approval would be made by the Itasca County Board of Commissioners after a second public hearing on Tuesday, July 16, at 2:30 pm.

If you are not the correct contact person with the LLBO, please forward this to the best individual for review. If you have any comments or questions, you can reach out to myself or Diane Nelson in my office who serves as the Clerk of Planning Commission. We welcome any feedback you may have.

Katie Benes | *Director*
Itasca County Environmental Services
katie.benes@co.itasca.mn.us
direct: (218) 327-7430 | main: (218) 327-2857

Leech Lake Band of Ojibwe

Peter D. White, Chairman
Arthur "Archie" La Rose, Secretary/Treasurer

District I Representative
Burton "Luke" Wilson

District II Representative
Lyman L. Losh

District III Representative
Richard Robinson, Jr.

October 22, 2003

RECEIVED
OCT 24 2003
Zoning/Solid Waste Dept.

Terry Greenside, Deputy Director
Itasca Land Management
123 NE Fourth Street
Grand Rapids, MN 55744

Re: Sunset View Resort

Dear Mr. Greenside:

I am responding to your letter of October 20, 2003, and your general perception that my questions "contain either explicit or implied assumptions and conclusions which preclude [your] ability to respond to them." I have reviewed my letter of September 17, 2003, and see my questions as reasonable and fair based on your correspondence and verbal communications. I will ask my questions once more, which should not require my personal review of the record before my asking or your answering, as you are a public employee, responsible for conducting a public process in conformity with law.

The questions are:

1. Why doesn't Itasca Zoning want to voluntarily include the restoration of the public access road under the conditional use permit?

2. Does Itasca Zoning understand that closing the public access road restricts Band members' treaty protected hunting and gathering rights?

3. Does Itasca Zoning understand that it is privatizing a public access to the personal benefit of the resort owner?

4. Did Itasca County receive anything of value in return for privatizing this public access?

5. If yes, how should the Band be compensated?

6. Does Itasca Zoning believe that it has the authority to permit Hammerlund to go forward unilaterally?

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(218) 335-8200 • Fax (218) 335-8309
Email: llpr@paulbunyan.net

7. Was it not Itasca County that authorized Hammerlund to close the public access road?

8. Does Itasca Zoning not believe the initial closing of the public access road was *a taking* under both constitution from the public and the Band?

9. Why not have the person who closed the road with his equipment, and who presently seeks permission under a conditional use permit from Itasca Zoning, include as a condition the reopening of the road?

As before, most of these questions can be answered with a simple "yes" or "no". I am requesting written responses to the preceding questions in short order so that the Band may consider other alternatives. Again, the Band is willing to support the efforts of this new conditional use permit application after the appropriate mitigation and restoration occurs as outlined above. If Itasca Zoning cannot or will not find a way to reopen or restore the public access road to Lake Winnibigoshish through the conditional use permit process, please advise me promptly in writing.

Sincerely,

Frank Bibeau
Tribal Attorney

Attachment

cc: Luke Wilson, District 1 Representative
Gerald White, Executive Director
John Ringle, Director Resource Management
Shirley Nordrum, Environmental Director
David Schulenberg, EPA Wetlands Enforcement
Wade Spang, Deer River Ranger Station
Jane Ekholm, Mississippi Headwaters Board
Julette Denton, Minnesota Section Chief, USCOE
Jeff Koschak, USCOE Project Manager
Dale Krystosek, MN Board of Water & Soil Resources
Dave Christy, Director of Itasca Transportation and Land Managament
Howard Christman, Mn/DNR Region 2 Area Hydrologist
Dale Worth, Itasca County Planning Commission
Art Norton, Itasca SWCD
Jim Gustafson, Itasca SWCD
Doug Carpenter

C: Jack

ITASCA COUNTY
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Fax (218) 327-7331

October 20, 2003

Frank Bibeau, Tribal Attorney
Leech Lake Band of Ojibwe
6530 NW US Highway #2
Cass Lake MN 56633

RE: Sunset View Resort/Common Interest Community

Dear Mr. Bibeau:

I am writing in response to your letter dated September 17, 2003.

The questions which you ask are based upon assumptions. The context in which you ask your questions contain either explicit or implied assumptions or conclusions which preclude my ability to respond to them.

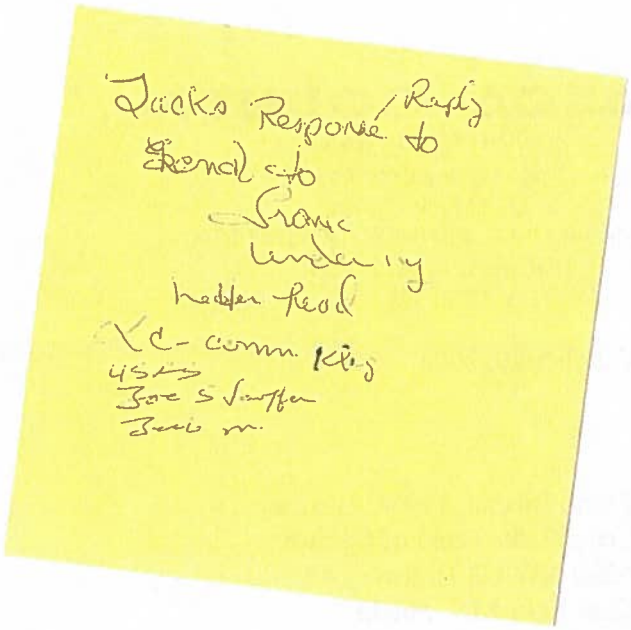
A record of the zoning proceedings is available and can be inspected by you at my office, if that is your wish. Your questions center on the zoning proceedings and the record itself is the best evidence of that which transpired in the proceedings to date.

If following your review of that record you wish to meet, please advise.

Sincerely,

Terry Greenside
Deputy Director, LMD

Equal Opportunity Employer



October 15, 2003

Frank Bibeau, Tribal Attorney
Leech Lake Band of Ojibwe
6530 NW U.S. Hwy # 2
Cass Lake Mn 56633

RE: Sunset View Resort/Common Interest Community

Dear Mr. Bibeau:

I am writing in response to your letter dated September 17, 2003.

The questions which you ask are based upon assumptions. The context in which you ask your questions contain either explicit or or implied assumptions or conclusions which preclude my ability to respond to them.

A record of the zoning proceedings is available and can be inspected by you at my office, if that is your wish. Your questions center on the zoning proceedings and the record itself is the best evidence of that which transpired in the proceedings to date.

If following your review of that record you wish to meet, please advise.

Sincerely,

Terry Greenside
Deputy Director
Land Management Division

Leech Lake Band of Ojibwe

Peter D. White, Chairman
Arthur "Archie" La Rose, Secretary/Treasurer

District I Representative
Burton "Luke" Wilson

District II Representative
Lyman L. Losh

District III Representative
Richard Robinson, Jr.

September 17, 2003

Terry Greenside, Deputy Director
Itasca Land Management
123 NE Fourth Street
Grand Rapids, MN 55744

RECEIVED
SEP 22 2003
Zoning/Solid Waste Dept.

Re: Sunset View Resort

Dear Terry:

I am writing in response to your letter of August 12, 2003. I am perplexed by the general misperception that Itasca County Zoning is powerless to include reopening the public access road to Lake Winnibigoshish under Hammerlund's conditional use permit, especially when it appears that the County's acts and omissions are intertwined with many of the applicant's violations and closure of the road in question.

The Band is willing to support this new conditional use permit application, but only after our concerns are addressed so that the Band can adequately consider other alternatives. Specifically, I am requesting prompt written responses to the following questions: Why doesn't Itasca Zoning want to voluntarily include the restoration of the public access road under the conditional use permit? Does Itasca Zoning not believe the initial closing of the public access road was *a taking* under both constitutions, from the public and the Band? Does Itasca Zoning understand that closing the public access road restricts band members' treaty protected hunting and gathering rights? What public process was used to give notice of the public access road closing under state law? Does Itasca Zoning understand that it is privatizing a public access to the personal benefit of the resort owner? Did Itasca County receive anything of value in return for privatizing this public access? How should the Band and citizens be compensated? Does Itasca Zoning believe that it has the authority to permit Hammerlund to go forward unilaterally? Was it not Itasca County that authorized Hammerlund, a multiple violator of environmental protocols and laws on this specific project, to close the public access road?

I understand that *your* review "of the County Zoning and Subdivision Ordinances, . . . [found] no language . . . that would allow Itasca County to use, as leverage, the requirement to complete the wetland mitigation or to recreate a road access as part of our permit review and approval." I also recall your statement regarding Hammerlund's mid 90's request for building permits from zoning for the land north of his property, which you understood to be US Forestry land. You told me that you told Hammerlund you

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couldn't give him a building permit because Itasca Zoning lacked the authority on Forestry land to issue such permit. How did Itasca Zoning close the public access road in the Forest previously and now suddenly finds that it lacks the power to open the very same road? As a local resident, neighbor and county zoning manager, you indicated at a recent meeting this summer a personal belief that this road should be reopened for the public much as before. Why not have the person who closed the road with his equipment, and who presently seeks permission under a conditional use permit from Itasca Zoning, include as a condition the reopening of the road?

Again, the Band is willing to support the efforts of this new conditional use permit application after the appropriate mitigation and restoration occurs as outlined above. But if Itasca Zoning cannot or will not find a way to reopen or restore the public access road to Lake Winnibigoshish through the conditional use permit process, please advise me promptly in writing.

We look forward to seeing the same proactive leadership and substantive steps to accomplishing the public access road reopening as the new Hammerlund request for a conditional use permit. If you have any questions or need of assistance, please feel free to call on me at (218) 335-3673. Thank you.

Sincerely,

Frank Bibeau
Tribal Attorney

cc: Luke Wilson, District 1 Representative
Gerald White, Executive Director
John Ringle, Director Resource Management
Shirley Nordrum, Environmental Director
David Schulenberg, EPA Wetlands Enforcement
Wade Spang, Deer River Ranger Station
Jane Ekholm, Mississippi Headwaters Board
Julette Denton, Minnesota Section Chief, USCOE
Jeff Koschak, USCOE Project Manager
Dale Krystosek, MN Board of Water & Soil Resources
Art Norton, Itasca SWCD
Howard Christman, Mn/DNR Region 2 Area Hydrologist
Dale Worth, Itasca County Planning Commission
Jim Gustafson, Itasca SWCD
Doug Carpenter

C. Jack - Mike
+ PCBA

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August 12, 2003

Frank Bibeau
Tribal Attorney
Leech Lake Band of Ojibwe
6530 U.S. 2 NW
Cass Lake MN 56633

RE: Sunset View Resort

Dear Frank:

I have reviewed your letter and the two issues raised in it. The first relates to wetland issues. You state, on behalf of the Band, that appropriate mitigation and restoration must be completed from the previous un-permitted or after the fact permitted wetland and lake projects before any new proposed work may proceed.

The second issue relates to accessing the lake. You state that the public access to the lake must be reopened/restored/recreated as part of those efforts prior to any new work beginning on the application and site.

In light of your requests, and in reviewing the County Zoning and Subdivision Ordinances, there is no language in these ordinances that would allow Itasca County to use, as leverage, the requirement to complete the wetland mitigation or to recreate a road access as a part of our permit review and approval.

The Itasca County Planning Commission/BoA is scheduled to review the preliminary plans on Wednesday, September 3rd in the County Board Room of the Courthouse. The meeting begins at 9:00 a.m. and this matter is second on the agenda.

Looking forward to hearing from you.

Sincerely,

Terry Greenside
Deputy Director, LMD

C: Assistant County Attorney Mike Haig

Leech Lake Band of Ojibwe

Peter D. White, Chairman
Arthur "Archie" La Rose, Secretary/Treasurer

District I Representative
Burton "Luke" Wilson

District II Representative
Lyman L. Losh

District III Representative
Richard Robinson, Jr.

July 25, 2003

Terry Greenside, Deputy Director
Itasca Land Management
123 NE Fourth Street
Grand Rapids, MN 55744

RECEIVED
JUL 28 2003
Zoning/Solid Waste Dept.

Re: Sunset View Resort

Dear Terry:

Thank you for your Minutes from your Pre-Application Conference with regard the above-referenced matter. I wanted to add some clarity to the Minutes with regard to the Band's position on the Application and the public access road. As you indicated "the old road that provided public access to the lake. . . . is an item of prime interest regardless of whether or not this plan proceeds. Those present agreed to work together and schedule another meeting to focus on this issue."

I hope you recall that I shared with the group that the Band must see the appropriate mitigation and restoration completed from the previous un-permitted or after-the-fact permitted wetland and lake projects before any new proposed work may proceed. And most importantly, that the public access to the lake must be reopened/restored/recreated as part of those efforts prior to any new work beginning on this Application and site.

As I also shared, because Mr. Hammerlund's efforts were the direct and proximate cause of the road closure, the Band expects that Mr. Hammerlund will take the necessary steps to reopen/restore/recreate the public access. This new proposed project eliminates the public's access completely while privatizing this area in favor of Mr. Hammerlund. Therefore, if Mr. Hammerlund wants to keep on the current Application schedule as discussed at the Pre-Application Conference, the afore-mentioned road/public access restoration must begin promptly.

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Again, the Band is willing to support the efforts of this new Pre-Application after the appropriate mitigation and restoration occurs as outlined. I also offered the Chippewa National Forest's version of the history of the public access road to Mr. Hammerlund's attorneys, which did take a year to obtain. We look forward to seeing the same proactive leadership and substantive steps for the new Application applied to the public access road reopening.

If you have any questions or need of assistance, please feel free to call on me at (218) 335-3673. Thank you.

Sincerely,

Frank Bibeau
Tribal Attorney

cc: Luke Wilson, District 1 Representative, LL
John Ringle, Director Resource Management, LL
Shirley Nordrum, Environmental Director, LL
David Schulenberg, EPA Wetlands Enforcement
Wade Spang, Deer River Ranger Station
Jane Ekholm, Mississippi Headwaters Board
Jeff Koschak, US Corp of Engineers Project Manager
Dale Krystosek, MN Board of Water & Soil Resources
Terry Greenside, Itasca County Zoning
Art Norton, Itasca SWCD
Howard Christman, Mn/DNR Region 2 Area Hydrologist
Dale Worth, Itasca County Planning Commission
Jim Gustafson, Itasca SWCD
Greg Fordham, Itasca County Surveyor
Joe Stauffer, Anderson Ophoven Law Office
Keith Anderson, Anderson Ophoven Law Office
Ron Nelson, Prudential Hedman Realty
Russ Klegstad, Itasca County Commissioner
Tim Engrav, Itasca County Planner
Doug Carpenter

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July 29, 2003

TO: Assistant County Attorney Mike Haig

RE: Zoning Sunset View Resort/CIC - 03-1025-Z

FROM: Terry Greenside, Deputy Director, LMD

Dear Mike: Terry

In regard to the above, attached, for your information is a copy of correspondence dated 7/25/03 from Tribal Attorney Frank Bibeau. I would like to schedule a time to meet with you to discuss his comments that require the public access to the lake be reopened prior to any new work beginning on the application/site. Please give me a call at Ext. 1485.

Thank you.

SUNSET VIEW RESORT PRE-APPLICATION CONFERENCE
MEETING MINUTES - JULY 16, 2003
SHERIFF'S TRAINING ROOM

On Tuesday, July 16th at 9:00 a.m., a Pre-application Conference on the subdivision and common interest community at Sunset View Resort was held in the Itasca County Courthouse.

Present at the meeting were: Dale Worth--Itasca County Planning Commission, Howard Christman—MNDNR, Luke Wilson—Leech Lake Band of Ojibwe, Frank Bibeau—Leech Lake Band of Ojibwe, Jim Gustafson – Itasca County SWCD, Greg Fordham—Itasca County Surveyor, Joe Stauffer/Keith Anderson -- Anderson Ophoven Law Office, Ron Nelson—Prudential Hedman Realty, Jane Ekholm—MHB, Russ Klegstad—Itasca County Commissioner, Gary Johanson—Hubbard County Zoning Administrator, Jeff Koschak—Army Corps of Engineers, Bill Herschbach--SEH, Tim Engrav—Itasca County Planner, Terry Greenside—Itasca County Zoning Administrator, & Doug Carpenter;

Plans were reviewed that propose converting the mobile home park and resort cabins at the Sunset View Resort into a 4 lot residential subdivision and a common interest community (CIC) with the remaining cabins.

Issues brought out at this meeting involved:

1. wetlands
2. docking spaces
3. office for property manager
4. pre-alignment of access road by property manager site
5. private road serving the CIC and plat
6. status of Co. Rd. 2044
7. changing of property from commercial to residential
8. septic systems
9. flowage easement
10. by-laws, covenants, declaration
11. vegetation management plan

1. The wetland issue concerns, pending permits, and wetland mitigation in the area of the proposed plat -- these issues will be addressed by SEH Engineering and the Itasca County SWCD. Mitigation may impact the road alignment or building locations.

2. Docking space (slips) will be provided at a common docking area behind the breakwater.

3. The building site for the property manager will be considered a private site and treated as a home occupation.

4. There are plans to realign the current road moving it from the area between the garage and property managers site to an area east and south of this site. This will eliminate traffic from this area.

5. The private road serving the CIC and plat will be addressed in the preliminary CIC and plat -- may require a turn around area at the south end of the property.

6. Status of Co.Rd. 2044 – Doug Carpenter asked for a County Attorney opinion on whether or not this is in fact a county road. Greenside agreed to ask for a County Attorney opinion.

7. Changing of the property from commercial to residential – the plat and residential P.U.D. would remove the commercial status this property currently has.

8. Confirmation that the existing septic systems are in compliance.

9. Flowage easements on this property are reserved by A.C.O.E. There is a 100 year flood elevation that is used to determine building elevation.

10. By-Laws - Covenants – Declarations will be prepared and submitted with the CIC.

11. Discussion was also held on the need for a vegetative management plan for the plat and CIC.

Other discussion focused on the road serving the resort, and the old road that provided public access to the lake. This is an item of prime interest regardless of whether or not this plan proceeds. Those present agreed to work together and schedule another meeting to focus on this issue.

With this summary, I am inviting the proposers of this project (plat & CIC) to submit their preliminary plans and applications to the Itasca County Zoning Office on or before August 6, 2003. This will place these applications on the September 3, 2003, Planning Commission Agenda. On September 3rd, the Planning Commission will hold a public hearing on these proposals providing an opportunity for comments on the project.

At the September 3rd Planning Commission hearing, the Commission may table for more information, deny the application based on facts, or give preliminary approval to the plat and CIC. If approval is given, the plat and CIC will be forwarded to the Mississippi Headwaters Board for their review at their September 19th meeting.

The final applications and plans will follow preliminary approval at the Itasca County Planning Commission Meeting on October 1, 2003. Planning Commission Meetings begin at 9:00 a.m. on the first Wednesday of each month in the Board Room of the Itasca County Courthouse.

Respectfully submitted,

Terry Greenside
Deputy Director of Land Management

xc: Dave Christy, County Engineer
Jack Muhar , County Attorney
Mike Haig, Assistant County Attorney
Byron Snowden III, Chair, Planning Commission/B.A.

ITASCA COUNTY

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Fax (218) 327-7331

July 3, 2003

Frank Bibeau
Leech Lake Band of Ojibwe
6530 U.S. 2 NW
Cass Lake MN 56633

Dear Frank:

On Tuesday, July 15th at 9:00 a.m. in the Sheriff's Training Room of the Courthouse, (basement) Itasca County will be meeting with representatives of the Sunset View Resort property on Lake Winnie. The purpose of the meeting will be to discuss land use and zoning regulations relative to conversion of the resort into residential lots and the creation of a common interest community. This development would result in the removal of the mobile homes from the property. (Draft plans will be provided at the meeting)

I would like to take this opportunity to invite you to meet with us as we review the various regulations (State and County) with the resort representatives at this pre-application conference.

Following this meeting on the 15th, the representatives will submit the preliminary plans and prepare applications that will result in the public hearings and government actions on their proposals.

Hope to see you on the 15th!

Sincerely,

Terry Greenside
Deputy Director, LMD

C: Joe Stauffer
Russ Klegstad, Commissioner District #1
Jane Ekholm, MHB

Leech Lake Band of Ojibwe

Peter D. White, Chairman
Arthur "Archie" La Rose, Secretary/Treasurer

District I Representative
Burton "Luke" Wilson

District II Representative
Lyman L. Losh

District III Representative
Richard Robinson, Jr.

June 30, 2003

RECEIVED
JUL 01 2003
Zoning/Solid Waste Dept.

Julett R. Denton, Chief
Out-State Minnesota Section
United States Army
Corps of Engineers
Saint Paul District
Saint Paul, Minnesota 55101

Re: Hammerlund - Sunset View Resort
97-00008-JAK

Dear Ms. Denton:

I am writing today to reaffirm that the Leech Lake Band is very concerned about the issues and impacts to our natural resources, especially in regard to the above-referenced party and application. As I indicated before, it does not make sense to grant an "After-The-Fact" permit when there has been a frequent failure to comply with the proper application process and the restoration order. Additionally, because this person is an experienced construction contractor and has his own wetland bank, it is more than apparent that he knows or should know the proper procedures to conform to the various environmental protection laws with regard to obtaining permission prior to environmental degradation.

The application itself severely understates the impacts to the Band and ignores the needs and rights of the Band and its members. The SURROUNDING LAND USE section states that "the project site is also within the external boundaries of the Leech Lake Reservation . . ." In fact, the road to the resort crosses a variety of tribal trust land and other federal lands. Those adjacent or near proximity Indian parcels have been traditional

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homes sites and Band members have continuously used the longtime sand landing on Lake Winnie. An important concern of the Band is that the "new road", which is clearly unauthorized and involved the blocking off of the longtime traditional road for Band members, was to supposedly provide for wetland mitigation. The Band needs the original road restored for the use of Band members and we appreciate the Corps' recognition that Hammerlund's road closing cannot be considered wetland mitigation.

Similarly, the Band does not understand how this applicant can cause so many detrimental environmental impacts, without prior application(s) and then be allowed to compensate for damages off-Reservation. The Band has spent a great amount of time and resources to protect and mitigate environmental impacts on Lake Winnie only to discover a major source point is the illegal activity at Sunset View Resort.

Certainly, the cumulative effects to the environment, wetlands, cultural values, hunting and gathering treaty rights, shoreline erosion, water quality and turbidity, historical properties and the needs and welfare of the people greatly out weigh any consideration given to a cumulative violator of environmental protection laws.

Consequently, the Band has several positions with regard to this application, which include:

1) No further granting (denying) of the after-the-fact permit(s) to this applicant;

2) all wetland restoration will be accomplished within the boundaries of the Leech Lake Reservation for past impacts and a site will be determined by and coordinated with the Band's Environmental Director;

3) the traditional road and access to the sand landing will be restored promptly, and before any other permitted work;

4) actual fines and/or meaningful penalties instead of granting another after the fact permit for this repeat offender; and

5) if necessary, a public meeting to address and explain why the above remedies and protections are not implemented.

The Band appreciates the Corps' recognition of the scope of the unauthorized environmental impacts by this applicant and desires to work directly with the involved federal agencies to prevent and deter similar future violations. We look forward to your written response and plan to accomplish the afore-mentioned items and how we can work together to protect our resources and restore our traditional lake access.

If you have any questions regarding these matters please call on me at (218) 335-3673.

Sincerely,

Frank Bibeau
Tribal Attorney

cc: Luke Wilson, District 1 Representative, LL
Gerald White, Executive Director, LL
John Ringle, Director Resource Management, LL
Shirley Nordrum, Environmental Director, LL
David Schulenberg, EPA Wetlands Enforcement
Wade Spang, Deer River Ranger Station
Jane Van Hunnik, Mississippi Headwaters Board
Jeff Koschak, US Corp of Engineers Project Manager
Dale Krystosek, MN Board of Water & Soil Resources
Terry Greenside, Itasca County Zoning
Art Norton, Itasca SWCD
Howard Christman, Mn/DNR Region 2 Area Hydrologist

Diane Nelson

From: Katie Benes
Sent: Monday, July 8, 2024 9:37 AM
To: Diane Thompson
Cc: Diane Nelson
Subject: FW: [External Email]Forestry Rd 2044?
Attachments: CTY_115Timeline.pdf

Diane,

As promised, here is the history from the Forest Service.

Katie Benes | *Director*
Itasca County Environmental Services
katie.benes@co.itasca.mn.us
direct: (218) 327-7430 | main: (218) 327-2857

From: Mclellan, Zachary - FS, MN <zachary.mclellan@usda.gov>
Sent: Monday, July 8, 2024 9:16 AM
To: Katie Benes <Katie.Benes@co.itasca.mn.us>
Subject: Re: [External Email]Forestry Rd 2044?

CAUTION: This email originated from outside of the Itasca County email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

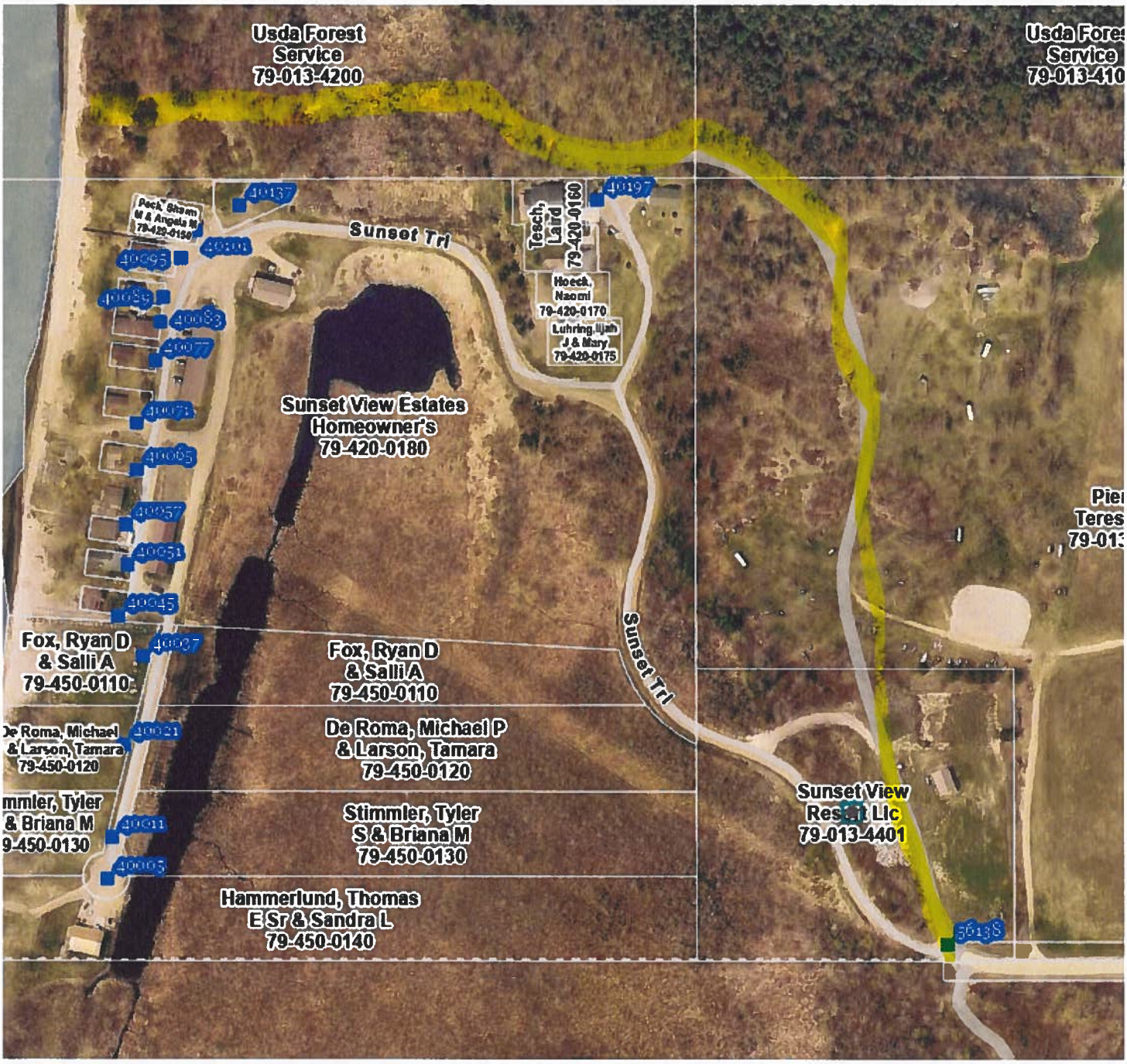
Hi Katie,

Just following up from our phone call earlier. We have no records of ROW or easement on file for this road but did locate a document giving a brief summary of the timeline of events based on our records.

See the attached document hope this helps.

Zac McLellan
Civil Engineering Tech.
Forest Service
Chippewa National Forest, Supervisors Office
p: 218-335-8664
c: 218-214-3911
zachary.mclellan@usda.gov
200 Ash Ave NW
Cass Lake, MN 56633
www.fs.fed.us
Caring for the land and serving people

PCBA 13
C: PCBA, applicant



Katie Benes | *Director*
Itasca County Environmental Services
katie.benes@co.itasca.mn.us
direct: (218) 327-7430 | main: (218) 327-2857

This electronic message contains information generated by the USDA solely for the intended recipients. Any unauthorized interception of this message or the use or disclosure of the information it contains may

Appendix A
Brief Summary of the
Timeline of events based on our records related to the history of section of FR 2044 and County Road 115

1923	Indian Allotment parcels were allocated to individual members of the Chippewa Band under the Nelson Act (1889). The 80-acre parcel that would become the John Haubrich farm was originally allotted to Paish-ah-cumig. In 1921, Paish-ah-cumig sold this 80-acre parcel to Edward R.Voight. Mr. Voight sold the parcel to John Haubrich in 1923 (John Haubrich purchases 80-acre parcel in T146N, R27W, Sec. 13 SESE and SWSE). At this point he begins improving his property, clearing stumps, and building the house, barn, and outbuildings for the existing farm in Section 13 SESE. It was sometime after this that the east/west access route from Highway 46 (i.e., FR 2044/CR 115) was constructed, (possibly by Itasca County) to the Haubrich farm boundary, near the SE corner of their 80-acre parcel. See Appendix B.
1940	Aerial photos indicate an improved route, maintained by Itasca County, up to the SE corner of the Haubrich property. These aerial photos show an old, unimproved route that passes northwest of the farmhouse, across the farm field, and then meandering westerly to Lake Winnibigoshish. This route ended on the beach ridge shoreline of the lake, near a small clearing that was created for a garden. Based on information provided by Richard Haubrich (son of Clifford Haubrich, brother of John Haubrich), this unimproved route was used in the early years to haul supplies during the winter across Lake Winnibigoshish to the Fleming farm situated east of Highway 46. This was a much shorter route than hauling on the existing routes at the time. This route passed through a wetland and could only be used during the winter months.
1940-1947	Haubrich Resort was constructed on the shoreline of Lake Winnibigoshish in Section 13 SWSE, T146N, R27W. A legal survey of the property did not exist.
July 2, 1948	Mr. Clifford Haubrich (brother of John Haubrich) applied for and was granted a Special Use Permit for a 10-foot strip of National Forest land (0.2 miles in length along the south side of the section line common to Section 13 and 24, T146N, R27W. The permitted area was to be used to construct and maintain a road for access to the permittee's farm. See Appendix C for the Special Use permit and map.
1950	A Special Use Inspection Report by District Ranger H.L. Brown, states the "County will do the machine work and maintain the road if Haubrich pays for construction". Clifford Haubrich and John Haubrich built the road along the south boundary of their land turning north just west of the farm field and connecting with the existing old trail that extended to Lake Winnibigoshish (i.e., the trail previously discussed that was used for hauling goods to the Fleming farm in the early 1900's). This became the established access route to the Haubrich Resort. See Appendix D for inspection report.
1950–1987	Resort was owned and operated by Clifford Haubrich. A small, user-developed dispersed recreation site was developed several hundred feet north of the Resort, on National Forest land. This site was used as a carry-in access point for small boats, a day use picnic and swimming site, and occasional over-night camping. Most of the use occurred by local neighbors and was permitted by the Haubrich's since they had to cross private land.
1987	Haubrich Resort was sold to Robert and Lynda Evenson. Use of the resort road and dispersed recreation site continued by the local public.
1993	Original 1948 Special Use Permit was updated in 1979 and was subsequently terminated in 1993. Termination was based on the fact that the east-west portion of the road was being maintained routinely by Itasca County since 1950. As mentioned earlier, maintenance

Appendix A
Brief Summary of the
Timeline of events based on our records related to the history of section of FR 2044 and County Road 115

	ended. The Chippewa National Forest entered into negotiations to develop a Cooperative Road Maintenance Agreement. FR 2044 was included in the agreement for maintenance and snow plowing to be provided by Itasca County. The agreement was never signed by Itasca County.
November 1995	Evenson's sold the resort to Thomas and Sandra Hammerlund and Robert and Nancy Bayard. Resort was renamed Sunset View Resort.
September 1995	Clifford Haubrich farm (SESE, Section 13) was sold to Douglas and Darlene Carpenter. This 40-acre parcel excluded approximately 5 acres in the SW corner. This piece was transferred to Richard Haubrich (son of Clifford Haubrich).
October 1995	Mr. Carpenter contacted the Forest Service inquiring about the existence of any easement on FR 2044. He was informed that no easement existed.
November 1995	Due to the absence of a legal survey in Section 13, the actual location of National Forest land and its relationship to the resort access route could not be determined. A letter was sent to Carpenter, Hammerlund, and Haubrich to enter into a Cost-Share Agreement with the Forest Service to complete a landline survey to determine ownership.
December 1995	Forest Service was informed that the Hammerlunds were suing Mr. Carpenter for a cart way access across his land.
December 1996	Forest Service was informed that Itasca County Zoning had found Sunset View Resort to be in nonconformance with their developments. Mr. Hammerlund was also directed to complete a landline survey to determine ownership before any further development occurred.
November 1996	A hearing was held by Itasca County to consider establishing FR 2044 as a public road. Itasca County Engineer inquires if Forest Service would consider moving FR 2044 entirely onto National Forest lands.
February 1997	In a letter to Itasca County Board preparatory to a hearing to consider designating FR 2044 as a public road, the Forest Service goes on record as supporting designation as a public road. The Forest Service reiterates the need to complete a landline survey to determine legal property boundaries. Forest Service learns that resort owner Hammerlund has physically blocked FR 2044 where it passes through a wetland near Lake Winnibigoshish.
March 1997	Itasca County Board denies Mr. Carpenter's petition to have FR 2044 vacated or established as a County portage.
April 1997	Petition submitted by Mr. Carpenter to establish FR 2044 as a County Highway. Forest Service supports public access to the Lake but not as a County Highway. Forest Service would support a lower standard road to the lake that would keep use at levels that occurred prior to 1995. Petition was denied by Itasca County.
September 1999	Itasca County Soil and Water Conservation District grants a permit for wetland replacement for excavating (i.e. closing) a portion of FR 2044 where it crosses a wetland. Board assumed that the road and wetland were on Hammerlund's property since a legal landline survey of the property did not exist to distinguish ownership and the Board assumed it was on private land. The current location of the road was established, the old route was removed, and the wetland was rehabilitated by Mr. Hammerlund under the

Appendix A
Brief Summary of the
Timeline of events based on our records related to the history of section of FR 2044 and County Road 115

	County permit.
April 2000	Landline survey completed by Bureau of Land Management. Forest Service was unable to get Cost-share Agreement established. Forest Service covered entire cost of survey. Hammerlund and Carpenter were notified of various trespass issues. For Sunset View Resort, the survey revealed that incidental trespass on National Forest system lands occurred as the resort was developed over the past 50+ years of operation. These trespasses occurred along the north and south property lines and involved house, cabin, three mobile homes and associated infrastructure. The survey also revealed the old access road crossed 2 private landowners property (Richard Haubrich and Douglas Carpenter) before it connected back to National Forest land and that no legal easements had been established. The survey revealed that the permit issued by Itasca County Soil and Water Conservation District for the resort road removal involving wetland replacement was determined to be on National Forest land. Note: prior to the year 2000 and landline survey it was believed to be on private land.
May 2000	Easements purchased by Itasca County for CR 115 (old FR 2044) for the portion of the road beginning at Highway 46 to southeast corner of Sunset View Resort property.
September 2000	Hammerlund removes home and cabin from National Forest land along north property line.
June 2001	With Mr. Hammerlunds' assistance, Hafftin and Mjelde sell and remove their mobile homes from National Forest land along south property line.
July 3, 2001	Meeting with Itasca County Soil and Water Conservation District, Art Norton, Douglas Carpenter, and Minnesota Department of Natural Resources. The question to the Forest Service was - could a private landowner take mitigation or restoration wetland credits on National Forest land? It was explained that wetland credit for actions taking place on private land should not involve National Forest land. The wetland site in question should remain as a wetland with no credits given due to the development of the surrounding area and since it is located on National Forest land.
October 2001	Forest Service removed an earthen barrier and trees along the old access route next to Carpenter's property.

Diane Nelson

From: Katie Benes
Sent: Tuesday, July 9, 2024 8:06 AM
To: Diane Nelson
Subject: FW: CUP for Parcel 79-013-4401

FYI

Katie Benes | *Director*
Itasca County Environmental Services
katie.benes@co.itasca.mn.us
direct: (218) 327-7430 | main: (218) 327-2857

From: Karin Grandia <Karin.Grandia@CO.ITASCA.mn.us>
Sent: Monday, July 8, 2024 4:27 PM
To: Katie Benes <Katie.Benes@co.itasca.mn.us>
Subject: CUP for Parcel 79-013-4401

Katie:

The Transportation Department has no concerns or input regarding the application for a CUP for Tom Hammerlund.

Karin Grandia, P.E.
Itasca County Engineer
123 NE 4th Street
Grand Rapids, MN 55744
218-327-7389 office
218-244-2313 cell
Karin.grandia@co.itasca.mn.us

PCBA 14
C: PCBA

Jim Anderson

95000 Sunset Trl, Deer River, MN 56636

Comments received by phone 7/9/2024

I am not in favor of the proposed Conditional Use permit application submitted by Tom Hammerlund. The matter has divided our neighborhood, which is sad. We understand from our neighbors, who heard from the applicant, that these units will be sold to individual owners (not rented), and it is my concern that those owners will sublet or rent them out for residencies (using RVs and Ice Castles) over the weekend with no oversight.

If approved, I will be seeing 36,000 sq ft of storage units out of my back door. No average person requires a 1200 square foot storage unit.

Additionally, I am concerned about traffic to Sunset Trl. Since the resort has ended, the traffic situation has improved, but this gives additional reason for outsiders to traverse the road.

PCBA 15
C: PCBA, Applicant

Diane Nelson

From: Mary Schmidt-Luhring
Sent: Tuesday, July 9, 2024 9:02 PM
To: Diane Nelson
Cc: Lijah Luhring; Shelly Tesch; Cheryl Anderson; Naomi Hoeck; Chuck McGovern
Subject: Opposition Petition for Conditional Use Permit Application of Tom Hammerlund (Hearing Date: 7/10/2024)
Attachments: IMG_1765.jpg

You don't often get email from Learn why this is important

CAUTION: This email originated from outside of the Itasca County email system. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Please forward to the care of Katie Benes--it is my understanding she is familiar with other individuals who are also in opposition to the application for a conditional use permit requested by Tom Hammerlund for the property located at 56138 Country Road 115 Deer River.

Attached is a petition signed by several of the property owners adjacent to the property for which the application of re-zoning has been submitted (Lots 7, 8, 12, 13,14, and 15 are all in opposition). It is also my understanding that the Andersons (Lot 9) have also contacted to communicate their opposition. For the majority of us, we enjoy our homes as peaceful vacation destinations in which we want to be able to have safe, quiet, family time without concerns for high traffic or the frequenting of unfamiliar persons. Storage buildings of the proposed size increase the risks of threat to our properties which, per the nature of being vacation homes, are not always occupied. A 1200sq ft unit is larger than many family homes, this is concerning for the potential uses of these buildings in terms of who can use them and for what purposes ("storage" is non-specific and with the permit change the land's zoning, it would allow potential for greater concerns of various develops in that area, such as buildings which may be utilized for housing). The existing "resort" (as it was referred to in the "Notice of Public Hearing" letter) consists of private residences which make up a Homeowners Association (HOA). These private residences each have a garage, in which the majority of lots, with the exception of myself and Naomi Hoeck (lots 14 and 15), all have personal garage access already on the HOA premises. Storage options are also available at "Highway 46 Storage" owned by Chad Mertz within approximately 5 miles. Currently, this storage facility is being utilized by several of the residents of the HOA for their boats during the winter months--a need for another such storage business in such close proximity to the homes of persons who are not approving of the construction doesn't seem necessary.

I have cc-ed the other persons who signed the petition. I speak on behalf of myself and my husband in the above paragraph. Though the other individuals cc-ed on this email may or may not concur with the contents specific to my email body, they have signed in agreement with the petition attached. For this reason, I have included them in this message so they may have a contact if they so choose to speak further regarding their concerns or opposition to the application in question.

I apologize for sending this content with such close proximity to the scheduled public hearing. It was my understanding that the petition had already been completed and submitted previously. It is also my

PCBA 16

July 5, 2024

Katie Benes
Itasca County Environmental Services Director
123 NE 4th Street
Grand Rapids, MN 55744

Subject: Application for a Conditional Use Permit
Enclosure (1) Notice of Public Hearing - Itasca County Minnesota

We are writing to you concerning the Application for a Conditional Use Permit for the property located at 56138 County Road 115, Deer River, MN. This land per your letter to us is currently zoned as "Farm Residential". If issued, the Conditional Use permit would allow for the construction of thirty 30'x40' commercial storage buildings with gravel road access. The application further states "the existing resort" – there is no existing resort – it used to be a resort but all the cabins were sold to private owners several years ago and is now identified as the "Sunset View Estates Homeowners Association".
We, the undersigned, have the following concerns:

We believe this is considered "Spot" Zoning" and would permit a Commercial operation on approximately 6 acres of land within an area that is basically zoned "Farm Residential" and "Residential". **We are in favor of it remaining zoned as basically "Residential".**

We are concerned about increased traffic on County Road 115 as a safety concern. It is noted that there is a foster home with several children on County Road 115.

We are concerned about security in the surrounding Residential areas. As part of the Permit conditions, will a security fence be required?

Owners of surrounding properties

Signed:	Parcel ID	
Don Mclaren	79-420-0135	LOT 7
David Mahon	79-420-0140	Lot 8
Said Tesdi	79-420-0160	LOTS 12-1
Mary Schmidt-Luhring	79-420-0175	Lot 15
Naomi Hoecke	79-420-0170	Lot 14

Copy to:
Cory Smith, Commissioner, District 1
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

CRITERIA NECESSARY FOR THE GRANTING OF A CONDITIONAL USE PERMIT (CUP)

Tom Hammerlund
Use: Construct a quantity of 30-30' x 40' commercial storage buildings with gravel road access with gate
Parcel 79-013-4401; Section 13, Township 146, Range 27

A CUP MAY BE GRANTED ONLY UPON FINDING ALL OF THE FOLLOWING:

1. The use conforms to the comprehensive plan of the County. New business

2. The use is compatible with the existing neighborhood. Secure storage can be beneficial to the neighborhood.

3. The use shall not materially adversely impact air quality, water quality or cause soil disturbance. Shall Not! No well / septic

4. The site has sufficient access for ingress and egress and is adequate for water supply and sewage treatment. Yes sufficient access No well or septic

5. The use shall not cause unsafe or unhealthy conditions.
Secured storage, Addiquet lighting + security.

APPROVED
DENIED

Dan Butler — Chairperson, Planning Commission/BoA — 7/10/24 — Date

PCBA 18

CRITERIA NECESSARY FOR THE GRANTING OF A CONDITIONAL USE PERMIT (CUP)

Tom Hammerlund
Use: Construct a quantity of 30-30' x 40' commercial storage buildings with gravel road access with gate
Parcel 79-013-4401; Section 13, Township 146, Range 27

A CUP MAY BE GRANTED ONLY UPON FINDING ALL OF THE FOLLOWING:

1. The use conforms to the comprehensive plan of the County.

use new business and much needed ~~storage~~ Storage

2. The use is compatible with the existing neighborhood.

yes to store peoples property & keep it safe

3. The use shall not materially adversely impact air quality, water quality or cause soil disturbance.

will cause soil disturbance some what building roads putting in slabs and building garages

4. The site has sufficient access for ingress and egress and is adequate for water supply and sewage treatment.

no sewer or water and road

5. The use shall not cause unsafe or unhealthy conditions.

no it will not

APPROVED

DENIED Chairperson, Planning Commission/BoA Date

Richard Shelton 7/10/24

CRITERIA NECESSARY FOR THE GRANTING OF A CONDITIONAL USE PERMIT (CUP)

Tom Hammerlund
Use: Construct a quantity of 30-30' x 40' commercial storage buildings with gravel road access with gate
Parcel 79-013-4401; Section 13, Township 146, Range 27

A CUP MAY BE GRANTED ONLY UPON FINDING ALL OF THE FOLLOWING:

1. The use conforms to the comprehensive plan of the County. yes – encourages the development of new businesses.

2. The use is compatible with the existing neighborhood. yes – residential area not a lot of neighbors and road comes to a dead end. many letters of support for the project. there is some questions about an access

for Leech Lake Tribe. we hope they give more input at board mtg.

3. The use shall not materially adversely impact air quality, water quality or cause soil disturbance. It will not. minimal soil disturbance during construction.

4. The site has sufficient access for ingress and egress and is adequate for water supply and sewage treatment. yes – sufficient egress & ingress – no ~~road~~ sewer or water.

security gates will be put in.

5. The use shall not cause unsafe or unhealthy conditions. It will not. Buildings are for cold storage only so there should not be a lot of extra traffic at one time. It will also meet all zoning requirements.

APPROVED Lisa Marsh 7-10-24

DENIED Chairperson, Planning Commission/BoA Date

Condition:
lighting to not disturbance neighbors. should be facing away from neighbors.

*** FOR COUNTY BOARD USE ***

CRITERIA NECESSARY FOR THE GRANTING OF A CONDITIONAL USE PERMIT (CUP)

Tom Hammerlund
Use: Construct a quantity of 30-30′ x 40′ commercial storage buildings with gravel road access with gate
Parcel 79-013-4401; Section 13, Township 146, Range 27

A CUP MAY BE GRANTED ONLY UPON FINDING ALL OF THE FOLLOWING:

1. The use conforms to the comprehensive plan of the County.

2. The use is compatible with the existing neighborhood.

3. The use shall not materially adversely impact air quality, water quality or cause soil disturbance.

4. The site has sufficient access for ingress and egress and is adequate for water supply and sewage treatment.

5. The use shall not cause unsafe or unhealthy conditions.

APPROVED

DENIED _____ Date

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-313

DEPARTMENT: Administrative Services
TIME REQUESTED: 15 Minutes
PRESENTER: Terry Snyder

AGENDA ITEM:
Canisteo Pit Update and Next Steps

BOARD ACTION REQUESTED:
Receive a Canisteo Pit Update and discuss next steps.

BACKGROUND:

COUNTY ATTORNEY REVIEW: N/A

SUPPORTING DOCUMENTATION: None

It was the consensus of the County Board to move forward with the consideration of the need for a Public Waters Work Permit and a Water Appropriation Permit for Canisteo Pit dewatering efforts.

RESULT:	**INFORMATIONAL - NO ACTION TAKEN**

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-314

DEPARTMENT: Administrative Services
TIME REQUESTED: < 5 Minutes
PRESENTER: Chair

AGENDA ITEM:
Set County Board Workshop Meeting Date

BOARD ACTION REQUESTED:
Schedule a date/time to hold a County Board Workshop meeting.

BACKGROUND:

COUNTY ATTORNEY REVIEW: N/A

SUPPORTING DOCUMENTATION: None

Motion To: Schedule a County Board Workshop Meeting on Friday, August 23, 2024 beginning at 10 AM in the Boardroom of the Itasca County Courthouse.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Casey Venema
SECONDER:	Commissioner Cory Smith
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

ITASCA COUNTY
BOARD OF COMMISSIONERS
Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

REQUEST FOR BOARD ACTION: RBA-2024-316

DEPARTMENT: Land Department
PRESENTER: Michael Gibbons

TIME REQUESTED: < 5 Minutes

AGENDA ITEM:
Tax-Forfeited Land Sale to Adjoining Landowners

BOARD ACTION REQUESTED:
Adopt the Resolution Re: Authorizing and Fixing the Notice and Terms of Tax-Forfeited Land Sale to Adjoining Owners.

BACKGROUND:
The Land Department is requesting that the County Board set the values and terms of sale per the attached Notice and Terms of Tax-Forfeited Land Sale to Adjoining Owners.

COUNTY ATTORNEY REVIEW: N/A

SUPPORTING DOCUMENTATION:
1. Adj LO Notice and Terms_08.30.24
2. Adj LO Tract List_08.30.24
3. Adj LO Sale_08.30.24 maps

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

ITASCA COUNTY
BOARD OF COMMISSIONERS

Itasca County Courthouse
123 NE 4th Street
Grand Rapids, MN 55744

Tuesday, July 16, 2024

RESOLUTION 2024-34

RE: AUTHORIZING AND FIXING THE NOTICE AND TERMS OF TAX-FORFEITED LAND SALE TO ADJOINING LANDOWNERS

WHEREAS, the Itasca County Board has classified and appraised certain tax-forfeited lands and list of said lands has been filed with Itasca County, classification of said lands have been duly approved by the town boards and municipalities and the appraised value of timber has been duly approved by the Itasca County Land Commissioner, and

WHEREAS, the Itasca County Board is by law designated with authority to provide for the sale of such tax-forfeited lands on terms included in the Notice and Terms of Tax-Forfeited Land Sale to Adjoining Landowners.

NOW THEREFORE BE IT RESOLVED, that the Notice and Terms of Tax-Forfeited Land Sale to Adjoining Landowners be given by certified mail to all adjoining landowners as provided by Minnesota Statute 282.01, subdivision 7a, that Itasca County shall open sealed bids for such tracts of land for sale in the order in which they appear in said Notice at 10:00 A.M. on FRIDAY, AUGUST 30, 2024 at the ITASCA COUNTY LAND DEPARTMENT, 1177 LAPRAIRIE AVENUE, GRAND RAPIDS, MN 55744.

RESULT:	**APPROVED (5 TO 0)**
MOVER:	Commissioner Cory Smith
SECONDER:	Commissioner Casey Venema
AYES:	Cory Smith, Terry Snyder, John Johnson, Burl Ives, Casey Venema

STATE OF MINNESOTA
Office of County Administrator
ss. County of Itasca

I, BRETT SKYLES, Administrator of the County of Itasca, do hereby certify that I have compared the foregoing with the original resolution filed in my office on the 16th day of July A.D. 2024 and that the same is a true and correct copy of the whole thereof.

WITNESS MY HAND AND SEAL OF OFFICE at Grand Rapids, Minnesota, this 16th day of July A.D. 2024.

Administrator

NOTICE AND TERMS OF TAX-FORFEITED LAND SALE TO ADJOINING LANDOWNERS
ITASCA COUNTY LAND DEPARTMENT – FRIDAY, AUGUST 30, 2024, 10:00 A.M.

NOTICE IS HEREBY GIVEN, that an offer for sale to adjoining landowners through sealed bids, and at not less than the appraised value, the following described tracts of land forfeited to the State of Minnesota for nonpayment of taxes, which have been classified and appraised as provided by law. Said sale will be governed as to terms by resolution of the County Board authorizing the same, sealed bids shall be opened at **10:00 A.M. on FRIDAY, AUGUST 30, 2024.**

KORY CEASE, Itasca County Land Commissioner AUSTIN ROHLING, Itasca Co. Auditor/Treasurer

RESOLUTION OF COUNTY BOARD AUTHORIZING AND FIXING
THE TERMS OF SALE TO ADJOINING LANDOWNERS

WHEREAS, the County Board has classified and appraised certain tax forfeited lands and list of said lands has been filed with the County Auditor, classification of said lands have been duly approved by the Town Boards and Municipalities and the appraised value of timber has been duly approved by the County Land Commissioner, and

WHEREAS, the County Board is by law designated with authority to provide for the sale of such tax-forfeited lands on terms included in the Notice of Sale,

NOW, THEREFORE, BE IT RESOLVED, that the Notice Of Tax-forfeited Land Sale be given by certified mail to adjoining landowners as provided by Minnesota Statute 282.01, subdivision 7a, that the County Auditor of Itasca County shall open sealed bids for such tracts of land for sale in the order in which they appear in said Notice of Sale at 10:00 A.M. on Friday, August 30, 2024, at the ITASCA COUNTY LAND DEPARTMENT, 1177 LA PRAIRIE AVENUE, GRAND RAPIDS, MN 55744.

TERMS OF SALE

The County Board is by law designated to provide for the sale of such land on terms and such tracts shall be sold on the following terms, to wit: The appraised value of timber products listed and 15% of the appraised value of the land must be paid on the day of the land sale, except that for tracts under $501.00, the full amount of the tract is due on the day of the sale. Any remaining balance must be paid within 30 days. No timber shall be cut, removed, or damaged until the entire purchase price for the tract is paid in full.

The land and improvements are being sold AS IS and Itasca County makes no warranties as to the condition of any buildings, wells, septic systems, soils, roads, or any other thing on the tract. The tract is being sold with the understanding that the buyer and seller agree to waive disclosures required under Minnesota Statutes Chapters 513.52 to 513.60, and 103I.235 and any associated liabilities. No representation is made as to the condition of any structure, its fixtures or contents, or the suitability for any particular use.

All tracts of land sold hereunder shall be subject to zoning ordinances, existing easements, existing railway and highway easements, power and pipeline easements and leases, if any. Sold lands that are currently zoned “public” shall be rezoned upon sale at no cost to the purchaser.

All lands whether zoned or not zoned which do not abut a legalized highway are subject to any and all existing restrictions empowered by statute relating to the expenditure of public lands.

Any lands herein offered for sale that do not adjoin or are located on a suitable legally established and maintained public highway or road, the township wherein said lands may be located, or any other municipality, shall not for a period of five years, be obligated to the establishment, construction or additional maintenance of any public roads or the expenditure of any public funds for the benefit of the owner or occupant of any lands purchased, by reason of the ownership or occupancy of any of this land; provided further that nothing herein shall be construed to create any obligation directly or indirectly on the part of any municipality of the expenditures of any money for the benefit of said tracts after the expiration of said five year period.

Any tract of land on the list is subject to withdrawal from sale by the County Board or Land Commissioner at any time it appears to be in the public interest to do so.

Tracts shall be sold through sealed bid. All bids must be submitted using the attached "Sealed Bid Form." The completed "Sealed Bid Form" must be submitted in a sealed envelope with the provided label affixed as the addressee and received at the ITASCA COUNTY LAND DEPARTMENT, 1177 LA PRAIRIE AVENUE, GRAND RAPIDS, MN 55744, at or before 10:00 A.M. on FRIDAY, AUGUST 30, 2024. Payment per these terms of sale must be enclosed in the envelope with the completed "Sealed Bid Form," in the form of a cashier's or certified check. Cash or personal checks will NOT be accepted and will result in the rejection of the bid. Payment from unsuccessful bids will be returned via certified mail. Itasca County reserves the right to reject any and all bids until the sales have closed. Successful bidders will be contacted and must return a signed purchase agreement to the Itasca County Land Department by 4:30 p.m. on September 27, 2024. In the event of identical bids on a tract, the submitting bidders will be notified and an oral auction involving said bidders will take place at the Itasca County Land Department beginning 10:00 A.M. on September 2, 2024, in the order of the tracts in this listing.

Any and all tracts which received zero qualifying bids at said bid opening date and time may be purchased by a qualifying bidder at not less than the appraised price on a first come, first served basis starting at 8:00 a.m. September 2, 2024, until such time the County Board or Land Commissioner determines it to be in the public interest to withdraw said tracts from sale.

Pursuant to Minnesota Statute 282.12, the State of Minnesota shall reserve all tax-forfeited minerals and mineral rights, and water power rights on tax-forfeited lands.

Pursuant to Minnesota Statute 284.28, there will be added to the sale price of any tax-forfeited land, an amount equal to three percent (3%) of the total sale price, said additional amount to be deposited to the State Treasury and credited to the tax-forfeited land assurance account.

Pursuant to Minnesota Statute 282.014, a $25.00 fee will be charged to purchasers of tax-forfeited land for issuance of the state tax deed. Minnesota Statute 282.014 further requires that all State tax deeds be recorded with the County Recorder prior to issuing the deed to the purchaser. The purchaser must pay the $46.00 recording fee. In the event of Torrens Property there may be additional recording fees.

A deed tax of $1.65 for the first $3,000.00 of the purchase price. For any purchase price over $3,000, the purchaser shall pay $1.65 per every $500.00 of the purchase price payable to the County Auditor/Treasurer.

Purchaser is required to pay a fee of $50.00 for recording the well certificate where applicable, prior to the Auditor/Treasurer delivering the deed to the purchaser.

Certain tracts of tax-forfeited land located within cities forfeited with unpaid special assessments for improvements. These special assessments were cancelled at the time of forfeiture. Upon sale of this land, the municipality may establish a re-assessment schedule for payment of a portion or all the unpaid special assessments. **Bidders are responsible to check for assessments with the municipality office in which the tract is located.**

Except for land in platted subdivisions and lands conveyed for correcting legal descriptions, all deeds requested after August 1, 1991, will contain the following statement: This property is not eligible for enrollment in a state funded program providing compensation for conservation of marginal land and wetlands.

ALL SALES ARE FINAL. IN CASES OF PAYMENT DEFAULT, ITASCA COUNTY WILL RETAIN THE DOWN PAYMENT (I.E. 15% OF APPRAISED LAND VALUE, ETC.) AS PENALTY AND DAMAGES, AND WILL, AT ITS SOLE DISCRETION, DECIDE WHETHER THE TRACT(S) WILL BE RE-OFFERED TO THE NEXT HIGHEST BIDDER.

Itasca County does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment and the provision of services. Prospective bidders who require special accommodations to participate in this sale should inform the Real Estate Office more than three business days before the sale. You may write to the return address shown on this notice or call telephone no. 218-327-2855 or TDD no. 218-327-2806 or 218-327-2847.

Questions regarding the sale should be directed to Itasca County Land Department, Real Estate Office, 1177 La Prairie Avenue, Grand Rapids, MN 55744 (telephone 218-327-2855).

Itasca County Tax-Forfeited Land Sale to Adjoining Landowners August 30, 2024

By sealed bid

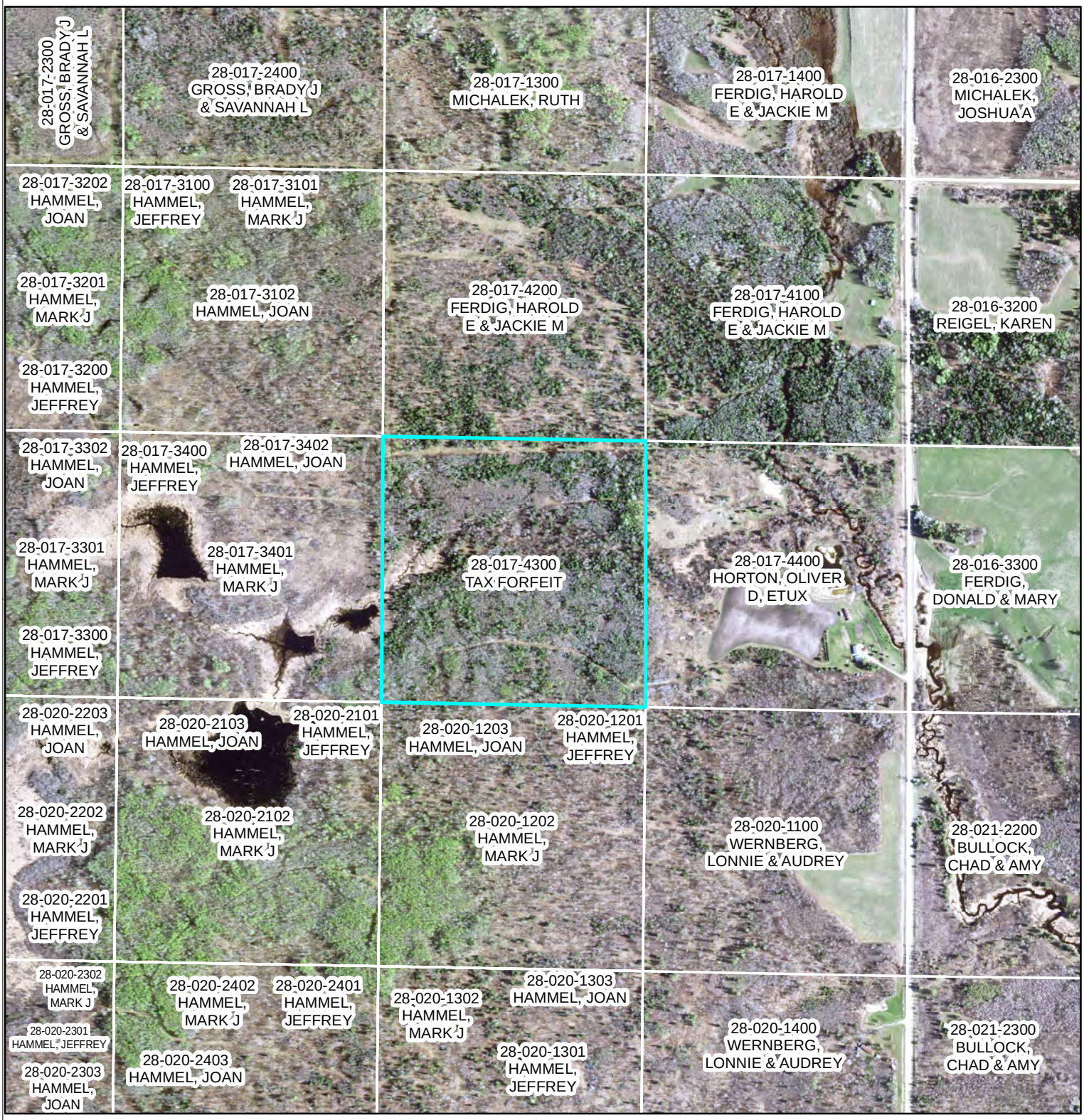
TRACT	SEC	TWP	RGE	ACRES*	LEGAL DESCRIPTION	PARCEL ID	TIMBER APPRAISED	LAND APPRAISED	TOTAL APPRAISED
A202401	17	149	29	40.26	Southwest Quarter of the Southeast Quarter	28-017-4300	$5,000.00	$28,000.00	$33,000.00
A202402	3	145	25	40.16	Southeast Quarter of the Northeast Quarter	29-103-1400	$4,500.00	$22,800.00	$27,300.00
A202403	4	146	25	40.8	Northeast Quarter of the Southeast Quarter	32-004-4100	$2,500.00	$28,400.00	$30,900.00
A202404	21	55	27	60.49	Government Lot One (1)	69-021-1100	$4,000.00	$51,800.00	$55,800.00
A202405	1	143	25	29.77	Pt Northwest Quarter of the Southwest Quarter**	73-001-3201	$250.00	$9,000.00	$9,250.00

*Acres listed are not based on a survey and are an approximation only.

** See attached legal description

SALE PARCEL: TRACT A202301 **PARCEL #28-017-4300**

SW1/4 SE1/4, Section 17, Twp 149, Rge 29
Moose Park Twp
Acres 40.26



The Data is provided "as is" without warranty or any representation of accuracy, timeliness or completeness. The burden for determining accuracy, completeness, timeliness, merchantability and fitness for or the appropriateness for use rests solely on the requester. The County makes no warranties, express or implied, as to the use of the Data. There are no implied warranties of merchantability or fitness for a particular purpose. The requester acknowledges and accepts the limitations of the Data, including the fact that the Data is dynamic and is in a constant state of maintenance, correction and update.

N
W E
S

SALE PARCEL: TRACT A202302 **PARCEL #29-103-1400**

SE1/4 NE1/4, Section 3, Twp 145, Rge 25
MorseTwp
Acres 40.16



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SALE PARCEL: TRACT A202303 **PARCEL #32-004-4100**

NE1/4 SE1/4, Section 4, Twp 146, Rge 25
Oteneagen Twp
Acres 40.80

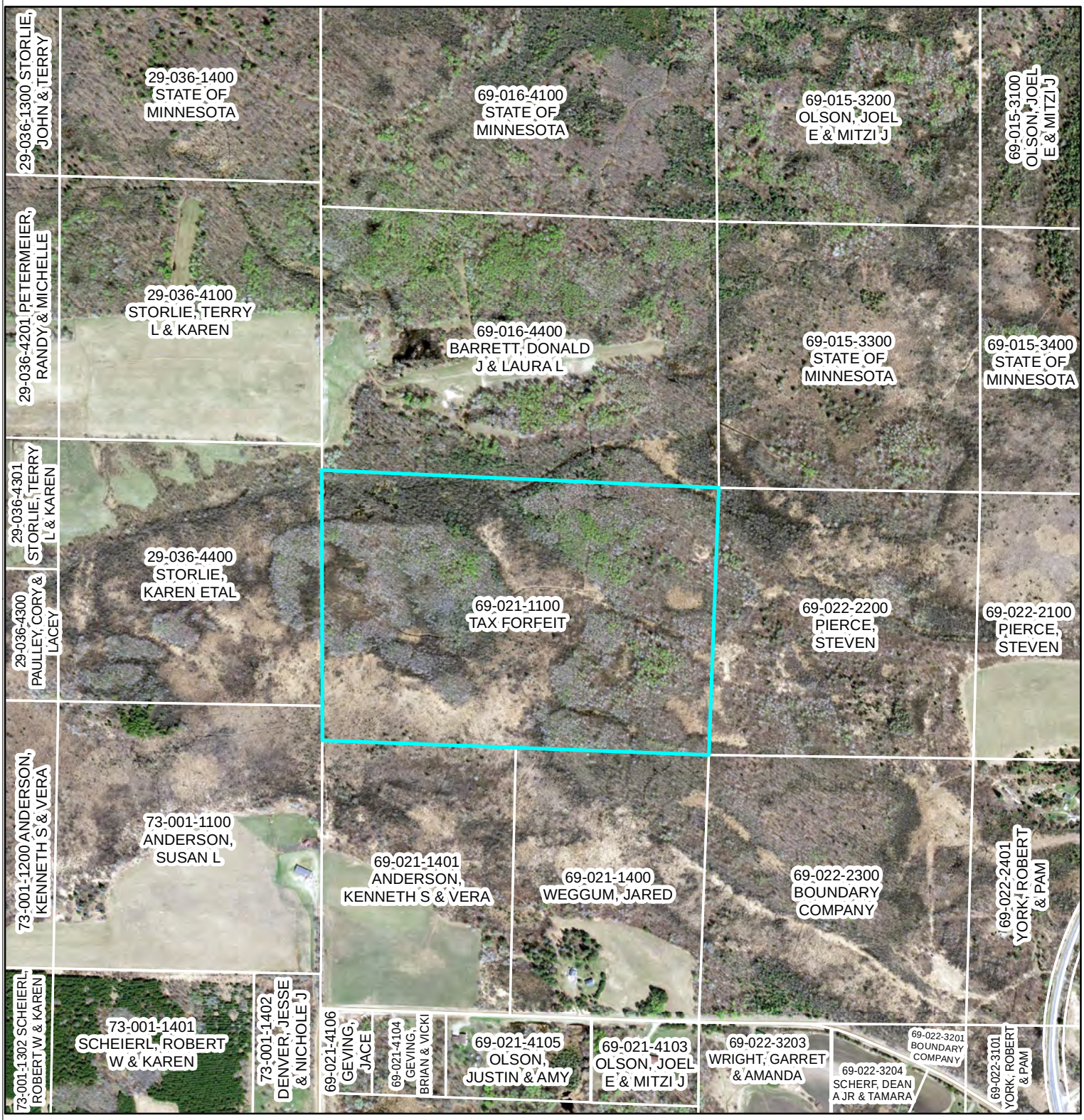


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SALE PARCEL: TRACT A202304 **PARCEL #69-021-1100**

Gov't Lot 1, Section 21, Twp 55, Rge 27
Unorg. 55-27
Acres 60.49



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SALE PARCEL: TRACT A202305 **PARCEL #73-001-3201**

Pt of NW1/4 SW1/4, Section 1, Twp 143, Rge 25
Unorg. 143-25
Acres 29.77



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