



**INVER GROVE HEIGHTS  
ECONOMIC DEVELOPMENT AUTHORITY AGENDA  
SPECIAL MEETING  
MONDAY, NOVEMBER 26, 2012  
CITY COUNCIL CHAMBERS  
(Immediately following City Council meeting)**

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. REGULAR AGENDA**

A. Discuss Property Acquisition of 8195 Babcock Trail

1. Resolution Approving Purchase Agreement between the EDA  
and Premier Bank for the Purchase of 8195 Babcock Trail

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**4. NEXT MEETING – February 4, 2013**

**5. ADJOURN**

\_\_\_\_\_

## MEMO

## CITY OF INVER GROVE HEIGHTS

**TO:** Inver Grove Heights Economic Development Authority  
**FROM:** Thomas J. Link, Director of Community Development   
**DATE:** November 20, 2012 for Special EDA Meeting of November 26, 2012  
**SUBJECT:** Acquisition of 8195 Babcock Trail

- 1. ACTION REQUESTED:** The Inver Grove Heights Economic Development Authority (EDA) is to consider the Resolution Approving a Purchase Agreement between the EDA and Premier Bank, as enclosed.
- 2. BACKGROUND:** 8195 Babcock Trail is a large lot residential property that was put on the real estate market in mid-2011. Since then, the City and the owner, Premier Bank, have had intermittent negotiations for the acquisition of the parcel. The final issue was the payment of real estate fees. Premier Bank agreed to pay these fees and signed the purchase agreement.
- 3. ANALYSIS:** The Comprehensive Plan has several statements attesting to the importance of economic development and the role of the EDA. The Comprehensive Plan also designates the property at 8195 Babcock Trail and the surrounding area as Industrial Office Park. The residence at 8195 Babcock is located on the edge of one of the better sites in Inver Grove Heights for industrial office park development. The area provides excellent opportunities for the City to improve its tax base and employment by creating and growing industrial businesses. Conversely, leaving a single-family residence on this property would lessen the attractiveness of the area for industrial office park development because of conflicting land uses. As the City has experienced, single family residences adjacent to industrial uses frequently create problems with traffic generation, heavy truck traffic, hours of operation, lighting, noise, and general nuisances. The Planning Commission found the acquisition of 8195 Babcock Trail to be consistent with the Comprehensive Plan since it would align with the City's general economic development goals and be consistent with the City's land use designation of Industrial Office Park.

Since the public purpose of the acquisition would be economic development, it would be most appropriate for the EDA to acquire the property rather than the City itself. In order to do so, the EDA approved the creation of an economic development district on November 5 which provides the EDA with the authority to acquire the property.

The total cost of the acquisition is about \$350,000, including acquisition, environmental investigation, legal and closing costs, and demolition. As previously discussed by the EDA, the purchase price is \$310,000. The EDA would demolish the buildings and eventually sell the land for redevelopment. The County Assessor currently values the land at \$185,000.

The Closed Bond Fund would transfer funds to the EDA to cover those costs relating to the capital expenses. This would be \$330,000 for acquisition, environmental investigation, and legal and closing costs. The Capital Facilities Fund would transfer funds to the EDA to cover the \$20,000 for demolition since this would be an operating expense to prepare the property for redevelopment.

If approved by the EDA, the purchase agreement and the fund transfers would be considered by the City Council on December 10.

4. **CONCLUSION:** City Staff recommends approval of the purchase agreement.

Enc: Resolution Approving the Purchase Agreement between the EDA and Premier Bank  
Purchase Agreement between the EDA and Premier Bank  
Planning Report

**CITY OF INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY  
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING A PURCHASE AGREEMENT BETWEEN THE CITY OF  
INVER GROVE HEIGHTS ECONOMIC DEVELOPMENT AUTHORITY AND  
PREMIER BANK RELATING TO THE PURCHASE OF PROPERTY LOCATED  
AT 8195 BABCOCK TRAIL**

**WHEREAS**, Premier Bank owns the real property located at 8195 Babcock Trail, Inver Grove Heights, Minnesota, described on the attached Exhibit A (Real Property). The Real Property is tax parcel identification number: 20-01700-03-010.

**WHEREAS**, the City of Inver Grove Heights Economic Development Authority (EDA) desires to purchase the Real Property in order to promote economic development in the City of Inver Grove Heights.

**WHEREAS**, the EDA and Premier Bank have negotiated the attached Purchase Agreement for the sale of the Real Property by Premier Bank to the EDA for the purchase price of \$310,000.

**WHEREAS**, pursuant to Minnesota Statutes § 469.101, the EDA has created Economic Development District No. 3 to allow the EDA to purchase the Real Property.

**WHEREAS**, the purpose of Economic Development District No. 3 is to authorize the EDA to acquire (through negotiation) this parcel within the development district for future economic development purposes, including resale to private parties for redevelopment.

**WHEREAS**, pursuant to Minnesota Statutes § 469.101, the EDA has the power and authority to purchase the Real Property for economic development.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the City of Inver Grove Heights Economic Development Authority (EDA):

1. The Board of Commissioners of the EDA hereby approves the attached Purchase Agreement with Premier Bank for the Real Property at a purchase price of \$310,000.
2. The President and Executive Director of the EDA are authorized to sign the attached Purchase Agreement between Premier Bank and the EDA.

3. The President and Executive Director of the EDA are authorized to sign all other closing documents that are required of the EDA in connection with the purchase of the Real Property.
4. The Board of Commissioners of the EDA hereby determines that purchase of the Real Property by the EDA will promote economic development.

Adopted by the Board of Commissioners of the City of Inver Grove Heights Economic Development Authority this 26<sup>th</sup> day of November, 2012.

Ayes:

Nays:

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George Tourville, President

ATTEST:

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Kim Fox, Secretary

**EXHIBIT A**

**LEGAL DESCRIPTION OF THE PROPERTY**

That part of the East Half of the Northeast Quarter of Section 17, Township 27, Range 22 described as follows:

Commencing at a point on the West line of the East One-half of the Northeast Quarter (E 1/2 of NE 1/4) of Section Seventeen (17), Township Twenty-Seven (27), Range Twenty-Two (22), 631.91 feet South of the Northwest corner thereof; thence South 89 degrees 39 minutes East and parallel with the North line of said East One-half of the Northeast Quarter (E 1/2 of NE 1/4), 614.25 feet to the point of beginning of the property to be described; thence South 89 degrees 39 minutes East, 275.0 feet to the centerline of SAR No. 73 as now improved and traveled; thence South 17 degrees 33 minutes East, along said centerline 548.6 feet; thence North 89 degrees 39 minutes West, 440.88 feet; thence North 0 degrees 03 minutes East, and parallel with the west line of said East One-Half of the Northeast Quarter (E 1/2 of NE 1/4) 522.05 feet to the point of beginning, according to the United States Government Survey thereof, Dakota County, Minnesota.

Subject to the right of the public in State Aid Road No. 73.

## PURCHASE AGREEMENT

This Agreement is made this \_\_\_\_ day of November, 2012, by and between **Premier Bank**, a Minnesota corporation, (hereinafter referred to as the "Seller") and the **City of Inver Grove Heights Economic Development Authority**, an economic development authority established under Minnesota Statutes § 469.090 to 469.1082 (hereinafter referred to as "Buyer").

1. **Purchase and Sale.** Seller shall sell to Buyer and Buyer shall purchase from Seller, subject to the terms and conditions of this Agreement, the real property located at **8195 Babcock Trail, Inver Grove Heights, MN, 55077 [Property Identification Number 20-01700-03-010]** and more particularly described on **Exhibit A** attached hereto and incorporated herein by reference, together with all improvements, tenements, hereditaments, easements, rights-of-way, privileges, appurtenances and rights to the same belonging to and inuring to the benefit of said real estate and any of the following items of personal property and fixtures to the extent owned by Seller and currently located on the Property: garden bulbs, plants, shrubs, trees, storm windows and inserts, storm doors, screens, awnings, window shades, blinds, curtains-traverse-drapery rods, attached lighting fixtures with bulbs, plumbing fixtures, sump pumps, water heaters, heating systems, heating stoves, fireplace inserts, fireplace doors and screens, built in humidifiers, built in air-conditioning units, built in electronic air filters, automatic garage door openers with controls, television antennas, water softeners, garbage disposals, built in trash compactors, intercoms, installed carpeting, work benches, security systems, stove/oven, refrigerator, washer and dryer, microwave and dishwasher (said property and said improvements, rights and privileges and personal property are hereinafter referred to as the "**Property**").

Seller agrees to remove the miscellaneous personal property presently located in the garage on or before the Closing. The Property and any remaining personal property other than that presently located in the garage will remain with the Property to be retained or disposed of by Buyer.

2. **Purchase Price.** Subject to Section 6, at Closing, Buyer will pay Seller Three Hundred and Ten Thousand Dollars (**\$310,000**) ("**Purchase Price**").
3. **Relocation Benefits.** Seller is aware of Seller's rights and payments that Seller may be eligible to receive pursuant to the Uniform Relocation Assistance Act (the "Act"). Seller acknowledges that Seller has been given the opportunity to seek and receive the advice of legal counsel with respect to relocation, moving, reestablishment, and other costs, if any, that may be available to the Seller under the Act.

Seller hereby acknowledges that the payment of the Purchase Price does not include a payment for Relocation Benefits. At closing and as a condition precedent to closing, Seller will waive any right to receive any relocation payments pursuant to the Act (or other federal or state law provisions) with respect to the Property. Seller acknowledges that Seller will make such waiver of Seller's own volition and with full knowledge of the specific relocation benefits to which Seller may be entitled.

Buyer and Seller agree that this is a voluntary sale by Seller. Buyer represents that Buyer would not acquire the Property in the event that negotiations between Buyer and Seller had failed to result in an amicable agreement. Prior to any action by the Buyer indicating intent to acquire the Subject Property, Seller placed the Property on the market for sale. Thereafter, upon inquiry by the Buyer, the Seller requested that the Buyer acquire the Property through negotiation. Seller clearly showed an intent to sell the Property on the public market prior to any discussions, inquiries or negotiations by Buyer.

If the transaction set forth by this Agreement is not completed, Buyer has no present intent to acquire the property by eminent domain and has not considered the use of eminent domain. If this Agreement is terminated for any reason, Seller is free to retain ownership of the Property or to sell the Property on the private market.

Buyer acknowledges that it may acquire other property in the general geographic area as the Property. Buyer has not set a specific time limit to acquire the Property or other properties in the general geographic area nor has Buyer determined whether to acquire such properties.

As Buyer and Seller agree that this is a voluntary sale, state and federal law permit the Buyer to request a waiver of relocation benefits from the Seller. Prior to and as a condition of closing, Seller will be required to sign a relocation waiver, the form of which is substantially the same as shown on **Exhibit B** and the final form of which will be subject to the approval of the Buyer. Buyer will arrange for a relocation consultant to meet with the Seller prior to closing. The relocation consultant will determine the amount of relocation benefits for which Seller would be eligible if this were a non-voluntary sale. If the Seller does not waive relocation benefits, this Agreement will be terminated and Seller will be free to retain ownership of the Property or to sell the Property on the private market.

4. **Date and Location of Closing.** The Date of Closing for the Property shall be January 18, 2013. Closing shall occur at DCA Title located at 1276 South Robert Street West St. Paul, MN 55118 (hereafter "Title Company").
5. **Possession Date.** The Possession Date shall be the Date of Closing.
6. **Payment of Purchase Price.** Subject to (i) full and timely performance by Seller and (ii) the satisfaction of all contingencies herein contained, the Purchase Price of Three Hundred and Ten Thousand Dollars (**\$310,000**) shall be payable by Buyer to Seller on the Closing Date in the form of wire transfer or certified check from the Buyer.
7. **Property and Environmental Investigation.** Seller shall provide all written information in Seller's possession, regarding the environmental condition of the Property. Buyer may, at Buyer's sole cost and expense, obtain any additional environmental information necessary for Buyer to complete its due diligence with respect to the Property. The Buyer's environmental assessment work will begin as soon as reasonably possible after

the full execution of this Agreement. Seller agrees to permit Buyer to conduct soil borings on the Property pursuant to the Soil Boring Access Agreement between the parties. Buyer may also inspect and investigate the physical condition of the Property, and may also procure, at Buyer's expense, a Phase I and/or a Phase II environmental study (the "Environmental Study"). Buyer's obligation to purchase the Property is specifically conditioned upon its good faith determination that the results of its investigation and the Environmental Study are acceptable to the Buyer, in Buyer's sole discretion. The Buyer agrees to make a determination about the suitability of the environmental condition of the Property **no later than January 4, 2013. IF BUYER DETERMINES, IN BUYER'S SOLE DISCRETION, THAT THE CONDITION OF THE PROPERTY IS UNACCEPTABLE OR THE ENVIRONMENTAL CONDITION OF THE PROPERTY IS UNACCEPTABLE ON OR PRIOR TO JANUARY 4, 2013, THEN BUYER MAY TERMINATE THIS AGREEMENT BY GIVING SELLER WRITTEN NOTICE OF THE TERMINATION.** Prior to **January 4, 2013**, Seller agrees to give Buyer, and its consultants, reasonable access to the Property to generally inspect the Property and the buildings located thereon, which inspection may also include, but is not limited to, the physical inspection of the Property and the buildings located thereon, the testing of the soil for the presence or absence of hazardous materials in, on or about the Property, to determine the physical condition of the Property and the buildings located thereon, and the legal compliance of the Property and to review any other matter related to the Property. Buyer shall keep the Property free of any and all liens or third-party claims resulting from Buyer's and its agents' actions on or about the Property and Buyer shall indemnify and hold Seller harmless against any liability, costs or expenses resulting therefrom, including attorneys' fees. In connection with Buyer's investigations, studies, tests and/or approvals obtained by Buyer with respect to the Property, any approvals obtained by Buyer for re-zoning of the Property or any other governmental approvals obtained by Buyer that change and/or affect the current approved use of the Property shall not be effective until after the Closing Date, unless Buyer requests and has obtained the express written consent of Seller to any such change. In the event the Buyer determines, in its sole discretion, that there exists an unacceptable condition (environmental or otherwise), this Agreement will be null and void at the option of the Buyer. Buyer shall make this determination on or prior to **January 4, 2013, or the right to terminate is waived.**

8. **Moving Costs.** Seller shall not be entitled to any Moving Costs as part of this transaction.
9. **Warranty Deed.** Seller shall deliver title by Limited Warranty Deed to be executed and delivered by Seller to Buyer conveying marketable title free and clear of all mortgages, liens and encumbrances and subject only to the following exceptions (the "**Permitted Encumbrances**"):
  - a) Building, zoning and platting laws, ordinances and state and federal regulations;
  - b) Reservations of any minerals or mineral rights to the State of Minnesota;

- c) The lien of current taxes not yet due and payable;
- d) Utility easements and road easements existing at the date hereof, which do not interfere with, the existing use of the Property;
- e) Matters to which Buyer does not object or waives pursuant to paragraph 11 below.

10. **Real Estate Taxes and Special Assessments.** Seller and Buyer agree to prorate real estate taxes and special assessments as of Closing.

11. **Title.** After acceptance of this Agreement, Buyer, at Buyer's cost, shall immediately obtain a Commitment of Title Insurance in the amount of \$310,000 from the Title Company for the Property. The Buyer shall be allowed twenty (20) days after receipt thereof for examination of said title and making of any objection thereto, said objections to be made in writing or deemed to be waived. If any objections are so made, the Seller shall be allowed 60 days to make such title marketable. Seller is not obligated to undertake correction of any objection. Pending correction of title, payments hereunder required shall be postponed, but upon correction of title and within the twenty-(20) days after written notice to the Buyer, the parties shall perform this Agreement according to its terms. If title is not marketable and is not made so within 60 days from the date of written objections thereto as above provided, this Agreement shall be null and void with neither party being liable for damages hereunder to the other party. If the title to said Property is found marketable or is so made within said time, and Buyer shall default in any of the agreements and continue in default for a period of ten (10) days, then and in that case, the Seller may terminate this Agreement, time being of the essence hereof. Seller's sole and exclusive remedy for breach of this Agreement shall be cancellation of this Agreement.

Buyer shall pay the title insurance premium for the issuance of any Final Title Insurance Policy for the Property.

12. **Environmental Warranties.** Seller warrants to Buyer that to Seller's knowledge, without duty of inquiry or investigation, no so-called hazardous substances are contained in the Property

13. **Labor and Materials.** Seller warrants that as of the Closing Date there will be no labor or material furnished to the Property on behalf of Seller for which payment has not been made.

14. **Governmental Notices.** The Seller warrants that, as of the Closing Date, Seller has not received any notice from any government authorities as to violations of any laws, ordinances, or regulations with respect to the Property.

15. **Seller's Disclosure Required By Minnesota Statutes § 513.52 to 513.60.** The parties acknowledge that Minnesota Statute § 513.54 states that the disclosure requirements of § 513.52 to 513.60 do not apply if the transfer is to a government. The Buyer is a government.
16. **Wells.** Seller represents that there is an existing water well and hand pump located on the Property. Buyer, at its expense, shall be responsible to close and seal any water well not in use.
17. **Sewage Treatment System.** Seller represents that there is an existing individual sewage treatment system on the Property and that it is not functional. Buyer, at its expense, shall be responsible to close and properly abandon the dysfunctional individual sewage treatment system pursuant to the requirements of state law.
18. **Lead Paint Disclosure.** Seller represents that the dwelling was constructed on the Property before 1978. Attached hereto and made a part hereof as **Exhibit C** is a Lead Paint Addendum for Housing Constructed before 1978.
19. **Methamphetamine Disclosure.** To the best of Seller's knowledge, Seller represents that methamphetamine production has not occurred at the Property.
20. **Conditions Precedent.** The Buyer's obligation to close this transaction is expressly contingent upon the Buyer determining on or prior to **January 4, 2013**, the following to be satisfactory and acceptable to Buyer, in the Buyer's sole judgment and opinion:
  - (a) any recorded easements to which the Property is subject;
  - (b) the status of any encumbrances and the marketability of title with respect to the Property;
  - (c) any physical encroachments on the Property;
  - (d) the soil, ground, engineering, structural, physical, geological and legal inspections of the Property;
  - (e) the environmental condition of the Property;
  - (f) the physical condition of the Property (environmental or otherwise) and the buildings located thereon.
21. **"As Is" Condition.** Buyer and Seller acknowledge that the Property is being sold "AS IS" with no express or implied representations or warranties by Seller as to physical conditions, qualities of construction, workmanship, or fitness for any particular purpose

and the Property is being purchased by Buyer in its present physical condition. Buyer (a) has, or will have prior to the Closing Date, conducted such surveys, tests, reviews, appraisals, wetland delineations and inspections of the Property as Buyer deems necessary or appropriate in connection with the acquisition thereof; (b) shall rely solely upon such due diligence with regard to the condition of the Property, including all environmental matters, the location, size, character, value, subsurface or soil condition, and state of repair thereof; and (c) **IS PURCHASING THE PROPERTY "AS IS", WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER CONCERNING THE PHYSICAL CONDITION OR USE OF THE PROPERTY, WHETHER EXPRESS OR IMPLIED.**

22. **Negotiated Sale.** If the transaction set forth by this Agreement is not completed, the Buyer has no present intent to acquire the property by eminent domain and has not considered the use of eminent domain to acquire the entire Property. If this Agreement is terminated for any reason, the Seller is free to retain ownership of the Property or to sell the Property on the private market.
23. **Acknowledgment of Fair Market Value.** Buyer and Seller agree that the Purchase Price listed in this Agreement represents the fair market value of the Property which has been determined by a method of valuation acceptable to Buyer and Seller.
24. **Survival of Warranties.** The representations, indemnifications, warranties, and covenants of Buyer and Seller contained in this Agreement shall survive the conveyance of the Property and shall not be merged with the Warranty Deed.
25. **Assignment of Agreement.** Nothing in this Agreement, express or implied, is intended to confer upon any person other than the parties hereto and the heirs, executors, personal representatives, successors and assigns, any rights or remedies under or by reason of the Agreement. No assignment of this Agreement or any rights or obligations hereunder shall be effective unless the written consent of the other party is first obtained.
26. **Amendment of Agreement.** This Agreement may be amended only by a written instrument executed by Buyer and Seller.
27. **Entire Agreement.** This Agreement embodies the entire agreement between the parties with relation to the transaction provided for herein, and there have been and are no covenants, agreements, representations, warranties, or restrictions between the parties with regard thereto other than those set forth herein.
28. **Date of Agreement.** All references in the Agreement to "the date of this Agreement" shall be deemed to refer to that date set forth in the introductory clause of this Agreement.

29. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.
30. **Time of Essence.** Time is of the essence in the closing of this transaction.
31. **Severability.** In the event any one or more of the provisions of this Agreement, or any application thereof, shall be found to be invalid, illegal, or otherwise unenforceable, the validity, legality, and enforceability of the remaining provision or any application thereof shall not in any way be affected or impaired thereby.
32. **Counterparts.** This Agreement may be executed in any number of counterparts and by electronic mail and facsimile; each of which shall be an original, but such counterparts together shall constitute one and the same instrument.
33. **Closing Costs.**
- 33.1. **Pro-Ration Of Utilities.** The cost of utilities, if any, shall be prorated at Closing.
- 33.2. **State Deed Tax.** Upon delivery of the Limited Warranty Deed, Buyer shall pay the state deed tax due on the Limited Warranty Deed.
- 33.3. **Title Insurance.** Buyer shall pay all costs of the Title Company for obtaining the title commitment and the premium required for the issuance of the Title Policy.
- 33.4. **Closing Fee.** Any fee, other than those fees which have been specifically addressed as set forth in this Purchase Agreement, charged by the title company as a closing fee shall be paid by Buyer.
- 33.5. **Recording Costs.** Seller will pay the cost of recording all documents necessary to place record title in the condition warranted by Seller in this Agreement and Buyer will pay the cost of recording the Limited Warranty Deed and all other documents.
34. **Closing Documents.**
- 34.1. **Seller Documents At Closing.** At Closing, Seller shall execute and deliver to Buyer the following with such documents to be effective as of the Closing Date:
- a.) A Limited Warranty Deed, in form satisfactory to Buyer, conveying the Property to Buyer, free and clear of all encumbrances.
- b.) A Bill of Sale, conveying any personal property to Buyer.

- c.) A standard form Affidavit of Seller indicating that on the Closing Date, to Seller's knowledge, there are no outstanding, unsatisfied judgments, tax liens or bankruptcies against or involving Seller or the Property; that there has been no skill, labor or material furnished to the Property on behalf of Seller for which payment has not been made or for which mechanics' liens could be filed; and that there are no other unrecorded interests in the Property.
  - d.) A Well Disclosure Certificate in the form required by law signed by Seller warranting that there is a water well and hand pump located on the Property within the meaning of Minn. Stat. § 103I.
  - e.) Lead Paint Disclosure – Exhibit C;
  - f.) Physical possession of all keys to the Property;
  - g.) Such other documents as may be reasonably necessary to consummate this transaction, provided that the nature and requested content of said documents are brought to Seller's attention within a reasonable time prior to the Date of Closing and delivery of any other documents by Seller shall be at Seller's sole option;
  - h.) A certificate stating that all representations and warranties contained in the Agreement are true and correct as of the Date of Closing.
  - i.) A closing statement.
- 34.2. **Buyer Documents At Closing.** At Closing, Buyer shall execute and deliver to Seller the following documents:
- a.) Wire transfer or certified check in the sum of \$310,000 for the Property.
  - b.) Standard Affidavit of Buyer.
  - c.) A certificate of real estate value with respect to the real property, to the extent required.
  - d.) A closing statement.
  - e.) Such other documents which as may be reasonably necessary to consummate this transaction.

35. **Notice.** Any notice required to be given by Seller to Buyer shall be deemed to have been given on the day of delivery if personally delivered, or if by mail, three (3) days after the date that it is deposited in the United States Mail, postage prepaid, sent by certified mail and addressed as follows:

**City of Inver Grove Heights Economic Development Authority  
Attn: Tom Link, Executive Director  
8150 Barbara Avenue  
Inver Grove Heights, MN 55077**

**With a copy to:**

**Timothy Kuntz  
Levander Gillen & Miller, P.A.  
633 South Concord Street, Suite 400  
St. Paul, MN 55075**

Any notice required to be given by Buyer to Seller shall be deemed to have been given on the day of delivery if personally delivered, or if by mail, three (3) days after the date that it is deposited in the United States Mail, postage prepaid, sent by certified mail and addressed as follows:

**Premier Bank  
2866 White Bear Avenue  
Maplewood, MN 55109**

**With a copy to:**

**Thomas W. Newcome III, Esq.  
Leonard, O'Brien, Spencer, Gale & Sayre, Ltd.  
100 South Fifth Street, Suite 2500  
Minneapolis, MN 55402**

36. **No Broker Fees.** Each party represents to the other that it has not retained nor otherwise dealt with or entered into any agreement or understanding to compensate any brokers or agents in connection with this transaction except Seller has retained a broker or agent whose commission Seller will pay at closing in accordance with its agreement with such broker or agent. Buyer and Seller each agree to indemnify the other against any loss, cost or expense, including attorneys' fees, as a result of any claim for a fee or commission asserted by any broker or agent with respect to this Agreement or the consummation of the transactions contemplated hereby whose claim arises through alleged dealings with him or her by such indemnifying party.

37. **Occupancy of Property.** Seller represents and warrants to Buyer that, as of the date of this Agreement, the Seller does not occupy the Property. The Property is vacant.

I, the undersigned, Owner  
of the above-described Property,  
do hereby accept this Agreement  
and sale hereby made.

**PREMIER BANK**

By: Andrew Nath

Its: EVP

The City of Inver Grove Heights Economic  
Development Authority, as Buyer, agrees to  
purchase the above-described Property for  
the price and on the terms and conditions set  
forth above.

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

George Tourville  
Its: President

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

Tom Link  
Its: Executive Director

**EXHIBIT A**

**LEGAL DESCRIPTION OF THE PROPERTY**

That part of the East Half of the Northeast Quarter of Section 17, Township 27, Range 22 described as follows:

Commencing at a point on the West line of the East One-half of the Northeast Quarter (E 1/2 of NE 1/4) of Section Seventeen (17), Township Twenty-Seven (27), Range Twenty-Two (22), 631.91 feet South of the Northwest corner thereof; thence South 89 degrees 39 minutes East and parallel with the North line of said East One-half of the Northeast Quarter (E 1/2 of NE 1/4), 614.25 feet to the point of beginning of the property to be described; thence South 89 degrees 39 minutes East, 275.0 feet to the centerline of SAR No. 73 as now improved and traveled; thence South 17 degrees 33 minutes East, along said centerline 548.6 feet; thence North 89 degrees 39 minutes West, 440.88 feet; thence North 0 degrees 03 minutes East, and parallel with the west line of said East One-Half of the Northeast Quarter (E 1/2 of NE 1/4) 522.05 feet to the point of beginning, according to the United States Government Survey thereof, Dakota County, Minnesota.

Subject to the right of the public in State Aid Road No. 73.

**EXHIBIT B**

**WAIVER OF RELOCATION BENEFITS FORM**

**WAIVER OF RELOCATION BENEFITS**

THIS AGREEMENT ("Agreement"), dated this \_\_\_\_ day of \_\_\_\_\_, 2013, is entered into between the City of Inver Grove Heights Economic Development Authority, an economic development authority established under Minnesota Statutes § 469.090 and 469.1081 ("EDA") and Premier Bank, a Minnesota corporation, hereinafter referred to as the ("Owner").

**I. RECITALS**

- 1.01 The City of Inver Grove Heights Economic Development Authority is an economic development authority established under Minnesota Statutes § 469.090 to 469.1082, having its principal office at 8150 Barbara Avenue, in the City of Inver Grove Heights, County of Dakota, Minnesota.
- 1.02 Owner owns property at 8195 Babcock Trail, Inver Grove Heights, County of Dakota, Minnesota.
- 1.03 Owner has requested that the EDA purchase certain real estate owned by Owner which is located at 8195 Babcock Trail, Inver Grove Heights, in the County of Dakota, Minnesota, and which is legally described on Exhibit A attached hereto ("Subject Property").
- 1.04 Pursuant to Minnesota Statutes, section 117.521, Owner desires to waive the possible claim that Owner may have for relocation benefits pursuant to Minnesota and federal law. Prior to any action by the EDA indicating intent to acquire the Subject Property, Owner placed Subject Property on the market for sale. Thereafter, upon inquiry by the EDA, the Owner requested that the EDA acquire the Subject Property through negotiation. Owner clearly intended to sell the Subject Property on the public market prior to any inquiry or action by the EDA in this matter.
- 1.05 The EDA has explained to Owner that, but for Owner's waiver herein, Owner may be or is eligible under Minnesota Statutes, Chapter 117 for relocation assistance, relocation services, relocation payments, and relocation benefits as separately listed below:

**Type of Relocation Owner may be eligible for:**

**Relocation Assistance:** Assistance in locating and moving residents to a replacement site, Coordination of the move and filing appropriate documents for relocation claim.

**Relocation Services:** Provide comparable properties for possible replacement sites, Transportation to properties if needed, performs D.S.S. inspections, calculation of relocation payments, and review of documentation and written relocation claim.

**Relocation Payments:**

Estimated Price differential payment	\$ _____
Estimated moving costs	\$ _____
Estimated Closing costs	\$ _____
Total:	\$ _____

**Relocation Benefits:** Relocation benefits would include all of the above (**Assistance, Services and Payments**).

1.06 Owner specifically represents and agrees that they are entering into this Agreement voluntarily. Owner further agrees that prior to execution of this Agreement, Steven Carlson of Evergreen Land Services Company, representing the EDA, explained the contents of this Agreement and relocation guidebook.

NOW, THEREFORE, in consideration of the above recitals, the premises, and their mutual promises, the parties hereto hereby agree as follows:

**II. AGREEMENT**

2.01 Owner, for good and valuable consideration provided as part of the \$310,000 paid by EDA as the purchase price for subject property and for relocation benefits, the receipt and sufficiency of which is hereby acknowledged, hereby waives, releases, relinquishes, and forfeits forever any other claim that Owner may otherwise have for relocation assistance, relocation services, relocation payments, and relocation benefits under Minnesota Statutes, Chapter 117 and other provisions of state and federal law. The consideration being by Owner in return for this waiver is as follows:

**The purchase of the Subject Property for the total unallocated sum of \$310,000.**

- 2.02 Under Minnesota Statutes, Owner may not waive relocation assistance relating to the acquisition of properties situated wholly or in part within any district for redevelopment authorized under Laws 1971, chapter 548 or 677; or Laws 1973, chapter 196, 761, or 764; or Laws 1974, chapter 485; or Minnesota Statutes chapter 462, 458, or 458c.
- 2.03 EDA and Owner agree that the purchase agreement requiring this Agreement is a voluntary sale by Owner. EDA represented that EDA would not acquire the Subject Property in the event that negotiations between EDA and Owner had failed to result in an amicable purchase agreement. Prior to any action by the EDA indicating intent to acquire the Subject Property, Owner placed Subject Property on the market for sale. Thereafter, upon inquiry by the EDA, the Owner requested that the EDA acquire the Subject Property through negotiation. The Owner clearly showed an intent to sell the Subject Property on the public market prior to any discussions, inquiries or negotiations by the EDA.

If the purchase agreement requiring this Agreement is not completed, the EDA has no present intent to acquire the property by eminent domain and has not considered the use of eminent domain. If the purchase agreement requiring this Agreement is terminated for any reason, the Owner is free to retain ownership of the Subject Property or to sell the Subject Property on the private market.

The EDA and the Owner acknowledge that EDA has acquired other property in the general geographic area as the Subject Property. The EDA has not set a specific time limit to acquire the Subject Property or other properties in the general geographic area nor has the EDA determined whether to acquire such properties.

The Owner and the EDA agree that the purchase price set forth in the purchase agreement requiring this Agreement is a lump sum price which included any and all payments to which the Owner may be entitled under any applicable State or federal law or regulations providing for relocation assistance, services, payments and benefits of any kind. As the EDA and Owner agree that this is a voluntary sale, state and federal law permit the EDA to request this Waiver of Relocation Benefits Agreement from the Owner. Prior to and as a condition of closing, the Owner was be required to sign this waiver of relocation benefits Agreement. The EDA arranged for a relocation consultant to meet with the Owner prior to closing. The relocation consultant determined the amount of relocation benefits for which the Owner would be eligible if this were a non-voluntary sale. If the Owner did not waive relocation benefits, this purchase agreement would be terminated and the Owner would be free to retain ownership of the Subject Property or to sell the Subject Property on the private market.

2.04 The recitals contain in Section I of this Agreement are hereby incorporated as material representations and terms of this Agreement.

2.05 This Agreement is entered into pursuant to Minnesota Statutes and federal law.

**OWNER  
PREMIER BANK**

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

Its:

**CITY OF INVER GROVE HEIGHTS  
ECONOMIC DEVELOPMENT  
AUTHORITY**

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

George Tourville

Its: President

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

Tom Link

Its: Executive Director

**EXHIBIT A TO WAIVER OF RELOCATION BENEFITS FORM**

That part of the East Half of the Northeast Quarter of Section 17, Township 27, Range 22 described as follows:

Commencing at a point on the West line of the East One-half of the Northeast Quarter (E 1/2 of NE 1/4) of Section Seventeen (17), Township Twenty-Seven (27), Range Twenty-Two (22), 631.91 feet South of the Northwest corner thereof; thence South 89 degrees 39 minutes East and parallel with the North line of said East One-half of the Northeast Quarter (E 1/2 of NE 1/4), 614.25 feet to the point of beginning of the property to be described; thence South 89 degrees 39 minutes East, 275.0 feet to the centerline of SAR No. 73 as now improved and traveled; thence South 17 degrees 33 minutes East, along said centerline 548.6 feet; thence North 89 degrees 39 minutes West, 440.88 feet; thence North 0 degrees 03 minutes East, and parallel with the west line of said East One-Half of the Northeast Quarter (E 1/2 of NE 1/4) 522.05 feet to the point of beginning, according to the United States Government Survey thereof, Dakota County, Minnesota.

Subject to the right of the public in State Aid Road No. 73.

## EXHIBIT C LEAD PAINT DISCLOSURE FORM

M.S.B.A. Real Property Form No. 11 (1995, 2009)  
Lead Paint Addendum for Housing Constructed Before 1978

Page 1 of 2

### LEAD PAINT ADDENDUM FOR HOUSING CONSTRUCTED BEFORE 1978

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This addendum is a continuation of the Purchase Agreement dated \_\_\_\_\_ by and between Premier Bank \_\_\_\_\_, as Sellers, and City of Inver Grove Heights Economic Development Authority \_\_\_\_\_, as Buyers, for property located at or described as \_\_\_\_\_ (see attached legal description)

#### LEAD WARNING STATEMENT

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

#### LEAD PAINT INSPECTION CONTINGENCY

Buyer shall have 10 days from the signing of this Agreement to conduct a risk assessment or inspection for the presence of lead-based paint and lead-based paint hazards and to give seller the inspection or risk assessment report and a list of repairs required by buyer to correct problems set out in the report. (Inspect lead-based paint that is in good condition is not necessarily a hazard. See EPA pamphlet *Protect Your Family From Lead in Your Home* for more information.)

If the report discloses problems seller shall have seven (7) days after receipt of the report and list to elect in writing whether to correct the problems prior to closing.

If seller elects to make the corrections, seller shall provide buyer prior to closing with certification from a risk assessor or inspection demonstrating that the problems have been corrected.

If seller does not elect to make the corrections, buyer shall have three (3) days to elect to take the property in its "as is" condition as to problems set out in the report, or this purchase agreement is void.

Buyer may waive in writing the rights contained in this contingency at any time.

#### Seller's Disclosures

(a) Presence of lead-based paint or lead-based paint hazards (check (i) or (ii) below):

(i)  lead-based paint or lead-based paint hazards are present in the housing (explain):

(ii)  Seller has no knowledge of lead-based paint or lead-based paint hazards in the housing.

(b) Records and reports available to seller (check (i) or (ii) below):

(i)  Seller has provided buyer with all records and reports in seller's possession or reasonably obtainable by seller pertaining to lead-based paint and lead-based paint hazards in the housing (list documents below):

(ii)  Seller has no reports or records pertaining to lead-based paint or lead-based paint hazards in the housing.

#### Buyer's Acknowledgment (initial)

(c) \_\_\_\_\_ Buyer has received copies of all information listed at (b)(i) above.

(d) \_\_\_\_\_ Buyer has received the pamphlet, *Protect Your Family from Lead in Your Home*, an EPA publication available at [www.epa.gov/lead/pubs/lead.pdf](http://www.epa.gov/lead/pubs/lead.pdf).

(e) \_\_\_\_\_ Buyer has (check (i) or (ii) below):

(i) \_\_\_\_\_ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and lead-based paint hazards;

or, (ii) \_\_\_\_\_ waives the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and lead-based paint hazards.

#### Agent's Acknowledgment (initial)

(f) \_\_\_\_\_ Agent has informed seller of seller's obligations under 42 U.S.C. 4852d and is aware of agent's responsibility to ensure compliance.

#### Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Seller _____	date	Purchaser George Tourville, President _____	date
Seller _____	date	Purchaser Tom Link, Executive Director _____	date
Listing broker / agent _____	date	Selling broker / agent _____	date

**PLANNING REPORT  
CITY OF INVER GROVE HEIGHTS**

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**REPORT DATE:** October 11, 2012

**CASE NO:**

**HEARING DATE:** October 16, 2012

**APPLICANT:** City of Inver Grove Heights

**PROPERTY OWNER:** Premier Bank

**REQUEST:** Review Potential Property Acquisition for Consistency with the Comprehensive Plan

**LOCATION:** 8195 Babcock Trail

**COMPREHENSIVE PLAN:** Industrial Office Park

**ZONING:** A, Agricultural

**REVIEWING DIVISIONS:** Planning  
City Attorney's Office

**PREPARED BY:** Thomas J. Link  
Comm. Dev. Dir. 

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**BACKGROUND**

Premier Bank acquired the single-family residential property at 8195 Babcock Trail through foreclosure. Last year they put the property on the market and the City responded with an offer to acquire it. The Inver Grove Heights Economic Development Authority (EDA) will be considering the acquisition at their next regularly scheduled meeting on November 5. The Planning Commission is to consider making a recommendation on the consistency of the acquisition with the Comprehensive Plan.

**EVALUATION OF THE REQUEST**

In accordance with Minnesota Statutes, the Planning Commission must review the municipal acquisition and sale of properties for consistency with the Comprehensive Plan. Specifically, State Statute Chapter 462.356, Subd. 2, states "no publicly owned interest in real property within the municipality shall be acquired or disposed of...until after the planning agency (Planning Commission) has reviewed the proposed acquisition or disposal...and reported its findings as to the compliance of the proposed acquisition or disposal with the Comprehensive municipal plan."

The Comprehensive Plan has several statements attesting to the importance of economic development and the role of the Economic Development Authority (EDA). For example, it states that:

"A strong economic development program must include an integrated planning environment that focuses on improving Inver Grove Heights' overall quality of life,

attracting a diverse and ample labor force, and providing the services and amenities that businesses, employers and employees look for when deciding to locate in a community.”

The Comprehensive Plan designates the property at 8195 Babcock Trail and the surrounding area as Industrial Office Park. The Comprehensive Plan states that:

“Industrial Office Park includes lots or parcels containing warehousing, storage and light industrial uses with associated office functions. Industrial office park developments are usually designed in a unified manner and feature landscaped open space areas and roadway edges, consistent lighting, and entry monumentation. The future land use plan identifies a number of industrial office park parcels along Highway 55 and 55/52.”

The residence at 8195 Babcock is located on the edge of one of the better sites in Inver Grove Heights for industrial office park development. The area provides excellent opportunities for the City to improve its tax base and employment by creating and growing industrial businesses. Conversely, leaving a single-family residence on this property would lessen the attractiveness of the area for industrial office park development because of conflicting land uses. As the City has experienced, single family residences adjacent to industrial uses frequently create problems with traffic generation, heavy truck traffic, hours of operation, lighting, noise, and general nuisances.

The acquisition of 8195 Babcock Trail, therefore, would be consistent with the Comprehensive Plan. More specifically, the acquisition would align with the City’s general economic development goals and be consistent with the City’s land use designation of industrial office park.

## **ALTERNATIVES**

The Planning Commission has the following actions available for the request:

- A. **Approval**. If the Planning Commission finds the request acceptable, it should recommend that the acquisition of the properties by the Inver Grove Heights EDA is in compliance with the Comprehensive Plan.
- B. **Denial**. If the Planning Commission does not find the proposed acquisitions consistent with the Comprehensive Plan, it should recommend denial with findings provided to support that denial.

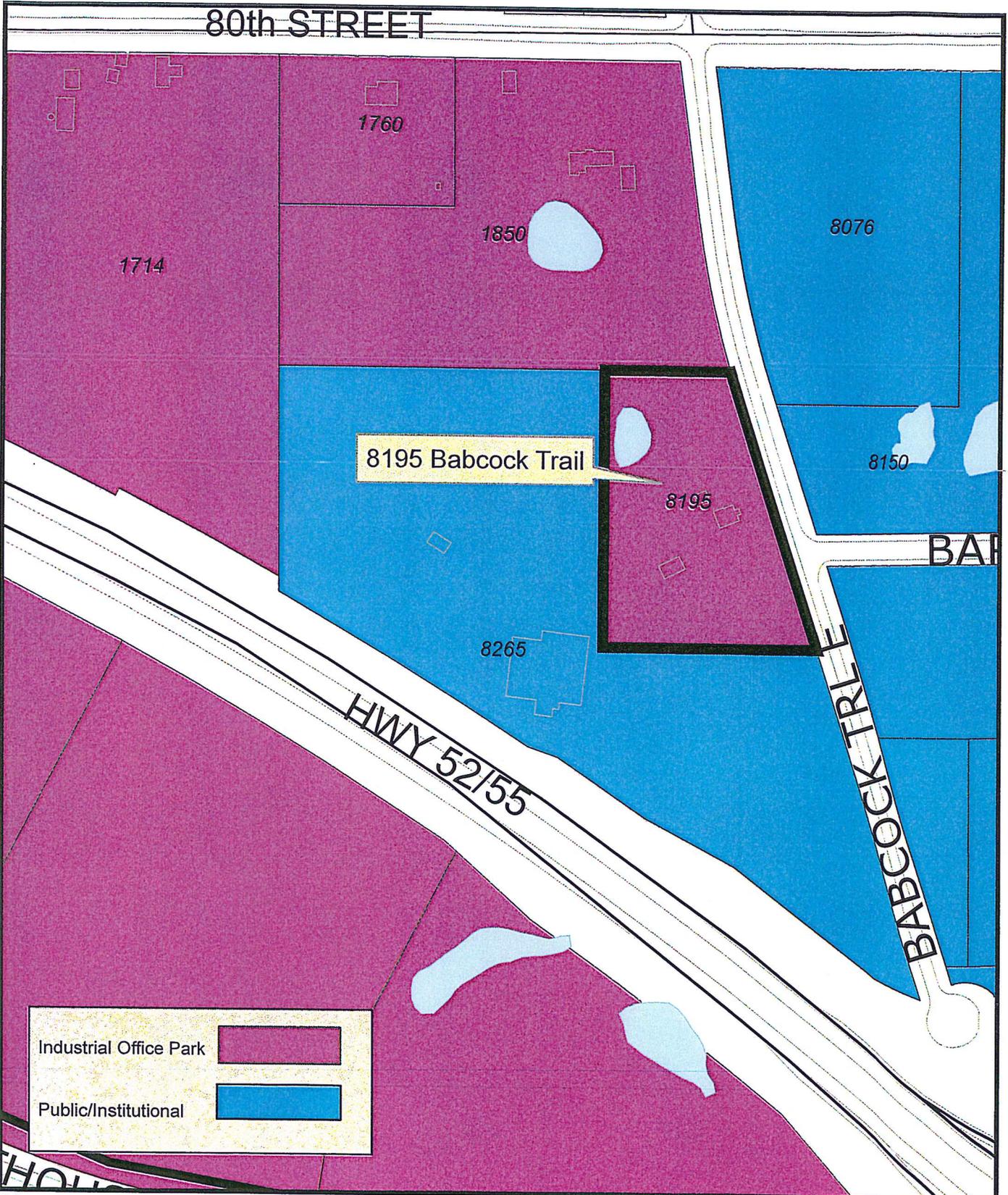
## **RECOMMENDATION**

Staff recommends approval of the request to find the acquisition of the property at 8195 Babcock Trail consistent with the Inver Grove Heights Comprehensive Plan.

Enclosure:     Comprehensive Plan Map



# Location Map 8195 Babcock Trail



\*Map is not to scale