

BUSINESS SUBSIDY AGREEMENT

THIS AGREEMENT (“Agreement”) made this ____ day of _____, 2020, by and between the West St. Paul Economic Development Authority, a Minnesota public body corporate and politic, 1616 Humboldt Ave., West St. Paul, Minnesota 55118 (“EDA”) and More Space, LLC, a Minnesota limited liability company, 4813 Blaine Avenue, Inver Grove Heights, MN 55076 (“More Space”).

RECITALS

WHEREAS, the City of West St. Paul (“City”) has long desired to improve the function and appearance of its community through economic development, and has invested substantial resources toward that goal; and

WHEREAS, the West St. Paul City Council established the EDA in July 1999 in order to advance these objectives; and

WHEREAS, the EDA adopted criteria for awarding business subsidies, pursuant to the Business Subsidies Act, Minn. Stat., Sections 116J.993 to 116J.995 (“Business Subsidy Act”); and

WHEREAS, More Space owns the property located in West St. Paul legally described as:

All that part of the NW 1/4 of the SE 1/4 of Section 20, Township 28, Range 22, lying Westerly of the center line of Oakdale Avenue, described as follows:

Beginning 286.94 feet West of the Northeast corner of the said NW 1/4, SE 1/4, Section 20, thence South 1° 00' West a distance of 439.0 feet to the beginning of a curve to the Southeast, central angle 28° 04', a tangent 143.4 feet, radius 573.69 feet, thence along the curve a distance of 281.03 feet to the point of tangent, thence along the tangent 303.0 feet to the beginning of a curve to the South central angle 26° 38' tangent 226.14 feet, radius 955.37 feet, thence along the curve a distance of 444.09 feet to the point of tangent. Point of tangent being 94.83 feet South of the Southeast corner of said NW 1/4, SE 1/4, Section 20 being the East line of said NW 1/4, SE 1/4; Beginning at a point 750.94 feet West of the NE corner of the said NW 1/4 of the SE 1/4 of Section 20, thence South 1° 00' West a distance of 570.0 feet, being the point of beginning, thence South 1° 00' West a distance of 194.0 feet, thence East to the center line of Oakdale Avenue a distance of 559.82 feet, thence North 27° 04' West 60.36 feet to the beginning of a curve to the right, radius 573.69 feet thence along the curve 149.19 feet, thence West 479.09 feet to the point of beginning.

and also described as:

All that part of the NW 1/4 of the SE 1/4 of Section 20, Township 28, Range 22, Dakota County, Minnesota, lying Westerly of the center line of Oakdale Avenue, said center line being described as follows:

Beginning 286.94 feet West of the Northeast corner of the said NW 1/4 SE 1 /4, Section 20; thence South 1° 00' West a distance of 439.0 feet to the beginning of a curve to the Southeast, central angle 28° 04', a tangent 143.4 feet, radius of 573.69 feet; thence along the curve a distance of 281.03 feet to the point of tangent; thence along the tangent 303.0 feet to the beginning of a curve to the South, central angle 26° 38', tangent 226.14 feet, radius 955.37 feet; thence along the curve 444.09 feet to the point of tangent, point of tangent being 94.83 feet South of the Southeast corner of the said NW 1/4 SE 1/4, Section 20, being the East line of said NW 1/4 SE 1/4 and said center line there terminating,

Said property being described as commencing at the NE corner of said NW 1/4 of the SE 1/4; thence on an assumed bearing of West, along the North line of said NW 1/4 of the SE 1/4 a distance of 750.94 feet; thence South 1° 00' West a distance of 570.0 feet to the point of beginning; thence continue South 1° 00' West a distance of 194.00 feet; thence East to the center line of Oakdale Avenue a distance of 559.82 feet; thence North 27° 04' West along the center line, 60.36 feet to the beginning of a curve to the right, radius of 573.69 feet; thence along the curve, also being along said center line, 149.19 feet; thence West 479.09 feet to the point of beginning.

("the Property"); and

WHEREAS, More Space has proposed to build a self-storage facility, as more further described in the Business Subsidy Application (the "Project"), for a use that is consistent with the terms and conditions of this Agreement and is seeking a business subsidy ("Business Subsidy") from the EDA in the amount of twenty five thousand dollars (\$25,000); and

WHEREAS, the EDA believes the proposed Project would be desirable for the City; and

WHEREAS, the Project meets all criteria for awarding a Business Subsidy established by the EDA Policy on Business Subsidies and due to the estimated cost of the Project, it is not financially feasible without public assistance.

NOW THEREFORE, for good and valuable consideration, the receipt of which is acknowledged, and in consideration of the covenants and agreements made herein, More Space and the EDA hereby agree as follows:

AGREEMENT

1. The Business Subsidy comprises of a forgivable loan in an amount up to twenty five thousand dollars (\$25,000). The forgivable loan shall be due and payable to More Space in a lump sum following receipt by the EDA of invoices for work performed following completion of the Project.
2. The public purposes of the Business Subsidy are as follows:
 - a. Promote the economic and commercial redevelopment of the City;

- b. Preserve the local tax base and improve the general economy and vitality of the City;
 - c. Promote the health, safety and welfare of the residents of the City;
 - d. Remove, prevent or reduce blight, blighting factors or the cause of blight in the City;
 - e. Attract, retain, rehabilitate and preserve commercial facilities;
 - f. Eliminate or improve structurally substandard buildings;
 - g. Promote private investment in a blighted or economically depressed area, which can be expected to stimulate additional investment;
 - h. Afford maximum opportunities, consistent with the needs of the City as a whole, for the redevelopment of the area by private enterprise.
3. The goals for the Business Subsidy are to secure timely development and maintain the Property as a commercial building for at least five (5) years.
 4. More Space will construct the Project pursuant to all approvals or licenses required by the City, with a completion date of May 31, 2022 (“Completion Date”).
 5. Upon completion of the Project, More Space, its tenants, permitted successors or assigns, will continuously occupy the Property for at least five (5) years, except in the event of unforeseeable casualty, in which event, More Space shall rebuild and reopen as soon as commercially reasonable.
 6. If More Space complies with the terms and conditions of this Agreement, the Business Subsidy will be forgiven five (5) years after the Completion Date. If More Space does not comply with the terms and conditions of this Agreement, More Space shall pay back a portion of the Business Subsidy on a prorated basis, with interest, based on the portion of the five-year operation period elapsed as of the date of default.
 7. More Space must submit to the EDA a written report regarding Business Subsidy goals and results by no later than March 1st of each year, commencing March 1, 2023 and continuing until the later of the date that the goals are met; or thirty (30) days after expiration of the five-year period; or if the goals are not met, then the date the Business Subsidy is repaid. The report must comply with Section 116J.994 subd. 7 of the Business Subsidy Act. The EDA will provide information to More Space regarding the required forms. If More Space fails to timely file any report required under this section, the EDA will send More Space a warning within one week after the required filing date. If, after 14 days of the postmarked date of the warning, More Space fails to provide a report, More Space must pay the EDA a penalty of \$100 for each subsequent day until the report is filed. The maximum aggregate penalty payable under this section is \$1,000.

8. The parties agree that this Agreement shall be construed pursuant to Minnesota law and any disputes shall be venued in Dakota County, Minnesota.

9. Notices to the parties shall be sent as follows:

If to EDA:	West St. Paul EDA Attn: Executive Director 1616 Humboldt Ave. West St. Paul, MN 55118
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If to More Space:	More Space, LLC Attn: Lawrence M. Koland 4813 Blaine Avenue Inver Grove Heights, MN 55076
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10. This Agreement shall not be assigned without the prior written consent of the other party, which shall not be unreasonably withheld.

11. This Agreement shall only be amended by written agreement approved by both parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their authorized representatives as of the date first written above.

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WEST ST. PAUL ECONOMIC DEVELOPMENT AUTHORITY

David J. Napier
Its: President

James Hartshorn
Its: Executive Director

STATE OF MINNESOTA)
)ss
COUNTY OF DAKOTA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020, by David J. Napier and James Hartshorn, the President and Executive Director, respectively, of the City of West St. Paul Economic Development Authority, a Minnesota public body corporate and politic existing under the Constitution and laws of Minnesota, on behalf of the EDA.

Notary Public

