



AGENDA
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
CHASKA CITY HALL - COUNCIL CHAMBERS & ZOOM
Monday, February 24, 2025
IMMEDIATELY FOLLOWING CITY COUNCIL MEETING

1. Call to Order
2. Roll Call
3. Adopt Agenda
4. Approve Previous Meeting Minutes
 - 4.A. Meeting Minutes from 01/27/2025
5. Discussion Items
 - 5.A. EDA Resolution No. 2025-19 Approving a Land Donation Agreement
6. Other Business
7. Adjourn

**- MINUTES -
CHASKA ECONOMIC DEVELOPMENT AUTHORITY
JANUARY 27, 2025**

1. Call to Order

President Hubbard called the meeting to order at 7:48 p.m.

2. Roll Call

Roll call was taken. Present: President Hubbard and Commissioners Benesh, Hatfield, Grau, and Sheveland.

Absent: None.

Also Present: Matt Podhradsky, Executive Director and Elise Durbin, Assistant Executive Director.

3. Adopt Agenda

Motion by Commissioner Benesh, second by Commissioner Hatfield, to adopt the agenda as presented.

Motion carried.

4. Minutes

4.A. Approve EDA Meeting Minutes of 06-01-2025

Motion by Commissioner Grau, second by Commissioner Sheveland to approve the minutes of the January 6, 2025, EDA Meeting Minutes.

Motion carried.

5. Discussion Items

5A. Assignment and Assumption of Lease Agreement for 314 Walnut Street North

Assistant Executive Director Durbin introduced and provided an overview of this item.

President Hubbard asked if there had been many name changes. Executive Director Podhradsky explained the site was originally FiveStar, but it has been NorthStar for several years.

Motion by Commissioner Sheveland, second by Commissioner Hatfield to authorize the President and Executive Director to execute the Assignment and Assumption of Lease Agreement with NorthStar Regional and NSR MSO, LLC pertaining to property located at 314 Walnut Street.

Motion carried.

5B. Adopt EDA Resolution No. 2025-09 Ratification of Bond Sale - Lease Revenue Refunding Bonds, Series 2025B

Executive Director Podhradsky introduced and provided an overview of this item.

Motion by Commissioner Sheveland, second by Commissioner Grau to adopt Resolution 2025-09 ratifying the sale of Lease Revenue Refunding Bonds, Series 2025B by the Economic Development Authority of the City of Chaska, Minnesota, and authorizing execution of related documents.

Motion carried.

DRAFT

6. Other Business

There was no other business.

7. Adjourn

Motion by Commissioner Benesh, second by Commissioner Hatfield to adjourn the meeting at 7:56 p.m.

Motion carried.

REQUEST FOR ACTION CHASKA ECONOMIC DEVELOPMENT AUTHORITY 2/24/2025

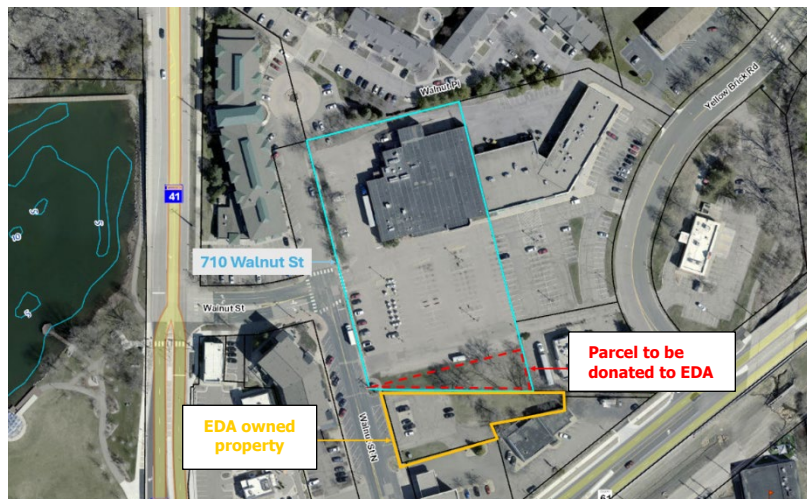
Subject: EDA Resolution No. 2025-19 Approving a Land Donation Agreement

Prepared By: Elise Durbin, Assistant Executive Director

BACKGROUND

As the EDA is aware, staff has been working closely with representatives of the Klein family over the past year after the closure of Cooper's grocery store at 710 Walnut Street in March 2024. During discussions about the future of the grocery store parcel, an opportunity arose to have the EDA acquire, through a land donation, the southerly 0.23 acres of the existing parcel at the time the property was sold (see exhibit below).

Recently, a buyer has been found for the property, and closing is expected to happen by the end of March. In order for the land donation to occur two things must happen. First, at the February 24 City Council meeting, the Council will be asked to approve a lot split of the existing parcel, enabling the land donation to occur on the new 0.23 acre parcel. Once that is approved, the EDA needs to approve a land donation agreement.



STAFF RECOMMENDATION

The EDA currently owns the 0.51 acre parcel between 710 Walnut Street and Nicolet Bank. Donation of this new parcel to the EDA provides more opportunities for redevelopment of this area in the future—not only because the parcel is larger, but it also squares off the property making it a less odd shape. Staff recommends the EDA adopt the resolution approving a land donation agreement.

EDA ACTION REQUESTED

Motion to adopt EDA Resolution No. 2025-19 approving a land donation agreement.

**CHASKA ECONOMIC DEVELOPMENT AUTHORITY
CARVER COUNTY, MINNESOTA**

RESOLUTION

DATE February 24, 2025

RESOLUTION NO. 2025-19

MOTION BY COMMISSIONER _____

SECOND BY COMMISSIONER _____

A Resolution Approving Land Donation Agreement

WHEREAS, C.H. and C.P. Klein, L.L.P., a Minnesota limited liability partnership (“**Klein**”) owns real property located at 710 Walnut Street North, City of Chaska, which is depicted on the survey attached as Exhibit 1 (the “**Klien Property**”); and

WHEREAS, the Chaska Economic Development Authority (the “**Chaska EDA**”) owns a parcel of property with a parking lot (the “**EDA Property**”), which lies adjacent to and south of the Klein Property; and

WHEREAS, Klein has offered to donate the portion of the Property labeled “Parcel B” on the survey attached as Exhibit 1 to the Chaska EDA (the “**Subject Parcel**”); and

WHEREAS, Minnesota Statutes §469.101 allows the Chaska EDA to accept donations of real estate; and

WHEREAS, the Chaska EDA desires to enter into the Donation Agreement attached as Exhibit 2, which will allow the Chaska EDA to conduct a due diligence investigation of the Subject Parcel; and

WHEREAS, the Chaska EDA further desires to accept the donation of the Subject Parcel, contingent upon the Executive Director of the Chaska EDA determining he is satisfied with the results of the due diligence investigation;

NOW, THEREFORE, BE IT RESOLVED, by the Chaska Economic Development Authority that:

1. The above recitals and findings are incorporated as part of these resolutions.
2. The form of the Donation Agreement attached as Exhibit 2 is hereby approved, together with such modifications thereof, deletions therefrom, and additions thereto as the Executive Director of the Chaska EDA deems appropriate.
3. The President and Executive Director of the Chaska EDA are authorized and directed to execute, acknowledge, and deliver the Donation Agreement and any other documents or instruments necessary or desirable to effectuate the acceptance of the Subject Parcel as a donation, all as described in the Donation Agreement. If either such officer is absent or disabled, any other

officer of the Chaska EDA may act on his or her behalf without further act or authorization. The execution of any document or instrument by the any officer or officers of the Chaska EDA authorized herein shall be conclusive evidence of the approval of such document or instrument in accordance with the terms of this resolution.

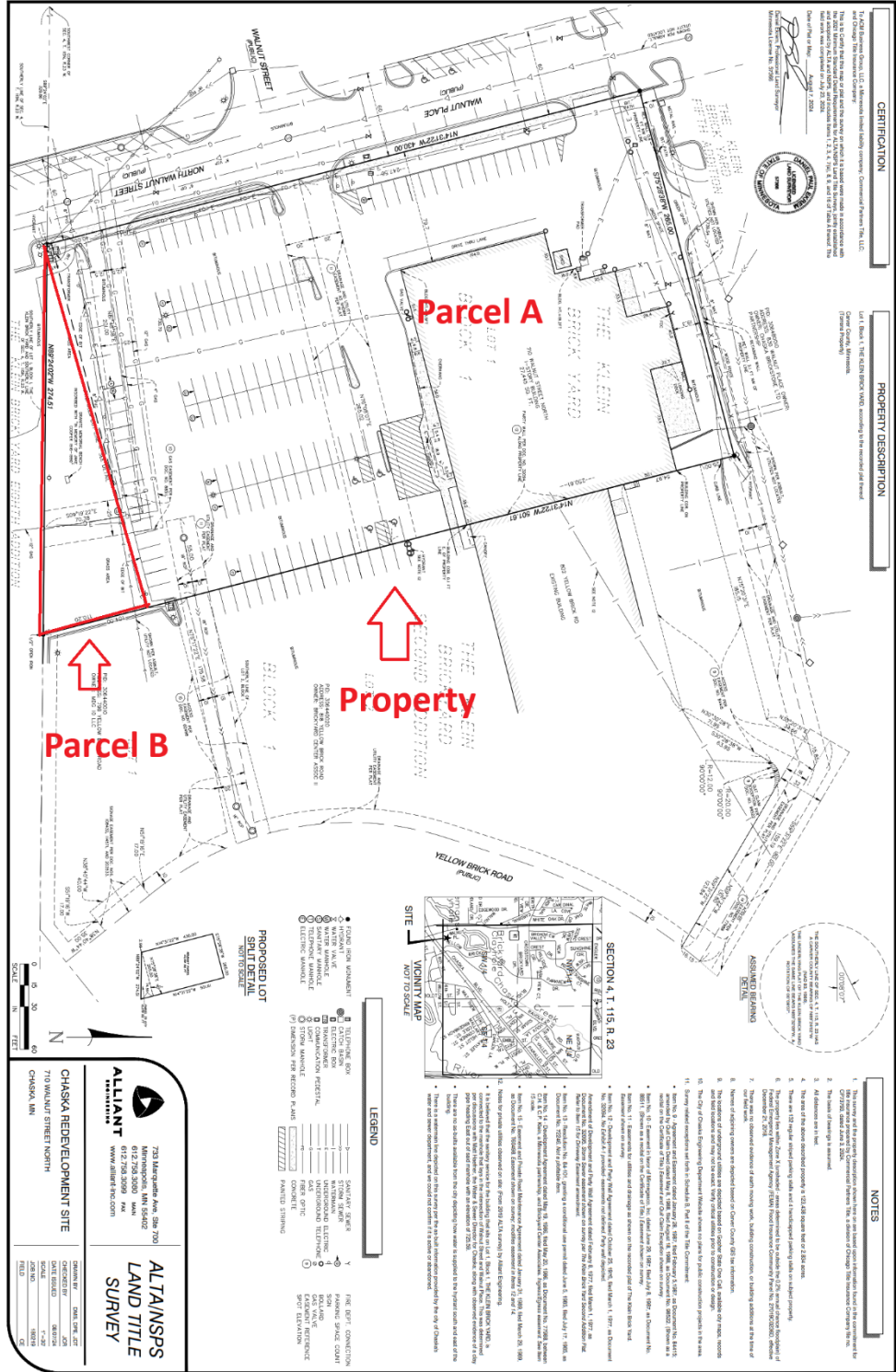
4. The donation is subject to certain contingencies described in the Donation Agreement. As such, the donation of the Subject Parcel is conditionally accepted, subject to the satisfaction of such contingencies, as determined by the Executive Director in his reasonable discretion. The Chaska EDA shall not be deemed to have accepted the donation of the Subject Parcel until the closing for the conveyance thereof has been consummated, if ever. Consummation of the closing shall be deemed conclusive evidence that the Chaska EDA has accepted the donation of the Subject Parcel from Klein.
5. The Executive Director is authorized to pay all transaction costs allocated to Chaska EDA under the Donation Agreement.

Adopted by the Chaska Economic Development Authority this 24th day of February, 2025.

President

Attest: _____
Executive Director

EXHIBIT 1 Property



Drawing name: X:\2018\180219\survey\ata\180219\ata 2024 update.dwg Aug 07, 2024 - 9:57am

EXHIBIT 2

Form of Donation Agreement

DONATION AGREEMENT

This Donation Agreement (the “**Agreement**”) is dated effective _____ 2025 (the “**Effective Date**”) and is between C.H. and C.P. Klein, L.L.P., a Minnesota limited liability partnership (“**Donor**”) and the Chaska Economic Development Authority, a body corporate and politic under the laws of the State of Minnesota (“**Donee**”).

1. DONATION OF REAL ESTATE

1.1 Subdivision. Donor owns real property located at 710 Walnut Street North, Chaska, Minnesota; Carver County Property Identification No. 306430010 (the “**Master Parcel**”). Donor desires to subdivide the Master Parcel into two parcels. The first resulting parcel will be larger and will include the existing grocery store and related improvements (the “**Store Parcel**”). The second resulting parcel will be smaller and will consist of the vacant land legally described on attached Exhibit A and depicted on attached Exhibit B, together with all easements and rights benefiting or appurtenant thereto (collectively, the “**Property**”).

1.2 Parcel Donated. Subject to the terms and conditions of this Agreement, Donor shall convey the Property to Donee and Donee shall accept the Property from Donor.

1.3 Time of Donation. The closing for the conveyance of the Property shall occur on the earlier of: i) the day Donor consummates the conveyance of the Store Parcel to a third-party; or ii) March 31, 2025 (the “**Date of Closing**”).

1.4 Personal Property. No personal property is included in the donation.

1.5 Nature of Donation. Donor is giving and donating the Property to Donee as an unrestricted gift. Donee is authorized to accept the donation pursuant to Minnesota Statutes §469.101.

2. INVESTIGATION

2.1 Title. Donee acknowledges that Donor has provided Donee with a survey, which includes a proposed legal description for the Property (the “**Survey**”). Promptly after this Agreement is fully executed, Donor shall cause Commercial Partners Title, a division of Chicago Title Insurance Company (“**Title Company**”) to issue a title insurance commitment for an ALTA 2021 owners policy that using the Survey legal description for the Property, that lists Donee as the proposed insured, and that lists the proposed amount of insurance as “to be determined” (the “**Title Commitment**”). At any time prior Closing, Donee may ask Donor to cure any objection to title raised by Donee. In each instance, Donor shall have the right, but not the obligation, to cure the objection.

2.2 Condition of Property. From the Effective Date until the Date of Closing or the termination of this Agreement, whichever occurs first, Donee and its agents shall have the right to go upon the Property to inspect it and perform environmental, geotechnical, and other testing. Donor agrees to cooperate with Donee regarding

Donee's investigation and testing, if any. Donee agrees to repair any damage to the Property caused by such inspections and testing and to return the Property to substantially the same condition as existed prior to Donee's inspection and testing.

2.3 Donee's Contingencies. Donee's obligations under this Agreement are contingent on: i) Donee being satisfied, on or before the Date of Closing, with the state of title to the Property; ii) Donee being satisfied, on or before the Date of Closing, with the results of its physical inspection of the Property; and iii) all of the representations and warranties made by Donor in Section 8 below being true as of the Closing Date. If any contingency is not satisfied on or before the Date of Closing, Donee may terminate this Agreement by giving written notice of termination to Donor. Failure of Donee to give Donor written notice of termination on or before the Date of Closing constitutes Donee's waiver of such contingencies.

3. OPERATION PRIOR TO CLOSING

During the period from the Effective Date to the Date of Closing, Donor shall maintain adequate liability insurance and insurance against loss by fire, windstorm, and other hazards and casualties. Further, Donor shall not execute any contracts, leases, easements, or other agreements regarding the Property without the written consent of Donee. On or before the Date of Closing, Donor shall terminate any outstanding contracts affecting the Property and pay for all labor or materials furnished to the Property at the request of Donor or on Donor's behalf.

4. CLOSING

4.1 Closing Agent. Title Company shall act as closing agent for the transaction.

4.2 Closing Location. The closing for the transfer of the Property shall occur at 1:00 p.m. on the Date of Closing, or another time mutually agreed to by the parties, at which time the closing for the conveyance of the Property (the "**Closing**") shall occur. The Closing shall take place at Title Company's office at 800 LaSalle Ave, Suite 2100, Minneapolis, Minnesota 55402, or at such other place as the parties may agree. Either party may attend the Closing in person or submit documents/deliveries into escrow with Title Company no later than 12 hours prior to Closing.

4.3 Donor's Deliveries at Closing. At Closing, Donor shall:

4.3.1 Execute and deliver a Limited Warranty Deed for the Property (the "**Deed**") conveying marketable fee title to the Property to Donee, subject to the following exceptions:

- Real estate taxes not yet due and payable;
- Easement in favor of Minnegasco, Inc. dated June 29, 1987, filed with the Office of the Recorder, Carver County, Minnesota, on July 8, 1987, as Document No. 88511; and
- Easements for utilities and drainage as shown on the recorded plat of THE KLEIN BRICK YARD.

The Deed shall also certify Donor does not know of any wells on the Property.

4.3.2 Execute a Limited Warranty Deed for the remnant parcel created by the minor subdivision using the legal description found in attached Exhibit C (the “**Remnant Parcel Deed**”). The Title Company shall submit this Remnant Parcel Deed for filing at the same time as the Deed.

4.3.3 Execute and deliver to Title Company and Donee an appropriate Minnesota Uniform Conveyancing Form Affidavit (Form 50.1.2 / 50.1.3) to Title Company and Donor.

4.3.4 Execute and deliver to Title Company and Donee a non-foreign affidavit pursuant to Section 1445(b)(2) of the Internal Revenue Code.

4.3.5 Execute and deliver to Title Company appropriate federal income tax reporting forms and standard closing assurances.

4.3.6 Deliver to Title Company and Donee any other documents required by this Agreement or reasonably requested by Title Company.

4.4 Donee’s Deliveries at Closing. At Closing, Donee shall deliver any documents required by this Agreement or reasonably requested by Title Company.

5. DELIVERY OF PROPERTY

Donor shall deliver possession of the Property to Donee at Closing in substantially the same condition as such Property existed on the Effective Date of this Agreement.

6. PRORATIONS AND ALLOCATIONS

6.1 Real Estate Taxes and Special Assessments. On or before Closing, Donor shall pay all real estate taxes, special assessments, and penalties due and payable regarding the Property for 2025 and prior years. Donee shall pay all real estate taxes, special assessments, and penalties due and payable regarding the Property for 2026 and thereafter. Donor acknowledges the Property is currently part of a larger parcel and that subdivision will be required to convey the Property to Donee. Donor further acknowledges that, as a condition of recording the Deed, Carver County will require Donor to pay all real estate taxes associated with the

Master Parcel, in full, for 2025, and Donor agrees to provide funds at Closing to make such payment.

6.2 Title and Closing Costs.

6.2.1 Donor shall pay the cost of the Survey.

6.2.2 Donor shall pay the cost of obtaining a title insurance commitment for the Property.

6.2.3 Donee shall pay the premium for any title insurance policy and endorsements that Donee desires.

6.2.4 Donee shall pay costs associated with its investigation of the Property.

6.2.5 Each party shall pay 50% of any closing fee charged by Title Company.

6.2.6 Donee shall pay the cost of recording the Deed.

6.2.7 Donor shall pay the \$1.65 deed tax.

6.2.8 Donor shall pay the cost of filing the Remnant Parcel Deed and all documents, excepting the Deed.

6.3 Other Costs.

6.3.1 Each party shall pay its own attorneys' fees.

6.3.2 Donor shall pay the fees of any professional advisors retained by Donor to advise Donor regarding the donation and tax implications.

6.3.3 Donor shall pay the cost of any appraisal donor desires.

7. DONOR'S REPRESENTATIONS, WARRANTIES AND DISCLOSURES

7.1 Representations, Warranties, and Required Minnesota Disclosures. Donor represents and warrants to Donee as follow:

7.1.1 Authority. Donor has the legal and corporate authority to enter into this Agreement and to convey the Property. The individuals executing this Agreement on behalf of Donor have the legal and corporate authority to execute this Agreement on behalf of Donor and to bind Donor.

7.1.2 Status of the Property. There are no unrecorded mortgages, contracts, purchase agreements, options, leases, easements or other agreements or interest relating to the Property. There are no persons in possession of any portion of the Property other than pursuant to a recorded document. To the best of Donor's knowledge, there are no hazardous substances located on or about the Property. There are no wells located on the Property. There are no underground or above ground storage tanks of any size or type located on the Property. Sewage generated at the Property goes to a facility permitted by the Minnesota Pollution Control Agency. Methamphetamine production has not occurred on the Property.

7.1.3 Donation. Donor has retained its own professional advisors to advise Donor regarding the conveyance of the Property and the tax implications of the donation. Donor has not relied on any statements or representations made by Donee or its attorneys regarding such matters.

7.2 Survival. The representations and warranties set forth in this Section 0 above shall survive Closing and delivery of the Deed.

8. DONEE'S REPRESENTATIONS

8.1 Representations and Warranties. Donee represents and warrants to Donor as follows:

8.1.1 Authority. Donee has the full and complete authority to enter into this Agreement. The individuals executing this Agreement on behalf of Donee have the authority to execute this Agreement on behalf of Donee and to bind Donee.

8.1.2 Donation. Donee has authority to accept the donated Property.

8.2 Survival. The representations and warranties set forth in this Section 0 above shall survive Closing and delivery of the Deed.

9. "AS-IS" CONVEYANCE. Except as set forth in this Agreement to the contrary, Donee is accepting the Property in its existing condition "AS-IS, WHERE-IS, AND WITH ALL FAULTS."

10. DEFAULT

If either party to this Agreement defaults in the performance of any of such party's obligations under this Agreement, the non-defaulting party may, after written notice to the defaulting party, suspend performance of its obligations under this Agreement, and the rights of the non-defaulting party shall be as follows:

10.1 Donor's Default. If Donor defaults in the performance of any of Donor's obligations under this Agreement or if any of Donor's representations or warranties in Section 0 are found to be inaccurate prior to Closing, Donee may terminate this Agreement by providing written notice of cancellation to Donor or , in the alternative, initiate a civil action to compel Donor's specific performance of Donor's obligations under this Agreement.

10.2 Donee's Default. If Donee defaults in the performance of any of Donee's obligations under this Agreement, or if any of Donee's representations in Section 0 are found to be inaccurate prior to Closing, Donor may terminate this Agreement by providing written notice of cancellation to Donee.

10.3 Damages. If either party breaches a representation or warranty made by such party in Section 0 or 0 above, the other party may seek damages. Under no circumstance, however, shall either party be liable for consequential or special damages.

10.4 Sole Remedies. The remedies set forth in this Section 0 are the sole and exclusive remedies available to the parties.

11. NOTICES

11.1 Donor. All notices to Donor shall be deemed sufficiently given if in writing and i) personally delivered to Donor at: C.H. and C.P. Klein, L.L.P., 1550 Audubon Rd #200 Chaska, MN 55318 (“**Donor’s Address**”); ii) sent to Donor’s Address via overnight courier with item tracking; or iii) sent to Donor’s Address via registered or certified U.S. Mail.

11.2 Donee. All notices to Donee shall be deemed sufficiently given if in writing and i) personally delivered to Donee at: Chaska Economic Development Authority, Attn: Executive Director, One City Hall Plaza, Chaska, MN 55318 (“**Donee’s Address**”); ii) sent to Donee’s Address via overnight courier with item tracking; or iii) sent to Donee’s Address via registered or certified U.S. Mail.

11.3 Date of Notice. A notice shall be deemed given on the day of delivery in the case of personal delivery or the day after the same is deposited with an overnight courier or with the U.S. Postal Service in the case of the other permitted forms of delivery.

12. MISCELLANEOUS

This Agreement can only be modified or amended by another written agreement signed by both Donor and Donee. Subject to the first sentence of this paragraph, this Agreement shall bind and inure to the benefit of the respective heirs, successors, and assigns of the parties. This Agreement is governed by and shall be construed according to Minnesota law, exclusive of choice of law rules. Time is of the essence. The exhibits attached to this Agreement and the provisions contained in such exhibits are incorporated by reference as terms of the Agreement. Further, the provisions contained in the introductory paragraph and any recitals of this Agreement are also incorporated as terms of the Agreement. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and together which shall constitute one and the same document. Signatures transmitted by fax, email, document execution services (e.g., DocuSign), or other electronic means (e.g., pdf) shall be deemed binding, delivered and enforceable. This Agreement shall become effective only upon full execution and delivery by Donor and Donee.

[Signature pages follow.]

SIGNATURE PAGE TO REAL ESTATE DONATION AGREEMENT

DONOR:

C.H. AND C.P. KLEIN, L.L.P.

[Insert appropriate signature block.]

Dated: _____, 2025

SIGNATURE PAGE TO REAL ESTATE DONATION AGREEMENT

DONEE:

CHASKA ECONOMIC DEVELOPMENT AUTHORITY

Taylor Hubbard, President

Matthew Podhradsky, Executive Director

Dated: _____, 2025

EXHIBIT A

Legal Description of Property

That part of Lot 1 of Block 1 of the Plat of THE KLEIN BRICK YARD, situated within the Southwest Quarter of the Southwest Quarter (SW/SW) of Section 4, Township 115 North, Range 23 West, City of Chaska, Carver County, Minnesota, described as follows:

COMMENCING at the intersection of the Easterly right of way of North Walnut Street with the South Line of said Section 4, and being the POINT OF BEGINNING; Thence North 14 degrees 31 minutes 22 seconds West, on an assumed bearing and along said Easterly right of way 2.98 FEET; Thence North 75 degrees 28 minutes 38 seconds East 265.00 FEET to a point on, and perpendicular to the Easterly line of said Lot 1 of Block 1; Thence South 14 degrees 31 minutes 22 seconds East, along last said Easterly line 74.59 FEET to said South Line of Section 4; Thence North 89 degrees 24 minutes 02 seconds West, along said Section Line 274.51 FEET, to the POINT OF BEGINNING.

EXHIBIT C

Legal Description of Remnant Parcel

That part of Lot 1 of Block 1 of the Plat of THE KLEIN BRICK YARD (Torrens Property), situated within the Southwest Quarter of the Southwest Quarter (SW/SW) of Section 4, Township 115 North, Range 23 West, City of Chaska, Carver County, Minnesota, described as follows:

COMMENCING at the intersection of the Easterly right of way line of North Walnut Street with the South Line of said Section 4, Thence North 14 degrees 31 minutes 22 seconds West, on an assumed bearing and along said Easterly right of way line 2.98 FEET to the POINT OF BEGINNING; Thence North 75 degrees 28 minutes 38 seconds East 265.00 FEET to a point on, and perpendicular to the Easterly line of said Lot 1, Block 1; Thence North 14 degrees 31 minutes 22 seconds West, along said Easterly line 427.02 FEET to a point on the Northerly line of said Lot 1 of Block 1; Thence South 75 degrees 28 minutes 38 seconds West, along said North line 265.00 FEET to a point on the Easterly right of way of North Walnut Street; thence South 14 degrees 31 minutes 22 seconds East, along said right of way 427.02 FEET to the POINT OF BEGINNING.