



**CITY OF COLUMBUS, MINNESOTA
NOTICE OF PUBLIC HEARING
INTERACTIVE TECHNOLOGY MEETING FORMAT**

Notice is hereby given that the City Council of the City of Columbus, Minnesota (the “City”) will conduct a public hearing on Wednesday, August 25, 2021, at or after 7:00 p.m. at City Hall, 16319 Kettle River Boulevard in the City, concerning submittal of a request to amend (i) a Grant Contract, dated January 14, 2019 (the “Grant Contract”), with the Minnesota Department of Employment and Economic Development for a grant under the Minnesota Investment Fund (MIF) program; (ii) a Loan Agreement, dated July 17, 2019 (the “Loan Agreement”), with JP Ecommerce, Inc., a Minnesota corporation (the “Recipient”), for a loan of the proceeds of the grant; and (iii) a Contract for Private Development, dated October 25, 2018 (the “Contract”), with the Recipient. The purpose of this public hearing is to comply with Minnesota Statutes, Section 116J.994, subd. 6 of the Business Subsidies Law, which states “The grantor, after a public hearing, may extend for up to one year the period for meeting the wage and job goals...”

Pursuant to the Grant Contract, the City was previously awarded a grant in the amount of \$964,500 to assist the Recipient with the construction of an approximately 100,000 square foot warehousing, storage, and distribution facility in the City. The City loaned the proceeds of the grant to the Recipient pursuant to the Loan Agreement. The funds are to be used for the creation of jobs. In addition, the City agreed to provide the Recipient with tax increment assistance in the maximum principal amount of \$538,324 under the Contract to reimburse the Recipient for a portion of qualified public development costs described therein.

All interested parties are invited to attend the public hearing at which time you will be given the opportunity to express comments about the proposed extension of the compliance period. A person with residence in or the owner of taxable property in the City may file a written complaint with the City if the City fails to comply with Minnesota Statutes, Section 116J.993 through 116J.995, and no action may be filed against the City for the failure to comply unless a written complaint is filed.

Written testimony will also be accepted on or before the public hearing. Written comments must be received by Wednesday, August 25, 2021, at 1:00 pm. Specific questions can be directed to at email address of Elizabeth Mursko, City Administrator.

The City makes reasonable accommodations for any known disability and to meet the needs of non-English speaking residents that may interfere with a person’s ability to participate in this public hearing. Persons needing an accommodation must notify Elizabeth Mursko at phone number: 651.464.3120 no later than Wednesday, August 18, 2021, to allow adequate time to make needed arrangements.

Elizabeth Mursko

Elizabeth Mursko, City Administrator

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**City of Columbus
County of Anoka
State of Minnesota**

**RESOLUTION 21-XX
MINNESOTA INVESTMENT FUND PROGRAM**

**RESOLUTION AUTHORIZING AN AMENDMENT TO THE GRANT
CONTRACT WITH THE STATE OF MINNESOTA ACTING THROUGH
THE DEPARTMENT OF EMPLOYMENT AND ECONOMIC
DEVELOPMENT AND THE LOAN AGREEMENT AND CONTRACT FOR
PRIVATE DEVELOPMENT JP ECOMMERCE, INC.**

BE IT RESOLVED by the City Council of the City of Columbus, Minnesota (the “City”) that the City acted as the legal sponsor for a grant from the Minnesota Investment Fund Program administered by the Minnesota Department of Employment and Economic Development (“DEED”) to assist JP Ecommerce, Inc., a Minnesota corporation (the “Recipient”), with the construction of an approximately 100,000 square foot warehousing, storage, and distribution facility in the City (the “Project”).

BE IT FURTHER RESOLVED that the City entered into a Grant Contract, dated January 14, 2019 (the “Grant Contract”), with DEED to obtain grant funds in the amount of \$964,500, and the City loaned such grant funds to the Recipient (the “Loan”) for the purpose of providing financial assistance for the Project pursuant to a Loan Agreement, dated July 17, 2019 (the “Loan Agreement”), between the City and the Recipient.

BE IT FURTHER RESOLVED that the City and the Recipient entered into a Contract for Private Development, dated October 25, 2018 (the “Contract”), pursuant to which the City agreed to provide the Recipient with tax increment assistance (the “TIF Assistance”) in the maximum principal amount of \$538,324 under the Contract to reimburse the Recipient for a portion of qualified public development costs described therein.

BE IT FURTHER RESOLVED that the Loan Agreement and the Contract include a “business subsidy agreement” as defined in Minnesota Statutes, Sections 166J.993 to 116J.995, as amended (the “Business Subsidy Act”), wherein the Recipient agreed to meet certain job and wage goals by a certain date (the “Compliance Date”) set forth therein and in the Grant Contract and the Contract, and if such goals are not met the Recipient is required to make payments to the City and to repay all or a portion of the Loan and the TIF Assistance.

BE IT FURTHER RESOLVED that the Recipient has requested an extension of the Compliance Date and the expiration date for up to one year.

BE IT FURTHER RESOLVED that the City has the legal authority to amend the Grant Contract, the Loan Agreement, and the Contract.

BE IT FURTHER RESOLVED that on the date hereof the City Council of the City (the “City Council”) held a public hearing as required by Section 116J.994, subdivision 5 of the Business Subsidy Act for the purpose of accepting comments for the purpose of amending the Grant Contract, the Loan Agreement, and the Contract in compliance with the Minnesota Business Subsidy Law to extend by one year the time period by which the Recipient has to meet the job and wage goals.

BE IT FURTHER RESOLVED that the City Council authorizes the City to execute an amendment to the Grant Contract with DEED to extend the Compliance Date and the expiration date.

BE IT FURTHER RESOLVED that the City Council authorizes the City to execute an amendment to the Loan Agreement and the Contract with the Recipient to extend the Compliance Date and the expiration date.

BE IT FURTHER RESOLVED that the Mayor and the City Administrator, or their successors in office, are hereby authorized to execute the amendments to the Grant Contract, the Loan Agreement, and the Contract as is necessary to implement the project on behalf of the City.

Approved by the City Council of the City of Columbus, Minnesota, this 25th day of August, 2021.

Mayor

ATTEST:

City Administrator

**FIRST AMENDMENT TO
CONTRACT FOR PRIVATE DEVELOPMENT**

THIS FIRST AMENDMENT TO CONTRACT FOR PRIVATE DEVELOPMENT, dated _____, 2021 (the “First Amendment to Agreement”), is between the CITY OF COLUMBUS, MINNESOTA, a Minnesota municipal corporation (the “City”), and JP ECOMMERCE, INC., a Minnesota corporation and the assignee of Prib Capital LLC, a Minnesota limited liability company (the “Developer”), and amends the Contract for Private Development, dated October 25, 2018 (the “Original Agreement”), between the City and the Developer.

WITNESSETH:

WHEREAS, the City has undertaken a program (the “Development Program”) to promote economic development and job opportunities and to promote the development of land which is underutilized within the City, and in connection created a Development District known as Municipal Development District No. 1 (the “Development District”) pursuant to Minnesota Statutes, Sections 469.124 through 469.133, as amended (the “Municipal Development Act”), which is administered by the City; and

WHEREAS, the City has approved a Tax Increment Financing Plan for Tax Increment Financing (Economic Development) District 1-1 (Bare Homes) (the “TIF District”) pursuant to Minnesota Statutes, Sections 469.174 to 469.1794, as amended, made up of certain property within the Development District (the “Development Property”); and

WHEREAS, pursuant to the Municipal Development Act, the City is authorized to undertake certain activities to facilitate the development of real property by private enterprise; and

WHEREAS, the City and the Developer entered into the Original Agreement, pursuant to which the Developer agreed to construct an approximately 100,000 square foot warehousing, storage, and distribution facility (collectively, the “Minimum Improvements”) on certain property legally described in EXHIBIT A attached hereto (the “Development Property”) located within the Development District and TIF District and the City agreed to reimburse the Developer for certain land acquisition, public improvement, and site preparation costs, including road construction, in order to bring about development in accordance with the Development Program, with tax increment generated from the Development Property; and

WHEREAS, by the Compliance Date (as defined in the Original Agreement), the Developer was required by the Original Agreement to retain 61 full-time equivalent jobs in the City on the Development Property and to cause the hourly wage of at least ninety percent (90%) of the jobs to be retained to be at least one hundred sixty percent (160%) of the federal minimum wage, exclusive of benefits; and

WHEREAS, pursuant to the terms of Section 3.4(b) of the Original Agreement, the City may, after a public hearing, extend the Compliance Date by up to one year, and the City has agreed to extend the Compliance Date in accordance with the terms of this First Amendment to Agreement; and

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

Amendments

Section 1.1. Amendments to Section 1.1. The following definitions in Section 1.1 of the Original Agreement are amended as follows (new language is underlined, and deleted language is stricken):

“Agreement” means this Contract for Private Development, as amended by the First Amendment to Contract for Private Development, and as the same may be from time to time further modified, amended, restated or supplemented.

“Compliance Date” means ~~two years following the Benefit Date~~ _____, 20_____.

“Developer” means JP Ecommerce, Inc., a Minnesota corporation and assignee of Prib Capital LLC, a Minnesota limited liability company, or its permitted successors and assigns.

ARTICLE II

Miscellaneous

Section 2.1. Effective Date. The amendments made to the Original Agreement, as set forth in this First Amendment to Agreement, shall be effective as of the date and year first written above.

Section 2.2. Certain Defined Terms. Terms used in this First Amendment to Agreement and not defined herein shall have the meanings given in the Original Agreement.

Section 2.3. Counterparts. This First Amendment to Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 2.4. Recording. The City may record this First Amendment to Agreement and any amendments thereto with the County recorder. The Developer shall pay all costs for recording.

Section 2.5. Confirmation of Original Agreement. Except as specifically amended by this First Amendment to Agreement, the Original Agreement is hereby ratified and confirmed and remains in full force and effect.

IN WITNESS WHEREOF, the City has caused this First Amendment to Contract for Private Development to be duly executed in its name and behalf and its seal to be hereunto duly affixed and the Developer has caused this First Amendment to Contract for Private Development to be duly executed in its name and behalf as of the date and year first written above.

CITY OF COLUMBUS, MINNESOTA

By _____
Its Mayor

(SEAL)

By _____
Its City Administrator

STATE OF MINNESOTA)
) SS.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Jesse Preiner, the Mayor of the City of Columbus, Minnesota, a Minnesota municipal corporation, on behalf of the City.

Notary Public

STATE OF MINNESOTA)
) SS.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Elizabeth Mursko, the City Administrator of the City of Columbus, Minnesota, a Minnesota municipal corporation, on behalf of the City.

Notary Public

THIS DOCUMENT DRAFTED BY:

Kennedy & Graven, Chartered (JAE)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402

Execution page of the Developer to the First Amendment to Contract for Private Development, dated the date and year first written above.

JP ECOMMERCE, INC.

By _____

Its _____

STATE OF MINNESOTA)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2021,
by _____, the _____ of JP
Ecommerce, Inc., a Minnesota corporation, on behalf of the Developer.

Notary Public

EXHIBIT A
DESCRIPTION OF DEVELOPMENT PROPERTY

Lot 1, Block 1, JP COMMERCE, Anoka County, Minnesota