

**PRE-DEVELOPMENT AGREEMENT**

**TRUE NORTH GOODWILL RESOURCE CENTER**

**TRUE NORTH GOODWILL NORTHERN MINNESOTA AND NORTHWESTERN WISCONSIN**

THIS PRE-DEVELOPMENT AGREEMENT (“**Agreement**”), effective as of the \_\_ day of \_\_\_\_\_, 2024 is by and between the DULUTH ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision under the laws of the State of Minnesota, hereinafter referred to as “**DEDA,**” and True North Goodwill Northern Minnesota and Northwestern Wisconsin, a Minnesota nonprofit corporation, hereinafter referred to as “**Developer.**” DEDA and Developer are referred to jointly as the “**Parties**” and individually as a “**Party.**”

**WHEREAS,** Developer proposes to develop the hereinafter-described Project on the Property; and

**WHEREAS,** the Developer desires time to further analyze the potential and financial feasibility of the Project and Developer and DEDA are willing to proceed with such analysis as described in this Agreement; and

**WHEREAS,** the Parties acknowledge that Developer will expend substantial time and effort, and incur substantial expense in pursuing the Project; and

**WHEREAS,** Developer is willing to undertake the activities described in this Agreement only with the reasonable assurance from DEDA that it will support and cooperate with Developer in its efforts; and

**WHEREAS,** DEDA and Developer have executed this Agreement to document their understanding with respect to the proposed Project.

**NOW THEREFORE,** in consideration of the mutual covenants and conditions hereinafter set forth, the Parties hereto hereby agree as follows:

1. **Definitions.** The following terms and phrases shall have the meanings hereinafter ascribed to them:

A. **City:** shall mean the City of Duluth.

B. **Concept Plans:** shall mean a set of plans for the development of the entire Project on the entire Property carried to the level sufficient to support securing grants to defray costs of elements of the Project which can be legally funded by various public sources and to support securing financial commitments for all other portions of the Project by non-public sources.

C. Development Agreement: shall mean an agreement between DEDA and Developer for the conveyance and development of the Project on the Property in substantial conformance with the Concept Plans and the financing thereof.

D. Director: shall mean the Executive Director of DEDA or such person or persons designated by the Executive Director in writing.

E. Environmental Engineer: shall mean John McCarthy of Environmental Troubleshooters Inc.

F. Finance Plan: shall mean a financial plan for the Project showing in reasonable detail the proposed sources and uses of funds sufficient to fund the development of the Project and cash flow projections showing the timing of the various uses of funds.

G. Geotechnical Engineer: shall mean Lars Wihanto of Twin Ports Testing.

H. Project: shall mean the development on the Property as approved by DEDA pursuant to the Development Agreement, currently anticipated to include a new resource center for Developer.

I. Property: shall mean that property legally described on **Exhibit A** attached hereto and made a part hereof.

J. RAP: shall mean a current plan describing the response action as described in 40 CFR Part 300 necessary to remediate any environmental condition on the Property under state and federal environmental law.

## 2. Purpose of Agreement.

A. Generally. The purpose of this Agreement is to set forth the intended trajectory for the development by the Parties of the Project on the Property, including the sale of the Property to Developer. It is understood between the Parties that the successful development of the Project at present involves many unknown factors and that the ability to accomplish the development in a manner satisfactory to the Parties will likely require favorable actions and decisions by third parties beyond the control of the Parties. This Agreement represents the commitments of the Parties to undertake the actions committed to in this Agreement and to use their commercially reasonable efforts to implement those actions. Without limiting the generality of the foregoing, and in addition to Developer's Option set forth in Section 3, during the Term, DEDA and Developer shall continue discussions and negotiations diligently and in good faith regarding a Development Agreement and Purchase Agreement. Except as expressly provided herein, this Agreement does not bind either of the Parties to produce the intended results but only to use their commercially reasonable efforts to accomplish them.

B. DEDA Commissioner Approval. It is understood and agreed by Developer that DEDA staff will work diligently to perform DEDA's obligations under this Agreement

but Developer understands and agrees that no commitment or obligation beyond those specifically set forth in this Agreement may be binding on DEDA unless set forth in writing and approved by the Board of Commissioners of DEDA by resolution and, if legally required, by the City Council.

3. **Developer's Option to Purchase.**

A. **Grant of Option.** DEDA hereby grants to Developer an exclusive and irrevocable option to purchase the Property on the terms and conditions set out in this Section 3 (“**Option**”) from the date set forth above through April 1, 2026 (“**Term**”), subject to the extension or termination of such rights as hereinafter set forth. During the Term, DEDA shall not enter into any agreement for the sale or development of the Property with anyone other than Developer.

B. **Consideration.** The Option is granted in consideration of Developer's undertakings under this Agreement, which will cost Developer significant time, efforts, and money.

C. **Exercise of Option.** At any time during the Term after satisfaction of the Developer Prerequisites (defined below), Developer may exercise the Option by sending DEDA a written notice of Developer's intention to exercise the Option (the “**Exercise Notice**”) accompanied by Developer's initial draft of a purchase agreement (the “**Purchase Agreement**”), which will have the terms set forth in Section 3.D., below. DEDA shall either: (i) promptly place the Purchase Agreement for authorization on the agenda at its next regularly scheduled meeting of the DEDA Board and, if approved, return a fully executed original to Developer; or (ii) provide Developer with notice of any requested edits to the Purchase Agreement. The Parties shall negotiate, finalize, and execute a Purchase Agreement within ninety (90) days of the Exercise Notice. If Developer exercises the Option during the Term, then notwithstanding anything in this Agreement to the contrary, the Term will automatically be extended until the Parties have executed the Purchase Agreement, but in no event extended beyond the ninety (90) day period to execute a Purchase Agreement. If Developer does not exercise the Option during the Term, the Option will automatically terminate. Thereafter, neither Party shall have any further obligations hereunder, except for covenants and agreements which expressly by their terms survive the Term of this Agreement.

D. **Terms of Purchase Agreement.** Subject to final negotiation of a Purchase Agreement and Development Agreement, it is the Parties' intent the Purchase Agreement will include the following terms, wherein DEDA is referred to as “Seller” and Developer is referred to as “Buyer”:

1. *Purchase Price.* Seller will sell the Property to Buyer for Forty-Five Thousand Eight Hundred Twelve and No/100ths Dollars (\$45,812.00) (\$5,200 per acre x 8.81 acres), unless otherwise negotiated.
2. *Closing Date.* The closing of the transaction will occur within Ninety (90) days of the date the Purchase Agreement is signed, at First American Title Co. located in

Duluth, MN (“**Title Company**”) or at such other date, time, and location as the Parties may mutually agree.

3. *Closing Deliverables*. The Parties will deliver at closing:
  - a. Seller shall deliver a Limited Warranty Deed;
  - b. Buyer shall deliver a Resolution, in recordable form, authorizing the acquisition of the Property by Buyer;
  - c. Both Parties shall deliver an executed Development Agreement; and
  - d. All other documents required by this Agreement, the Purchase Agreement, or reasonably required by the Title Company to effectuate the provisions of the Purchase Agreement.
4. *Closing Costs*. Buyer shall pay the following costs: the premium for the title policy and the cost of any endorsements required by Buyer; survey; recording of deed; one-half of any closing and/or escrow fee; the attorney fees of Buyer; any costs related to its due diligence investigation; title curative instruments; releases of existing liens; recording fees for curative instruments and releases; state deed tax or other transfer fees or taxes on the deed; and any other expenses customarily charged to the Buyer. Seller shall pay the following costs: title commitment (as a reimbursement to Buyer under Section 5 of this Agreement); one-half of any closing and/or escrow fee; and attorney fees of Seller.
5. *Seller’s Representations*. The Purchase Agreement will contain standard entity representations and warranties to the actual knowledge of Seller’s representative.
6. *As-Is Provisions*. Except for statutory warranties (i.e. well, sewer, and methamphetamine disclosures), Seller will make no representations and warranties regarding the Property or the Project and Buyer will be purchasing the Property in its "AS-IS" condition.
7. *Buyer Reliance*. Seller shall make available to Buyer without charge all plans, specifications, records, inventories, permits and correspondence in Seller’s possession relating to the Property. All information, whether written or oral, made available to Buyer by Seller, its agents, or any other person acting for or on behalf of Seller, whether in the form of appraisals, market studies, projections, brochures, maps, surveys, soil reports, engineering studies, environmental studies, inspection reports, plans and specifications, and all other information and materials have been or will be furnished by Seller to Buyer solely as an accommodation, and neither Seller nor its agents has verified the accuracy of such information or the qualifications of the persons preparing such information. Buyer agrees that, notwithstanding the fact that Buyer has received certain information from Seller, or its respective agents or consultants, Buyer has relied solely upon and will continue to rely solely upon its own analysis and will not rely on any information provided by Seller, or its agents or consultants.
8. *Deed Covenant*. The Deed shall contain, as a covenant running with the Property, the following covenant pursuant to Minnesota Statutes, Sections 469.090 to 469.108 relating to the use of the Property:

"This deed contains as a covenant running with the land the conditions of Minnesota Statutes §§ 469.090 to 469.108 relating to the use of the Property. Within one year from the date of purchase, the purchaser shall devote the property to its intended use or begin work on the improvements to the property to devote it

to that use. If the purchaser fails to do so, the authority may cancel the sale and title to the property shall return to it. The authority may extend the time to comply with a condition if the purchaser has good cause. The terms of sale may contain other provisions that the authority considers necessary and proper to protect the public interest. A purchaser must not transfer title to the property within one year of purchase without the consent of the authority.”

Seller will file an appropriate release or satisfaction of such covenants upon completion of construction of the Project described below in accordance with the approved plans and specifications as evidenced by the issuance of a certificate of occupancy by the City of Duluth's Construction Services and Inspections Division ("Certificate of Occupancy").

9. *Title Review.* Title shall have been found acceptable, or been made acceptable, in accordance with this Agreement.
10. *Due Diligence.* Buyer shall have determined, on or before the expiration of the Due Diligence Period as defined in this Agreement, that it is satisfied with the condition of the Property.
11. *Other.* And such other terms as are common and typical for a transaction of this nature.

E. Memorandum of Option Agreement. Concurrently with the execution and delivery of this Agreement, DEDA and Developer shall execute and acknowledge a Memorandum of Option Agreement which Developer, at its sole cost and expense, is authorized to record in the St. Louis County, MN Registrar of Titles Office. The Memorandum of Option Agreement shall describe the Option.

F. Developer Prerequisites. Before Developer can exercise the Option, it must have received the Director's approval of the Concept Plan and Finance Plan (“**Developer Prerequisites**”) in accordance with Section 7 of this Agreement.

G. Extension. Upon the expiration of the Term of this Agreement, the Parties may agree to an extended Term of this Agreement for such additional term as the Parties may agree to under the terms and conditions herein set forth or under such modified terms and conditions as the Parties may then agree to, provided that such extension shall be approved with the same formality as this Agreement.

H. Termination. Notwithstanding the provisions of Subparagraphs A and G above, Developer may terminate this Agreement upon Thirty (30) days prior written notice to DEDA upon Developer's good faith determination that: (1) it is dissatisfied with its due diligence, including the Title Commitment (defined below); (2) the negotiations to reach agreement on a Development Agreement and Purchase Agreement have reached an impasse; (3) DEDA is not diligently pursuing the Project or its obligations hereunder; or (4) the Project is not feasible, which determination could include, without limitation, a determination that the City will not provide the approvals needed for the Project.

Notwithstanding the provisions of Subparagraphs A and G above, DEDA may terminate this Agreement upon Thirty (30) days prior written notice to Developer if: (i)

Developer fails to submit required reports or information by the agreed upon date and such failure is not cured within such Thirty (30) day period; (ii) a Purchase Agreement and Development Agreement for the Project is not executed by the end of the Term; (iii) the negotiations to reach agreement on a Development Agreement and Purchase Agreement have reached an impasse; or (iv) Developer is not diligently pursuing the Project or its obligations hereunder.

I. Rights Upon Termination. In the event of the expiration of the Term or of any extension of the Term of this Agreement or of termination for any reason, both Parties shall be deemed to have waived any claim or cause of action they may have against the other Party arising out of the Agreement or the failure of the Parties to reach a Development Agreement or Purchase Agreement, except for covenants and agreements which expressly by their terms survive the Term of this Agreement.

4. **Due Diligence and Property Access.**

A. Due Diligence Period. The “**Due Diligence Period**” shall commence on the date of this Agreement and expire One Hundred Eighty (180) days thereafter. Any request for an extension of the Due Diligence Period shall be made to the Director for approval and the Director’s approval or rejection shall be provided to the Developer in writing.

B. Access Granted. To expedite closing of the intended Purchase Agreement and Development Agreement, during the Term, DEDA grants to Developer the right to access the Property for the purposes of investigation of the Property and its parameters and physical condition as such conditions could impact the ultimate development of the Project. Developer agrees such investigation shall begin during the Due Diligence Period and will endeavor to perform a majority of its investigation work during such time. Such investigation may include survey work, environmental testing, geotechnical testing, and limited excavation. Provided that prior to any investigation work which involves significant soil disturbing activities or the installation of monitoring structures, Developer shall secure the written consent of the Director, which consent shall not be unreasonably withheld. Developer shall pay all costs and expenses of such investigation and testing, and shall repair any damages it causes to the Property.

C. Indemnification. Developer shall agree to defend, indemnify and hold DEDA harmless from all claims and liabilities caused by Developer’s access to the Property (excluding liabilities arising from discovery of any hazardous substances on the Property or the negligent or intentional acts or omissions of DEDA or DEDA’s employees, agents, or contractors), which indemnification obligation shall survive the expiration, termination, or full performance of this Agreement. Prior to entering the Property pursuant to this Section, Developer shall name DEDA and the City as an additional insured on its commercial general liability policy of insurance. Developer shall provide DEDA a certificate of insurance evidencing the same upon request.

D. Repair or Replacement. Upon the termination of this Agreement, Developer agrees to remove all structures and installations that it made on the Property and to restore the Property to the condition it was prior to Developer's entry on the Property unless the Director shall authorize, in writing, that any such structures or installations may remain on the Property or that any elements of the Property need not be so restored or both.

5. Title Review. To expedite the closing of the intended Purchase Agreement and Development Agreement, Developer will, within Sixty (60) days after the date of this Agreement, obtain a title commitment ("**Title Commitment**") on the Property from the Title Company. DEDA will cooperate as reasonably necessary for Developer to obtain the Title Commitment. If Developer ultimately purchases the Property from DEDA, the Purchase Agreement will require DEDA to reimburse Developer for the cost of the Title Commitment. Developer will also have the right to obtain a survey ("**Survey**") at its own cost and expense.

Developer will have the right following receipt of the Title Commitment and/or Survey to review the same and to give written notice to DEDA specifying any objections Buyer may have thereto ("**Objections**"), within Sixty (60) days of receipt of the Title Commitment or Survey (as applicable). At DEDA's election, DEDA may fix any title defects or may decline to fix any title defects by delivering written notice to Developer within Thirty (30) days of receipt of Developer's Objections. If DEDA agrees to fix the title defects, DEDA shall fix the title defects on or before the closing date. If DEDA declines to fix the title defects, Developer may (i) terminate this Agreement or the Purchase Agreement or (ii) waive its Objections and proceed with closing. If Developer does not cancel this Agreement or the Purchase Agreement prior to closing, Developer shall accept title to the Property in AS-IS condition as of the closing date.

6. **New Markets Tax Credits.**

A. Eligibility Notice. Developer will continue to work towards allocation and commitment of New Markets Tax Credits for the Project. DEDA will cooperate as reasonably necessary to assist Developer in relation to the New Markets Tax Credits. During the Term, Developer shall notify DEDA within Fourteen (14) days after Developer has received a commitment for New Markets Tax Credits.

B. Accelerated Term. Upon notice that Developer has received a commitment for New Market Tax Credits under Section 6.A., the Parties agree the Term shall end One Hundred and Eighty (180) days from such notice to DEDA or April 1, 2026, whichever is earlier, unless extended as provided in this Agreement. Developer's notice under this Section 6 does not constitute a commitment by Developer or DEDA to enter into the contemplated Development Agreement and Purchase Agreement.

7. **Concept Plan & Financial Plan.**

A. Concept Plan Generation. Developer will provide by October 31, 2024, to the Director for their approval a Concept Plan for the Project which sets forth in reasonable detail all elements of the Project that Developer intends to construct on the Property

including physical size, scale, height, type, character and proposed use of each such element. Said Plan will include professionally drawn concept plans for the Project.

B. Concept Plan Approval. Upon receipt of the Concept Plan, the Director shall review said Plan for conformance to the requirements of this Agreement within fifteen (15) business days (“**Initial Review Period**”). If the Director determines in the exercise of their reasoned discretion that said Plan fails to meet the requirements of this Agreement, the Director shall, prior to the end of the Initial Review Period, return said Plan to Developer with a written request for modifications to bring said Plan into conformance with the requirements of this Agreement. If the Director has not responded to Developer within the Initial Review Period, then the Concept Plan shall be deemed approved. Developer shall modify said Concept Plan to address any issues in the Director’s written request for modifications and return it to the Director for their review and approval within ten (10) business days of receiving the Director’s request for modification. Said process shall continue until the Director’s approval is given; except that after the Initial Review Period, the Director shall review said modified Concept Plan(s) within ten (10) business days of receipt.

C. Finance Plan. No later than October 31, 2024, Developer shall have prepared and provided to the Director for their approval the Finance Plan for the Project. Said Plan shall be subject to the approval of the Director in the same manner as the Concept Plan as provided for in Subparagraph B above.

D. Concept Plan & Finance Plan as Basis. Upon approval by the Director of the Concept Plan and the Finance Plan, the Parties shall be entitled to use said Plans as the basis for performing their various obligations under this Agreement.

8. Development Agreement. Within sixty (60) days after the Developer Prerequisites have been satisfied and DEDA has received any DEDA approved fees from Developer, DEDA will provide Developer with a first draft of the Development Agreement. Thereafter, DEDA and Developer shall continue negotiating the terms of the Development Agreement diligently and in good faith until it is in final form for closing.

9. Developer and DEDA Commitments. Developer has entered or shall have entered into agreements for the following services, which, except as expressly provided below, agreements shall commit the Party entering into such agreements to be responsible for and to pay the contracting parties for the following services:

A. Site Environmental Services. Developer has contracted with the Environmental Engineer to investigate the environmental condition of the Property and to determine whether there exists on the Property any environmental condition which would require remediation or correction in order to implement the Concept Plan and, if any such condition exists, the nature and character thereof, the extent thereof, the estimated cost of remediation or correction thereof and to prepare the RAP.

B. Site Geotechnical Services. Developer has contracted with the Geotechnical Engineer to investigate the geotechnical condition of the Property and to determine whether there exists on the Property any geotechnical condition which would require remediation or correction in order to implement the Concept Plan and, if any such condition exists, the nature and character thereof, the extent thereof, and the estimated cost of remediation or correction thereof.

C. Developer Funding. Developer agrees to pursue grant funding programs to offset the cost of the Project work. The timing of payment of any local or matching share of grant funds by Developer will be mutually agreed upon between Developer and DEDA prior to any grant application submittal. DEDA agrees to support Developer's applications for grant funding (including being the grant applicant), financial and technical assistance with environmental costs, and assistance with any other costs related to the development of the Property.

10. Indemnification. Developer shall, to the fullest extent permitted by law, protect, indemnify and save DEDA and the City and their officers, agents, servants, employees and any person who controls DEDA within the meaning of Securities Act of 1933, harmless from and against all liabilities, losses, damages, costs, expenses, including attorneys' fees and expenses, causes of action, suits, claims, demands and judgments of any nature arising from any injury to or death of any person or damage to property in or upon the Project or the Property arising out of the negligence or willful misconduct of Developer. The foregoing indemnification shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefits payable by or for Developer, customers, suppliers or affiliated organizations under any Workers' Compensation Act, Disability Benefit Acts or any other Employee Benefit Acts.

11. Insurance. Developer agrees that it will require any contractor performing work on its behalf on the Property under this Agreement to purchase and maintain the insurance coverages set forth below:

A. Liability Insurance. All such contractors shall procure and maintain continuously in force Public Liability Insurance written on an "occurrence" basis under a Commercial General Liability Insurance and Automobile Liability Insurance Form in limits of not less than \$2,000,000 per occurrence for personal bodily injury and death, and limits of \$2,000,000 for property damage liability. If person limits are specified, they shall be for not less than \$2,000,000 per person and be for the same coverages. DEDA and the City shall be named as additional insureds therein. Insurance shall cover:

1. Public liability, including premises and operations coverage;
2. Independent contractors--protective contingent liability;
3. Personal injury;
4. Owned, non-owned and hired vehicles;
5. Contractual liability covering the indemnity obligations set forth herein;
6. Products--completed operations.

B. Workers' Compensation. Workers' Compensation Coverage in statutory

amounts with “all states” endorsement unless qualified as a self-insurer under Minnesota law, and evidence of such qualification is furnished to DEDA.

C. Requirements for All Insurance. All insurance required in this Article shall be taken out and maintained in responsible insurance companies organized under the laws of the states of the United States and licensed to do business in Minnesota.

D. Certifications. All such contractors shall be required to supply to DEDA written certifications of insurance requiring the insurer to give DEDA thirty (30) days’ written notice prior to cancellation or modification of said insurance for any reason other than non-payment of premium and ten (10) days’ written notice prior to cancellation for non-payment of premium of said insurance. If such notice is not available for the insurers, the contractors shall be permitted to provide such notice to DEDA.

12. Amendment; Assignment. Any alterations, variations, modifications or waivers of terms of this Agreement or any assignment thereof shall be binding upon DEDA and Developer only upon being reduced to writing and signed by a duly authorized representative of each Party.

13. Data and Confidentiality, Records and Inspection.

A. DEDA agrees that it will make available all pertinent information, data and records under its control for Developer to use in the performance of this Agreement, or assist Developer wherever possible to obtain such records, data and information.

B. Records shall be maintained by Developer in accordance with reasonable requirements prescribed by DEDA and with respect to all matters covered by this Agreement. Such records shall be maintained for a period of six (6) years after the Term.

C. Developer shall be responsible for furnishing to DEDA records, data and information as DEDA may reasonably require pertaining to matters covered by this Agreement.

D. Upon reasonable advance notice and during normal business hours at the primary offices of Developer, DEDA shall have the right to examine all Developer’s records with respect to all matters covered by this Agreement. Developer will also permit DEDA to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

14. Independent Contractor.

A. It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of copartners between the Parties hereto or as constituting Developer as an agent, representative or employee of DEDA for any purpose or in any manner whatsoever. The Parties do not intend to create any third party beneficiary of this Agreement. Developer and its employees shall not be considered

employees of DEDA, and any and all claims that may or might arise under the Worker's Compensation Act of the State of Minnesota on behalf of Developer's employees while so engaged, and any and all claims whatsoever on behalf of Developer's employees arising out of employment shall in no way be the responsibility of DEDA. Developer's employees shall not be entitled to any compensation or rights or benefits of any kind whatsoever from DEDA, including without limitation, tenure rights, medical and hospital care, sick and vacation leave, Worker's Compensation, Unemployment Insurance, disability or severance pay and P.E.R.A. Further, DEDA shall in no way be responsible to defend, indemnify or save harmless Developer from liability or judgments arising out of the acts or omissions of Developer or its employees while performing the work specified by this Agreement.

B. The Parties do not intend by this Agreement to create a joint venture or joint enterprise, and expressly waive any right to claim such status in any dispute arising out of this Agreement.

C. Developer expressly waives any right to claim any immunity provided for in Minnesota Statutes Chapter 466 or pursuant to the official immunity doctrine.

15. **Civil Rights Assurances.** Developer, as part of the consideration under this Agreement, does hereby covenant and agree that:

A. No person on the grounds of race, color, creed, religion, national origin, ancestry, age, sex, marital status, status with respect to public assistance, sexual orientation, and/or disability shall be excluded from any participation in, denied any benefits of, or otherwise subjected to discrimination with regard to the work to be done pursuant to this Agreement.

B. All activities to be conducted pursuant to this Agreement shall be conducted in accordance with the Minnesota Human Rights Act (Chapter 363A), Title VII of the Civil Rights Act of 1964, and any regulations and executive orders which may be affected with regard thereto.

16. **Laws, Rules and Regulations.** Developer agrees to observe and comply with all laws, ordinances, rules and regulations of the United States of America, the State of Minnesota and the City with respect to their respective agencies which are applicable to its activities under this Agreement.

17. **Notices.** Notice or demand or other communication between or among the Parties shall be sufficiently given if sent by U.S. mail, postage prepaid, or delivered personally:

DEDA  
Room 418 City Hall  
411 West 1st Street  
Duluth, MN 55802  
Attn: Executive Director

True North Goodwill  
Attn: Dodie Brown, President and CEO  
700 Garfield Avenue  
Duluth, MN 55802

Copy to:

Jacob K. Stonesifer  
Johnson, Killen & Seiler, P.A.  
230 West Superior Street, Suite 800  
Duluth, MN 55802

18. **Applicable Law.** This Agreement, together with all of its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

19. **Severability.** In the event any provision herein shall be deemed invalid or unenforceable, the remaining provision shall continue in full force and effect and shall be binding upon the Parties to this Agreement.

20. **Entire Agreement.** It is understood and agreed that the entire agreement of the Parties including all exhibits is contained herein and that this Agreement supersedes all oral agreements and negotiations between the Parties relating to the subject matter hereof.

21. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement transmitted by facsimile, by electronic mail in “portable document format” (“.pdf”), or by any other electronic means which preserves the original graphic and pictorial appearance of the Agreement, shall have the same effect as physical delivery of the paper document bearing the original signature.

(The remainder of this page intentionally blank.)

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as of the date first above shown.

DULUTH ECONOMIC DEVELOPMENT  
AUTHORITY, an economic development  
Authority under Minn. Stat. Chapter 469

By: \_\_\_\_\_  
Connor Randall, its President

By: \_\_\_\_\_  
Ellie Just, its Secretary

Approved as to Form:

\_\_\_\_\_  
Its Attorney

True North Goodwill Northern Minnesota and Northwestern Wisconsin, a  
Minnesota nonprofit corporation

By: \_\_\_\_\_  
Dodie Brown, President and CEO

**Exhibit A**

**Legal Description of Property**

Real property in St. Louis County, Minnesota legally described as follows:

Lot 2 Block 3 ATLAS INDUSTRIAL PARK  
Lot 3 Block 3 ATLAS INDUSTRIAL PARK