

1. Agenda Document

Documents:

- 0. 03-11-26 EDA REGULAR MEETING AGENDA.PDF
- 3A. CONSIDERATION OF PAYMENT OF BILLS.PDF
- 3B. REVIEW 02-11-26 EDA REG MTG MINUTES_DRAFT.PDF
- 4A. PUBLIC HEARING-KIDS HAVEN_SCDP_BUS SUBSIDY_R.PDF
- 5A. CONSIDER SPERR PROP_LANDL_GMEF_BUS SUBSIDY.PDF
- 5B. CONSIDER AFFORDABLE HOWNER REHAB LOAN PROGRAM POLICY AMDTS.PDF
- 5C. CONSIDER AMDT TO DWTN FACADE IMP FORG LOAN PROGRAM.PDF
- 6A. ECONOMIC DEV MANAGER REPORT.PDF

AGENDA
REGULAR MEETING - ECONOMIC DEVELOPMENT AUTHORITY (EDA)
Wednesday, March 11, 2026 – 6:00 p.m.
Mississippi Room, Monticello Community Center

ECONOMIC DEVELOPMENT AUTHORITY WORKSHOP

Academy Room, Monticello Community Center

5:15 p.m. Façade Loan Pre-Application Review – 112-114 West Broadway - Schneider

Commissioners: President Rick Barger, Vice President Jon Morphey, Treasurer Hali Sittig, Steve Johnson, Clint Berglof, Councilmember Tracy Hinz, Mayor Lloyd Hilgart

Staff: Executive Director Jim Thares, Rachel Leonard, Angela Schumann, Tyler Bevier, Wayne Kalla, Steve Kowalczyk

1. General Business

- A. Call to Order
- B. Roll Call 6:00 p.m.
- C. Consideration of Additional Agenda Items

2. Approval of Agenda

Approval of Agenda – EDA members or the Executive Director may add items to the agenda for discussion purposes or approval. The EDA may or may not take official action on items added to the agenda

3. Consent Agenda

- A. Consideration of Payment of Bills
- B. Consideration of Approving February 11, 2026, Regular Meeting Minutes

4. Public Hearing

- A. Business Subsidy Public Hearing and Consideration of approving a Small Cities Development Loan (SCDP) Loan and a Business Subsidy to Kids Haven Holdings of Monticello, LLC and Kids Haven of Monticello, LLC in the amount of \$250,000

5. Regular Agenda

- A. Consideration of approving a Greater Monticello Enterprise Fund (GMEF) Loan and a Business Subsidy to Sperr Properties, LLC and L&L Homestyle Café LLC in the amount of \$65,000
- B. Consideration of Approving Proposed Amended Affordable Homeowner Rehabilitation Loan Program Policy

- C. Consideration of Minor Amendments to the Façade Improvement Forgivable Loan Program Policy

6. Other Business

- A. Consideration of Economic Development Manager’s Report

7. Adjournment

Accounts Payable

Transactions by Account

User: julie.cheney@monticellomn.gov
Printed: 02/05/2026 - 11:58AM
Batch: 00202.02.2026



Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
213-46546-465110	WILLI HAHN CORPORATION	2025 - TIF 1-46 PAY AS YOU GO 2N	12/31/2025	131199	26,706.80	
				Vendor Subtotal:	26,706.80	
				Subtotal for Fund: 213	26,706.80	
				Report Total:	26,706.80	

Accounts Payable

Transactions by Account

User: julie.cheney@monticellomn.gov
 Printed: 03/05/2026 - 1:11PM
 Batch: 00206.02.2026



Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
213-41911-431990	PREFERRED TITLE INC	TITLE SEARCH - JEFFERSON COM	02/24/2026	131249	557.00	
		Vendor Subtotal:			557.00	
213-46301-430400	CAMPBELL KNUTSON PA	KIDS HAVEN LAND SALE PURCH	02/24/2026	0	2,258.00	
		Vendor Subtotal:			2,258.00	
213-46301-430400	KUTAK ROCK LLP	2025 - GENERAL EDA LEGAL	12/31/2025	131242	161.00	
		Vendor Subtotal:			161.00	
213-46301-431993	GROMBERG & ASSOCIATES LLC	PROJECT SOL SITE SEARCH SUBM	02/24/2026	131231	1,200.00	
		Vendor Subtotal:			1,200.00	
213-46301-433100	JAMES THARES	2025 MILEAGE - EDAM EVENT IN	12/31/2025	0	53.90	
213-46301-433100	JAMES THARES	EDAM 2026 WINTER CONFERENC	02/24/2026	0	52.93	
		Vendor Subtotal:			106.83	
213-46301-433100	TYLER BEVIER	EDAM 2026 WINTER CONFERENC	02/24/2026	0	54.38	
		Vendor Subtotal:			54.38	
213-46301-435100	ECM PUBLISHERS INC	PUB HEARING NOTICE-GMEF LO.	02/24/2026	0	157.25	
		Vendor Subtotal:			157.25	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
213-46601-181700	RENEWED PILATES LLC	GMEF LOAN - RENEWED PILATES	02/24/2026	131253	26,072.50	
		Vendor Subtotal:			26,072.50	
		Subtotal for Fund: 213			30,566.96	
		Report Total:			30,566.96	

Accounts Payable

Transactions by Account

User: julie.cheney@monticellomn.gov
 Printed: 02/18/2026 - 10:29AM
 Batch: 00203.02.2026



Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
213-46301-433100	US BANK CORPORATE PMT SYS	EDAM - Winter Conference Registrati	02/15/2026	0	395.00	
213-46301-433100	US BANK CORPORATE PMT SYS	HAPPY TRAILS TRAVEL CENTER	02/15/2026	0	24.23	
213-46301-433100	US BANK CORPORATE PMT SYS	EDAM - Winter Conference Registrati	02/15/2026	0	395.00	
213-46301-433100	US BANK CORPORATE PMT SYS	HY-VEE - Unleaded Fuel - Data Cent	02/15/2026	0	24.73	
Vendor Subtotal:					838.96	
213-46301-438200	CITY OF MONTICELLO	216 Pine St (EDA - old Finders Keepe	12/31/2025	0	53.82	
213-46301-438200	CITY OF MONTICELLO	130 Broadway E. (EDA strmwtr - forn	12/31/2025	0	31.50	
Vendor Subtotal:					85.32	
213-46301-443300	US BANK CORPORATE PMT SYS	EDAM - Membership Renewal	02/15/2026	0	575.00	
Vendor Subtotal:					575.00	
213-46301-443990	US BANK CORPORATE PMT SYS	JIMMY JOHNS - Food Special Mtg -	02/15/2026	0	101.64	
Vendor Subtotal:					101.64	
Subtotal for Fund: 213					1,600.92	
Report Total:					1,600.92	

Accounts Payable

Transactions by Account

User: julie.cheney@monticellomn.gov
 Printed: 03/05/2026 - 1:11PM
 Batch: 00207.02.2026



Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
213-46301-431991	DEMVI LLC	Parking Lot Maintenance - Feb 2026	02/28/2026	0	213.86	
		Vendor Subtotal:			213.86	
213-46301-438100	CENTERPOINT ENERGY	12045691-8 - 216 Pine St	02/28/2026	0	407.07	
		Vendor Subtotal:			407.07	
213-46301-438100	XCEL ENERGY	101 E 3rd St (216 Pine St) - formerly I	02/28/2026	0	72.24	
		Vendor Subtotal:			72.24	
		Subtotal for Fund: 213			693.17	
		Report Total:			693.17	

The preceding list of bills payable totaling \$59,567.85 was approved for payment.

Date: 03/11/2026 Approved by: _____

Hali Sittig - Treasure

MINUTES
REGULAR MEETING - ECONOMIC DEVELOPMENT AUTHORITY (EDA)
Wednesday, February 11, 2026 – 6:00 p.m.
Monticello Community Center

Commissioners: President Rick Barger, Vice President Jon Morpew, Treasurer Hali Sittig, Clint Berglof, Mayor Lloyd Hilgart, Councilmember Tracy Hinz, Steve Johnson
Staff: Executive Director Jim Thares, Angela Schumann, Tyler Bevier, Sarah Rathlisberger

1. **General Business**

A. Call to Order

President Steve Johnson called the regular meeting of the Monticello EDA to order at 6:00 p.m.

B. Roll Call (6:00 p.m.)

Mr. Johnson called the roll.

C. Consideration of Additional Agenda Items

None

2. **Annual Business Meeting**

A. Consideration of electing EDA officers

Executive Director Jim Thares lead discussion on election of the 2026 EDA officers for President, Vice-President, and Treasurer. City Staff historically serve as EDA Secretary and will continue unless otherwise specified by the EDA.

Mr. Johnson entertained nominations for EDA President.

Hali Sittig nominated Rick Barger for EDA President.

HALI SITTIG MOVED TO CLOSE NOMINATIONS FOR EDA PRESIDENT. CLINT BERGLOF SECONDED THE MOTION.

A consensus was not received and motion ceased. Roll call was taken by current president Mr. Johnson to vote.

Tracy Hinz, Clint Berglof, and Hali Sittig voted in favor for Rick Barger for President. Rick Barger, Steve Johnson, and Jon Morpew abstained from voting.

Discussion continued among EDA members to address if potential concerns pertaining to the unanticipated nomination.

Mr. Barger said to be taken by surprise by his nomination; said to be willing to uphold

service and presidential duties for the EDA to the best of his abilities if elected.

Mr. Berglof asked if other nominations for President might be considered. Members and staff discussed the open motion needing consensus.

Mr. Johnson said to change his refrain to vote in favor for Rick Barger to serve as 2026 EDA president.

HALI SITTIG MOVED TO ELECT RICK BARGER AS 2026 EDA PRESIDENT. CLINT BERGLOF SECONDED THE MOTION. MOTION CARRIED, 5-0 – RICK BARGER AND LLOYD HILGART ABSTAINED.

Acting and newly appointed EDA President Mr. Barger entertained nominations for 2026 EDA Vice-President.

Mr. Morphew offered to serve again in the position if no one else desires the role. He in so doing felt he nominated himself for 2026 EDA Vice-President.

RICK BARGER MOVED TO ELECT JON MORPHEW AS 2026 EDA VICE-PRESIDENT. TRACY HINZ SECONDED THE MOTION. MOTION CARRIED, 7-0.

Mr. Barger entertained nominations for EDA Treasurer.

Mr. Thares said Ms. Sittig has served on the position and asked if she wanted to continue in that role.

Ms. Sittig said she is willing to serve again in that position if no one desires the role. She also said her willingness could be considered a self-nomination for 2026 EDA Treasurer.

CLINT BERGLOF MOVED TO ELECT HALI SITTIG AS 2026 EDA TREASURER. JON MORPHEW SECONDED THE MOTION. MOTION CARRIED, 7-0.

Mr. Thares said the Secretary position is currently held by Staff and could continue in that same manner.

B./C. Consideration of Reviewing EDA Bylaws/Consideration of Reviewing EDA Enabling Resolution

Mr. Thares included the information regarding the EDA's enabling resolution and Bylaws which are typically reviewed at the Annual Meeting. He noted that there are no staff recommendations as per review by the EDA attorney confirming the statutory language found no changes needed. They only need to be changed if the EDA members feel there should be adjustments. He said staff have no recommendations for changes based on EDA attorney review

Members concurred that no changes were needed in the organizational documents and no action was taken.

D. Consideration of EDA Financial Statements and Fund Balance Information

Finance Director Sarah Rathlisberger introduced herself and guided EDA members first through the Schedule of Revenues, Expenditures and Changes in Fund Balance for 2025. She then explained the Schedule of Assets, Liabilities, Deferred Inflows of Resources and Fund Balances for 2025.

When asked if any TIF fund balances may be nearing default to the County, Ms. Rathlisberger said no, then explained the excess increment process used for TIF 22, which has since been decertified and is no longer collecting increment dollars.

Ms. Hinz drew attention to TIF 24 nearing decertification in 2026, asked what to anticipate. Ms. Rathlisberger said for EDA to anticipate a resolution later in the year for review in which she will formally file with State auditors seeking decertification. Ms. Hinz asked if there is a definitive timeframe that might be used to capture pooled funding after decertification to utilize for future housing funding. Ms. Rathlisberger said she was not aware and would reach out to the EDA attorney to confirm.

TRACY HINZ MOVED TO APPROVE THE EDA 2025 YEAR END FINANCIAL REPORTS. HALI SITTIG SECONDED THE MOTION. MOTION CARRIED, 7-0.

3. Approval of Agenda

LLOYD HILGART MOVED TO APPROVE THE FEBRUARY 11, 2026, EDA REGULAR MEETING AGENDA. TRACY HINZ SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

4. Consent Agenda

A. Consideration of Payment of Bills

B. Consideration of Approving December 10, 2025 Regular Meeting Minutes

C. Consideration of Approving December 10, 2025 Workshop Meeting Minutes

D. Consideration of Approving October 8, 2025 Workshop Meeting Minutes

Mr. Thares referenced minor clerical edits which would be amended for the record.

LLOYD HILGART MOVED TO APPROVE THE CONSENT AGENDA. TRACY HINZ SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

5. Public Hearing

A. Consideration of a Greater Monticello Enterprise Fund (GMEF) Loan application for Sperr Properties, LLC for an amount of \$65,000

Mr. Thares provided background on the agenda item for consideration of authorizing a GMEF Loan to Sperr Properties, LLC dba L&L Homestyle Café, LLC for \$65,000 and a Business Subsidy Agreement for interior improvements and purchase of restaurant equipment. He provided background to the prior workshops and meetings to date regarding loan applications and of the improvements needed to be made to the building.

He provided a high-level overview of the funding uses and sources, including the components to certain aspects of the overall project. He also noted the scoring evaluation matrix. He stated that the underwriting report was not yet received from the local bank. He believes it will be available in the coming weeks. He said following the EDA opening and closure of the public hearing, staff's recommendation is to table the consideration until the March 11 regular meeting for all required documentation to be received.

Mr. Barger opened the public hearing portion of the agenda item.

Larry Sperr introduced himself and his nephew Logan Sperr as co-owners. He also said his brother, Mark, is also a partner, but not able to attend the meeting. He described the business opening, the general operational goals and unanticipated delays involving MN Department of Health licensing requirements which were recently completed. He described January as a slow month in the restaurant industry and offsetting expenses by booked catering events. He estimated about \$92,000 for interior updates. He touched on food costs, labor, and sales. He then noted that the exterior improvements such as windows and the front door replacement are slated to occur in April or May.

Mayor Hilgart said he has been in the re-opened restaurant a few times already and he noted the nice atmosphere and good customer numbers for this time of year.

Ms. Hinz gave praise to Mr. Sperr's work ethic experienced at her visits to the café, working alongside and hands-on with his employees.

Mr. Barger spoke about the buzz around town and in favor to the community outreach for the café to succeed and thrive in Downtown.

Mr. Sperr said he received compliments from a neighboring business for success and for potential to revive downtown livelihood.

Mr. Thares touched briefly on the history of the EDA review of the loan request and of the timeline to reopen and the injection of bridge loan dollars to allow the equipment to purchase to occur prior to the EDA final consideration of the loan. He also noted the \$24 hourly wage was averaged over the entire staff and included gratuities.

Mr. Barger closed the public hearing portion of the agenda item.

HALI SITTIG MOTIONED TO TABLE CONSIDERATION OF THE ITEM TO THE MARCH 11, 2026, EDA MEETING FOR RECEIPT OF A COMPLETED UNDERWRITING REPORT FOR REVIEW. CLINT BERGLOF SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

6. **Regular Agenda**

- A. **Consideration of adopting Resolution 2026-03 authorizing a Greater Monticello Enterprise Fund (GMEF) Loan to Renewed Pilates, LLC in the amount of \$28,500 and**

Business Subsidy Agreement for equipment purchases and startup costs

Mr. Thares provided background on the agenda item for consideration of authorizing a GMEF Loan to Renewed Pilates, LLC for \$28,500 and a Business Subsidy Agreement for equipment purchases and startup costs. He provided background of the December 10, 2025, workshop the businesses start-up plans and goals for the Pilates fitness studio in Downtown Monticello.

Mr. Thares provided information regarding financials between applicant and property management for studio space within Block 52. He noted that the GMEF loan request amount was approximately 12% of the entire project cost with the rest of the funding coming from Sherburne State Bank and the landlord in the form of the 1,734 sq. ft. space buildout.

When asked why a public hearing was not needed for this request, Mr. Thares explained the minimum funding threshold as being \$150,000 as per the MN State Business Subsidy Statute. He also noted the scoring evaluation matrix.

Cassie Mallinger reintroduced herself to the EDA members and clarified the indicated wages did not include potential incentives which is unique commonality within the fitness industry. She spoke of generous wages for quality staff to offset trainer certification costs. She explained the business operational hours and end goal of having five full-time staff instructors. Ms. Mallinger said she has already received positive feedback in the community and is eager to open up her fitness studio.

Mr. Morphew appreciated the need and fit within the community for a fitness studio of this nature.

When asked about the Pilates programs, Ms. Mallinger explained the monthly subscriptions for service and package plans to suit. She indicated that she would need 30 clients for sustainability and currently has 60 at her Maple Grove studio location. She explained additional staff would be needed if more classes should be added. She said her goal is to add two more reformer machines to max out at eight, keeping class sizes more personable.

JON MORPHEW MOVED TO APPROVE RESOLUTION 2026-03 AUTHORIZING A GMEF LOAN TO RENEWED PILATES, LLC IN THE AMOUNT OF \$28,500 AND A BUSINESS SUBSIDY AGREEMENT FOR EQUIPMENT PURCHASES AND STARTUP COSTS. HALI SITTIG SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0.

7. Other Business

A. Consideration of Economic Development Manager's Report

Community and Economic Development Coordinator Tyler Bevier provided an overview of the 2026 EDAM Winter Conference attended in January with Mr. Thares.

EDA Regular Meeting Minutes – February 11, 2026

Mr. Thares provided reports on the following items:

- Local Option Sales Tax Revenue Collections
- February Planning Commission updates

Mr. Morpew drew attention to the efforts by City Staff and decision makers and transparency in working to create a land use ordinance for data center development. Mr. Barger also spoke admirably of the City Planning Commission and City Council efforts in this realm and credited City staff for continuous communication within the community.

Mr. Thares spoke of the WCEDP Annual Meeting and awards ceremony held on January 16 wherein the City of Monticello received the 2025 Partner of the Year Award. He also provided updates regarding projects to date including Building Permits.

Ms. Hinz inquired on the status for development of Wendy's project; Ms. Schumann explained the request for, and approved extensions on, the conditional use permit (CUP) anticipated to expire in September 2026 without action.

Mr. Thares also provided updates to the project prospects list including Kids Haven Childcare and noted that Wright County may be able to obtain some grant funding for the Kids Haven development proposal.

8. Adjournment

LLOYD HILGART MOVED TO ADJOURN THE REGULAR MEETING OF THE MONTICELLO EDA. CLINT BERGLOF SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY, 7-0. MEETING ADJOURNED AT 7:20 P.M.

Recorded by: Anne Mueller__

Approved: March 11, 2026

ATTEST: _____
Jim Thares, Executive Director of the Monticello EDA

4A. PUBLIC HEARING (Business Subsidy) - Consideration of Resolution 2026-04 Authorizing a Small Cities Development Program (SCDP) Loan Agreement and a Business Subsidy Agreement with Kids Haven of Monticello Holdings, LLC and Kids Haven of Monticello, LLC in the amount of \$250,000 in connection with a proposed 26,704 sq. ft. childcare center development

<p>Prepared by: Economic Development Manager</p>	<p>Meeting Date: 3/11/2026</p>	<p><input type="checkbox"/> Consent Agenda <input checked="" type="checkbox"/> Public Hearing Item</p>
<p>Reviewed by: Community Development Director Community Economic Development Coordinator, Finance Director</p>	<p>Approved by: City Administrator</p>	

ACTION REQUESTED

Open Business Subsidy Public Hearing related to the proposed \$250,000 SCDP Loan and accept public comments for the record.

Motion to table consideration of adopting Resolution 2026-04 Authorizing a SCDP Loan Agreement and a Business Subsidy Agreement with Kids Haven of Monticello Holdings, LLC and Kids Haven of Monticello, LLC in the amount of \$250,000 in connection with a proposed 26,704 sq. ft. childcare center development until April 8, 2026.

REFERENCE AND BACKGROUND

Kids Haven Childcare ownership recently submitted a financing application to City staff to fill a funding gap in a \$6,700,000 development proposal at a City owned site on School Boulevard near the Emagine Theater and River City Extreme (the bowling alley facility). The City Council is considering the Contract for Private Development with the embedded Purchase Agreement at its regular meeting on March 9, 2026. The EDA reviewed a loan pre-application from Kids Haven and discussed the proposed development with the applicant in a Workshop meeting on January 8, 2026. The EDA consensus was to move forward with the loan and bring it to a regular meeting for final consideration. The SCDP funding would be used to purchase playground equipment for the new facility which is projected to cost approximately \$1,000,000 +/- in total. If the EDA approves the loan, it will be secured through a second mortgage against the real property as well as a UCC filing against the playground equipment.

Per MN State Statutes, a business subsidy public hearing is required due to the proposed loan of \$250,000 which is defined as a business subsidy. The loan agreement will contain a section outlining the business subsidy agreement and the enforcement of the provisions relating to completing the proposed 26,704 square foot development and creation of 40 fte jobs at the daycare facility. **Please note that the loan documents are not attached to this staff report as the bank that is providing the financing for the proposed development has yet to provide a funding commitment letter for the Kids Haven childcare facility development proposal.** That is expected to happen in the next two weeks. Staff have been communicating with the Kids Haven ownership team, and they indicated that they have received numerous quality and competitive contractor quotes for development of the new facility and that they are planning to select a general contractor in early March. With that timeframe as a backdrop, the EDA final consideration of the proposed SCDP loan will be targeted at the regular April 8, 2026, EDA meeting.

Notable economic benefits of EDA support for the proposed Kids Haven childcare center development (as outlined by Kids Haven staff) include the following:

1. Strengthening the Local Workforce

Reliable, affordable childcare enables parents, especially mothers, to reenter the workforce, increase their hours, or pursue advancement opportunities. By alleviating the burden of childcare, Kid's Haven Monticello will empower more families in Monticello and surrounding areas to fully participate in the labor market, contributing to increased productivity and economic growth.

2. Supporting Local Businesses

When parents have dependable childcare, they are more likely to remain employed and patronize local businesses. Employers will benefit from reduced absenteeism and improved employee retention, while businesses throughout the area can expect increased foot traffic and consumer spending from working families.

3. Creating Local Jobs

Kid's Haven Monticello will generate over 50 direct employment opportunities, including educators, administrators, and support staff. Additionally, local vendors and contractors will benefit from construction, supply chain, and service partnerships. This investment strengthens the local job market and stimulates economic activity.

4. Attracting and Retaining Young Families

Access to high-quality early childhood education is a leading factor for families choosing where to live and work. Kid's Haven Monticello enhances Monticello's appeal as a family-friendly community, encouraging residential growth, boosting housing demand, and expanding the local tax base.

5. Driving Long-Term Economic Gains

Decades of research demonstrate that investment in early childhood education yields long-term economic benefits, including higher high school graduation rates, increased lifetime earnings, and

reduced reliance on public services. By implementing the nationally respected Creative Curriculum and utilizing Teaching Strategies GOLD for assessment, Kid's Haven Monticello will provide children with the foundation for lifelong success and future workforce readiness.

6. Reducing Dependency on Public Assistance

By offering affordable childcare, Kid's Haven Monticello reduces economic strain on working families. Stable employment enabled by childcare access directly correlates with reduced use of public assistance programs, resulting in cost savings at the local and state levels.

7. Supporting Economic Development and Business Recruitment

Communities with reliable childcare infrastructure are more attractive to prospective businesses and investors. Kid's Haven Monticello will serve as a vital asset in Monticello's efforts to attract new employers and grow the local economy.

If the EDA approves the \$250,000 gap funding request, it will help facilitate the development of a new \$6,700,000 +/- childcare facility in the City of Monticello. Like numerous communities in the region, Monticello has been noted as having a consistent perennial childcare supply-demand imbalance of 655 to 730 slots over the past 7 to 9 years. In that same time frame, City staff have had discussions with 4 to 5 other childcare providers who have expressed interest in submitting proposals to develop new day care facilities in the City, though due to significant financing challenges, none of the previous concept proposals were able to move forward.

- I. **Budget Impact:** The budget impact related to consideration of the proposed SCDP loan would be a reduction of the loan fund balance of \$1,092,000 by a total of \$250,000 resulting in new loan fund balance of \$842,000 +/- . The borrower is paying the legal fees estimated to be \$2,350 +/- related to drafting the loan documents.
- II. **Staff Workload Impact:** In-house staff involved in the tasks related to the Kids Haven loan consideration include the Economic Development Manager, Community Development Director, Community Economic Development Coordinator, Finance Director, and City Administrator. The EDA attorney has also been involved in drafting the loan agreement and related documents.
- III. **Comprehensive Plan Impact:** Continuing to support the efforts that achieve the City's goals for expanded employment and tax base is consistent with the Monticello 2040 Value Statement of "A diversified and strong local economy competitive at regional, state and national levels." The Monticello 2040 + Plan's Economic Development Chapter includes numerous statements aligned with this proposed expansion, including those for business retention, reinvestment, tax base expansion, and workforce development.

STAFF RECOMMENDATION

Staff recommend the EDA table final consideration of adopting the resolution approving the SCDP Loan with Kids Haven of Monticello Holdings, LLC and Kids Haven of Monticello, LLC (operating company of the childcare facility) to fill a funding gap in the project financing and to specifically utilize the \$250,000 SCDP loan to purchase playground equipment until the April 8, 2026 regular EDA meeting. The score evaluation of the Kids Haven development proposal (attached as exhibit E) shows a total score of 35 points. This is comparable to the evaluation scores for the facility expansions by Wiha Tools, and UMC as well as the new Fairfield by Marriott Hotel development. The Kids Haven childcare facility development proposal will help address the serious day care demand-supply imbalance which was identified as a consequential challenge in the community approximately 8 years ago. Annual surveys of the slot shortage provided by First Children's Finance of Minnesota have consistently found Monticello's deficit to be in a range of 655 to 730 childcare slots.

SUPPORTING DATA

- A. Kids Haven SCDP Loan Application Submittal Packet
- B. Kids Haven Childcare Facility Attributes
- C. Kids Haven Community Economic Benefits
- D. Monticello Childcare Slot Gap-Deficit Information
- E. Kids Haven Score Evaluation
- F. Proposed Kids Haven Site
- G. Proposed Development Site Plan
- H. Proposed Kids Haven Childcare Facility (26,704 square feet)
- I. Aerial Photo of City Parcel
- J. WC Beacon Report
- K. Public Hearing Notice – Business Subsidy Public Hearing

Life is good.
BUSINESS IS GREAT.

Development Services
Jim Thares | Economic Development Manager
Email: Jim.Thares@MonticelloMN.gov
Phone: (763) 271-3254

Monticello Economic Development Authority
505 Walnut Street, Suite 1, Monticello, Minnesota 55368

**Business
Subsidy
Application**

Legal name of applicant: Melissa Sjolin

Address: 2140 Bice Ave NW Buffalo, MN 55313

Telephone number: [REDACTED]

Name of contact person: Missy Sjolin

REQUESTED INFORMATION

Addendum shall be attached hereto addressing in detail the following:

1. A map showing the exact boundaries of proposed development.
2. Give a general description of the project including size and location of building(s); business type or use; traffic information including parking, projected vehicle counts and traffic flow; timing of the project; estimated market value following completion.
3. The existing Comprehensive Guide Plan Land Use designation and zoning of the property. Include a statement as to how the proposed development will conform to the land use designation and how the property will be zoned.
4. A statement identifying how the increment assistance will be used and why it is necessary to undertake the project.
5. A statement identifying the public benefits of the proposal including estimated increase in property valuation, new jobs to be created, hourly wages and other community assets.
6. A written description of the developer's business, principals, history and past projects

I understand that the application fee will be used for EDA staff and consultant costs and may be partially refundable if the request for assistance is withdrawn. Refunds will be made at the discretion of the EDA Board and be based on the costs incurred by the EDA prior to withdraw of the request for assistance. If the initial application fee is insufficient, I will be responsible for additional deposits.

SIGNATURE

Applicant's signature: Melissa Sjolin Digitally signed by Melissa Sjolin
Date: 2025.12.16 11:50:15 -06'00'

Date: 12/16/2025

CITY OF MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY

Application for Business Assistance Financing

GENERAL INFORMATION:

Business Name: Kid's Haven Date: 12/16/2025

Address: 302 12th Ave S Buffalo, MN 55313/XXX School Blvd Monticello, MN 55362

Type (Partnership, etc.): Cooperation

Authorized Representative: Melissa Sjolin Phone: [REDACTED]

Description of Business: Child Care and Preschool

Legal Counsel: _____

Address: _____ Phone: _____

Financial Assistance Seeking GMEF TIF SCDP Downtown Facade Tax Abatement

FINANCIAL BACKGROUND:

1. Have you ever filed for bankruptcy? **No**

2. Have you ever defaulted on any loan commitment? **No**

3. Have you applied for conventional financing for the project? **No**

4. List financial references:

a. Old National Bank

b. Bank of America

c. American Express

5. Have you ever used Business Assistance Financing before? No
If yes, what, where and when? _____

PROJECT INFORMATION:

1. Location of Proposed Project: Parcel A: XXX School Blvd Monticello, MN 55362

2. Amount of Business Assistance requested? \$125,000

3. Need for Business Assistance: \$125,000

4. Present ownership of site: City of Monticello

5. Number of permanent jobs created as a result of project? 70

6. Estimated annual sales: Present: 0 Future: \$4,200,000.00

7. Market value of project following completion: 6.5 million

8. Anticipated start date: spring 2026 Completion Date: winter 2026

FINANCIAL INFORMATION:

1. Estimated project related costs:	
a. Land acquisition	<u>\$ 250,000</u>
b. Site development	<u>379,094.65</u>
c. Building cost	<u>5,000,000</u>
d. Equipment	<u>1,000,000</u>
e. Architectural/engineering fee	<u>150,000</u>
f. Legal fees	<u>25,000</u>
g. Off-site development costs	<u>50,000</u>

2. Source of financing:

a. Private financing institution	\$ 5,000,000
b. Tax increment funds	150,000
c. Other public funds	0
d. Developer equity	<u>\$ 485,000</u>

PLEASE INCLUDE:

1. Preliminary financial commitment from bank.
2. Plans and drawing of project.
3. Background material of company.
4. Pro Forma analysis.
5. Financial statements.
6. Statement of property ownership or control.
7. Payment of application fee of \$250.00



CITY OF MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY
BUSINESS SUBSIDY APPLICATION
BUSINESS ASSISTANCE FINANCING
763-295-2711 – info@ci.monticello.mn.us

Name of Contact Person: Melissa Sjolin

Address: 2140 Bice Ave NW Buffalo, MN 55313

Telephone number: [REDACTED]

Business Name: Kid's Haven Child Care and Preschool

Business Address: 302 12th Ave S Buffalo, MN 55313/ XXX School Blvd Monticello, MN 55362

REQUESTED INFORMATION

Addendum shall be attached hereto addressing in detail the following:

1. A map showing the exact boundaries of proposed development.

See Exhibit A

2. Give a general description of the project including size and location of building(s); business type or use; traffic information including parking, projected vehicle counts and traffic flow; timing of the project; estimated market value following completion.

Kid's Haven of Monticello, MN is a proposed early childhood education and child care facility to be developed on Parcel A, a 2.93-acre parcel located along School Boulevard in Monticello, Minnesota. The land will be purchased from the City of Monticello at a purchase price of \$250,000.

The project consists of a single-story, approximately 27,000-square-foot purpose-built facility designed to serve up to 316 children, from infants through school age (6 weeks-12 years). The center will operate as a licensed child care and early learning facility, providing full-day care and developmentally appropriate educational programming.

The site design includes on-site parking for staff and families, designated drop-off and pick-up lanes, and clearly defined traffic flow to safely accommodate peak morning and afternoon arrival and departure times. Traffic will primarily consist of passenger vehicles associated with parent drop-off and pick-up and staff commuting. Peak traffic is expected during standard business hours, with traffic flow designed to minimize congestion and ensure safety.

Construction is anticipated to begin in spring 2026, subject to final approvals and permitting. Upon completion, the facility will employ approximately 70 staff members and serve families in Monticello and surrounding communities.

The total project investment includes a land purchase cost of \$250,000, an estimated \$5 million construction cost for the building, and approximately \$529,094.65 in pre-construction costs incurred prior to the start of construction. Additional capital investments include classroom furnishings, educational materials, playground equipment, and commercial kitchen equipment, estimated at \$1 million.

Based on the total scope and specialized nature of the facility, the estimated market value upon completion is approximately \$6.5 million, reflecting the land, building, and equipment investments.

3. The existing Comprehensive Guide Plan Land Use designation and zoning of the property. Include a statement as to how the proposed development will conform to the land use designation and how the property will be zoned.

The subject property, Parcel A along School Boulevard, is designated in the Comprehensive Guide Plan as Public/Institutional land use. The property is currently planned to be zoned as Public and Institutional (P/I) by the City of Monticello.

The proposed Kid's Haven Monticello development, as an early childhood education and licensed child care facility, is fully consistent with the Public/Institutional land use designation, which is intended for educational, community service, and institutional uses that serve the public. The facility will be constructed and operated in compliance with all applicable P/I zoning regulations, including building setbacks, parking requirements, traffic flow, and safety standards.

By providing a licensed child care and educational program, the development aligns with the City's vision for community-serving uses within this district, supporting local families and enhancing the institutional character of the area.

4. A statement identifying how the increment assistance will be used and why it is necessary to undertake the project.

The increment assistance requested for the Kid's Haven Monticello project will be used to support key project costs that are necessary to make the development financially feasible. This includes the purchase of the 2.93-acre parcel from the City of Monticello (\$250,000), pre-construction expenses, site preparation, infrastructure improvements, and the acquisition of classroom furnishings, playground equipment, and specialized educational resources.

While the majority of the project funding comes from private investment, increment assistance is necessary to bridge the gap between project costs and operational feasibility, allowing the facility to be constructed to the high-quality standards required for a licensed early childhood education center while maintaining affordable tuition rates for families.

Without this assistance, essential components of the project, including the land acquisition and critical infrastructure would be difficult to fund, potentially delaying construction or limiting the center's capacity to serve the intended number of children in a safe, developmentally appropriate environment.

5. A statement identifying the public benefits of the proposal including estimated increase in property valuation, new jobs to be created, hourly wages and other community assets.

The development of Kid's Haven Monticello will provide multiple public benefits to the City of Monticello and the surrounding community. The facility will create approximately 70 new full- and part-time jobs, offering competitive hourly wages consistent with industry standards for early childhood educators and support staff. These positions will contribute to the local economy through increased household income and spending.

The project is expected to increase the property valuation by approximately \$6.5 million upon completion, reflecting the value of the land, building, and equipment investments. This increase will positively impact local tax revenues, supporting community services and infrastructure.

Importantly, the facility will address a critical local shortage of child care, filling a deficit of over 600 child care spots in the area. By providing licensed, high-quality early childhood education, the center will expand access for families, support workforce participation, and contribute to the social and developmental well-being of children in Monticello and surrounding communities.

Additional community benefits include safe playgrounds, accessible parking, and well-designed traffic flow, enhancing neighborhood safety and functionality. Overall, the project aligns with the City's goals for economic development, community service, and institutional land use, providing both tangible economic gains and essential social benefits.

6. A written description of the developer's business, principals, history and past projects

Kid's Haven. is an established early childhood education and child care organization founded in 1991 by Terry Peterson. The organization has a long-standing reputation for providing high-quality, licensed child care and developmentally appropriate educational programs for children from infancy through preschool age. Kid's Haven combines strong educational programming with a safe and nurturing environment for children, emphasizing flexibility for families.

The principals of Kid's Haven include Terry Peterson, founder, and Missy Sjolin, Director and Owner of the flagship Buffalo facility, who bring decades of combined expertise in early childhood education, facility operations, business management, and community engagement.

Kid's Haven has a proven record of successfully operating multiple centers. The first expansion, Kid's Haven Waverly, is scheduled to open in spring 2026. This building is privately owned and leased to provide high-quality child care to the Waverly area. The proposed Kid's Haven Monticello will be the organization's second expansion and will be a purpose-built,

27,000-square-foot facility serving up to 316 children and employing approximately 50 staff members.

This expansion continues Kid's Haven's mission of providing high-quality, flexible child care. The organization is the only child care provider in the region offering flexible care and tuition options, allowing families to focus on what matters most, spending time with their children when time allows, while ensuring their children receive excellent early education and care when needed.

I understand that the application fee will be used for EDA staff and consultant costs and may be partially refundable if the request for assistance is withdrawn. Refunds will be made at the discretion of the EDA Board and be based on the costs incurred by the EDA prior to withdraw of the request for assistance. If the initial application fee is insufficient, I will be responsible for additional deposits. I further understand that by signing below, should the original escrow be exceeded, the applicant or responsible party will be billed for all additional services. In signing the acknowledgement below, the applicant is indicating that they have not relied on the estimate of fees in their decision to proceed with the application. If payment is not received as required by this agreement, the City will proceed to recover payment by action of assessment or a lien against the real property. Payment of the costs will be required whether the application is granted or denied.

SIGNATURE

Applicant's signature: Melissa Sjolín

Date: 12/16/2025

FINANCIAL BACKGROUND:

1. Have you ever filed for bankruptcy? No
2. Have you ever defaulted on any loan commitment? No
3. Have you applied for conventional financing for the project? No
4. List financial references:
- a. Old National Bank
 - b. Bank of America
 - c. American Express
5. Have you ever used Business Assistance Financing before? No
- If yes, what, where and when? _____

PROJECT INFORMATION:

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3. Need for Business Assistance: \$125,000
4. Present ownership of site: City of Monticello
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6. Estimated annual sales: Present: 0 Future: 4,200,000.00
7. Market value of project following completion: \$6.5 million
-
8. Anticipated start date: Spring 2026 Completion Date: Winter 2026

FINANCIAL INFORMATION:

1. Estimated project related costs:

a. Land acquisition	\$ 250,000
b. Site development	379,094.65
c. Building cost	5,000,000
d. Equipment	1,000,000
e. Architectural/engineering fee	150,000
f. Legal fees	25,000
g. Off-site development costs	50,000

2. Source of financing:

a. Private financing institution	\$ 5,000,000
b. Tax increment funds	150,000
c. Other public funds	0
d. Developer equity	<u>\$485,000</u>

PLEASE INCLUDE:

1. Preliminary financial commitment from bank.
2. Plans and drawing of project.
3. Background material of company.
4. Pro Forma analysis.
5. Financial statements.
6. Statement of property ownership or control.
7. Payment of application fee of \$250.

Background Material of Company

Company Overview

Kid's Haven LLC is an established, state-licensed child care provider based in Buffalo, Minnesota. The company has a long-standing history of providing high-quality early childhood education and care to families in the surrounding community. Building on this proven model, a third location, Kid's Haven of Monticello LLC, is being developed as a franchise of Kid's Haven.

Nature of Business

Kid's Haven operates licensed child care centers offering full time, part time and drop in care as well as early learning services for children from infancy through school age. The program emphasizes a safe, nurturing environment, developmentally appropriate curriculum, and strong partnerships with families. All operations comply with Minnesota Department of Human Services (DHS) licensing requirements.

Company History and Experience

Kid's Haven LLC has successfully operated its Buffalo location for many years and has developed a strong reputation for quality care, consistent enrollment, and operational stability. The business has demonstrated the ability to manage staffing, licensing compliance, enrollment demand, and financial performance within the highly regulated child care industry.

The decision to expand into Monticello, Minnesota reflects the strength of the Kid's Haven brand and the owner's experience in operating a successful child care center. The Monticello location is not a startup concept, but rather an expansion of an established and proven business model.

Ownership and Management

Kid's Haven LLC is owned and operated by an experienced child care business owner with decades of hands-on management experience in early childhood education. The ownership brings extensive knowledge of licensing regulations, staffing requirements, curriculum oversight, parent relations, and financial management.

Kid's Haven of Monticello LLC will be owned and operated under the Kid's Haven franchise structure, ensuring continuity in policies, procedures, curriculum, and quality standards between locations. The owner will remain actively involved in oversight and strategic direction.

Expansion and Franchise Structure

Kid's Haven of Monticello LLC is being established as a franchise of Kid's Haven LLC. This structure allows the Monticello location to leverage the established Kid's Haven name, operating

systems, policies, and experience while serving a new and growing community. The franchise model reduces startup risk by relying on a proven operational framework rather than developing a new business concept.

Mission and Philosophy

The mission of Kid's Haven is to provide high-quality, dependable child care in a safe and supportive environment where children can learn, grow, and thrive. The company is committed to supporting working families and contributing positively to the communities it serves.

Life is good. BUSINESS IS GREAT.

Development Services
Jim Thares | Economic Development Manager

Email: Jim.Thares@MonticelloMN.gov
Phone: (763) 271-3254

Monticello Economic Development Authority
505 Walnut Street, Suite 1, Monticello, Minnesota 55368

Business Subsidy Preliminary Qualifying Application

Please Note: All information provided on this application is made public

Contact Information

Applicant: Melissa Sjolín
Firm Or Trade Name: Kid's Haven Child Care and Preschool
City/State: Monticello, MN
Telephone: (Bus.) [REDACTED]
E-Mail: [REDACTED]

Business Information

Type Of Business: Sole Proprietorship Corporation Partnership Start Up
Type Of Project: Manufacturing Commercial Residential
Type Of Project: New Business Relocation Expansion
Financial Assistance Seeking: GMEF TIF Tax Abatement SCDP
History of Your Business Established in 1991, Kid's Haven has a long history of delivering safe, nurturing, high-quality child care. Our Monticello center will continue this legacy while meeting a critical community need.

Development Plans

Total Sq. Ft. of Building 27,000 Own Lease
Estimated Sq Ft Cost of Construction \$185.19 per sq ft
Estimated Land Acreage 3.00

Describe Your Project (Products, Processes, Employment Types, Location(s), Customers, Markets & Any other information to help us understand the nature of your business)

Kid's Haven Monticello is a 27,000-square-foot child care and early education center serving infants through school-age children. The center will employ 70 staff members and provide high-quality programs focused on social-emotional growth and school readiness. We serve local families in a community with high demand for licensed child care, bringing over 30 years of experience from our Buffalo location to Monticello.

Attach Any Images or Plans That May Help Explain Your Project

Financial Information

Anticipated Lender Old National Bank and SBA
Anticipated Contractor Not determined yet
Anticipated Amount of Financial Request from EDA \$125,000
Anticipated Schedule March 2026

Job And Wage Level Creation

For Monticello Location Only: Created & Filled FTE within Two Years
of Jobs ⁷⁰ 70
Average Wages Per Employee 18.00 per hour

Date 12/12/2025

Signature Melissa Sjolín

Digitally signed by Melissa Sjolín
Date: 2025.12.12 16:01:04 -06'00'

Government Data Practices Act — Tennessen Warning:

The data you supply on this form will be used to process the application for which you are applying. You are not legally required to provide this data, but the City of Monticello may not be able to process your application without it. The data will constitute a public record if posted to a board or commission agenda packet and as such will be available to the general public upon written request. Minnesota Statute §13.41



0 50 100 150

GRAPHIC SCALE IN FEET

KIDS HAVEN PROJECT
MONTICELLO, MN

CONCEPT
11/28/2025

316 STUDENTS
35 STAFF MAX SHIFT

CITY REQ PARKING = 99
PROVIDED PARKING = 85
PROOF PARKING = 14

SCHOOL BOULEVARD

SHARED ACCESS
DRIVEWAY LOT 1
AND OUTLOT A

OUTLOT
A

178,230 SF +/-
4.09 AC

LOT 1
BLOCK 1
127,517 SF +/-
2.93 AC

PROPOSED BUILDING
28,704 SF
FFE=XXXX

PROPOSED
LOT LINE

TRASH
ENCLOSURE

SHARED ACCESS
DRIVE LOT 1 AND
ADJACENT LOT

DEECAN AVE



What Sets Kid's Haven Child Care and Preschool Apart

At Kid's Haven, we're not just a child care center—we're a community. Here's what makes us stand out:

1. Longstanding Reputation & Community Roots

Founded in 1991, Kid's Haven has decades of experience in nurturing and educating young children. We've built deep connections with families, schools, and the community, and our impact is visible in generations of confident, curious learners.

2. Quality Curriculum & Assessments

We implement the Creative Curriculum, a research-based, whole-child approach that emphasizes exploration and learning through play. We pair this with Teaching Strategies GOLD to track developmental progress and ensure every child gets the personalized support they need to thrive.

3. Holistic Focus on Growth

We're not just about academics. Our programs are designed to support social-emotional development, communication skills, and self-regulation. Our goal is to help children grow into kind, capable, and confident individuals.

4. Exceptional Staff

Our team is the heart of our program. Kid's Haven employs experienced, passionate educators committed to continuous learning and professional development. Many of our teachers are long-tenured, creating a strong sense of stability and care for families.

5. Commitment to Safety & Wellness

From our drug-free workplace policy to our secure facilities, children's safety is our top priority. We maintain low child-to-staff ratios, and our buildings are designed with children's well-being in mind.

6. Modern, Spacious Facilities

Our Buffalo location serves 372 children in a thoughtfully designed space, and our new Monticello center will serve 316 children in a 27,000-square-foot facility. Every detail is planned to foster learning, comfort, and community.

7. Family Partnerships

We believe families are a child's first teacher. We communicate regularly, share updates, and invite families into the learning process. Your voice matters here.

8. Flexible & Responsive

We understand that every family's needs are different. Our programs are designed with flexibility, and we continuously adapt based on family feedback and evolving best practices.



Expanding Excellence in Early Childhood Education in Monticello

Kid's Haven Child Care is set to become a premier early childhood education center in Monticello, MN, offering high-quality care and education for 316 children, from infancy through school age. Our 27,000-square-foot facility will provide a safe, nurturing, and stimulating environment designed to foster development through structured curriculums, play-based learning, and dedicated staff. The center will employ 50 experienced and passionate staff members committed to shaping young minds.

A Legacy of Excellence Since 1991

For over three decades, we have built and refined a child care business that is second to none in the industry. What sets Kid's Haven apart is not just our commitment to quality education but also the personalized, flexible approach we offer to families. As we reflect on our early days, we recognize the challenges of starting and growing a child care business. There were times we wished for a mentor—someone with hands-on experience to provide guidance on staffing, community engagement, and problem-solving. Experience is invaluable, and that is exactly what we bring to Monticello: a proven, trusted model built on decades of success.

Why Monticello? Why Now?

The need for high-quality child care in Monticello is undeniable, with a deficit of 600 child care spots in the area. Time and again, we've been approached by families and community members asking us to bring Kid's Haven to their town. That demand is what led us to expand into Monticello and franchise our business, creating opportunities for other passionate child care professionals to join us in making a lasting impact on children, families, and communities. At Kid's Haven Monticello, we are not just opening a child care center—we are building a foundation for lifelong learning, a trusted community



Can't say enough good things about Kid's Haven. All 3 my kiddos absolutely love the teachers there! They are really good at communication too! Our kids have gone through all rooms infant-school age.

-Palmer



Jim Thares

From: Missy Sjolin [REDACTED]
Sent: Monday, April 14, 2025 4:59 PM
To: Jim Thares
Subject: Proposal Statement: Economic Benefits of Kid's Haven Monticello

Proposal Statement: Economic Benefits of Kid's Haven Monticello

Kid's Haven Child Care Center proposes to bring a high-quality, cost-effective early childhood education facility to Monticello, Minnesota. This 27,000-square-foot center will serve up to 316 children and employ approximately 50 staff members. The economic and community benefits of establishing Kid's Haven Monticello are substantial and long-lasting.

1. Strengthening the Local Workforce

Reliable, affordable child care enables parents—especially mothers—to reenter the workforce, increase their hours, or pursue advancement opportunities. By alleviating the burden of child care, Kid's Haven Monticello will empower more families in Monticello and surrounding areas to fully participate in the labor market, contributing to increased productivity and economic growth.

2. Supporting Local Businesses

When parents have dependable child care, they are more likely to remain employed and patronize local businesses. Employers will benefit from reduced absenteeism and improved employee retention, while businesses throughout the area can expect increased foot traffic and consumer spending from working families.

3. Creating Local Jobs

Kid's Haven Monticello will generate over 50 direct employment opportunities, including educators, administrators, and support staff. Additionally, local vendors and contractors will benefit from construction, supply chain, and service partnerships. This investment strengthens the local job market and stimulates economic activity.

4. Attracting and Retaining Young Families

Access to high-quality early childhood education is a leading factor for families choosing where to live and work. Kid's Haven Monticello enhances Monticello's appeal as a family-friendly community, encouraging residential growth, boosting housing demand, and expanding the local tax base.

5. Driving Long-Term Economic Gains

Decades of research demonstrate that investment in early childhood education yields long-term economic benefits, including higher high school graduation rates, increased lifetime earnings, and reduced reliance on public services. By implementing the nationally respected Creative Curriculum and utilizing Teaching Strategies GOLD for assessment, Kid's Haven Monticello will provide children with the foundation for lifelong success and future workforce readiness.

6. Reducing Dependency on Public Assistance

By offering affordable child care, Kid's Haven Monticello reduces economic strain on working families. Stable employment enabled by child care access directly correlates with reduced use of public assistance programs, resulting in cost savings at the local and state levels.

7. Supporting Economic Development and Business Recruitment

Communities with reliable child care infrastructure are more attractive to prospective businesses and investors. Kid's Haven Monticello will serve as a vital asset in Monticello's efforts to attract new employers and grow the local economy.

Conclusion

Kid's Haven Monticello represents a strategic investment in Monticello's present and future. By expanding access to affordable, high-quality child care, we will unlock economic opportunities for families, strengthen the workforce, support local businesses, and promote sustainable community development.

Thank you for your continued support!

Best,

Missy Sjolín

Director/Owner of Kid's Haven Child Care and Preschool

302 12th Ave S Buffalo, MN 55313

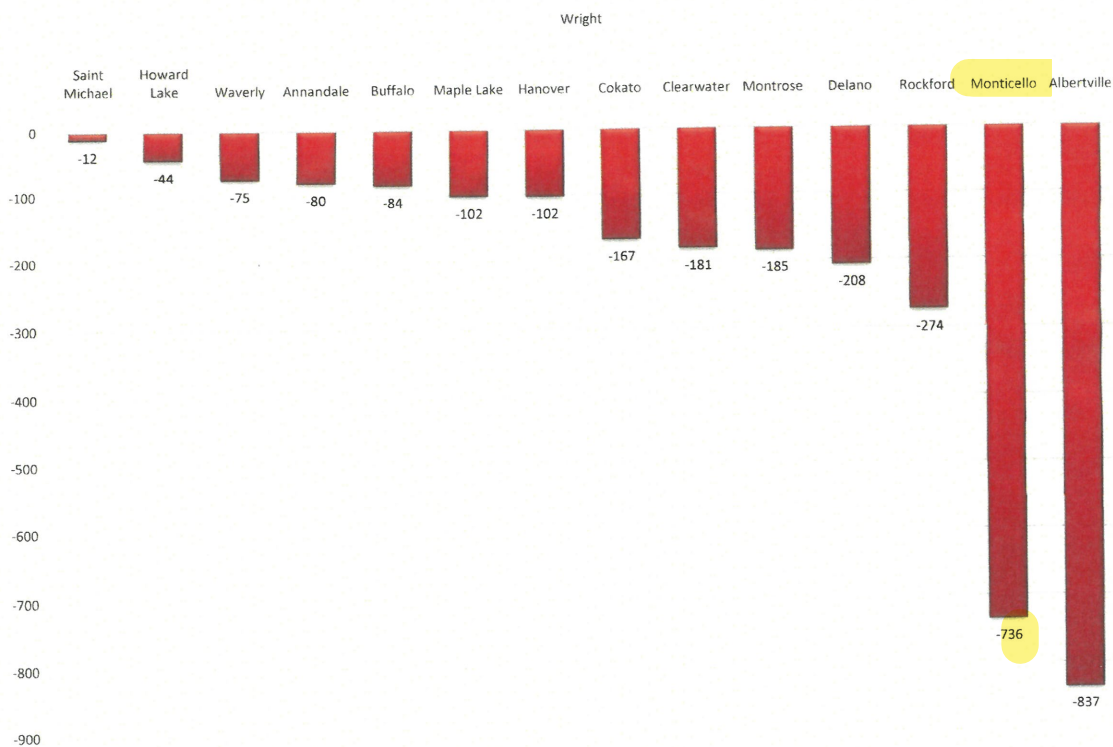
763-682-3072

Market Analysis

The great need for child care in Monticello

Below is a graph showing the demand versus capacity of child care in the area. Monticello is in need of 736 child care spots. The neighboring city Albertville is also showing a great need of 837 children who need child care. At Kid's Haven Buffalo we are servicing 40 families who are driving from Monticello or through Monticello to receive child care in Buffalo.

Wright County Child Care Demand vs Capacity



KID'S HAVEN
CHILD CARE & PRESCHOOL



City of Monticello Economic Development Authority

Project Evaluation

October 10, 2017

The scoring worksheet is to be used as a Guideline for weighing the merits of the use of EDA development tools such as incentive financing such as TIF or Tax Abatement. It is intended to be Guideline and should be applied to prospects in this manner. There may be instances where factors of a proposed development may warrant deviation from the Guidelines. It is the EDA's discretion to adhere to the Guidelines or deviate from them in the interest of furthering Economic Development Goals and Objectives in the City of Monticello as identified in by the Monticello Comprehensive Plan.

There are several factors that are pertinent to proposed scoring. They are shown below with a Worksheet Summary at the conclusion.

Name of Project: Kids Haven

1. Number of New Employees

<u>Point Value</u>	<u>Number</u>
+1	1 – 5
+2	6 - 15
+3	16 - 30
+4	31 - 50
+5	51 +

2. Number of Jobs Per Acre

<u>Point Value</u>	<u>Number Per Acre</u>
+1	1 – 2 per acre
+2	3 – 4 per acre
+3	5 – 6 per acre
+4	6 – 7 per acre
+5	8 + per acre

3. Average Wages for New Jobs

<u>Point Value</u>	<u>Pay Range</u>	<u>Dollar Weighting</u>	<u>Total Empl.</u>	<u>Weighted \$ Amt.</u>
+1	\$15,000-24,999	\$20,000	_____	\$ _____
+2	\$25,000-29,999	\$27,500	_____	\$ _____
+3	\$30,000-44,999	\$37,500	<u>70</u>	\$36,900 (18hr *2050)
+4	\$45,000-59,999	\$52,500	_____	\$ _____
+5	\$60,000 +	\$60,000	_____	\$ _____

4. Public Assistance per New Jobs

\$508,926 Public Assistance

70 Number of new jobs created

\$7270 Public Assistance per new job

<u>Point Value</u>	<u>Public Dollars Invested Per New Job</u>
+1	Over \$50,000
+2	\$40,000 to \$49,999
+3	\$30,000 to \$39,999
+4	\$20,000 to \$29,999
+5	\$0 to \$19,999

5. Number of Years of TIF Assistance Needed

+ 0	9 years
+1	8 years
+2	7 years or less

6. Developed Assessed Value Per Acre (2.93 Acres, \$6.5M valuation est)

<u>Point Value</u>	<u>Value Per Acre</u>
+1	\$150,000-199,999
+2	\$200,000-349,999
+3	\$350,000-499,999
+4	\$500,000-599,999
+5	\$600,000 +

7. Business Retention

<u>Point Value</u>	<u>Number of Retained Jobs</u>
+0.5	1-5 jobs
+1	6-10 jobs
+1.5	11-30 jobs
+2	31-50 jobs
+2.5	50-100 jobs
+3	101 + jobs

8. Ratio of Private versus Public Investment in Project

\$5,485,000 Private Investment
\$508,926 EDA/Public Investment
\$6,900,000 Total Investment

___ 9:1 ___ Ratio of Private versus Public financing

<u>Point Value</u>	<u>Ratio</u>
+1	over 2:1
+2	over 3:1
+3	over 4:1
+4	over 5:1
+5	6:1 or greater

9. Significant Community Impact

<u>Point Value</u>	<u>Unsubsidized Spin-Off development potential</u>
+1	Low potential for spin-off of unsubsidized development
+2	Moderate potential for spin-off unsubsidized development
+3	High potential for spin-off unsubsidized development

10. General Community Benefit

+2	Utilizes or fills vacant building(s) in the community
+3	Utilizes or fills vacant buildings in priority development areas in the community

11. Tenure in Business Operation

<u>Point Value</u>	<u>Number of Years in Business</u>
+1	Five years or less
+2	6 to 10 years
+3	11 years or more

12. Environmental Impacts

<u>Point Value</u>	<u>Types of Environmental Issues</u>
+1	Enhances the environmental aspects of a site via clean-up of contaminants or improved aesthetics via unique site or architectural features
-0-	No impacts
-1	Noise Issues
-2	Noise and negative visual aesthetics
-3	Noise, odors, dust, traffic and negative visual aesthetics

WORKSHEET SUMMARY

<u>Factors</u>	<u>Total Points</u>
#1. Number of New Employees	___ 5 ___ (1-5)
#2. Number of Jobs Per Acre	___ 5 ___ (1-5)
#3. Average Wages for New Jobs	___ 3 ___ (1-5)
#4. Public Assistance Per New Job	___ 5 ___ (1-5)
#5. Number of Years of TIF Assistance	___ 2 ___ (1-2)
#6. Developed Assessed Value Per Acre	___ 5 ___ (1-5)
#7. Business Retention (# of Jobs)	___ 0 ___ (.5-3)
#8. Ratio of Private to Public Invest.	___ 5 ___ (1-5)
#9. Significant Impact/Comp Plan Goals	___ 2 ___ (1-3)
#10. General Community Benefit	___ 2 ___ (2-3)
#11. Number of Years of Business Oper.	___ 3 ___ (1-3)
#12. Environmental Impacts	___ 0 ___ (-3 to +1)
Total Points	37

Total Possible Points = 45

Total Worksheet Points Equated to Land Price

<u>Total Overall Points</u>	<u>Price for Otter Creek Land</u>
1-5	\$3.16 per sq. ft. (No TIF)
5-10	\$3.16 per sq. ft. with TIF as a land reimbursement to developer
11-15	20 percent discount from market price = \$2.53 per sq. ft.
16-20	40 percent discount from market price = \$1.90 per sq. ft.
21-25	60 percent discount from market price = \$1.26 per sq. ft.

26-30
31-42

80 percent discount from market price = \$.63 per sq. ft.
100 percent discount from market price = \$1.00 for the entire lot

DRAFT

GENERAL NOTES

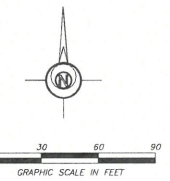
1. PRIOR TO STARTING CONSTRUCTION, THE CONTRACTOR SHALL VERIFY THAT ALL REQUIRED PERMITS AND APPROVALS HAVE BEEN OBTAINED. NO CONSTRUCTION OR FABRICATION SHALL BEGIN UNTIL THE CONTRACTOR HAS THOROUGHLY REVIEWED ALL PLANS AND OTHER DOCUMENTS APPROVED BY THE PERMITTING AUTHORITIES.
2. WORK SHALL BE PERFORMED IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS AND THE REQUIREMENTS AND STANDARDS OF THE LOCAL GOVERNING AUTHORITY. THE SOILS REPORT AND RECOMMENDATIONS SET FORTH THEREIN ARE A PART OF THE REQUIRED CONSTRUCTION DOCUMENTS AND IN CASE OF CONFLICT SHALL TAKE PRECEDENCE UNLESS SPECIFICALLY NOTED OTHERWISE ON THE PLANS. THE CONTRACTOR SHALL NOTIFY THE OWNER OF ANY DISCREPANCY BETWEEN SOILS REPORT AND PLANS.
3. SITE CLEARING SHALL INCLUDE THE LOCATION AND REMOVAL OF ALL UNDERGROUND PIPING, VALVES, ETC.
4. SITE GRADING SHALL BE PERFORMED IN ACCORDANCE WITH THESE PLANS AND SPECIFICATIONS AND THE RECOMMENDATIONS SET FORTH IN THE SOILS REPORT IF OWNER HAS PROVIDED SUCH REPORT. THE CONTRACTOR SHALL BE RESPONSIBLE FOR REMOVING AND REPLACING ALL SOFT, YIELDING OR UNSUITABLE MATERIALS AND REPLACING WITH SUITABLE MATERIALS AS SPECIFIED. IF REQUESTED BY THE OWNER, THE CONTRACTOR SHALL SUBMIT A COMPLETION REPORT PREPARED BY A QUALIFIED SOILS ENGINEER LICENSED WITH THE STATE WHERE THE WORK IS PERFORMED, VERIFYING THAT ALL FILLED AREAS AND SUBGRADE AREAS WITHIN THE BUILDING PAD AND PAVEMENT AREAS HAVE BEEN COMPACTED IN ACCORDANCE WITH THE SPECIFICATIONS AND RECOMMENDATIONS SET FORTH IN THE SOILS REPORT.

5. THE LOCATIONS OF THE UNDERGROUND FACILITIES SHOWN ON THIS PLAN ARE BASED ON AVAILABLE SURVEY RECORDS. IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO CONTACT THE VARIOUS UTILITY COMPANIES TO LOCATE THEIR FACILITIES PRIOR TO STARTING CONSTRUCTION. NO ADDITIONAL COMPENSATION SHALL BE PAID TO THE CONTRACTOR FOR DAMAGE AND REPAIR TO THESE FACILITIES CAUSED BY HIS WORK FORCE.
6. ALL EXISTING DIMENSIONS AND GRADES SHOWN ON THE PLANS SHALL BE FIELD VERIFIED BY THE CONTRACTOR PRIOR TO CONSTRUCTION. CONTRACTOR SHALL NOTIFY OWNER IF ANY DISCREPANCIES EXIST PRIOR TO PROCEEDING WITH CONSTRUCTION FOR NECESSARY PLAN OR GRADE CHANGES. NO EXTRA COMPENSATION SHALL BE PAID TO THE CONTRACTOR FOR WORK HAVING TO BE REDONE DUE TO DIMENSIONS OR GRADES SHOWN INCORRECTLY ON THESE PLANS IF SUCH NOTIFICATION HAS NOT BEEN GIVEN.
7. ALL EXISTING CONCRETE CURBING AND PAVEMENT TO REMAIN SHALL BE PROTECTED FROM DAMAGE. CONTRACTOR TO REPAIR ANY DAMAGED EXISTING CURB AND PAVEMENT AT CONTRACTOR'S EXPENSE.
8. THE CITY WILL NOT BE RESPONSIBLE FOR ANY ADDITIONAL COSTS INCURRED ASSOCIATED WITH VARIATIONS IN THE AS-BUILT ELEVATIONS. THESE ELEVATIONS SHALL BE VERIFIED IN THE FIELD PRIOR TO CONSTRUCTION.

SITE DATA:

EXISTING ZONING: B-3 BUSINESS DISTRICT
 TOTAL AREA OUTLOT C: 305,796 SF = 7.02 ACRES
 TOTAL AREA LOT 1: 127,517 SF = 2.93 ACRES
 PROPOSED BUILDING AREA: 26,704 SF
 FLOOR AREA RATIO (ALL FLOORS): 0.209
 EXISTING IMPERVIOUS AREA LOT 1: 4,651 SF (Includes existing pavement strip)

ADDITIONAL PROPOSED IMPERVIOUS LOT 1 AREA: 73,297 SF (Building and pavement areas)
 TOTAL IMPERVIOUS AREA: 4,651 SF (Includes existing pavement areas)
 TOTAL IMPERVIOUS AREA: 77,948 SF
 PERCENT PROPOSED IMPERVIOUS AREA: 61.13% (S of lot area: 73,448/120,237)
 TOTAL PERVIOUS AREA: 48,569 SF (Lawns, turf areas)
 PERCENT PERVIOUS AREA: 38.87% (S of lot area: 48,569/125,217)
 DISTURBANCE AREA: 38,535 SF
 3.26 AC

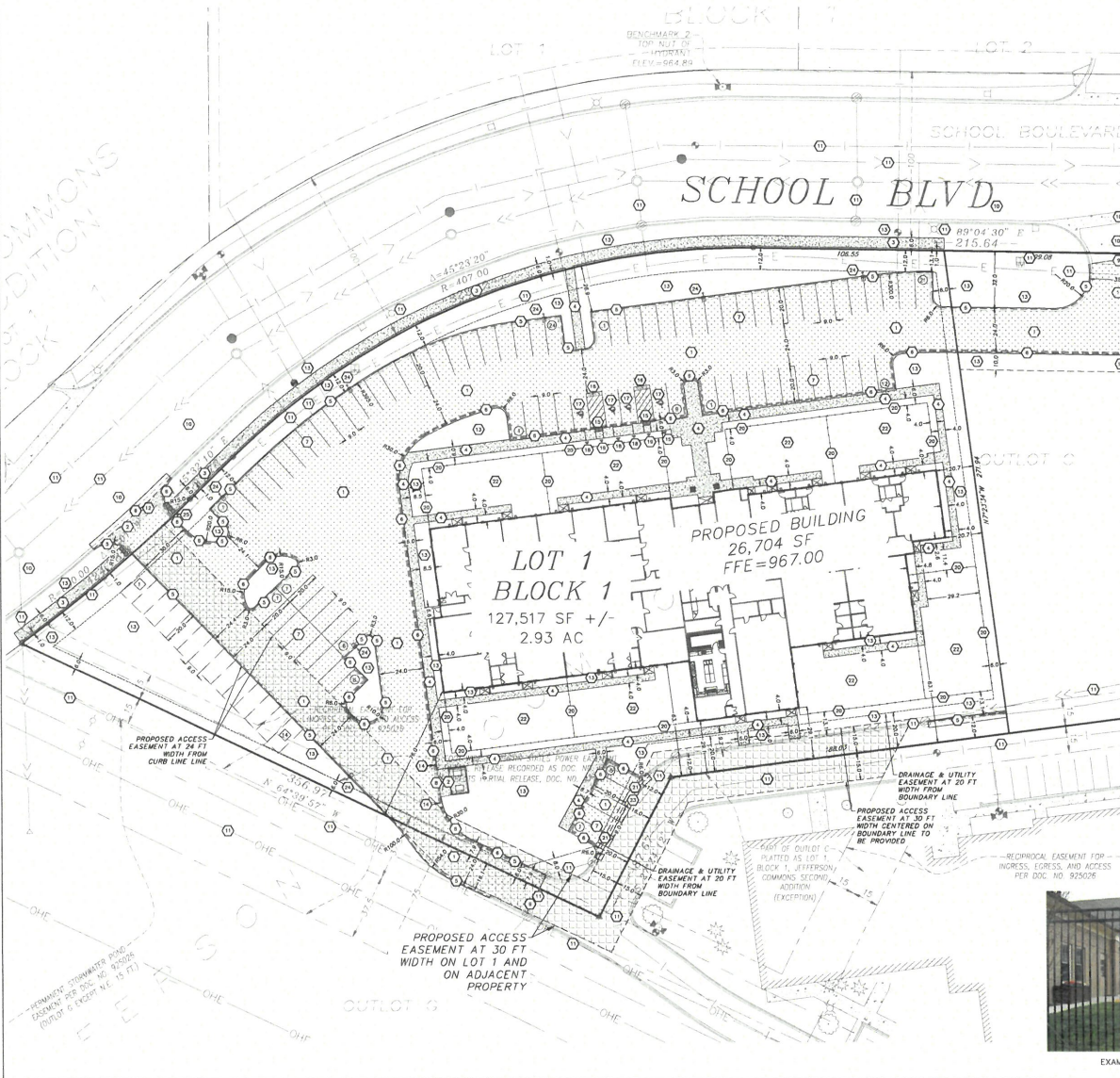


LEGEND:

- EXISTING BOUNDARY
- EXISTING EASEMENT
- EXISTING STRIP
- EXISTING R/W LINE
- ▨ CONCRETE LIGHT DUTY
- ▨ CONCRETE HEAVY DUTY
- ▨ BITUMINOUS PAVEMENT
- ▨ AGGREGATE SURFACE
- PROPOSED R/W OR LOT LINE
- PROPOSED CURB AND GUTTER STANDARD
- PROPOSED CURB AND GUTTER TIP-OUT
- ⊙ PROPOSED PARKING STALLS
- ⊙ PROPOSED PAVED PARKING STALLS

KEY NOTES:

1. BITUMINOUS PAVEMENT, SEE SECTION ON DETAIL SHEET
2. CONCRETE PAVEMENT HEAVY DUTY, 4,500 PSI MIX, SEE SECTION ON DETAIL SHEET
3. PUBLIC SIDEWALK, SEE MONTICELLO DETAIL ON SHEET C7.2
4. CONCRETE PAVEMENT LIGHT DUTY, 4,500 PSI MIX, SEE SECTION ON DETAIL SHEET (PRIVATE SIDEWALK)
5. B612 (6") CONCRETE CURB & GUTTER MIX 3F32 FOR MACHINE PLACEMENT (MDDOT 2461) MIX 3F52 FOR MANUAL PLACEMENT (MDDOT 2461)
6. B612 (6") CONCRETE OUTFLOW CURB & GUTTER, (TIP-OUT FLOWLINE), MIX 3F32 FOR MACHINE PLACEMENT (MDDOT 2461) MIX 3F52 FOR MANUAL PLACEMENT (MDDOT 2461)
7. PAINT 24" SOLID STRIPE - WHITE LATEX PAINT
8. RIBBON CURB CONCRETE CURB & GUTTER MIX 3F32 FOR MACHINE PLACEMENT (MDDOT 2461) MIX 3F52 FOR MANUAL PLACEMENT (MDDOT 2461)
9. SAWCUT AND REMOVE EXISTING PAVEMENT SURFACE FOR CLEAN EDGE
10. EXISTING PAVEMENT TO REMAIN
11. EXISTING UTILITIES TO REMAIN IN PLACE. CONTRACTOR TO PROTECT
12. COMMERCIAL DRIVEWAY ENTRANCE SEE DETAIL
13. PERVIOUS AREA, SEE LANDSCAPE PLAN BY OTHERS
14. 6" TRANSITION RIBBON CURB TO B612 CURB
15. RAMP TO COMPLY WITH AMERICANS WITH DISABILITIES ACT & MDDOT STANDARD PLAN S-297.250 INCLUDING CONTRASTING, SELECTABLE WARNING DEVICES, DEPRESS BACK OF CURB AT RAMP
16. PAINT 24" HIGH STRIPE - WHITE
17. PAINT INTERNATIONAL SYMBOL OF ACCESSIBILITY - WHITE LATEX PAINT
18. ACCESSIBLE PARKING SIGN (MDDOT #S R7-8A AND R7-8B), CENTER SIGN ON PARKING STALL. LOCATION PER GENERAL CONTRACTOR. MOUNT ON 6" CONCRETE BOLLARD. SEE DETAIL SHEET.
19. NO PARKING SIGN (MDDOT # R8-3), CENTER SIGN ON ADA ACCESSIBLE STALL. LOCATION PER GENERAL CONTRACTOR. MOUNT ON 6" CONCRETE BOLLARD. SEE DETAIL SHEET.
20. METAL FENCE, 4.0 FT HEIGHT, AMENSTAR MONTAGE MAJESTIC BROUGHTRUCK COLOR. INSTALL PER MANUFACTURE REQUIREMENTS. SEE EXAMPLE PICTURE THIS SHEET.
21. TYPICAL VALLEY GUTTER (SEE DETAIL)
22. PLAY GROUND AREA: MASS GRADING OF ALL PLAY AREAS TO HAVE 3.5" HOLD-DOWN FOR PLAYGROUND SURFACE MATERIAL INSTALLED BY OTHERS
23. SAWCUT AND REMOVE EXISTING BITUMINOUS FOR CLEAN EDGE. PROVIDE MIN. 2.0' WIDTH FROM CURB UP EDGE AT CONCRETE CURB LOCATIONS OR CONCRETE VALLEY GUTTER. PAINT WITH BITUMINOUS PAVEMENT PER CITY REQUIRED SECTION. MATCH EXISTING PAVEMENT ELEVATIONS AND CROSS SLOPE.
24. LIGHT POLE REFER TO LIGHTING AND PHOTOMETRIC PLAN FOR LIGHT LOCATIONS AND SPECIFICATIONS. FOUNDATIONS BY GENERAL CONTRACTOR. VERIFY FOUNDATION SIZE WITH OWNERS ARCHITECT.
25. INSTALL TRAFFIC STOP SIGN (MDDOT R1-11) MOUNTED ON STEEL POST. GENERAL CONTRACTOR TO COORDINATE LOCATION.



CLIENT:

**KID'S HAVEN
 CHILD CARE AND
 PRESCHOOL**

302 12th Ave S
 Buffalo, MN 55313

Messy Sjojin
 msjojin@kidshaven.net
 763-682-3072

SURVEY DATA

SURVEY INFORMATION PROVIDED BY:
 MEYER BROTHERS LAND SERVICES
 708 14 AVENUE NE
 BUFFALO, MN 55313
 DATED: DECEMBER 10, 2025
 PLAN NO. 2:
 TOP NUT HYDRANT
 ELEV. = 964.89

EXISTING DESCRIPTION

OUTLOT C, JEFFERSON COMMONS EXCPT THAT TRACT BUILT AS JEFFERSON COMMONS SECOND ADDITION, HIGHT COUNTY, MINNESOTA.

PROJECT LOCATION

NE 1/4 of the SE 1/4
 SECTION 15 TOWNSHIP 127, RANGE 25,
 HIGHT COUNTY, MINNESOTA

PARKING DATA

REQUIRED PARKING:
 1.0 SPACE FOR EACH EMPLOYEE PLUS
 ONE SPACE PER FIVE CHILDREN
 316 STUDENTS
 35 STAFF MAX SHIFT
TOTAL REQUIRED STALLS = 99

PROVIDED PARKING:
 85 STALLS (INCLUDES 4 HANDICAP STALLS)
 14 PAVED PARKING STALLS

SETBACKS:

LOCATION: BUILDING 30'
 FRONT 30'
 INTERIOR SIDE YARD 10'
 REAR YARD 20'
 STREET SIDE 20'

LOT MINIMUM:

Base Lot Area No Minimum
 Base Lot Width 100 Ft Minimum

SITE PLAN NOTES

1. ALL DIMENSIONS SHOWN ARE TO FACE OF CURB OR EDGE OF PAVEMENT UNLESS OTHERWISE NOTED.
2. MATCH EXISTING GRADES AT EXISTING PAVEMENT TO REMAIN.
3. EXISTING PAVEMENT TO REMAIN SHALL BE SAW CUT FOR CLEAN EDGE. TACK SHALL BE USED ON ALL VERTICAL EDGES PRIOR TO PATCHING.
4. CONTRACTOR SHALL VERIFY AND COORDINATE CONDUIT REQUIREMENTS FOR UNDERGROUND UTILITIES IF ANY WITHIN THE WORK ZONE WITH HIS OWNERS PRIOR TO PAVING.
5. CONTRACTOR IS RESPONSIBLE FOR COORDINATING WITH FIRE MARSHALL FOR POSTING OF FIRE LINES, CURB MARKING AND SIGNAGE AS REQUIRED.
6. CONTRACTOR IS RESPONSIBLE FOR DEMOLITION AND REMOVAL OF ALL EXISTING SITE FEATURES THAT INTERFERE WITH NEW WORK AS SHOWN.

KID'S HAVEN
 SITE IMPROVEMENT PROJECT

xxxxxx School Blvd
 Monticello, MN 55362

SITE PLAN

Drawn: 02/02/25 Reg. No. 25318
 PREPARED BY: CIVIL ENGINEERING SITE DESIGN
 118 1st St. Brainerd, MN 56601
 Phone: 828-371-0225
 www.civiland.com

DATE	02/02/25
DRAWN BY	SD
DESIGNED BY	SD
CHECKED BY	SD

FILE NO. 00992

INDEX OF CIVIL SITE DRAWINGS:

- C0 PROJECT LOCATION PLAN
- C1.1 SITE PLAN
- C2.1 GRADING AND DRAINAGE PLAN
- C3.1 SANITARY SEWER & WATER PLAN
- C4.1 STORM SEWER PLAN
- C5.1 STORM WATER POLLUTION PREVENTION PLAN
- C6.1 EXISTING CONDITIONS & REMOVAL PLAN
- C7.1-C7.2 DETAILS

C1.1
 Site Plan

SCALE INDICATED BASED UPON PRINTED 24" X 36" (ARCHITECTURAL D) SHEET



3 24005 Kids Haven Monticello 02-02-26 SE Aerial View



2 24005 Kids Haven Monticello 02-02-26 NW Aerial View



4 24005 Kids Haven Monticello 02-02-26 SW View



1 24005 Kids Haven Monticello 02-02-26 NE View



4918 S. Tri Oak Circle NE
East Bethel, MN 55092
Phone: 651-245-2346
Email: mjth@kjthomasarchitect.com
Wjthomas@kjthomasarchitect.com

Project No.: 24005
Date Last Revised: 03-25-24, 07-17-25, 10-26-24, 11-20-25, 12-28-25
90% Progress Set 01-24-26
Bid_Permit Set 02-02-26

File Name: 24005 Kids Haven Monticello 02-02-26.rvt
Drawn By: MJT
Minnesota License No.: 23392

Date Stamped: 02-02-2025
I hereby certify that the plans, specifications, or reports prepared by me or under my direct supervision and that are a legal contract of the State of Minnesota.

Signature
Michael J. Thomas

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KID'S HAVEN
CHILD CARE & PRESCHOOL

Kid's Haven Child Care & Preschool
New Building
School Boulevard
Monticello, MN

A0.1

*City Owned Parcel
7.01 acres*



Overview

Legend

Highways

- Interstate
- State Highway
- US Highway
- Roads

City/Township Limits

- c
- t
- Parcels
- Torrens

Date created: 3/2/2026
Last Data Uploaded: 3/2/2026 1:54:19 AM

Wright County, MN

Summary

Parcel ID 155164000030
 Property Address 15-121-025
 Sec/Twp/Rng SECT-15 TWP-121 RANGE-025 JEFFERSON COMMONS
 Brief Tax Description OUTLOT C EX TH PRT PLATTED AS JEFFERSON COMMONS
 2ND ADDN
 (Note: Not to be used on legal documents)
 Class 958 - 5E MUNICIPAL-PUBLIC SERVICE-OTHER
 District (1101) CITY OF MONTICELLO-0882
 School District 0882
 (Note: Class refers to Assessor's Classification Used For Property Tax Purposes)
 Abstract/Torrens ABSTRACT

GIS Acres

Parcel: 155164000030
 Acres: 7.02
 Acres USAB: 7.02
 Acres ROW:
 Sq Ft: 305,759.60

Owner

Primary Owner
[CITY OF MONTICELLO](#)
 505 WALNUT ST STE 1
 MONTICELLO MN 55362

Land

Seq	Land Description	Land Code	Dim 1	Dim 2	Dim 3	Units	UT	Unit Price	Adj 1	Adj 2	Adj 3	Eff Rate	Div %	Value
1	HWY 25 S II	155665	0	0	0	87,120.000	S	8.000	-10.00	0.00	0.00	7.200	1.000	627,300
2	HWY 25 S III	155666	0	0	0	218,635.000	S	3.000	-10.00	0.00	0.00	2.700	1.000	590,300
Total						305,755.000								1,217,600

Recent Sales In Area

Sale date range:

From: To:

Distance: Units:

Transfer History

Grantor	Grantee	Recorded Date	Doc Type	Doc No
CITY OF MONTICELLO; MULLER FAMILY THEATRES OF MONTICELLO LLC	JEFFERSON COMMONS SECOND ADDITION	9/18/2006	PLT	1025963
CITY OF MONTICELLO	JEFFERSON COMMONS	8/30/2004	PLT	925025
AGRIBANK FCB	CITY OF MONTICELLO	8/17/2004	MIN	923271

Note: Transfer History data is from LandLink beginning 01/01/2003.

Valuation

	2025 Assessment	2024 Assessment	2023 Assessment	2022 Assessment	2021 Assessment
+ Estimated Land Value	\$1,217,600	\$1,217,600	\$1,178,800	\$938,600	\$938,600
+ Estimated Building Value	\$0	\$0	\$0	\$0	\$0
+ Estimated Machinery Value	\$0	\$0	\$0	\$0	\$0
= Total Estimated Market Value	\$1,217,600	\$1,217,600	\$1,178,800	\$938,600	\$938,600
% Change	0.00%	3.29%	25.59%	0.00%	0.00%

Taxation (Internal Only)

[Click here to view Taxation Information for this parcel](#)

	2025 Payable	2024 Payable	2023 Payable	2022 Payable
Estimated Market Value	\$1,217,600	\$1,178,800	\$938,600	\$938,600
- Excluded Value	\$0	\$0	\$0	\$0
- Homestead Exclusion	\$0	\$0	\$0	\$0
= Taxable Market Value	\$0	\$0	\$0	\$0
Net Taxes Due				
+ Special Assessments				
= Total Taxes Due				
% Change	0.00%	0.00%	0.00%	0.00%

Taxation

[Click here to view Taxation Information for this parcel](#)

Taxes Paid

[Click here to view Taxes Paid for this parcel](#)

Map



No data available for the following modules: Land GA/RP, Buildings, Extra Features, OBY, OBY (Working 2026 Assessment), Sales, Photos, Sketches.

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Contact Us



NOTICE OF PUBLIC HEARING

**CITY OF MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY
WRIGHT COUNTY, MINNESOTA**

NOTICE IS HEREBY GIVEN that the Board of Commissioners of the City of Monticello Economic Development Authority (the "Authority") will hold a public hearing on Wednesday, March 11, 2026, at approximately 6:00 P.M. or as soon thereafter as the matter may be heard, in the Mississippi Room of the Monticello Community Center located at 505 Walnut Street in the City of Monticello, Minnesota (the "City") to consider the provisions of a proposed business subsidy under Minnesota Statutes, Sections 116J.993 through 116J.995, as amended (the "Business Subsidy Law"), by providing a loan to Kids Haven of Monticello Holdings, LLC, a Minnesota limited liability company and Kids Haven of Monticello, LLC, a Minnesota limited liability company (collectively, the "Recipient"), to finance the purchase of playground equipment for a new childcare facility to be located in the City (the "Project").

Information about the proposed business subsidy for the Recipient is available for inspection at the office of the Authority's Executive Director at City Hall during regular business hours. After the public hearing, the Authority will consider granting the business subsidy in accordance with the proposed terms.

A person with residence in or the owner of taxable property in the City may file a written complaint with the Authority if the Authority fails to comply with the Business Subsidy Law, and no action may be filed against the Authority for the failure to comply unless a written complaint is filed.

All interested persons may appear at the hearing and present their views on the matters orally or provide their comments prior to the meeting in writing.

Dated: February 26, 2026

BY ORDER OF THE BOARD OF COMMISSIONERS
OF THE CITY OF MONTICELLO ECONOMIC
DEVELOPMENT AUTHORITY

/s/ Jim Thares

Executive Director

POSTED: 02/20/2026

PUBLISH DATE: 02/26/2026

am

5A. Consideration of Resolution 2026-2 authorizing a Greater Monticello Enterprise Fund (GMEF) Loan to Sperr Properties, LLC and L&L Homestyle Cafe, LLC in the amount of \$65,000 and a Business Subsidy Agreement for interior improvements and the purchase of restaurant equipment at 154 West Broadway

Prepared by: Economic Development Manager	Meeting Date: 3/11/26	<input checked="" type="checkbox"/> Regular Agenda Item <input type="checkbox"/> Consent Agenda Item
Reviewed by: Community Development Director, Finance Director, Community & Economic Development Coordinator	Approved by: City Administrator	

ACTION REQUESTED

Motion to approve Resolution 2026-2 authorizing a GMEF Loan to Sperr Properties, LLC and L&L Homestyle Café, LLC in the amount of \$65,000 and a Business Subsidy Agreement for interior improvements and the purchase of restaurant equipment at 154 West Broadway.

REFERENCE AND BACKGROUND

The EDA is asked to approve a GMEF Loan Agreement and a Business Subsidy Agreement to help finance equipment purchases and interior property improvements at 154 West Broadway (formerly Cornerstone Cafe). Sperr Properties, LLC is requesting a \$65,000 GMEF Loan as gap funding assistance for the proposed activities. North Star Bank provided the primary lender financing, and the property and café ownership group, Larry, Mark and Logan Sperr injected substantial equity funding toward the project funding. The EDA gap funding would be used to complete the interior renovations and purchase equipment necessary to operate the café. The total project investment, including the façade improvement component, is estimated to be \$833,712.

Larry Sperr, representing the property ownership group and the café, presented the initial funding request to the EDA at its December 12, 2025, workshop meeting. The ownership group closed on the property acquisition in mid-November and began clean-up and renovation activities in early December. They utilized bridge loan funding to begin the renovations and avoid a delay in re-opening the café which had been shut since spring 2024. The café reopened in late January 2026 as L&L Homestyle Café. Its goal is to employ 11 staff with an average wage of \$24 an hour.

A funding sources and uses outlines the entire project financing structure. As noted previously, North Star Bank has provided a first mortgage loan to the Sperr’s for the purchase in the

amount of \$416,000, or 49.90 percent of the total project cost. The owner's cash equity injection into the proposal is \$252,712 or 30.31 percent of the total funding. Sperr Properties also received a \$100,000 façade improvement forgivable loan from the EDA in December 2025, for exterior improvements including stucco repairs and painting, as well as new windows, signage and entrance improvements. This component represents 12.00 percent of the total funding structure. The \$65,000 GMEF loan is approximately 7.79% percent of the overall project cost. The proposed funding structure for the project is shown below. The loan underwriting report, completed by North Star Bank and shared with City staff indicates that the borrowers have sufficient financial capacity and commitment to pay off the EDA loan. The cash flow from the property due to the residential rental units is also sufficient to further ensure that the EDA 2nd Mortgage loan is fully repaid.

Funding Sources

<u>Entity</u>	<u>Amount</u>	<u>Percent</u>
Bank	\$416,000	49.90%
Owner Cash Equity	\$252,712	30.31%
Façade Forgivable Loan	\$100,000	12.00%
GMEF Loan	\$ 65,000	7.79%
Total	\$833,712	100.00

Funding Uses

<u>Item</u>	<u>Amount</u>	<u>Percent</u>
Property Purchase	\$535,000	64.17%
Exterior Façade	\$170,000	20.39%
Interior Property Improvements	\$ 97,000	11.64%
Equipment & Contingency Costs	\$ 31,712	3.80%
Total	\$833,712	100.00

The proposed project is an eligible use of GMEF funds. The current available GMEF Loan Program cash balance is approximately \$829,000 +/- . The loan request equates to about 7.5 percent of the cash balance. Per the GMEF Loan Policies, no more than 50 percent of the Fund's available dollars can be loaned out to a single borrower. Only 30 percent of a project can be funded through GMEF dollars. Currently, there is no stated minimum fund balance requirement in the GMEF Loan Policies and no established ratio for commercial to industrial loan amounts.

If the EDA authorizes the loan, the security will consist of a 2nd real estate mortgage as well as a Security Agreements and UCC (Universal Commercial Code) filings against the equipment in the restaurant. In addition, personal guarantees from each of the three owners are also required.

It should also be noted that the Business Subsidy section of the Loan Agreement spells out the

wages that are required to be paid to the 11 new FTE employees. L&L Homestyle Café, LLC will be required to submit annual reports documenting the creation of the new jobs along with information about the wages for the new employees. There is a public hearing required for this Business Subsidy because the proposed financial assistance is greater than \$150,000 for the previously approved \$100,000 façade loan and the proposed \$65,000 GMEF loan.

- I. **Budget Impact:** The budget impact from the proposed GMEF Loan request is a direct reduction in the current cash balance of the loan fund. If approved, the funding would draw the Fund's cash balance down to \$765,000 +/- . The estimated \$1,850 in legal fees related to preparing the loan documents (EDA attorney) as well as the loan origination fee of 1.5 percent (\$975) will be collected from the borrower at the time of loan closing.
- II. **Staff Workload Impact:** The Community Development Director, Finance Director, Economic Development Manager and Community & Economic Development Coordinator have committed time to completing tasks related to the review of the proposed loan request. Additional time toward this effort involves report preparation and meeting presentation time. No other staff are required to complete the work in this effort.
- III. **Comprehensive Plan Impact:** The Economic Development section of the Comprehensive Plan encourages formation of an effective economic development effort which creates a supportive business environment and builds a vibrant, thriving local economy. The Monticello 2040 Vision + Plan illustrates Economic Development goals 1 – 4 related to this project through business attraction, tax base expansion, downtown vitality, and redevelopment and reinvestment efforts.

STAFF RECOMMENDATION

Staff recommend the EDA approve the \$65,000 GMEF Loan and the Business Subsidy Agreement for the Sperr Properties equipment purchase. The loan request meets the general intent of the current GMEF Loan Policies and if approved supports the opening of a new business in the core downtown area and completion of property improvements to an existing building. An initial review of the Development Assistance Worksheet scoring form for the request indicates the proposal carries a score of 31, based on the available application information. The EDA Scoring Worksheet metric is attached to this report as an Exhibit. As a comparison, the recent Fairfield By Marriott Hotel proposal had a score of 35 while the Wiha Tools' project had a score of 34.5.

SUPPORTING DATA

- A. EDA Resolution 2026-2
- B. Loan Agreement-Business Subsidy Agreement
- C. Mortgage
- D. Promissory Note

- E. Personal Guarantee (3 docs)
- F. Security Agreements (2 docs)
- G. Sperr Properties GMEF Loan Application (2 docs))
- H. Aerial Photo and Beacon Rpt. – 154 West Broadway
- I. Economic Development Assistance Worksheet Scoring Metrics
- J. GMEF Loan Policies
- K. Business Subsidy Public Hearing Notice

EDA RESOLUTION NO. 2026-02

RESOLUTION APPROVING A GREATER MONTICELLO ENTERPRISE FUND LOAN TO SPERR PROPERTIES, LLC, AND L&L HOMESTYLE CAFÉ, LLC AND APPROVING CERTAIN LOAN DOCUMENTS IN CONNECTION THEREWITH

BE IT RESOLVED BY the Board of Commissioners ("Board") of the City of Monticello Economic Development Authority (the "Authority") as follows:

Section 1. Recitals.

1.01. The Authority administers its Greater Monticello Enterprise Fund revolving loan program (the "Program") pursuant to its authority under Minnesota Statutes, Sections 469.090 to 469.1081, as amended (the "EDA Act"), in order to assist businesses in the City of Monticello, Minnesota (the "City") with financing certain economic development activities to meet the goals set forth in the guidelines approved by the Authority for the Program (the "Guidelines").

1.02. Sperr Properties, LLC, a Minnesota limited liability company and L & L Homestyle Cafe, LLC, a Minnesota limited liability company (collectively, the "Borrower"), have requested financial assistance from the Authority in connection with the costs of interior building renovations and the purchase of restaurant equipment for operations (the "Project") located at 154 Walnut Street in the City (the "Property").

1.03. The Authority and the Borrower desire to enter into a loan agreement (the "Loan Agreement") wherein the Authority agrees to make a loan pursuant to the Program and the Guidelines to the Borrower in the maximum amount of \$65,000 (the "Loan") to pay a portion of the costs of the Project. The Loan will be evidenced by a promissory note from the Borrower to the Authority (the "Note") and secured by a second position Mortgage (the "Mortgage") to be executed and delivered to the Authority by the Borrower, a Security Agreement (the "Security Agreement") to be executed and delivered to the Authority by the Borrower, and the Personal Guaranty of Larry Sperr, Mark Sperr and Logan Sperr (collectively, the "Personal Guaranty").

1.04. The Authority is a grantor as defined in Minnesota Statutes, Sections 116J.993 to 116J.995, as amended (the "Business Subsidy Act"), is authorized to grant financial assistance (a "Business Subsidy") for private development, and has previously adopted criteria for awarding Business Subsidies that complies with the Business Subsidy Act, following a public hearing. The Loan, together with a façade loan previously provided to the Borrower, constitutes a Business Subsidy within the meaning of the Business Subsidy Act and the Loan Agreement includes a "business subsidy agreement" as required under the Business Subsidy Act.

Section 2. Loan Documents Approved.

2.01. The Authority hereby approves the Loan Agreement, the Note, the Personal Guaranty and the Mortgage in substantially the forms presented to the Board, including the business subsidy agreement in the Loan Agreement, together with any related documents necessary in connection therewith, including a disbursing agreement with a title company if necessary, all documents, exhibits, certifications, or consents referenced in or attached to the Loan Agreement, the Security Agreement, the Note, the Personal Guaranty and the Mortgage (the "Loan Documents").

2.02. The Board hereby authorizes the President and Executive Director, in their discretion and at such time, if any, as they may deem appropriate, to execute the Loan Documents on behalf of the Authority, and to carry out, on behalf of the Authority, the Authority's obligations thereunder when all conditions precedent thereto have been satisfied. The Loan Documents shall be in substantially the form on file with the Authority and the approval hereby given to the Loan Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the Authority and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the Authority. The execution of any instrument by the appropriate officers of the Authority herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This resolution shall not constitute an offer and the Loan Documents shall not be effective until the date of execution thereof as provided herein.

2.03. In the event of absence or disability of the officers, any of the documents authorized by this resolution to be executed may be executed without further act or authorization of the Board by any duly designated acting official, or by such other officer or officers of the Board as, in the opinion of the City Attorney, may act in their behalf. Upon execution and delivery of the Loan Documents, the officers and employees of the Board are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the Board to implement the Loan Documents.

Approved this 11th day of March, 2026, by the Board of Commissioners of the City of Monticello Economic Development Authority.

President

ATTEST:

Executive Director

LOAN AGREEMENT

This Loan Agreement (“Agreement”) is made this 11th day of March, 2026, between SPERR PROPERTIES, LLC and L&L HOMESTYLE CAFÉ, LLC, each a Minnesota limited liability company (collectively, the "Borrower"), and the CITY OF MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY (the “Lender”), a public body corporate and politic and political subdivision of the State of Minnesota.

RECITALS

A. The Lender has created the Greater Monticello Enterprise Fund (the “Program”), a revolving loan fund program to assist businesses in the City of Monticello, Minnesota (the “City”) with financing certain economic development activities to meet the goals set forth in the guidelines approved by the Lender for the Program (the “Guidelines”).

B. The Borrower has submitted a loan application (the “Application”) and the Lender has approved a loan to the Borrower in the maximum principal amount of \$65,000 (the “Loan”) to pay a portion of the costs related to the interior building renovations and the purchase of restaurant equipment (the “Project”) located at 154 W Broadway Street in the City (the “Property”) legally described in Exhibit A attached to the Mortgage (as hereinafter defined). The Loan will be evidenced by a Promissory Note, dated as of the date hereof (the “Note”), issued by Borrower in favor of the Lender, and secured by (i) a Mortgage on the Property, dated as of the date hereof (the “Mortgage”), from Borrower to the Lender, (ii) a Personal Guaranty of each of Larry Sperr, Mark Sperr and Logan Sperr (collectively, the “Personal Guaranty”); and (iii) a Security Agreement from Sperr Properties, LLC and a Security Agreement from L&L Homestyle Café, LLC (collectively, the “Security Agreement” and, together with this Agreement, the Note, and the Mortgage, the “Loan Documents”).

C. The Loan constitutes a business subsidy within the meaning of Minnesota Statutes, Sections 116J.993 to 116J.995, as amended (the “Business Subsidy Act”), and the Lender has adopted criteria for awarding business subsidies that comply with the Business Subsidy Act after a public hearing for which notice was published in accordance with the Business Subsidy Act.

D. The Lender has held a duly noticed public hearing on the business subsidy provided as represented by the Loan and this Agreement constitutes a subsidy agreement under the Business Subsidy Act.

E. The Lender now makes the Loan to the Borrower subject to all of the terms and conditions of this Agreement.

ACCORDINGLY, to induce the Lender to make the Loan to the Borrower and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Loan Amount. Subject to and upon the terms and conditions of this Agreement, the Guidelines, the Application and the other Loan Documents, the Lender agrees to loan to the Borrower the sum of Sixty-Five Thousand and No/100 Dollars (\$65,000.00), or so much thereof as is disbursed to the Borrower in accordance with this Agreement. Proceeds of the Loan (the “Proceeds”) shall be disbursed in accordance with Section 3 hereof.

2. Repayment of Loan. The Loan shall be evidenced by the Note payable by the Borrower to the Lender. The interest rate on the principal amount outstanding on the Note shall be fixed at 4.75% per annum. The Note shall be repaid in accordance with the terms thereof. The Borrower may prepay the principal of the Note plus accrued interest thereon, in whole or in part, on any date, as set forth in the Note.

3. Disbursement of Loan Proceeds.

(a) The Proceeds shall be disbursed in a single lump sum on a reimbursement basis. Prior to disbursement, the Borrower shall have delivered the following to the Lender:

(i) Loan Documents. The Borrower having delivered to the Lender, without expense to the Lender, executed copies of the Loan Documents, together with evidence that the Mortgage has been or will be duly filed for record;

(ii) Cost Certificate. A sworn certificate detailing costs and sources of funds to be utilized for the Project (“Cost Certificate”) in a form acceptable to the Lender, showing an itemized breakdown of: (i) the source and amount of all Project funds; and (ii) of the total cost of the Project. At least 70% of the Project funds must come from a source other than the Loan;

(iii) Evidence of Payment and Lien Waivers. Evidence in the form of paid invoices, statements, or similar and accompanying lien waivers, if applicable, that are acceptable to the Lender, that the Borrower has paid costs of the Project in an amount at least equal to the amount of the Loan;

(iv) Financing. The Borrower having provided to the Lender copies of the Borrower’s primary lender documents;

(v) Borrower Documents. The Borrower having provided copies of the Borrower’s organizational documents, including, if applicable, articles of incorporation or articles of organization, a certificate of good standing issued by the Minnesota Secretary of State, an Employer Identification Number (EIN) certificate and evidence that the Borrower has a city, state, or federal license to do business or relevant professional license;

(vi) Insurance. The Borrower having delivered to the Lender a certificate or policy for all insurance required, under the terms hereof, to be maintained by the Borrower;

(vii) Fees. The Borrower having paid to the Lender a Loan origination fee of 1.50% of the Loan and all charges associated with the Loan, including, but not limited to: (i) Lender’s attorneys’ fees; and (ii) filing fees of any instruments required under this Agreement within 30 days of the Lender providing written notice to the Borrower of Lender’s costs;

(viii) Compliance with Laws, Etc. The Borrower shall have delivered to the Lender such evidence as the Lender may require as to the compliance of the Property with: (i) all applicable laws, codes, rules, regulations and ordinances, including, without limitation, those relative to environmental protection, protection of wetlands, building and zoning matters and the Americans with Disabilities Act; and (ii) the requirements of any restrictive covenants, conditions and restrictions; conditional use permit or planned unit development applicable to the Property; and

(ix) Resolutions. The Borrower shall have delivered to the Lender a copy of the resolutions of its board, duly certified by its company secretary, authorizing the execution, delivery,

and performance of, and the transactions contemplated by this Agreement and the Loan Documents;
and

(x) Title Insurance. The Borrower, at its sole expense, will cause a title insurance company qualified to do business in the State of Minnesota and acceptable to the Lender to deliver to the Lender the title insurer's commitment to issue a title insurance policy, ALTA Loan Policy, in the amount of \$65,000 effective as of the date of closing, ensuring to the Lender that:

1. The Borrower is the owner of the Property;
2. The Property is free and clear of all other liens, charges, and encumbrances except those disclosed in the Title Commitment and Attachments;
3. A Comprehensive Endorsement, a usury endorsement, a zoning endorsement, and an access endorsement are provided; and
4. The policy will be issued free and clear of the standard printed title exceptions and exceptions to coverage as shown in the Title Commitment, including (i) encroachments, boundary line disputes, and other matters which would be disclosed by an accurate survey; (ii) any state of facts that exists after the date of the Title Commitment; (iii) easements or claims of easements not disclosed by public records; (iv) rights or claims of parties in possession not shown by the public records; (v) any lien or right to a lien for services, labor, or material furnished prior to or after this Agreement, whether shown by the public records or otherwise; (vi) taxes and special assessments not shown as existing liens by public records; and (vii) free and clear of any other objections, encumbrances, or exceptions to title. The Lender will have ten (10) business days from the receipt of the Title Commitment to notify the Borrower of any defect in title or any other title related matter deemed unacceptable to the Lender. The Borrower will have twenty (20) business days from receipt of said notice from the Lender to cure the defect(s). If the Borrower is not able to cure said defects in that period, the Lender may, in its sole discretion, cancel this Agreement, and have no further obligation to the Borrower under this Agreement.

(b) Upon receipt by the Lender of the items required pursuant to this section hereof in the form and condition required therein, the Lender agrees to disburse the Proceeds to the Borrower in an amount not to exceed the lesser of (a) 30% of the total Project cost as evidenced by the Cost Certificate, or (b) the Loan amount.

4. Representations and Warranties. The Borrower warrants and represents to the Lender that:

(a) The Borrowers are each a limited liability company under the laws of Minnesota and are duly authorized and empowered to execute, deliver, and perform this Agreement and to borrow money from the Lender.

(b) The execution and delivery of this Agreement, and the performance by the Borrower of its obligations hereunder, do not and will not violate or conflict with any provision of law and do not and will not violate or conflict with, or cause any default or event of default to occur under, any agreement binding upon the Borrower.

(c) The execution and delivery of this Agreement has been duly executed and delivered by the

Borrower and constitutes its lawful and binding obligation, legally enforceable against it.

(d) The Borrower warrants that it shall keep and maintain books, records, and other documents relating directly to the receipt and disbursements of the Proceeds and that any duly authorized representative of the Lender shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all such books, records, and other documents of the Borrower pertaining to the Loan for 6 years after the date hereof. Upon request, the Borrower shall provide the Lender with their current balance sheets, statements of income and annual audited financial statements.

(e) The Borrower warrants that it has fully complied with all applicable local, state and federal laws and ordinances pertaining to its business, the Project and the Property, and will continue to comply throughout the terms of this Agreement. If at any time the Borrower receives notice of noncompliance from any governmental entity, the Borrower agrees to notify the Lender of such noncompliance and take any necessary action to comply with the local, state or federal requirement in question.

(f) The Borrower warrants that it will use the Proceeds solely for the costs of the Project.

(g) The Borrower warrants that it will not create, permit to be created, or allow to exist any liens, charges, or encumbrances prior to the obligation created by this Agreement, except as otherwise authorized in writing by the Lender. Anything above to the contrary notwithstanding, Borrower at its expense may contest, by appropriate legal proceedings conducted in good faith and with due diligence, the amount or validity or application, in whole or in part, of any such lien or encumbrance provided that (a) the collection thereof from the Borrower, the Lender and the Property shall be suspended during the period of such contest, (b) neither the Property nor any part thereof or interest therein would be in any danger, deemed substantial by the Lender, of being sold, forfeited or lost, and (c) the Lender shall be furnished such security, if any, as may be required in the contest or reasonably requested by the Lender. The Borrower shall give prompt written notice to the Lender of the commencement of any contest referred to in the preceding sentence.

(h) The Borrower will comply with all state and local laws pertaining to licensing, building codes, zoning, and environmental requirements. The Borrower represents that it does not have delinquent taxes, bills, fines or other charges due to the City. The Borrower represents and certifies that the Project is a conforming or legally nonconforming use under the current zoning regulations of the City.

(i) The Borrower shall promptly keep, perform and comply with all of the terms, covenants and conditions to be kept and performed by the Borrower, as required by the City and any other governmental body having jurisdiction over the Property; keep unimpaired the rights of the Borrower under any permit or agreement issued or made by the City or other governmental body having jurisdiction over the Property; and to enforce the prompt performance of all of the terms, covenants and conditions to be kept and performed by the City or other governmental body having jurisdiction over the Property, respectively, under any permits or agreements issued or made by the City or such other governmental bodies, and any contractors under all contracts obtained or held by the Borrower in connection with the operation of the Borrower's business.

(j) During the term of this Agreement, the Borrower shall procure and maintain or cause to be procured and maintained at its sole expense, casualty insurance, public liability insurance and such other types of insurance as are reasonably required by the Lender from time to time, with coverages and in amounts normally held by owners of property similar to the Property and with companies satisfactory to the Lender. The policy or policies or duly executed certificate or certificates for such insurance and renewals or replacements thereof shall be deposited with the Lender.

(k) No litigation, tax claims or governmental proceedings are pending or threatened against the

Borrower or the Property, and no judgment or order of any court or administrative agency is outstanding against the Borrower or the Property which would have a material adverse effect on the Borrower or the Property.

(l) Unless otherwise previously disclosed to the Lender in writing, the Borrower has not entered into or granted any security agreements or permitted the filing or attachment of any mortgage on the Property that would be prior or that may in any way be superior to the Lender's Mortgage. The Lender is aware that there is a first and second lien mortgage on the Property ahead of the Lender's Mortgage. To allow the Lender protect its interests and monitor its collateral, the Borrower shall allow the Lender to inquire about the status of the primary loan(s) throughout the term of this Agreement.

(m) The Borrower understands and agrees that the Lender is relying upon the above representations and warranties in extending the Loan to the Borrower. The Borrower further agrees that the foregoing representations and warranties shall be continuing in nature and shall remain in full force and effect until such time as the Loan and Note shall be paid in full, or until this Agreement shall be terminated in the manner provided above, whichever is the last to occur.

(n) The Borrower shall at all times comply with the Guidelines.

(o) The Borrower shall not (a) engage in any business activities substantially different than those in which the Borrower is presently engaged; (b) cease operations, liquidate, merge or consolidate with any other entity; (c) sell, assign or transfer any of the assets of the Borrower which are related to the Borrower's business, except in the ordinary course of business; or (d) purchase or retire any of Borrower's outstanding shares or alter or amend Borrower's capital structure.

(p) The Borrower shall cause to be filed a UCC financing statement for the Security Agreement.

5. Business Subsidy.

(a) Public Purpose. In order to satisfy the provisions of the Business Subsidy Act, the Borrower acknowledges and agrees that the amount of the "Business Subsidy" granted to the Borrower under this Agreement is the Loan, and that the Business Subsidy is needed because the Project is not sufficiently feasible for the Borrower to undertake without the Business Subsidy due to the extraordinary costs of rehabbing the building and acquiring new equipment. The public purpose of the Business Subsidy is to increase the tax base of the City and the State, and increase jobs in the City and State (including construction jobs).

(b) Operation of Site. The Borrower shall operate the Project as a restaurant (the "Qualified Facility") for at least 5 years after the Benefit Date (defined hereinafter). The improvements will be a Qualified Facility as long as the Project is operated by the Borrower for the aforementioned qualified uses. During any period when the Project is vacant and not operated for the aforementioned qualified uses, the Project will not constitute a Qualified Facility.

(c) Job and Wage Goals. The "Benefit Date" of the assistance provided in this Agreement is the earlier of the date of issuance of the Certificate of Completion or the date the Project is occupied by Borrower. By or before the "Compliance Date", defined as the date two years after the Benefit Date, the Borrower shall (i) create at least 5 full-time jobs, new to Minnesota, permanent to the Property, and (ii) cause the hourly wage of all the jobs to be at least \$24.00 per hour, exclusive of benefits. Notwithstanding anything to the contrary herein, if the wage and job goals described in this paragraph are met by the Compliance Date, those goals are deemed satisfied despite the Borrower's continuing obligations under Section 5(b). The Lender may, after a public hearing, extend the Compliance Date by

up to one year, provided that nothing in this section will be construed to limit the Authority's legislative discretion regarding this matter.

(d) Remedies. If the Borrower fails to meet the goals described in Section 5(b) and 5(c), the Borrower shall repay to the Lender upon written demand from the Lender a "pro rata share" of the outstanding principal amount of the Loan together with interest on that amount at the implicit price deflator as provided in Section 116J.994, subd. 6 of the Business Subsidy Act, accrued from the date of substantial completion of the Project to the date of payment. The term "pro rata share" means percentages calculated as follows:

(i) if the failure relates to the number of jobs, the jobs required less the jobs created, divided by the jobs required;

(ii) if the failure relates to wages, the number of jobs required less the number of jobs that meet the required wages, divided by the number of jobs required;

(iii) if the failure relates to maintenance of the facility as a Qualified Facility in accordance with Section 5(b), 60 less the number of months of operation as a Qualified Facility (where any month in which the Qualified Facility is in operation for at least 15 days constitutes a month of operation), commencing on the Benefit Date and ending with the date the Qualified Facility ceases operation as determined by the Lender, divided by 60; and

(iv) if more than one of clauses (i) through (iii) apply, the sum of the applicable percentages, not to exceed 100%.

Nothing in this Section shall be construed to limit the Lender's remedies under Section 7 hereof. In addition to the remedy described in this Section and any other remedy available to the Lender for failure to meet the goals stated in Section 5, the Borrower agrees and understands that it may not receive a business subsidy from the Lender or any grantor (as defined in the Business Subsidy Act) for a period of 5 years from the date of the failure or until the Borrower satisfies its repayment obligation under this Section, whichever occurs first.

(e) Reports. The Borrower must submit to the Lender a written report regarding business subsidy goals and results by no later than February 1 of each year, commencing February 1, 2026 and continuing until the later of (i) the date the goals stated in Section 5(b) and (c) are met; (ii) 30 days after expiration of the period described in Section 5(b); or (iii) if the goals are not met, the date the subsidy is repaid in accordance with Section 5(d). The report must comply with Section 116J.994, subdivision 7 of the Business Subsidy Act. The Lender will provide information to the Borrower regarding the required forms. If the Borrower fails to timely file any report required under this Section, the Lender will mail the Borrower a warning within one week after the required filing date. If, after 14 days of the postmarked date of the warning, the Borrower fails to provide a report, the Borrower must pay to the Lender a penalty of \$100 for each subsequent day until the report is filed. The maximum aggregate penalty payable under this Section is \$1,000.

(f) Other assistance. Other than the loan provided pursuant to this Agreement, there are no other state or local government agencies providing financial assistance for the Project.

(g) Parent Corporation. The Borrower does not have a parent corporation.

6. Event of Default by Borrower. The following shall be Events of Default under this Agreement:

- (a) failure to pay any principal or interest on the Loan when due;
- (b) any representation or warranty made by the Borrower herein or in any document, instrument, or certificate given in connection with the Loan Documents that is false when made;
- (c) Failure by the Borrower to pay its debts as they become due, or if the Borrower makes an assignment for the benefit of its creditors, admits in writing its inability to pay its debts as they become due, files a petition under any chapter of the Federal Bankruptcy Code or any similar law, state or federal, now or hereafter existing, becomes "insolvent" as that term is generally defined under the Federal Bankruptcy Code, files an answer admitting insolvency or inability to pay its debts as they become due in any involuntary bankruptcy case commenced against it, or fails to obtain a dismissal of such case within thirty (30) days after its commencement or convert the case from one chapter of the Federal Bankruptcy Code to another chapter, or be the subject of an order for relief in such bankruptcy case, or be adjudged a bankrupt or insolvent, or has a custodian, trustee, or receiver appointed for, or has any court take jurisdiction of its property, or any part thereof, in any proceeding for the purpose of reorganization, arrangement, dissolution, or liquidation, and such custodian, trustee, or receiver is not discharged, or such jurisdiction is not relinquished, vacated, or stayed within thirty (30) days of the appointment;
- (d) a garnishment summons or writ of attachment is issued against or served upon the Lender for the attachment of any property of the Borrower in the Lender's possession or any indebtedness owing to the Borrower, unless appropriate papers are filed by the Borrower contesting the same within thirty (30) days after the date of such service or such shorter period of time as may be reasonable in the circumstances;
- (e) any breach or failure of the Borrower to perform any other term or condition of this Agreement or the Loan Documents not specifically described as an Event of Default in this Agreement or the Loan Documents, and such breach or failure continues for a period of fifteen (15) days after the Lender has given written notice to the Borrower specifying such default or breach, unless the Lender agrees in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the Lender will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Borrower within the applicable period and is being diligently pursued until the Default is corrected, but no such extension shall be given for an Event of Default that can be cured by the payment of money (i.e., payment of taxes, insurance premiums, or other amounts required to be paid hereunder);
- (f) the Borrower takes any of the actions set forth in Section 9 hereof; and
- (g) any breach by Borrower of any other agreement between Borrower and Lender, or Borrower and the City.

7. Lender's Remedies upon Borrower's Default. Upon an Event of Default by the Borrower and after provision by the Lender of written notice, if the Borrower has failed to remedy such default within the period specified above, the Lender shall have the right to exercise any or all of the following remedies (and any other rights and remedies available to it):

- (a) declare the principal amount of the Loan and any accrued interest thereon to be immediately due and payable upon providing written notice to the Borrower;
- (b) suspend its performance under this Agreement;
- (c) take any action provided for at law to enforce compliance by the Borrower with the terms of

this Agreement and the Note;

- (d) foreclose on the Mortgage;
- (e) exercise its remedies under the Mortgage; and
- (f) exercise its remedies under the Personal Guaranty.

In addition to any other amounts due on the Loan, and without waiving any other right of the Lender under any this Agreement or any other instrument securing the Loan applicable documents, the Borrower shall pay to the Lender a late fee of \$250 for any payment not received in full by the Lender within 16 calendar days of the date on which it is due. Furthermore, interest will continue to accrue on any amount due until the date on which it is paid to the Lender, and all such interest will be due and payable at the same time as the amount on which it has accrued.

8. Lender's Costs of Enforcement of Agreement. If an Event of Default has occurred as provided herein, then upon demand by the Lender, the Borrower shall pay or reimburse the Lender for all expenses, including all attorneys' fees and expenses incurred by the Lender in connection with the enforcement of this Agreement, the Loan Documents and the Note, or in connection with the protection or enforcement of the interests and collateral security of the Lender in any litigation or bankruptcy or insolvency proceeding or in any action or proceeding relating in any way to the transactions contemplated by this Agreement.

9. Early Repayment. The Loan will be immediately due and payable if:

- (a) the Borrower or its owners sells or otherwise transfers any or part of his/her interest in the Property;
- (b) the Borrower fails to comply with the Guidelines; or
- (c) the Borrower ceases operations, reduces services or significantly alters the Project.

10. Indemnification.

(a) The Borrower shall and does hereby agree to protect, defend, indemnify, and hold the Lender and the City, and their respective officers, agents, and employees, harmless of and from any and all liability, loss, or damage that it may incur under or by reason of this Agreement, and of and from any and all claims and demands whatsoever that may be asserted against the Lender by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained herein.

(b) Should the Lender or the City, or their respective officers, agents, or employees, incur any such liability or be required to defend against any claims or demands pursuant to Section 10, or should a judgment be entered against the Lender, the amount thereof, including costs, expenses, and reasonable attorneys' fees, shall bear interest thereon at the rate then in effect on the Note, shall be secured hereby, shall be added to the Loan, and the Borrower shall reimburse the Lender for the same immediately upon demand, and upon the failure of the Borrower to do so, the Lender may declare the Loan immediately due and payable.

(c) This indemnification and hold harmless provision shall survive the execution, delivery, and performance of this Agreement and the creation and payment of any indebtedness to the Lender. The

Borrower waives notice of the acceptance of this Agreement by the Lender.

(d) Nothing in this Agreement shall constitute a waiver of or limitation on any immunity from or limitation on liability to which the Lender is entitled under law.

11. Miscellaneous.

(a) Waiver. The performance or observance of any promise or condition set forth in this Agreement may be waived, amended, or modified only by a writing signed by the Borrower and the Lender. No delay in the exercise of any power, right, or remedy operates as a waiver thereof, nor shall any single or partial exercise of any other power, right, or remedy.

(b) Assignment. This Agreement shall be binding upon the Borrower and its successors and assigns and shall inure to the benefit of the Lender and its successors and assigns. All rights and powers specifically conferred upon the Lender may be transferred or delegated by the Lender to any of its successors and assigns. The Borrower's rights and obligations under this Agreement may be assigned only when such assignment is approved in writing by the Lender.

(c) Governing Law. This Agreement is made and shall be governed in all respects by the laws of the State of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

(d) Severability. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications that can be given effect, and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby.

(e) Notice. All notices required hereunder shall be given by depositing in the U.S. mail, postage prepaid, first-class mail, return receipt requested, to the following addresses (or such other addresses as either party may notify the other):

To Lender: City of Monticello Economic Development Authority
505 Walnut Street, Suite 1
Monticello, MN 55362
Attn: Executive Director

To Borrower: Sperr Properties, LLC
9277 Edmonson Ave NE #232
Monticello, MN 55362

(f) Termination. If the Loan is not disbursed pursuant to this Agreement within 180 days of approval of the Loan by the Board of the Commissioners of the Lender (the "Board"), this Agreement shall terminate and neither party shall have any further obligation to the other, except that if the Loan is not disbursed because the Borrower has failed to use its best efforts to comply with the conditions set forth in Section 3 of this Agreement then the Borrower shall pay to the Lender all reasonable attorneys' fees, costs, and expenses incurred by the Lender in connection with this Agreement, the Loan Documents, and the Note. The 180 days may be extended up to an additional 120 days if an extension request is (i) received at least 30 days prior to the expiration of the 180 days and (ii) approved by the Board.

Provided the Loan is disbursed within the required timeframe, this Agreement shall terminate on

the later of the Maturity Date (as defined in the Note) or the date that the Loan has been paid in full (the “Termination Date”). Notwithstanding anything herein to the contrary, the indemnification provisions provided in Section 10 hereof shall not terminate on the Termination Date.

(g) Entire Agreement. This Agreement, together with any exhibits attached hereto, which are incorporated by reference, constitutes the complete and exclusive statement of all mutual understandings between the parties with respect to this Agreement, superseding all prior or contemporaneous proposals, communications, and understandings, whether oral or written, concerning the Loan.

(h) Headings. The headings appearing at the beginning of the several sections contained in this Agreement have been inserted for identification and reference purposes only and shall not be used in the construction and interpretation of this Agreement.

(i) Recording of Documents. The Mortgage shall be recorded with the county on which the Property is located and all costs of such recording shall be paid by the Borrower.

(j) Electronic Signatures; Execution in Counterparts. The electronic signature of the parties to this Agreement shall be as valid as an original signature of such party and shall be effective to bind the parties hereto. For purposes hereof, (i) “electronic signature” means a manually signed original signature that is then transmitted by electronic means; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”) or other replicating image attached to an electronic mail or internet message. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(k) Data Practices. All data collected, created, received, maintained or disseminated for any purpose in the course of the Borrower’s performance of this Agreement is governed by the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, and any other applicable state statutes, any state rules adopted to implement the Act and statutes, as well as federal statutes and regulations on data privacy.

(l) Accounting and Records. The Borrower agrees to establish and maintain complete, accurate and detailed accounts and records relating to the receipt and expenditure of all funds received under this Agreement. Such accounts and records shall be kept and maintained by the Borrower for a period of six (6) years following the Termination Date. Accounting methods shall be in accordance with generally accepted accounting principles.

(m) Audits. The accounts and records of the Borrower described in paragraph (l) above shall be audited in the same manner as all other accounts and records of the Borrower and may, for a period of six (6) years following the Termination Date, be inspected on the Borrower’s premises by the Authority or individuals or organizations designated by the Authority, upon reasonable notice thereof to the Borrower. The books, records, documents and accounting procedures relevant to this Agreement are subject to examination by the State Auditor in accordance with Minnesota law.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the proper officers thereunto duly authorized on the day and year first written above.

LENDER:

**CITY OF MONTICELLO ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____

President

By: _____

Executive Director

**[SIGNATURE PAGE TO LOAN AGREEMENT – CITY OF MONTICELLO ECONOMIC
DEVELOPMENT AUTHORITY]**

BORROWER:

SPERR PROPERTIES, LLC, a Minnesota limited liability company

By _____
Its _____

L&L HOMESTYLE CAFE, LLC, a Minnesota limited liability company

By _____
Its _____

MORTGAGE

THE MAXIMUM PRINCIPAL INDEBTEDNESS SECURED BY THIS MORTGAGE IS \$65,000.

THIS MORTGAGE (the "Mortgage") made as of the 11th day of March, 2026 by SPERR PROPERTIES, LLC, a Minnesota limited liability company (collectively, the "Borrower"), in favor of the CITY OF MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and a political subdivision of the State of Minnesota (the "Lender").

WITNESSETH:

The Borrower owes the Lender the principal sum of SIXTY-FIVE THOUSAND DOLLARS AND NO/100 (\$65,000), which debt is evidenced by a Promissory Note of even date herewith (the "Note"), with a maturity date of March 1, 2036, the terms and conditions of which are incorporated herein. This Mortgage secures to the Lender: (a) the repayment of the debt evidenced by the Note, and all renewals, extensions, and modifications of the Note; (b) the payment of all other sums, with interest thereon, advanced to protect the security of this Mortgage; (c) the performance of the Borrower's covenants and agreements under this Mortgage and the Note; and (d) is subject to the terms and conditions of that certain Loan Agreement of even date herewith (the "Loan Agreement"), between the Borrower and the Lender. For this purpose, the Borrower does hereby mortgage, grant and convey to Lender, with power of sale, the real property located in Wright County, Minnesota and legally described in the **Exhibit A** attached hereto, together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the "Property".

THE BORROWER COVENANTS that the Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, and convey the Property and that the Property is unencumbered, except for those encumbrances of record previously disclosed in writing to the Lender, including those in Section 2 hereof. The Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

The Borrower and the Lender agree as follows:

1. PAYMENT OF PRINCIPAL AND INTEREST; LATE CHARGES. The Borrower shall promptly pay when due the principal of and accrued interest on the debt evidenced by the Note and any late charges due under the Note or the Loan Agreement.

2. SUBORDINATION. This Mortgage is subordinate to the Mortgage given by the Borrower to North Star Bank, dated November 14, 2025 and recorded with the County Recorder as document number A-1589850 on November 17, 2025.

3. CHARGES; LIENS. The Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which may attain priority over this Mortgage, and leasehold payments or ground rents, if any. The Borrower shall pay these obligations on time directly to the person owed payment.

The Borrower shall promptly discharge any lien which has priority over this Mortgage, notwithstanding those named in Section 2 hereof, unless the Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner reasonably acceptable to the Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to the Lender subordinating the lien to this Mortgage. If the Lender determines that any part of the Property is subject to a lien which may attain priority over this Mortgage, other than those named in Section 2 hereof, the Lender may give the Borrower a notice identifying the lien. The Borrower shall satisfy the lien or take one or more of the actions set forth above within 30 days of the giving of notice.

4. HAZARD OR PROPERTY INSURANCE. The Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire and any other hazards for which the Lender requires insurance for full replacement value of the improvements. This insurance shall be maintained in the amounts and for the periods that the Lender reasonably requires. The insurance carrier providing the insurance shall be chosen by the Borrower. If the Borrower fail to maintain coverage described above, the Lender may, at the Lender's option, obtain coverage to protect the Lender's rights in the Property in accordance with paragraph 5.

All insurance policies and renewals shall be reasonably acceptable to the Lender and shall include a standard mortgage clause. If the Lender requires, the Borrower shall promptly give to the Lender all receipts of paid premiums and renewal notices. In the event of loss, the Borrower shall give prompt notice to the insurance carrier and the Lender. The Lender may make proof of loss if not made promptly by the Borrower.

If under Section 16 the Property is acquired by the Lender, the Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to the Lender to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

5. PROTECTION OF THE PROPERTY. The Borrower shall keep the property in good repair and shall not destroy or damage the Property or commit waste on or permit impairment or deterioration of the Property. The Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in the Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Mortgage or the Lender's security interest. The Borrower may cure such a default and reinstate, as provided in Section 14, by causing the action or proceeding to be dismissed with a ruling that, in the Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Mortgage or the Lender's security interest. The Borrower shall also be in default if the Borrower gave materially false or inaccurate information or statements to the Lender in connection with the loan evidenced by the Note.

6. PROTECTION OF LENDER'S RIGHTS IN THE PROPERTY. If the Borrower fails to perform the covenants and agreements contained in this Mortgage, or there is a legal proceeding that may

significantly affect the Lender's rights in the Property (such as a proceeding in bankruptcy, condemnation, or forfeiture), the Lender may do and pay for whatever is necessary to protect the value of the Property and the Lender's rights in the Property. The Lender's actions may include paying any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. Although the Lender may act under this Section 6, the Lender is not required to do so.

Any amounts disbursed by the Lender under this paragraph 5 shall become additional debt of the Borrower secured by this Mortgage. Unless the Borrower and the Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at a rate equal to the interest rate on the Note and shall be payable, with interest, upon notice from the Lender to the Borrower requesting payment.

7. INSPECTION. The Lender or its agent may make reasonable entries upon and inspections of the Property upon reasonable notice to the Borrower.

8. CONDEMNATION. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to the Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to the Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Mortgage immediately before the taking, unless Borrower and Lender otherwise agree in writing, if any, the sums secured by this Mortgage shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to the Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless the Borrower and the Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Mortgage whether or not the sums are then due.

9. FORBEARANCE BY LENDER NOT A WAIVER. Any forbearance by the Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

10. SUCCESSORS AND ASSIGNS BOUND. The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of the Lender and the Borrower.

11. LOAN CHARGES. If the loan secured by this Mortgage is or becomes subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from the Borrower which exceeded permitted limits will be refunded to the Borrower. The Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to the Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

12. NOTICES. Any notice to the Borrower provided for in this Mortgage shall be given by delivering it personally or by mailing it by first class United States mail, postage prepaid, return receipt requested. The notice shall be directed to the Borrower at 9277 Edmonson Avenue NE, #232, Monticello, MN 55362, or any other address the Borrower designates by notice to the Lender. Any notice to the Lender

shall be given or mailed to 505 Walnut Street, Suite 1, Monticello, Minnesota 55362, or any other address the Lender designates by notice to the Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to the Borrower or the Lender when given as provided in this paragraph.

13. GOVERNING LAW; SEVERABILITY. This Mortgage shall be governed by the law of the state of Minnesota. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision. To this end, the provisions of this Mortgage and the Note are declared to be severable.

14. BORROWER'S RIGHT TO REINSTATE. If the Borrower meets certain conditions, the Borrower shall have the right to have enforcement of this Mortgage discontinued at any time prior to the earlier of: (a) 5 days before sale of the Property pursuant to any power of sale contained in this Mortgage; or (b) entry of a judgment enforcing this Mortgage. Those conditions are that the Borrower: (a) pays Lender all sums which then would be due under this Mortgage and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Mortgage, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as the Lender may reasonably require to assure that the lien of this Mortgage, Lender's rights in the Property and the Borrower's obligation to pay the sums secured by this Mortgage shall continue unchanged. Upon reinstatement by the Borrower, this Mortgage and the obligations secured hereby shall remain fully effective as if no acceleration had occurred.

15. HAZARDOUS SUBSTANCES. The Borrower shall not cause or permit the presence, use, disposal, storage, or release of any hazardous substances on or in the Property, except those solvents, oils, cleaning materials, and other substances as are used in the ordinary course of the Borrower's business. The Borrower shall not do, and will use its best efforts not to allow anyone else to do, anything affecting the Property that is in violation of any environmental law.

The Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving the Property and any hazardous substance or environmental law of which the Borrower has actual knowledge. If the Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any hazardous substance affecting the Property is necessary, the Borrower shall promptly take all necessary remedial actions in accordance with that environmental law.

As used in this Section 15, "hazardous substances" are those substances defined as toxic or hazardous substances by environmental law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this Section 15, "environmental law" means federal or state laws that relate to environmental protection.

16. ACCELERATION; REMEDIES. The Lender shall give notice to the Borrower prior to acceleration following the Borrower's breach of any covenant or agreement in this Mortgage. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower by which the default must be cured, provided, however, if the Borrower are diligently pursuing a cure, the Borrower shall have such additional time as is reasonably necessary to complete the cure; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. The notice shall further inform the Borrower of the right to reinstate after acceleration and sale. If the default is not cured on or before the date specified in the notice, the Lender at its option may require immediate payment in full of any sums secured by this Mortgage without further demand and may invoke the power of sale and

any other remedies permitted by law. The Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 16, including, but not limited to, reasonable attorneys' fees.

If Lender invokes the power of sale, the Lender shall cause a copy of a notice of sale to be served upon any person in possession of the Property. The Lender shall publish a notice of sale, and the Property shall be sold at public auction in the manner prescribed by law. The Lender or its designee may purchase the Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Mortgage; and (c) any excess to the person or persons legally entitled to it.

17. RELEASE OF MORTGAGE. Upon payment of all sums secured by this Mortgage, Lender shall discharge this Mortgage without charge to the Borrower. The Borrower shall pay any recordation costs.

18. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER. If the Borrower sells or conveys all or any part of the Property or any interest in the Property (or if a beneficial interest in any the Borrower is sold or transferred and the Borrower is not a national person) without the Lender's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage; provided, however, that if the Lender requires the immediate payment in full of all sums secured by this Mortgage, then the Borrower may, in its sole discretion, elect to convey title to the Property to the Lender and, in that event, the Lender shall forgive the unpaid balance of all sums secured by this Mortgage and release the Borrower from this Mortgage, the Note, the Personal Guaranty and the Loan Agreement, without further liability. However, the Lender shall not exercise its option if such exercise is prohibited by federal or state law as of the date of this Mortgage.

If the Lender exercises such option, the Lender shall give the Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the Borrower must pay all sums secured by this Mortgage or elect to convey title to the Property to the Lender in lieu of such accelerated payment. If the Borrower fails to pay these sums or to elect to convey title to the Lender prior to the expiration of this period, the Lender may invoke any remedies permitted by this Mortgage without further notice or demand on the Borrower.

19. ADDITIONAL COVENANTS. The Borrower covenants: (a) to warrant title to the Property, (b) to pay all other mortgages, liens, charges or encumbrances against the Property as and when they become due, (c) to pay the indebtedness of the Note as herein provided, (d) to pay all real estate taxes on the Property (e) that the Property shall be kept in repair and no waste shall be committed as provided in Paragraph 5, (f) that the Borrower shall keep any buildings on the Property insured against loss by fire and other hazards for at least the sum of the full insurable value of the Property for the protection of the Lender as provided in Paragraph 4; and (g) that the whole of the principal sum shall become due after default in the payment of any installment of principal or interest, or of any tax, or in the performance of any other covenant, at the option of the Lender; provided, however, that if the Lender declares such a default and requires payment in full of all sums secured by this Mortgage, then Borrower may, in its sole discretion, elect to convey title to the Property to the Lender and, in that event, the Lender shall forgive the unpaid balance of all sums secured by this Mortgage and release the Borrower from its obligations under this Mortgage, the Note, the Personal Guaranty and the Loan Agreement, without further liability.

(The remainder of this page is intentionally blank.)

IN TESTIMONY WHEREOF, Borrower has hereunto set its hand the day and year first above written.

SPERR PROPERTIES, LLC, a Minnesota limited liability company

By _____
Its _____

STATE OF MINNESOTA)

COUNTY OF _____)

On this _____ day of _____, 2026, before me the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me, or proved to me on the basis of satisfactory evidence, to be _____, the _____ of Sperr Properties, LLC a Minnesota limited liability company, and executed the within instrument on behalf of such limited liability company.

Notary Public

EXHIBIT A

Legal Description of Property

That property located in the City of Monticello, Wright County, Minnesota and legally described as follows:

Lot 15 of Block 35 Monticello, except a strip of land on the East side of thereof 8 1/2 feet in width, front and rear, running 165 feet being the full depth of said lot, according to the plat thereof on file and of record in the office of the County Recorder, Wright County, Minnesota.

Abstract Property

PROMISSORY NOTE

\$65,000

March 11, 2026

FOR VALUE RECEIVED, the undersigned, SPERR PROPERTIES, LLC and L&L HOMESTYLE CAFÉ, LLC, each a Minnesota limited liability company (collectively, the "Borrower"), for value received, hereby, jointly and severally, promise to pay to the CITY OF MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic under the laws of Minnesota (the "Lender") (Lender and any holder of this Note from time to time are each hereinafter sometimes referred to as "Holder"), at 505 Walnut Street, Suite 1, Monticello, Minnesota 55362, or such other place as may be designated from time to time in writing by the Holder hereof, the principal sum of SIXTY-FIVE THOUSAND and no/100ths Dollars (\$65,000) or so much thereof as may be advanced under this Note (the "Loan"), pursuant to the terms of a Loan Agreement between the Borrower and the Lender of even date herewith (the "Loan Agreement"), together with interest thereon at the rate of 4.75% per annum from the date of this Promissory Note (the "Note"), in any coin or currency which at the time or times of payment is legal tender for the payment of private debts in the United States of America. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement. The principal and interest of this Note is payable as follows:

1. Interest at the rate of 4.75% per annum shall accrue on the principal amount outstanding on the Note. The Borrower shall make level payments of principal and interest beginning on March 1, 2026 (the "Initial Payment Date"), and continue on the first day of each and every month thereafter until paid in full. Such payments shall fully amortize the principal and interest over ten (10) years; provided that the final payment of unpaid principal and interest shall be due and payable on March 1, 2036 (the "Maturity Date").

2. The Borrower may prepay the principal of the Note plus accrued interest thereon, in whole or in part, on any date without premium or penalty.

3. In addition to any other amounts due on the Loan Amount, and without waiving any other right of Lender under the Loan Documents, Borrower shall pay to Lender a late fee of \$250.00 for any payment not received in full by Lender within 16 calendar days of the date on which it is due. Furthermore, interest will continue to accrue on any amount due until the date on which it is paid to Lender, and all such interest will be due and payable at the same time as the amount on which it has accrued.

4. This Note evidences the Loan and is given pursuant to the Loan Agreement. The repayment of this Note is secured by the Mortgage, the Security Agreement, and the Personal Guaranty.

All of the agreements, conditions, covenants, provisions, and stipulations contained in the Loan Agreement, the Mortgage, the Security Agreement, the Personal Guaranty or any other instrument securing this Note are hereby made a part of this Note to the same extent and with the same force and effect as if they were fully set forth herein. It is agreed that time is of the essence of this Note. If an Event of Default occurs hereunder, under the Loan Agreement or any other instrument securing this Note, then Lender may at its right and option, pursuant to a notice of default, declare immediately due and payable the principal balance of this Note and interest accrued thereon, together with any costs of collection including attorney fees incurred by Lender in collecting or enforcing payment hereof, whether suit be brought or not, and all other sums due hereunder or under the Loan Agreement.

5. The remedies of the Lender as provided herein, and in the Loan Agreement, the Security Agreement, the Mortgage, the Personal Guaranty, or any other instrument securing this Note shall be cumulative and concurrent and may be pursued singly, successively, or together, and, at the sole discretion of

the Lender, may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

The Lender shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the Lender and then only to the extent specifically set forth in the writing. A waiver with reference to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy as to a subsequent event. This Note may not be amended, modified, or changed except only by an instrument in writing signed by the party against whom enforcement of any such amendment, modifications, or change is sought.

6. The obligations of the Borrower hereunder are unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Lender, the City, or any government body or other person.

7. If any of the terms of this Note, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Note, or the application of such terms to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each of the terms of this Note shall be valid and enforceable to the fullest extent permitted by law.

8. It is intended that this Note is made with reference to and shall be construed as a Minnesota contract and governed by the laws of the State of Minnesota.

9. The obligation of each Borrower hereunder is joint and several.

10. IT IS HEREBY CERTIFIED AND RECITED that all conditions, acts, and things required to exist, happen, and be performed precedent to or in the issuance of this Note do exist, have happened, and have been performed in regular and due form as required by law.

[The remainder of this page is intentionally blank.]

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed as of the _____
day of _____, 2026.

SPERR PROPERTIES, LLC, a Minnesota limited
liability company

By _____
Its _____

L&L HOMESTYLE CAFE, LLC, a Minnesota limited
liability company

By _____
Its _____

[SIGNATURE PAGE FOR PROMISSORY NOTE]

PERSONAL GUARANTY

LARRY SPERR

Monticello, Minnesota

March 11, 2026

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, and in consideration of and to induce financial accommodations of any kind, with or without security, given or to be given or continued at any time and from time to time by the CITY OF MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic (the "Lender"), to or for the account of Sperr Properties, LLC and L&L Homestyle Café, LLC, each a limited liability company (collectively, the "Borrower"), the undersigned (the "Guarantor") absolutely and unconditionally guaranty to the Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of any and all indebtedness, obligations and liabilities of the Borrower (and any and all successors of the Borrower) to the Lender, now or hereafter existing including the that certain Promissory Note of even date herewith, in the original aggregate principal amount of \$65,000.00, executed and delivered by the Borrower to the Lender, in accordance with the terms of the Loan Agreement, of even date herewith, between the Borrower and the Lender, absolute or contingent, independent, joint, several or joint and several, secured or unsecured, due or to become due, contractual or tortious, liquidated or unliquidated, arising by assignment or otherwise, including without limitation all indebtedness, obligations and liabilities owed by the Borrower (and any and all successors of the Borrower) as a member of any partnership, syndicate, association or other group, and whether incurred by the Borrower (or any successor of the Borrower) as principal, surety, endorser, guarantor, accommodation party or otherwise (collectively, the "Indebtedness"); and the Guarantor agrees to pay on demand all of the Lender's fees, costs, expenses and reasonable attorneys' fees in connection with the Indebtedness, any security therefor, and this guaranty, plus interest on such amounts at the highest rate then applicable to any of the Indebtedness.

The Lender may at any time and from time to time, without consent of or notice to the Guarantor, without incurring responsibility to the Guarantor, without releasing, impairing or affecting the liability of the Guarantor hereunder, upon or without any terms or conditions, and in whole or in part: (1) sell, pledge, surrender, compromise, settle, release, renew, subordinate, extend, alter, substitute, exchange, change, modify or otherwise dispose of or deal with in any manner and in any order any Indebtedness, any evidence thereof, or any security or other guaranty therefor; (2) accept any security for, or other guarantors of, any Indebtedness; (3) fail, neglect or omit to obtain, realize upon or protect any Indebtedness or any security therefor, to exercise any lien upon or right to any money, credit or property toward the liquidation of the Indebtedness, or to exercise any other right against the Borrower, the Guarantor, any other guarantor or any other person; and (4) apply any payments and credits to the Indebtedness in any manner and in any order. No act, omission or thing, except full payment and discharge of the Indebtedness, which but for this provision could act as a release or impairment of the liability of the Guarantor hereunder, shall in any way release, impair or otherwise affect the liability of the Guarantor hereunder, and the Guarantor waives any and all defenses of the Borrower pertaining to the Indebtedness, any evidence thereof, and any security therefor, except the defense of discharge by payment. The failure of any person or persons to sign this or any other guaranty shall not release, impair or affect the liability of the Guarantor hereunder. This guaranty is a primary obligation of the Guarantor and the Lender shall not be required to first resort for payment of the Indebtedness to the Borrower or any other person, its properties or estates, or any security or other rights or remedies whatsoever. The

Guarantor shall be and remain liable for any deficiency remaining after foreclosure of any mortgage or security interest securing the Indebtedness, whether or not the liability of the Borrower or any other person for such deficiency is discharged pursuant to statute, judicial decision or otherwise.

The liability of the Guarantor under this guaranty is in addition to and shall be cumulative with all other liabilities of the Guarantor to the Lender, as guarantor or otherwise, without any limitation as to amount, unless the writing evidencing or creating such other liability specifically provides to the contrary. If any payment applied by the Lender to the Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including without limitation the bankruptcy, insolvency or reorganization of the Borrower or any other person), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

The Guarantor waives: (1) notice of acceptance of this guaranty and of the creation and existence of the Indebtedness; (2) presentment, demand for payment, notice of dishonor, notice of nonpayment, and protest of any instrument evidencing the Indebtedness; and (3) all other demands and notices to the Guarantor or any other person and all other actions to establish the liability of the Guarantor hereunder. The Guarantor consents to the personal jurisdiction of the state and federal courts located in the State of Minnesota in connection with any controversy related to this guaranty, waives any argument that venue in such forums is not convenient, and agrees that any litigation initiated by the Guarantor against the Lender in connection with this guaranty shall be venued in either the District Court of Benton County, Minnesota, or the United States District Court, District of Minnesota.

All property of the Guarantor, now or hereafter in the possession, control or custody of or in transit to the Lender for any purpose, including without limitation the balance of every account of the Guarantor with and each claim of the Guarantor against the Lender, shall be subject to a lien and security interest in favor of the Lender, as security for all liabilities of the Guarantor to the Lender, and shall be subject to be set off against any and all such liabilities, and the Lender may at any time and from time to time at its option and without notice appropriate and apply any such property toward the payment of any and all such liabilities. The Guarantor agrees to promptly provide the Lender from time to time with financial statements of the Guarantor, in form and substance acceptable to the Lender, at least once every 12 months and as otherwise requested by the Lender. The Guarantor agrees to promptly provide the Lender from time to time with such other information respecting the condition (financial and otherwise), business and property of the Guarantor as the Lender may request, in form and substance acceptable to the Lender.

The Guarantor waives all claims, rights and remedies which the Guarantor may now have or hereafter acquire against any person at any time now or hereafter liable to payment of any of the Indebtedness and as to any collateral security, including but not limited to all claims, rights and remedies of contribution, indemnification, exoneration, reimbursement, recourse and subrogation, whether or not such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise, whether or not the Indebtedness has been fully paid, and all payments and recoveries under this guaranty shall be considered equity investments by the Guarantor in the Borrower; provided, nothing contained in this guaranty shall deprive the Guarantor of any claim, right or remedy, after the Indebtedness has been fully paid, against any person other than the Borrower. No delay or failure by the Lender in exercising any right, and no partial or single exercise thereof shall constitute a waiver thereof. No waiver of any rights hereunder, and no modification or amendment of this guaranty shall be effective unless the same is in writing duly executed by the Lender, and each such waiver, if any, shall apply only with respect to the specific instance involved and shall not impair or affect the rights of the Lender or the provisions of this guaranty in any other respect at any other time. This guaranty shall continue until written notice of

revocation of this guaranty, executed by the Guarantor, has been received by the Lender; provided, no revocation of this guaranty shall affect in any manner any liability of the Guarantor under this guaranty with respect to Indebtedness arising before the Lender receives such written notice of revocation, and the sole effect of revocation of this guaranty shall be to exclude from this guaranty Indebtedness thereafter arising which is unconnected with Indebtedness theretofore arising or transactions theretofore entered into.

Any invalidity or unenforceability of any provision or application of this guaranty shall not affect other lawful provisions and applications hereof and to this end the provisions of this guaranty are declared to be severable. This guaranty shall bind the Guarantor and the heirs, representatives, successors and assigns of the Guarantor, and of each of them respectively, and shall benefit the Lender, its successors and assigns. This guaranty shall be governed by and construed in accordance with the laws of the State of Minnesota.

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The Guarantor is an owner of the Borrower and the Guarantor acknowledges and agrees that the Indebtedness is being utilized by the Borrower to finance a portion of the costs related to the interior building renovations and the purchase of restaurant equipment located at 154 Walnut Street in the City (the "Property"), and such business improvements will materially financially benefit the Guarantor and, therefore, the Guarantor's obligations under this Guaranty are proper, valid and enforceable.

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The Guarantor warrants and represents to the Lender as follows:

a. Enforceability. This Guaranty constitutes the legal, valid and binding obligation of the Guarantor, enforceable in accordance with its terms (subject, as to enforceability, to limitations resulting from bankruptcy, insolvency or other similar laws affecting creditors' rights generally).

b. Litigation. There is no action, suit or proceeding pending or, to the knowledge of the Guarantor, threatened against or affecting the Guarantor which, if adversely determined, would have a material adverse effect on the condition (financial or otherwise), property or

assets of the Guarantor, or which would question total validity of this Guaranty or any instrument, document or other agreement related hereto or required hereby, or impair the ability of the Guarantor to perform his or her obligations hereunder or thereunder.

c. Default. Guarantor is not in default of a material provision under any material agreement, instrument, decree or order to which he or she is a party or by which he or she or his or her property is bound or affected.

d. Consents. No consent, approval, order or authorization of, or registration, declaration or filing with, or notice to, any governmental authority or any third party is required in connection with the execution and delivery of this Guaranty or any of the agreements or instruments herein mentioned to which Guarantor is a party or the carrying out or performance of any of the transactions required or contemplated hereby or thereby or, if required, such consent, approval, order or authorization has been obtained or such registration, declaration or filing has been accomplished or such notice has been given prior to the date hereof.

e. Taxes. Guarantor has filed all tax returns required to be filed and has paid all taxes shown thereon to be due, including interest and penalties, which are not being contested in good faith and by appropriate proceedings and none of them has any information or knowledge of any objections to or claims for additional taxes in respect of federal income or excess profits tax returns for prior years.

THE GUARANTOR REPRESENTS, CERTIFIES, WARRANTS AND AGREES THAT THE GUARANTOR HAS READ ALL OF THIS GUARANTY AND UNDERSTAND ALL OF THE PROVISIONS OF THIS GUARANTY. THE GUARANTOR ALSO AGREES THAT COMPLIANCE BY THE LENDER WITH THE EXPRESS PROVISIONS OF THIS GUARANTY SHALL CONSTITUTE GOOD FAITH AND SHALL BE CONSIDERED REASONABLE FOR ALL PURPOSES.

Larry Sperr

PERSONAL GUARANTY

LOGAN SPERR

Monticello, Minnesota

March 11, 2026

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The Lender may at any time and from time to time, without consent of or notice to the Guarantor, without incurring responsibility to the Guarantor, without releasing, impairing or affecting the liability of the Guarantor hereunder, upon or without any terms or conditions, and in whole or in part: (1) sell, pledge, surrender, compromise, settle, release, renew, subordinate, extend, alter, substitute, exchange, change, modify or otherwise dispose of or deal with in any manner and in any order any Indebtedness, any evidence thereof, or any security or other guaranty therefor; (2) accept any security for, or other guarantors of, any Indebtedness; (3) fail, neglect or omit to obtain, realize upon or protect any Indebtedness or any security therefor, to exercise any lien upon or right to any money, credit or property toward the liquidation of the Indebtedness, or to exercise any other right against the Borrower, the Guarantor, any other guarantor or any other person; and (4) apply any payments and credits to the Indebtedness in any manner and in any order. No act, omission or thing, except full payment and discharge of the Indebtedness, which but for this provision could act as a release or impairment of the liability of the Guarantor hereunder, shall in any way release, impair or otherwise affect the liability of the Guarantor hereunder, and the Guarantor waives any and all defenses of the Borrower pertaining to the Indebtedness, any evidence thereof, and any security therefor, except the defense of discharge by payment. The failure of any person or persons to sign this or any other guaranty shall not release, impair or affect the liability of the Guarantor hereunder. This guaranty is a primary obligation of the Guarantor and the Lender shall not be required to first resort for payment of the Indebtedness to the Borrower or any other person, its properties or estates, or any security or other rights or remedies whatsoever. The

Guarantor shall be and remain liable for any deficiency remaining after foreclosure of any mortgage or security interest securing the Indebtedness, whether or not the liability of the Borrower or any other person for such deficiency is discharged pursuant to statute, judicial decision or otherwise.

The liability of the Guarantor under this guaranty is in addition to and shall be cumulative with all other liabilities of the Guarantor to the Lender, as guarantor or otherwise, without any limitation as to amount, unless the writing evidencing or creating such other liability specifically provides to the contrary. If any payment applied by the Lender to the Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including without limitation the bankruptcy, insolvency or reorganization of the Borrower or any other person), the Indebtedness to which such payment was applied shall for the purposes of this guaranty be deemed to have continued in existence, notwithstanding such application, and this guaranty shall be enforceable as to such Indebtedness as fully as if such application had never been made.

The Guarantor waives: (1) notice of acceptance of this guaranty and of the creation and existence of the Indebtedness; (2) presentment, demand for payment, notice of dishonor, notice of nonpayment, and protest of any instrument evidencing the Indebtedness; and (3) all other demands and notices to the Guarantor or any other person and all other actions to establish the liability of the Guarantor hereunder. The Guarantor consents to the personal jurisdiction of the state and federal courts located in the State of Minnesota in connection with any controversy related to this guaranty, waives any argument that venue in such forums is not convenient, and agrees that any litigation initiated by the Guarantor against the Lender in connection with this guaranty shall be venued in either the District Court of Benton County, Minnesota, or the United States District Court, District of Minnesota.

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assets of the Guarantor, or which would question total validity of this Guaranty or any instrument, document or other agreement related hereto or required hereby, or impair the ability of the Guarantor to perform his or her obligations hereunder or thereunder.

c. Default. Guarantor is not in default of a material provision under any material agreement, instrument, decree or order to which he or she is a party or by which he or she or his or her property is bound or affected.

d. Consents. No consent, approval, order or authorization of, or registration, declaration or filing with, or notice to, any governmental authority or any third party is required in connection with the execution and delivery of this Guaranty or any of the agreements or instruments herein mentioned to which Guarantor is a party or the carrying out or performance of any of the transactions required or contemplated hereby or thereby or, if required, such consent, approval, order or authorization has been obtained or such registration, declaration or filing has been accomplished or such notice has been given prior to the date hereof.

e. Taxes. Guarantor has filed all tax returns required to be filed and has paid all taxes shown thereon to be due, including interest and penalties, which are not being contested in good faith and by appropriate proceedings and none of them has any information or knowledge of any objections to or claims for additional taxes in respect of federal income or excess profits tax returns for prior years.

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Logan Sperr

PERSONAL GUARANTY

MARK SPERR

Monticello, Minnesota

March 11, 2026

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The Lender may at any time and from time to time, without consent of or notice to the Guarantor, without incurring responsibility to the Guarantor, without releasing, impairing or affecting the liability of the Guarantor hereunder, upon or without any terms or conditions, and in whole or in part: (1) sell, pledge, surrender, compromise, settle, release, renew, subordinate, extend, alter, substitute, exchange, change, modify or otherwise dispose of or deal with in any manner and in any order any Indebtedness, any evidence thereof, or any security or other guaranty therefor; (2) accept any security for, or other guarantors of, any Indebtedness; (3) fail, neglect or omit to obtain, realize upon or protect any Indebtedness or any security therefor, to exercise any lien upon or right to any money, credit or property toward the liquidation of the Indebtedness, or to exercise any other right against the Borrower, the Guarantor, any other guarantor or any other person; and (4) apply any payments and credits to the Indebtedness in any manner and in any order. No act, omission or thing, except full payment and discharge of the Indebtedness, which but for this provision could act as a release or impairment of the liability of the Guarantor hereunder, shall in any way release, impair or otherwise affect the liability of the Guarantor hereunder, and the Guarantor waives any and all defenses of the Borrower pertaining to the Indebtedness, any evidence thereof, and any security therefor, except the defense of discharge by payment. The failure of any person or persons to sign this or any other guaranty shall not release, impair or affect the liability of the Guarantor hereunder. This guaranty is a primary obligation of the Guarantor and the Lender shall not be required to first resort for payment of the Indebtedness to the Borrower or any other person, its properties or estates, or any security or other rights or remedies whatsoever. The

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b. Litigation. There is no action, suit or proceeding pending or, to the knowledge of the Guarantor, threatened against or affecting the Guarantor which, if adversely determined, would have a material adverse effect on the condition (financial or otherwise), property or

assets of the Guarantor, or which would question total validity of this Guaranty or any instrument, document or other agreement related hereto or required hereby, or impair the ability of the Guarantor to perform his or her obligations hereunder or thereunder.

c. Default. Guarantor is not in default of a material provision under any material agreement, instrument, decree or order to which he or she is a party or by which he or she or his or her property is bound or affected.

d. Consents. No consent, approval, order or authorization of, or registration, declaration or filing with, or notice to, any governmental authority or any third party is required in connection with the execution and delivery of this Guaranty or any of the agreements or instruments herein mentioned to which Guarantor is a party or the carrying out or performance of any of the transactions required or contemplated hereby or thereby or, if required, such consent, approval, order or authorization has been obtained or such registration, declaration or filing has been accomplished or such notice has been given prior to the date hereof.

e. Taxes. Guarantor has filed all tax returns required to be filed and has paid all taxes shown thereon to be due, including interest and penalties, which are not being contested in good faith and by appropriate proceedings and none of them has any information or knowledge of any objections to or claims for additional taxes in respect of federal income or excess profits tax returns for prior years.

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Mark Sperr

SECURITY AGREEMENT

This SECURITY AGREEMENT (“Agreement”) is made to be effective as of March 11, 2026, by SPERR PROPERTIES, LLC, a Minnesota limited liability company (“Grantor”) and the MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and political subdivision of the State of Minnesota (the “Secured Party”).

AGREEMENT

In consideration of the above recitals, and the promises set forth in this Agreement, the parties agree as follows:

1. OBLIGATIONS. “Obligations” means collectively each debt, liability and obligation of every type and nature which the Grantor may now or at any time hereafter owe to Secured Party (including without limitation the obligations of the Grantor created under the loan agreement (the “Loan Agreement”) and the promissory note of the Grantor to Secured Party in the amount of \$65,000.00 of even date herewith and all amendments, replacements, restatements, and substitutions therefor), whether now existing or hereafter created or arising, and whether direct or indirect, due or to become due, absolute or contingent, and the repayment or performance of any of the foregoing if any such payment or performance is at any time avoided, rescinded, set aside, or recovered from or repaid by Secured Party, in whole or in part, in any bankruptcy, insolvency, or similar proceeding instituted by or against the Grantor or any other guarantor of any Obligation, or otherwise, including but not limited to all principal, interest, fees, expenses and other charges.
2. COLLATERAL. “Collateral” means collectively all of the personal property of the Grantor and personal property in which the Grantor has rights, now owned or hereafter acquired, and located at or arising out of that certain real property located at 154 W Broadway Street, Monticello, MN, including, but not limited to: All machinery, inventory, equipment, furniture, accounts (including but not limited to all health-care-insurance receivables), chattel paper, instruments (including but not limited to all promissory notes), letter-of-credit rights, letters of credit, documents, deposit accounts, investment property, money, other rights to payment and performance, and general intangibles (including but not limited to all software and all payment intangibles); all fixtures; all timber to be cut; all attachments, accessions, accessories, fittings, increases, tools, parts, repairs, supplies, and commingled goods relating to the foregoing property, and all additions, replacements of and substitutions for all or any part of the foregoing property; all insurance refunds relating to the foregoing property; all good will relating to the foregoing property; all records and data and embedded software relating to the foregoing property, and all equipment, inventory and software to utilize, create, maintain and process any such records and data on electronic media; and all supporting obligations relating to the foregoing property; all whether now existing or hereafter arising, whether now owned or hereafter acquired or whether now or hereafter subject to any rights in the foregoing property; and all products and proceeds (including but not limited to all insurance payments) of or relating to the

foregoing property (the “Collateral”). The term Collateral shall also include (a) accessions, additions and improvements to, replacements of, and substitutions for any of the foregoing; (b) all products and proceeds of any of the foregoing; and (c) books, records and data in any form relating to any of the foregoing.

3. SECURITY INTEREST. The Grantor grants to Secured Party a security interest (“Security Interest”) in the Collateral to secure the payment and performance of the Obligations. The Security Interest continues in effect until this Agreement is terminated in writing by Secured Party.
4. REPRESENTATIONS, WARRANTIES AND COVENANTS. The Grantor represents, warrants and agrees that:
 - 4.1. Principal Office/Residence. The Grantor’s chief executive office/residence is located at 9277 Edmonson Ave NE #232, Monticello, MN 55362. The Grantor must give Secured Party written notice prior to any change in the location of the Grantor’s principal office/residence.
 - 4.2. Organization; Authority. The Grantor is a limited liability company, duly organized, existing and in good standing under the laws of the state and of its organization and has full power and authority to enter into this Agreement. The Grantor’s state of organization/residence is Minnesota and its exact legal name is as set forth on the signature page to this Agreement. The Grantor will not change its state of organization, form of organization or name without Secured Party’s prior written consent.
 - 4.3. Perfection of Security Interest. The Grantor will execute and deliver, and irrevocably appoints Secured Party (which appointment is coupled with an interest) the Grantor’s attorney-in-fact to execute and deliver in the Grantor’s name, all financing statements (including, but not limited to, amendments, terminations and terminations of other security interests in any of the Collateral), control agreements and other agreements which Secured Party may at any time reasonably request in order to secure, protect, perfect, collect or enforce the Security Interest, the Grantor shall, at any time and from time to time, take such steps as Secured Party may reasonably request for Secured Party: (i) to obtain an acknowledgement, in form and substance reasonably satisfactory to Secured Party, of any bailee having possession of any of the Collateral that such bailee holds such Collateral for Secured Party; and (ii) otherwise to ensure the continued perfection and priority of the Security Interest in any of the Collateral and the preservation of the rights of Secured Party therein.
 - 4.4. Enforceability of Collateral. To the extent the Collateral consists of accounts, instruments, documents, chattel paper, letter-of-credit rights, letters of credit or general intangibles, the Collateral is enforceable in accordance with its terms, is genuine, complies with applicable laws concerning form, content and manner of

preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral.

- 4.5. Title to Collateral. The Grantor holds good and marketable title to the Collateral free of all security interests and encumbrances other than the permitted encumbrances identified on Exhibit A attached hereto. The Grantor will keep the Collateral free of all security interests and encumbrances except for the Mortgage given to [_____] in the amount of \$[_____]. The Grantor will defend Secured Party's rights in the Collateral against the claims and demands of all other persons.
- 4.6. Collateral Location. Other than inventory in transit equipment used in the performance of contracts, and motor vehicles in use, all tangible Collateral shall be located at the Grantor's address set forth at the beginning of this Agreement, and no such Collateral shall be located at any other address without the prior written consent of the Secured Party.
- 4.7. Collateral Use. The Grantor must use the Collateral only for business purposes. The Grantor must not use or keep any Collateral for any unlawful purpose or in violation of any federal, state or local law, statute or ordinance.
- 4.8. Maintenance of Collateral. The Grantor must maintain all tangible Collateral in good condition and repair. The Grantor must not commit or permit damage to or destruction of any of the Collateral. The Grantor must give Secured Party prompt written notice of any material loss of or damage to any tangible Collateral and of any other happening or event that materially affects the existence, value or amount of the Collateral.
- 4.9. Disposition of Collateral. The Grantor must not sell or otherwise dispose of any Collateral or any interest in any Collateral without the prior written consent of Secured Party, except that until the occurrence of an Event of Default (as defined in Section 5 below), the Grantor may sell any inventory constituting Collateral in the ordinary course of the Grantor's business at prices constituting the fair market value thereof. For purposes of this Agreement, a transfer in partial or total satisfaction of a debt, obligation or liability shall not constitute a sale or lease in the ordinary course of business. In addition, the Grantor may dispose of Collateral which is obsolete or inoperative equipment, provided such equipment is replaced by Grantor and the replacement equipment is subject to the Security Interest in favor of Secured Party in the same lien priority as the Security Interest in the equipment which was disposed of.
- 4.10. Taxes, Assessments and Liens. The Grantor must promptly pay all taxes and other governmental charges levied or assessed upon or against any Collateral.

- 4.11. Records; Access. The Grantor must keep accurate and complete records pertaining to the Collateral and to the Grantor's business and financial condition and will submit to Secured Party all reports regarding the Collateral and the Grantor's business and financial condition as and when Secured Party may reasonably request. During normal business hours, the Grantor must permit Secured Party and its representatives to examine or inspect any Collateral, wherever located, and to examine, inspect and copy the Grantor's books and records relating to the Collateral and the Grantor's business and financial condition.
- 4.12. Insurance. The Grantor must keep all tangible Collateral insured against risks of fire (including so-called extended coverage), theft and other risks and in such amounts as Secured Party may reasonably request, with any loss payable to Secured Party to the extent of its interest. The Grantor assigns to Secured Party all money due or to become due with respect to, and all other rights of the Grantor with respect to, all insurance concerning the Collateral and the Grantor directs the issuer of any such insurance to pay all such money directly to Secured Party.
- 4.13. Collection Costs. The Grantor must reimburse Secured Party on demand for all costs of collection of any of the Obligations and all other expenses incurred by Secured Party in connection with the perfection, protection, defense or enforcement of the Security Interest and this Agreement, including all reasonable attorneys' fees incurred by Secured Party whether or not any litigation or bankruptcy or insolvency proceeding is commenced.
- 4.14. Financing Statements. The Grantor authorizes Secured Party to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the Grantor's signature where permitted by law, in each case in such form and substance as Secured Party may determine. The Grantor shall pay all filing, registration and recording fees and any taxes, duties, imports, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, any agreement supplemental hereto, any financing statements, and any instruments of further assurance.
5. **EVENTS OF DEFAULT.** Each of the following is an "Event of Default" under this Agreement: (a) any default in the payment or performance of any of the Obligations; or (b) any default under the terms of this Agreement or any other note, obligation, agreement, mortgage, or other writing heretofore, herewith or hereafter given to or acquired by the Secured Party to which the Grantor is a party; or (c) the insolvency, death, dissolution, liquidation, merger, or consolidation of the Grantor; or (d) any appointment of a receiver, trustee, or similar officer of any property of the Grantor; or (e) any assignment for the benefit of creditors of the Grantor; or (f) any commencement of any proceeding under any bankruptcy, insolvency, dissolution, liquidation, or similar law by or against the Grantor; or (g) the sale, lease or other disposition (whether in one transaction or in a series of transactions) to one or more persons other than in the ordinary course of business of all or a substantial part of the assets of the Grantor;

or (h) the death, dissolution, or liquidation of any partner of the Grantor; or (i) the entry of any judgment against the Grantor which is not discharged in a manner acceptable to the Secured Party within thirty (30) days after such entry; or (j) the issuance of levy of any writ, warrant, attachment, garnishment, execution, or other process against any property of the Grantor; or (k) the attachment of any tax lien to any property of the Grantor; or (l) any statement, representation, or warranty made by Grantor (or any representative of the Grantor) to the Secured Party at any time shall be incorrect or misleading in any material respect when made; or (m) there is a material adverse change in the condition (financial or otherwise), business, or property of the Grantor.

6. **REMEDIES UPON EVENT OF DEFAULT.** Upon the occurrence of an Event of Default and at any time thereafter, Secured Party may exercise one or more of the following rights and remedies: (a) declare all Obligations to be immediately due and payable, and the same shall thereupon be immediately due and payable, without presentment or other notice or demand, all of which are hereby waived by the Grantor; (b) require the Grantor to assemble all or any part of the Collateral and make it available to the Secured Party at a place to be designated by the Secured Party which is reasonably convenient to both parties; (c) exercise and enforce any and all rights and remedies available upon default under this Agreement, the Uniform Commercial Code, and any other applicable agreements and laws. If notice to the Grantor of any intended disposition of Collateral or other action is required, such notice shall be deemed reasonably and properly given if mailed by regular or certified mail, postage prepaid, to the Grantor at the address stated at the beginning of this Agreement or at the most recent address shown in the Secured Party's records, at least 10 days prior to the action described in such notice. The Grantor consents to the personal jurisdiction of the state and federal courts located in the State of Minnesota in connection with any controversy related to this Agreement, the Collateral, the Security Interest, or any of the Obligations, waives any argument that venue in such forums is not convenient, and agrees that any litigation initiated by the Grantor against the Secured Party in connection with this Agreement, the Collateral, the Security Interest, or any of the Obligations shall be venued in either the District Court of Wright, Minnesota, or the United States District Court, District of Minnesota.
7. **LIMITED POWER OF ATTORNEY.** If the Grantor at any time fails to perform or observe any agreement herein, the Secured Party, in the name and on behalf of the Grantor or, at its option, in its own name, may perform or observe such agreement and take any action which the Secured Party may deem necessary or desirable to cure or correct such failure. The Grantor irrevocably authorizes Secured Party and grants the Secured Party a limited power of attorney in the name and on behalf of the Grantor or, at its option, in its own name, to collect, receive, receipt for, create, prepare, complete, execute, endorse, deliver, and file any and all financing statements, insurance applications, remittances, instruments, documents, chattel paper, and other writings, to grant an extension to, compromise, settle, waive, notify, amend, adjust, change, and release any obligation of any account Grantor, obligor, insurer, or other person pertaining to any Collateral, and take any other action deemed by the Secured Party to be necessary or desirable to establish, perfect, protect, or enforce the Security Interest. All of the Secured Party's advances,

charges, costs, and expenses, including without limitation reasonable attorneys' fees, in connection with the Obligations and in the protection and exercise of any rights or remedies hereunder, together with interest thereon at the highest rate then applicable to any of the Obligations, shall be secured hereunder and shall be paid by the Grantor to the Secured Party on demand.

8. MISCELLANEOUS. The following miscellaneous provisions are a part of this Agreement:

8.1. Definitions. Terms not otherwise defined in this Agreement shall have the meanings ascribed to them, if any, under the UCC and such meanings shall automatically change at the time that any amendment to the UCC, which changes such meanings, shall become effective.

8.2. Notices. All notices under this Agreement must be in writing and will be deemed given when delivered or placed in the United States mail, registered or certified, postage prepaid, addressed to the respective party at the respective address set forth below its signature on the signature page to this Agreement. Any party may change its address for notices under this Agreement by giving written notice to the other parties.

8.3. Amendments/Waivers. This Agreement may be waived, amended, modified or terminated and the Security Interest may be released only in a writing signed by Secured Party. Any waiver signed by Secured Party will be effective only in the specific instance and for the specific purpose given.

8.4. Applicable Law. This Agreement is governed by the laws of the State of Minnesota without regard to the conflict of law principles. If any provision of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability will not affect other provisions or applications that can be given effect and this Agreement will be construed and enforced as if the unlawful or unenforceable provision or application had never been contained in or prescribed by this Agreement.

8.5. Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

8.6. Integration. This Agreement embodies the entire agreement and understanding among the parties relative to subject matter hereof and supersedes all prior agreements and understandings relating to such subject matter.

8.7. Successors and Assigns. This Agreement is binding upon and will inure to the benefit of the parties and their successors and assigns.

8.8. Counterparts. This Agreement may be executed in several counterparts, each of which will be an original, and all of which will constitute one and the same instrument.

THE GRANTOR REPRESENTS, CERTIFIES, WARRANTS, AND AGREES THAT THE GRANTOR HAS READ ALL OF THIS AGREEMENT AND UNDERSTANDS ALL OF THE PROVISIONS OF THIS AGREEMENT. THE GRANTOR ALSO AGREES THAT COMPLIANCE BY THE SECURED PARTY WITH THE EXPRESS PROVISIONS OF THIS AGREEMENT SHALL CONSTITUTE GOOD FAITH AND SHALL BE CONSIDERED REASONABLE FOR ALL PURPOSES.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SPERR PROPERTIES, LLC,
a Minnesota limited liability company

By: _____

Its: _____

MONTICELLO ECONOMIC DEVELOPMENT
AUTHORITY

By: _____

Name: _____

Its: Executive Director

SECURITY AGREEMENT

This SECURITY AGREEMENT (“Agreement”) is made to be effective as of March 11, 2026, by L&L HOMESTYLE CAFÉ, LLC, a Minnesota limited liability company (“Grantor”) and the MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and political subdivision of the State of Minnesota (the “Secured Party”).

AGREEMENT

In consideration of the above recitals, and the promises set forth in this Agreement, the parties agree as follows:

1. OBLIGATIONS. “Obligations” means collectively each debt, liability and obligation of every type and nature which the Grantor may now or at any time hereafter owe to Secured Party (including without limitation the obligations of the Grantor created under the loan agreement (the “Loan Agreement”) and the promissory note of the Grantor to Secured Party in the amount of \$65,000.00 of even date herewith and all amendments, replacements, restatements, and substitutions therefor), whether now existing or hereafter created or arising, and whether direct or indirect, due or to become due, absolute or contingent, and the repayment or performance of any of the foregoing if any such payment or performance is at any time avoided, rescinded, set aside, or recovered from or repaid by Secured Party, in whole or in part, in any bankruptcy, insolvency, or similar proceeding instituted by or against the Grantor or any other guarantor of any Obligation, or otherwise, including but not limited to all principal, interest, fees, expenses and other charges.
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preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral.

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- 4.9. Disposition of Collateral. The Grantor must not sell or otherwise dispose of any Collateral or any interest in any Collateral without the prior written consent of Secured Party, except that until the occurrence of an Event of Default (as defined in Section 5 below), the Grantor may sell any inventory constituting Collateral in the ordinary course of the Grantor's business at prices constituting the fair market value thereof. For purposes of this Agreement, a transfer in partial or total satisfaction of a debt, obligation or liability shall not constitute a sale or lease in the ordinary course of business. In addition, the Grantor may dispose of Collateral which is obsolete or inoperative equipment, provided such equipment is replaced by Grantor and the replacement equipment is subject to the Security Interest in favor of Secured Party in the same lien priority as the Security Interest in the equipment which was disposed of.
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- 4.12. Insurance. The Grantor must keep all tangible Collateral insured against risks of fire (including so-called extended coverage), theft and other risks and in such amounts as Secured Party may reasonably request, with any loss payable to Secured Party to the extent of its interest. The Grantor assigns to Secured Party all money due or to become due with respect to, and all other rights of the Grantor with respect to, all insurance concerning the Collateral and the Grantor directs the issuer of any such insurance to pay all such money directly to Secured Party.
- 4.13. Collection Costs. The Grantor must reimburse Secured Party on demand for all costs of collection of any of the Obligations and all other expenses incurred by Secured Party in connection with the perfection, protection, defense or enforcement of the Security Interest and this Agreement, including all reasonable attorneys' fees incurred by Secured Party whether or not any litigation or bankruptcy or insolvency proceeding is commenced.
- 4.14. Financing Statements. The Grantor authorizes Secured Party to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the Grantor's signature where permitted by law, in each case in such form and substance as Secured Party may determine. The Grantor shall pay all filing, registration and recording fees and any taxes, duties, imports, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, any agreement supplemental hereto, any financing statements, and any instruments of further assurance.
5. **EVENTS OF DEFAULT.** Each of the following is an "Event of Default" under this Agreement: (a) any default in the payment or performance of any of the Obligations; or (b) any default under the terms of this Agreement or any other note, obligation, agreement, mortgage, or other writing heretofore, herewith or hereafter given to or acquired by the Secured Party to which the Grantor is a party; or (c) the insolvency, death, dissolution, liquidation, merger, or consolidation of the Grantor; or (d) any appointment of a receiver, trustee, or similar officer of any property of the Grantor; or (e) any assignment for the benefit of creditors of the Grantor; or (f) any commencement of any proceeding under any bankruptcy, insolvency, dissolution, liquidation, or similar law by or against the Grantor; or (g) the sale, lease or other disposition (whether in one transaction or in a series of transactions) to one or more persons other than in the ordinary course of business of all or a substantial part of the assets of the Grantor;

or (h) the death, dissolution, or liquidation of any partner of the Grantor; or (i) the entry of any judgment against the Grantor which is not discharged in a manner acceptable to the Secured Party within thirty (30) days after such entry; or (j) the issuance of levy of any writ, warrant, attachment, garnishment, execution, or other process against any property of the Grantor; or (k) the attachment of any tax lien to any property of the Grantor; or (l) any statement, representation, or warranty made by Grantor (or any representative of the Grantor) to the Secured Party at any time shall be incorrect or misleading in any material respect when made; or (m) there is a material adverse change in the condition (financial or otherwise), business, or property of the Grantor.

6. **REMEDIES UPON EVENT OF DEFAULT.** Upon the occurrence of an Event of Default and at any time thereafter, Secured Party may exercise one or more of the following rights and remedies: (a) declare all Obligations to be immediately due and payable, and the same shall thereupon be immediately due and payable, without presentment or other notice or demand, all of which are hereby waived by the Grantor; (b) require the Grantor to assemble all or any part of the Collateral and make it available to the Secured Party at a place to be designated by the Secured Party which is reasonably convenient to both parties; (c) exercise and enforce any and all rights and remedies available upon default under this Agreement, the Uniform Commercial Code, and any other applicable agreements and laws. If notice to the Grantor of any intended disposition of Collateral or other action is required, such notice shall be deemed reasonably and properly given if mailed by regular or certified mail, postage prepaid, to the Grantor at the address stated at the beginning of this Agreement or at the most recent address shown in the Secured Party's records, at least 10 days prior to the action described in such notice. The Grantor consents to the personal jurisdiction of the state and federal courts located in the State of Minnesota in connection with any controversy related to this Agreement, the Collateral, the Security Interest, or any of the Obligations, waives any argument that venue in such forums is not convenient, and agrees that any litigation initiated by the Grantor against the Secured Party in connection with this Agreement, the Collateral, the Security Interest, or any of the Obligations shall be venued in either the District Court of Wright, Minnesota, or the United States District Court, District of Minnesota.
7. **LIMITED POWER OF ATTORNEY.** If the Grantor at any time fails to perform or observe any agreement herein, the Secured Party, in the name and on behalf of the Grantor or, at its option, in its own name, may perform or observe such agreement and take any action which the Secured Party may deem necessary or desirable to cure or correct such failure. The Grantor irrevocably authorizes Secured Party and grants the Secured Party a limited power of attorney in the name and on behalf of the Grantor or, at its option, in its own name, to collect, receive, receipt for, create, prepare, complete, execute, endorse, deliver, and file any and all financing statements, insurance applications, remittances, instruments, documents, chattel paper, and other writings, to grant an extension to, compromise, settle, waive, notify, amend, adjust, change, and release any obligation of any account Grantor, obligor, insurer, or other person pertaining to any Collateral, and take any other action deemed by the Secured Party to be necessary or desirable to establish, perfect, protect, or enforce the Security Interest. All of the Secured Party's advances,

charges, costs, and expenses, including without limitation reasonable attorneys' fees, in connection with the Obligations and in the protection and exercise of any rights or remedies hereunder, together with interest thereon at the highest rate then applicable to any of the Obligations, shall be secured hereunder and shall be paid by the Grantor to the Secured Party on demand.

8. MISCELLANEOUS. The following miscellaneous provisions are a part of this Agreement:

8.1. Definitions. Terms not otherwise defined in this Agreement shall have the meanings ascribed to them, if any, under the UCC and such meanings shall automatically change at the time that any amendment to the UCC, which changes such meanings, shall become effective.

8.2. Notices. All notices under this Agreement must be in writing and will be deemed given when delivered or placed in the United States mail, registered or certified, postage prepaid, addressed to the respective party at the respective address set forth below its signature on the signature page to this Agreement. Any party may change its address for notices under this Agreement by giving written notice to the other parties.

8.3. Amendments/Waivers. This Agreement may be waived, amended, modified or terminated and the Security Interest may be released only in a writing signed by Secured Party. Any waiver signed by Secured Party will be effective only in the specific instance and for the specific purpose given.

8.4. Applicable Law. This Agreement is governed by the laws of the State of Minnesota without regard to the conflict of law principles. If any provision of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability will not affect other provisions or applications that can be given effect and this Agreement will be construed and enforced as if the unlawful or unenforceable provision or application had never been contained in or prescribed by this Agreement.

8.5. Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

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8.7. Successors and Assigns. This Agreement is binding upon and will inure to the benefit of the parties and their successors and assigns.

8.8. Counterparts. This Agreement may be executed in several counterparts, each of which will be an original, and all of which will constitute one and the same instrument.

THE GRANTOR REPRESENTS, CERTIFIES, WARRANTS, AND AGREES THAT THE GRANTOR HAS READ ALL OF THIS AGREEMENT AND UNDERSTANDS ALL OF THE PROVISIONS OF THIS AGREEMENT. THE GRANTOR ALSO AGREES THAT COMPLIANCE BY THE SECURED PARTY WITH THE EXPRESS PROVISIONS OF THIS AGREEMENT SHALL CONSTITUTE GOOD FAITH AND SHALL BE CONSIDERED REASONABLE FOR ALL PURPOSES.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

L&L HOMESTYLE CAFÉ, LLC,
a Minnesota limited liability company

By: _____

Its: _____

MONTICELLO ECONOMIC DEVELOPMENT
AUTHORITY

By: _____

Name: _____

Its: Executive Director



CITY OF MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY
BUSINESS SUBSIDY APPLICATION
BUSINESS ASSISTANCE FINANCING
763-295-2711 – info@ci.monticello.mn.us

Name of Contact Person: Larry Sperr

Address: 9274 Edmonson Ave NE Monticello

Telephone number: 

Business Name: L & L Homestyle Cafe

Business Address: 154 West Broadway Monticello

REQUESTED INFORMATION

Addendum shall be attached hereto addressing in detail the following:

1. A map showing the exact boundaries of proposed development.
2. Give a general description of the project including size and location of building(s); business type or use; traffic information including parking, projected vehicle counts and traffic flow; timing of the project; estimated market value following completion.
3. The existing Comprehensive Guide Plan Land Use designation and zoning of the property. Include a statement as to how the proposed development will conform to the land use designation and how the property will be zoned.
4. A statement identifying how the increment assistance will be used and why it is necessary to undertake the project.
5. A statement identifying the public benefits of the proposal including estimated increase in property valuation, new jobs to be created, hourly wages and other community assets.

PLEASE INCLUDE:

1. Preliminary financial commitment from bank.
2. Plans and drawing of project.
3. Background material of company.
4. Pro Forma analysis.
5. Financial statements.
6. Statement of property ownership or control.
7. Payment of application fee of \$250.

6. A written description of the developer's business, principals, history and past projects

I understand that the application fee will be used for EDA staff and consultant costs and may be partially refundable if the request for assistance is withdrawn. Refunds will be made at the discretion of the EDA Board and be based on the costs incurred by the EDA prior to withdraw of the request for assistance. If the initial application fee is insufficient, I will be responsible for additional deposits. I further understand that by signing below, should the original escrow be exceeded, the applicant or responsible party will be billed for all additional services. In signing the acknowledgement below, the applicant is indicating that they have not relied on the estimate of fees in their decision to proceed with the application. If payment is not received as required by this agreement, the City will proceed to recover payment by action of assessment or a lien against the real property. Payment of the costs will be required whether the application is granted or denied.

SIGNATURE

Applicant's signature: Larry Tolpelt

Date: 10/16/2026

The unforeseen Repairs are adding up and I believe we will Run into a few more repairs/ additional expenses involved with ~~Interior~~ Exterior. This loan Funding will help offset those costs. Will want to make sure we have enough cash for start up costs. Making sure we have the funds to properly do the Improvements needed.

Both myself and Partners are excited For this new chapter in our lives. I am a resident of Monticello and I love the small town feel. I am Involved with the Monticello chambers and love how they are Involved with the community. I Plan on managing the cafe and not designated to a special department except for catering. This will allow me to be Involved with community functions.

EDA GMEF Funds are being Requested To Fill a gap in the entire project funding sources as the current gap is a temporary bridge funding source.

The Facade Grant will cover all the window replacement, the front entrance, and the repair of the stucco and painting of the exterior. The EDA GMEF will cover the Awning and general conditions with owners contributing \$5,000.

L & L Homestyle Cafe owners:
Larry Spert, Mark Spert, Logan Spert
Larry & Logan will be full time staff where Mark is a silent partner.

Opening targeted Date of December 30th, 2025
Hours of operation Tuesday - Sunday 6am - 2pm
with catering as well for off site events along with evenings catering on site as well.

Associate Degree in Culinary Arts & Business Management, Graduated in 1989.
Prior owner of Russell's on the Lake for 4+ years before selling to Willy McCoys Group in 2021.
Management with River Inn from 2009 - 2016 and from 2022 - 2025.
Logan: Northern Tap House in Plymouth for 4 1/2 yrs
Assistant Kitchen Manager for past 8 months
Both River Inn & Northern Tap House are \$6,000,000/yr sales.

Mark works as an underwriter. Degree in Finance

① Parcel ID 155010035150 154 Broadway W

② Business will be Leth Homestyle Cafe. No Additional Parking-
Foot traffic for Cafe is estimated at 1150 per week. Closing on
Property October 31. Hope to be open December 16. Value after completion \$630,000

③ N/A Existing building on Property. Looking at a Facelift
to the building.

④ The Financing will be used to help pay for the facade (exterior)
Improvement that the Grant won't be able to cover. Will allow
owners to use their funds for improvement on Interior upgrades.

⑤ Benefit to the public is the availability to experience a great
breakfast, lunch or a catering event. As to Value Increase
of the Property, Estimated Increase will be \$100,000 not
including \$26,000 on Interior upgrades. Will be creating
8 Full time staff and 7 part-time staff.

⑥ Lemperes Building Becker MN
Josh Wiegert, Project Manager

FINANCIAL INFORMATION:

1. Estimated project related costs:

a. Land acquisition

\$ Property Purchase \$ 550,000

b. Site development

Exterior Facade \$ 170,000

c. Building cost

Contingency \$ 5,000

d. Equipment

Interior Improvement \$ 40,000 \$ 57,000

e. Architectural/engineering fee

Start up Cost \$ 53,712 \$ 36,712

f. Legal fees

g. Off-site development costs

2. Source of financing:

a. Private financing institution

\$ North Star Bank \$ 416,000

b. Tax increment funds

Investor Cash Equity \$ 240,712

c. Other public funds

Facade loan \$ 100,000

d. Developer equity

GMEF Loan \$ 62,000


FINANCIAL BACKGROUND:

1. Have you ever filed for bankruptcy? No

2. Have you ever defaulted on any loan commitment? No

3. Have you applied for conventional financing for the project? No

4. List financial references:

a. Sarah Kofimansky 

b. _____

c. _____

5. Have you ever used Business Assistance Financing before? No

If yes, what, where and when? _____

PROJECT INFORMATION:

1. Location of Proposed Project: 154 West Broadway
Monticello MN 55362

2. Amount of Business Assistance requested? \$ 62,000

3. Need for Business Assistance: Assist with exterior upgrade

4. Present ownership of site: SPerr properties as of October 31, 2025

5. Number of permanent jobs created as a result of project? 8 Full time / 7 Part time

6. Estimated annual sales: Present: ~~33,600~~ 33,600 Future: \$ 1,080,600

7. Market value of project following completion: \$ Appraisal of \$630,000

8. Anticipated start date: December 1, 2025 Completion Date: April 30, 2026

UN Foreseen Repairs

Floor Repair \$ 8,000

Stainless steel under Hood \$ 3,000

Repair Apartment 1 tub & dry wall in cafe \$ 9,500

Replace 2 toilets \$ 1,800

lifting flooring (new header) \$ 5,000

\$ 27,300

Dining Room Upgrade

Paint \$ 4,600

Flooring \$ 10,800

Booths \$ 5,000

Tables \$ 4,500

Chairs \$ 4,800


\$ 29,700



CITY OF MONTICELLO ECONOMIC DEVELOPMENT AUTHORITY
BUSINESS SUBSIDY APPLICATION
BUSINESS ASSISTANCE FINANCING
763-295-2711 – info@ci.monticello.mn.us

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Address: 9274 Edmonson Ave NE Monticello

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SIGNATURE

Applicant's signature: Larry Tolson

Date: 10/16/2026

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Josh Wiegert, Project Manager

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Investor Cash Equity \$ 240,712

c. Other public funds

Facade loan \$ 100,000

d. Developer equity

GMEF Loan \$ 62,000


FINANCIAL BACKGROUND:

1. Have you ever filed for bankruptcy? No

2. Have you ever defaulted on any loan commitment? No

3. Have you applied for conventional financing for the project? No

4. List financial references:

a. Sarah KORTMANSKY 

b. _____

c. _____

5. Have you ever used Business Assistance Financing before? NO

If yes, what, where and when? _____

PROJECT INFORMATION:

1. Location of Proposed Project: 154 West Broadway
Manticello MN 55362

2. Amount of Business Assistance requested? \$ 62,000

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\$ 27,300

Dining Room Upgrade

Paint \$ 4,600

Flooring \$ 10,800

Booths \$ 5,000

Tables \$ 4,500

Chairs \$ 4,800

\$ 29,700



Larry Sperr <larry.hanoverfire@gmail.com>

Invoice 1092 from GB Booths

1 message

GB Booths LLC, <quickbooks@notification.intuit.com>
Reply-To: sales@gbboothsmn.com
To: larry.hanoverfire@gmail.com

Tue, Nov 18, 2025 at 8:18 AM



Your invoice is ready!

BALANCE DUE

\$9,925.58

[View and pay](#)



We appreciate your business and look forward to working with you on another occasion.

Hi Larry,

We appreciate your business. Attached you will find your invoice details. Feel free to contact us if you have any questions or if anything needs editing. As a practice we take 50% down payment on receipt (\$4,959.02) and then the rest on delivery. Expect to receive a contract soon outlining the timeline of this project including the anticipated delivery date.

Have a great day!

GB Booths

sales@gbboothsmn.com

EN: 612.242.4957

ES: 612.272.5588

Bill to

Larry Sperr
154 West Broadway, Monticello MN

Ship to

Larry Sperr
154 West Broadway, Monticello MN

Upholstery Booths 48" x48" double \$1,867.96T

4 Double Booths Upholstered in V803 Navy Vinyl (48"x40")

4 X \$466.99

Upholstery Booths 31" x 48" Single \$3,203.91T

Single Booths upholstered in V803 Navy Vinyl 4x (48"x40") 3x (60"x40") 2x (52"x40")

9 X \$355.99

Square Table 42" \$2,963.88T

7 tables in (27 1/2"x 47 1/2") 1 table in (27 1/2" x 42") 1 table in (29 1/2"x42") 2 in (30"x51 1/2") 1 custom table

12 X \$246.99

Booth Wooden Frame (48") \$359.80T

2 X \$179.90

Standard Table For 2 \$539.97T

Standard Table (24" X 30". Resin)

3 X \$179.99

Table Base

\$170.97

Standard Cast Iron Table Base for 24" Table

3 X \$56.99

Subtotal	\$9,106.49
Tax	\$719.09
Shipping	\$100.00
Total	\$9,925.58
Balance due	\$9,925.58

[View and pay](#)

GB Booths LLC,

PO Box 120255 Mounds View, MN 55112 USA

(612) 242-4957 sales@gbboothsmn.com <https://www.gbboothsmn.com>

If you receive an email that seems fraudulent, please check with the business owner before paying.



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[Invoice_1092_from_GB_Booths_LLC.pdf](#)
59K



Lemperes Building

14175 Bank Street | Becker, Minnesota 55308
763-670-0774 | Joe@LemperesBuilding.com | www.LemperesBuilding.com

RECIPIENT:

Larry Sperr
Monticello, Minnesota

Quote #347

Sent on Nov 25, 2025

Total \$11,000.00

Product/Service	Description	Qty.	Unit Price	Total
				Optional
Stainless steel paneling behind grill	Prep wall and install new stainless steel paneling Repair bowed wall behind the grill TBD (not included in price) Excludes moving of equipment	1	\$3,000.00	\$3,000.00
				Optional
Repair flooring in the middle hallway	Demo sub floor repair joists and lay new subfloor. This is strictly an estimate. Could be less/more.	1	\$8,000.00	\$8,000.00
			Total	\$11,000.00

Payment Schedule

50%	Payment 1	\$5,500.00
50%	Payment 2	\$5,500.00

For your convenience, we offer payment options via check or Credit Card. Please note that a 4% service fee will be applied to Credit Card transactions.

Please send checks to:
P.O. Box 333
Becker, MN 55308

This quote is valid for the next 30 days, after which values may be subject to change.

Dec 01, 2025
Date

Client Signature



Lemperes Building

14175 Bank Street | Becker, Minnesota 55308
 763-670-0774 | Joe@LemperesBuilding.com | www.LemperesBuilding.com

RECIPIENT:

Larry Sperr
 Monticello, Minnesota

Quote #349

Sent on Dec 01, 2025

Total \$9,500.00

Product/Service	Description	Qty.	Unit Price	Total
Demo existing tub and dispose	Demo tub/surround Demo Sheetrock below Patch in new surround and patch drywall ceiling in cafe Paint to match	1	\$5,500.00	\$5,500.00
New Tub and surround	<p>Plumbing Services Proposed: L2 Apartment BT and Surround Replacement Quoted Price Reflects as follows: \$2,940 1hr walk</p> <ul style="list-style-type: none"> -Labor -Material -Fixtures -Service Truck charge <p>Demo: -Disconnect shower valve fixture, install 2- 1/2" isolation valves Behind Fridge. -Remove Toilet, Salvage for reinstall -Remove Vanity, Salvage for reinstall</p> <p>Install New Shower: -Install Sterling Ensemble Tub and surround (71121110-0 WHT ENSEMBLE 32 LH BATH) (71324100-0 WHT ENSEMBLE 32 MDLY WALL SET) -Install New Delta Model 17 Monitor Trim kit and Shower Valve, Tub Spout, shower head, valve trim and handle, shower arm, chrome. (T17430) -Install Watco Chrome Drain and overflow assembly -Install New 1-1/2" P-Trap for tub drain -Copper Pipe and fittings to be installed</p> <p>Clarifications: -Permit Costs Not included</p>	1	\$4,000.00	\$4,000.00



Lemperes Building

14175 Bank Street | Becker, Minnesota 55308
763-670-0774 | Joe@LemperesBuilding.com | www.LemperesBuilding.com

Product/Service	Description	Qty.	Unit Price	Total
				Not included
Snake drain	Subcontract Thunder Drains: Clear Tub Drain -Thunder Drains to run flex shaft through bathtub waste line to ensure clear, customer stated slow drain.	1	\$600.00	\$600.00
			Total	\$9,500.00

Payment Schedule

50%	Payment 1	\$4,750.00
50%	Payment 2	\$4,750.00

For your convenience, we offer payment options via check or Credit Card. Please note that a 4% service fee will be applied to Credit Card transactions.

Please send checks to:
P.O. Box 333
Becker, MN 55308

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Dec 01, 2025

Date

Client Signature



Lemperes Building

14175 Bank Street | Becker, Minnesota 55308
763-670-0774 | Joe@LemperesBuilding.com | www.LemperesBuilding.com

RECIPIENT:

Larry Sperr
Monticello, Minnesota

Quote #350

Sent on	Dec 01, 2025
Total	\$1,800.00

Product/Service	Description	Qty.	Unit Price	Total
Plumbing Services Proposed: (2) Cafe RR Toilet Replacements	-Remove and Replace (2) Floor Set Toilets: ADA, Elongated, with Open face elongated toilet seat, white. (2) White Gerber Viper Bowls VP-31-528 (1) White Gerber Viper Tank, Right Hand Flush WS- 38-590-97 (1) White Gerber Viper Tank, Left Hand Flush VP-38- 590 -Install (2) New Wax Rings -Install (2) New Johnny bolts -Install (2) New Braided supply tubes -Install (2) New Angle Stops if needed -Caulk Toilets with 100 Percent silicone, white Excludes; Permit floor repairs electrical drywall painting	1	\$1,800.00	\$1,800.00

A deposit of \$1,800.00 will be required to begin.

Total	\$1,800.00
--------------	-------------------

For your convenience, we offer payment options via check or Credit Card. Please note that a 4% service fee will be applied to Credit Card transactions.

Please send checks to:
P.O. Box 333
Becker, MN 55308

This quote is valid for the next 30 days, after which values may be subject to change.

Dec 01, 2025 
 Date Client Signature



Lemperes Building

14175 Bank Street | Becker, Minnesota 55308
763-670-0774 | Joe@LemperesBuilding.com | www.LemperesBuilding.com

RECIPIENT:

Larry Sperr
Monticello, Minnesota

Quote #352	
Sent on	Dec 04, 2025
Total	\$9,500.00

Product/Service	Description	Qty.	Unit Price	Total
Electrical upgrades	Kitchen Prep Area Install Flush mount kit Furnish and install 2'x4' LED flat panel 2'x4' Kitchen Grill & Prep Area Furnish and install 1'x4' LED flat panel Kitchen Prep Area/ Hallway Furnish and install Emergency light Kitchen Prep Area Furnish and install Exit sign with emergency lighting in MC Dining Room 5" Recessed LED recessed Fish/cut in MC Bathrooms Furnish and install Lutron MS-OPS2-WH MAESTRO Occupancy/Vacancy Sensing Switch Dining Area/ Hallway Furnish and install Exit sign with emergency lighting in MC By The Hour - Demo/refeed allowance demolition/re-feeding fixtures and power unrelated to work in estimate Includes switch rework Temporary lighting Electrical permit	1	\$9,500.00	\$9,500.00

A deposit of \$6,175.00 will be required to begin.

Total	\$9,500.00
--------------	-------------------



Lemperes Building

14175 Bank Street | Becker, Minnesota 55308

763-670-0774 | Joe@LemperesBuilding.com | www.LemperesBuilding.com

Payment Schedule

65%	Deposit to start - Required Quote Deposit	\$6,175.00
35%	Final	\$3,325.00

For your convenience, we offer payment options via check or Credit Card. Please note that a 4% service fee will be applied to Credit Card transactions.

Please send checks to:
P.O. Box 333
Becker, MN 55308

This quote is valid for the next 30 days, after which values may be subject to change.

Dec 04, 2025

Date

Client Signature



Twin Cities Rapid Repair

12281 Armitage Avenue Northwest | Monticello, Minnesota 55362
 763-333-7857 | contact@twincitiesrapidrepair.com | http://twincitiesrapidrepair.com

RECIPIENT:

Larry Sperr
 154 West Broadway Street
 Monticello, Minnesota 55362

Invoice #497

Issued Dec 12, 2025
 Due Dec 12, 2025
 Paid Dec 15, 2025

Total \$5,196.00

Account Balance \$0.00

Sperr Painting

Product/Service	Description	Qty.	Unit Price	Total
Dec 12, 2025				
Ceiling Painting	Paint main area and hallway ceiling with CHB flat stock white paint(approximately 950 sq.ft.) as follows : -Prep off all electrical, HVAC, and fixtures not getting painted with ceiling paint -prime any oil spot, water stains, or any areas that paint will not adhere - spray two coats of paint -remove prep and dispose	1	\$1,440.00	\$1,440.00
Wainscoting Enamel	Paint Wainscoting as follows: -prep all surfaces not getting painted with enamel - fill all holes, sand, caulk any open seams -spray two coats of enamel, sanding in between coats Enamel will be Sherwin Williams Gallery Series, in a satin sheen. Customer to choose color	1	\$1,650.00	\$1,650.00
Wall Painting	Paint all walls in main area, hallway, and bathroom as follows: -prep off wainscoting and any trim not getting painted -fill holes, caulk cracks in wall, sand -brush and roll two coats of paint throughout Wall paint will be Sherwin Williams Superpaint, in a flat sheen. Custom to choose color	1	\$1,240.00	\$1,240.00
Halfwall Top Refinishing(painting)	Sand half wall top smooth, fill imperfections, prime and paint with wainscoting enamel	1	\$310.00	\$310.00
ADD ON(serving area)	Paint serving area ceiling, walls, and column with matching paint as rest of maint area	1	\$625.00	\$625.00



Twin Cities Rapid Repair

12281 Armitage Avenue Northwest | Monticello, Minnesota 55362
763-333-7857 | contact@twincitiesrapidrepair.com | <http://twincitiesrapidrepair.com>

Thank you for your business! We would love a Google review and a shout-out on Facebook, especially on local Facebook groups! You can reach me at either 612-458-8192, or 763-333-7857.

Thanks,
Ethan

Thank you for your business. Please contact us with any questions regarding this invoice.

Subtotal	\$5,265.00
Discount	– \$69.00
Total	\$5,196.00
Deposit collected	– \$2,320.00
Paid	– \$2,876.00
Invoice balance	\$0.00
Account balance	\$0.00

Project:
L&L Cafe u/c freezer

From:
Reinhart Food Service - TWC
Ryan Vroman
13400 Commerce Blvd.
Rogers, MN 55374-8917
(651) 302-5111

Please contact me at 651-302-5111 to review this quote. Terms are 1/3 down, 1/3 at delivery and remaining balance on regular terms.

Item	Qty	Description	Sell	Sell Total
1	1 ea	REACH-IN UNDERCOUNTER FREEZER Everest Refrigeration Model No. ETBF1 Undercounter/Worktop Freezer, one-section, 27-3/4"W, 7.5 cu. ft. capacity, self-contained bottom mounted refrigeration, 16 gauge stainless steel worktop, (1) solid hinged self-closing door (locking), (2) epoxy coated wire shelves, height adjustable clips, digital controls with LED display, defrost cycle with heater, front air breathing, pressure relief port, stainless steel interior, stainless steel front & sides, galvanized steel bottom & rear, (4) 5" swivel casters (2 locking), R290 Hydrocarbon refrigerant, 1/3 HP, 115v/60/1-ph, 4.7 amps, cord, NEMA 5-15P, NSF, cETLus, ETL-Sanitation	\$2,165.00	\$2,165.00
	1 ea	Parts and labor: 3 years from ship date		
	1 ea	Electrical components: 5 years from ship date		
	1 ea	Compressor: 10 years from ship date		
	1 ea	Door hinged on right, standard		
	1 ea	CASA5-01 5" Overall Height Casters Set of 4, (front 2 locking), standard		
			ITEM TOTAL:	\$2,165.00



12/22/2025

Merchandise	\$2,165.00
Tax 7%	\$151.55
Total	\$2,316.55

Freight and installation is **not** included in this quote unless noted as a line item on the quote. The tax rate listed on this quote is a general number and may not be accurate for your specific city. All products are backed by the manufacture warranty. This quote is valid for five days. A 25% restock fee may apply to any return. Any item that is out of the original container or has been used can not be returned. Check with your utility provider as they may offer energy rebates on your new equipment

Acceptance: _____ Date: _____

Printed Name: _____

Project Grand Total: \$2,316.55

Project:
L&L Cafe freezer 2 door

From:
Reinhart Food Service - TWC
Ryan Vroman
13400 Commerce Blvd.
Rogers, MN 55374-8917
(651) 302-5111

Please contact me at 651-302-5111 to review this quote. Terms are 1/3 down, 1/3 at delivery and remaining balance on regular terms.

Item	Qty	Description	Sell	Sell Total
1	1 ea	REACH-IN FREEZER Everest Refrigeration Model No. ESF2 Reach-In Freezer, two-section, 49-5/8"W, 48.0 cu. ft. capacity, self-contained top mounted refrigeration, (2) solid hinged self-closing field reversible doors (locking), (6) epoxy coated wire shelves, height adjustable clips, digital controls with LED display, auto defrost, LED interior lighting, stainless steel interior, stainless steel front & sides, galvanized steel top, bottom & rear, (4) 5" swivel casters (2 locking), 1 HP, 115v/60/1-ph, 7.5 amps, cord, NEMA 5-20P, NSF, cETLus, ETL-Sanitation	\$5,429.00	\$5,429.00
	1 ea	Parts and labor: 3 years from ship date		
	1 ea	Electrical components: 5 years from ship date		
	1 ea	Compressor: 10 years from ship date		
	1 ea	Door hinged on right & left, standard		
	1 ea	CASA5-01 5" Overall Height Casters Set of 4, (front 2 locking), standard		
			ITEM TOTAL:	\$5,429.00



01/02/2026

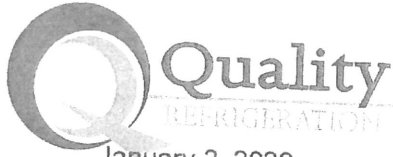
Merchandise	\$5,429.00
Tax 7%	\$380.03
Total	\$5,809.03

Freight and installation is **not** included in this quote unless noted as a line item on the quote. The tax rate listed on this quote is a general number and may not be accurate for your specific city. All products are backed by the manufacture warranty. This quote is valid for five days. A 25% restock fee may apply to any return. Any item that is out of the original container or has been used can not be returned. Check with your utility provider as they may offer energy rebates on your new equipment

Acceptance: _____ Date: _____

Printed Name: _____

Project Grand Total: \$5,809.03



Serving you Since 1975

January 2, 2026

L & L Homestyle Cafe
154 W Broadway St
Monticello, MN 55362



6237 Penn Avenue South
Suite 100
Richfield, MN 55423
www.qualityrefrig.com

phone 612•861•7350
fax 612•861•7366

Dear Logan,

We propose to provide and install (1) outdoor condenser and (1) evaporator for walk-in cooler
Budgetary Price: \$12,385.00

The price includes:

- (1) Heatcraft outdoor condenser
- (1) Heatcraft low profile evaporator coil
- Labor to install new condenser/evaporator
- Refrigerant (R454A)
- Piping materials and pipe covering
- Labor to pipe the refrigeration and drain lines
- Start and check for proper operation

The price does not include:

- Removal of product from cooler
- Repairs to existing cooler box
- Leak detection equipment
- Crane
- Electrical
- Roofing
- Core drilling
- Screening of equipment
- Condensate pump, if required
- Carpentry work (sheet rock work, ceiling tile work, concrete work if required)

Note we require a 75% down payment prior to placing equipment on order

Thank you for contacting Quality Refrigeration. If you have any questions, please feel free to give me a call at 612-861-7350 ext. 103.

Sincerely,

Scott Wiessinger
Sales

Accepted by: _____ Print name: _____ Date _____

Acceptance of Proposal- The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. Quality Refrigeration retains ownership of material furnished until fully paid for. Interest on any past due amounts will accrue at the rate of 1.5 % per month. Should Quality Refrigeration find it necessary to obtain assistance in collecting past due accounts, signatred party will be responsible for attorney fees and/or court costs. Note: This proposal may be withdrawn by us if not accepted within 30 days



Larry Sperr <larrylandl.cafe@gmail.com>

Paint invoice

1 message

Larry Sperr <larry.hanoverfire@gmail.com>
To: "larrylandl.cafe@gmail.com" <larrylandl.cafe@gmail.com>

Sun, Dec 14, 2025 at 12:05 PM

Business name ✎

Business address and contacts ✎

Bill To

Sperr Properties llc ✎
154 West Broadway St ✎
Monticello MN 55362 ✎

Invoice # 001 ✎

Issued 12/14/2025 📅
Due 12/14/2025 📅

Description	QTY	Price, USD	Amount, USD
⊖ Paint Back of House	1	\$6500.00	\$6500.00
Subtotal			\$6500.00
Add New Item			
Discount ✎			(\$0.00)
Tax 0% ✎			\$0.00
Total			\$6500.00



Larry Sperr <larrylandl.cafe@gmail.com>

Fwd: Thank You for Your BizChair.com Order - soq-1365492

1 message

Logan <loganlandl.cafe@gmail.com>
To: Larry Sperr <LarryLandL.Cafe@gmail.com>

Mon, Jan 5, 2026 at 9:10 AM

----- Forwarded message -----

From: no_reply@bizchair.com <no_reply@bizchair.com>
Date: Mon, Dec 15, 2025 at 9:26 AM
Subject: Thank You for Your BizChair.com Order - soq-1365492
To: loganlandl.cafe@gmail.com <loganlandl.cafe@gmail.com>, freddieguinyard@belnick.com <freddieguinyard@belnick.com>



Thank you for your order!

Thank you for your order. We will send confirmation of your order once it's sent to fulfillment. Thanks for shopping with us.

ORDER NUMBER

soq-1365492

SALES ORDER NUMBER

SO-019108500

Product Details

Item: HERCULES Series Ladder Back Cherry Wood Restaurant Chair - Black Vinyl
Seat

Unit Price: USD 83.14

Qty Ordered: 24

Shipping From: Olive Branch, MS**

Status: Ordered

Subtotal: USD 1995.36

Shipping: USD 353.18

CC Fees: USD 0.00

Tax: USD 169.24

Total: USD 2318.24

Payment Method:

Check

Billing

Logan Sperr
154 W Broadway St
MONTICELLO, MN 55362
loganlandl.cafe@gmail.com

Shipping

L&L Cafe
Logan Sperr
154 W Broadway St

MONTICELLO, MN55362
loganlandl.cafe@gmail.com

INVOICE

Date: Dec 17-25 No. _____

Invoice # JR 12 1193 Telephone _____

Address 16571 70th Ave NE City Maple State/Province _____ Zip/Postal Code _____

Floor Covering Retailer Telephone _____

Address _____ City _____ State/Province _____ Zip/Postal Code _____

Customer Lafay Telephone _____

Address _____ City _____ State/Province _____ Zip/Postal Code _____

Quantity	U/M*	Material	Description	Price	Total
		Carpot			
		Ceramic Tile	<u>Lup Rock Green</u>		<u>506.16</u>
		Hardwood			
		Laminate	<u>Insul</u>		<u>3936.40</u>
		Marble			
		Padding	<u>Tax up old</u>		<u>1836.72</u>
		Vinyl (sheet)	<u>Vinyl floor</u>		<u>1225.20</u>
		Vinyl (tile)	<u>24 sheets underlayment</u>		<u>2040.00</u>
		Other	Description/Comments/Diagrams 1 Square = <input type="checkbox"/> ft.		
		Base ()			
		Base ()			
		Disposal			
		Furniture			
		Mouldings			
		Refrigerator			
		Repairs			
		Stairs			
		Stove			
		Subfloor Prep			
		Take-Up			
		Toilet			
		Trip Charge			
		Underlayment			
		Vinyl Cove			
		Washer/Dryer			

Total \$ 14044.58

Date _____ Total **\$ 14044.58**

Guarantee: _____

All Rights Reserved *Unit of Measure No. 424

111

New Flooring	14,044.58
New Booths/tables	9,925.58
Repair to Floor/Kitchen wall	11,000.00
New toilets	1,800.00
New lights	9,500.00
Front of House Painting	5,265.00
Freezer	2,316.55
Freezer	5,809.03
Repair to walkin cooler	*12,385.00
Back of House Painting	6,500.00
chairs	2,318.24

total \$80,863.98

LAL Homestyle Cafe Interior Improvements

Larry T. Spive

1/5/2026

- 5 in front
- \$25-30/w/tip
- 6 staff
- \$19/hr total on house

5 staff
min wage + tips
\$11

Wright County, MN

Summary

Parcel ID 155010035150
Property Address 154 BROADWAY W
 MONTICELLO MN 55362
Sec/Twp/Rng 11-121-025
Brief Tax Description SECT-11 TWP-121 RANGE-025 ORIGINAL PLAT MONTICELLO LOT-015 BLOCK-035 W24 1/2FT OF LT 15 BLK 35
(Note: Not to be used on legal documents)
Class 233 - 3A COMMERCIAL LAND AND BUILDING;209 - 4B1 RES 1-3
 UNITS - PREV SSR
District (1101) CITY OF MONTICELLO-0882
School District 0882
(Note: Class refers to Assessor's Classification Used For Property Tax Purposes)
Abstract/Torrens ABSTRACT



GIS Acres

Parcel: 155010035150
Acres: 0.09
Acres USAB: 0.09
Acres ROW:
Sq Ft: 4,033.04

Owner

Primary Owner
 SPERR PROPERTIES LLC
 9277 EDMONSON AVE NE APT 232
 MONTICELLO MN 55362

Land

Seq	Land Description	Land Code	Dim 1	Dim 2	Dim 3	Units	UT	Unit Price	Adj 1	Adj 2	Adj 3	Eff Rate	Div %	Value
1	DOWNTOWN I	155604	0	0	0	4,033.000	S	18.000	0.00	0.00	0.00	5.940	0.330	23,958
2	DOWNTOWN I	155604	0	0	0	4,033.000	S	18.000	0.00	0.00	0.00	12.061	0.670	48,642
3	BLACKTOP FAIR	008681	0	0	0	1,045.000	U	1.500	0.00	0.00	0.00	0.505	0.330	528
4	BLACKTOP FAIR	008681	0	0	0	1,045.000	U	1.500	0.00	0.00	0.00	1.026	0.670	1,072
Total						8,066.000								74,200

Buildings

Building 1
Year Built 1910
Architecture N/A
Above Grade Living Area 0
Finished Basement Sqft 0
Construction Quality 04
Foundation Type CONC BLOCK
Frame Type (C) Concrete Frame
Size/Shape
Exterior Walls STUCCO
Windows N/A
Roof Structure SHED
Roof Cover N/A
Interior Walls DRYWALL
Floor Cover N/A
Heat N/A
Air Conditioning N/A
Bedrooms 0
Bathrooms N/A
Gross Building Area 2468

Building 2	
Year Built	1910
Architecture	N/A
Above Grade Living Area	0
Finished Basement Sqft	0
Construction Quality	03
Foundation Type	N/A
Frame Type	(D) Wood Frame
Size/Shape	
Exterior Walls	STUCCO
Windows	N/A
Roof Structure	N/A
Roof Cover	N/A
Interior Walls	N/A
Floor Cover	N/A
Heat	N/A
Air Conditioning	N/A
Bedrooms	0
Bathrooms	N/A
Gross Building Area	2500

Sales

Multi Parcel	Instr Type	Qualified Sale	Sale Date	Book	Page	Sale Type	Buyer	Seller	Sale Price	Adjusted Sale Price	eCRV #	eCRV	Sale Type	S.S. Rcmd.	S.S. Rjt. Rsn.	Transact Num
N	WD	U	11/14/2025			I-Improved	SPERR PROPERTIES LLC	TRICAMBRA HOLDINGS LLC	\$534,700	\$534,700	1821338		I		00-QUALIFIED	
N	WD	U	9/29/2017			I-Improved	TRICAMBRA HOLDINGS LLC	CORNERSTONE CAFE AND CATERING, LLC	\$540,405	\$540,405		729659	I		17-EXCESS PP	
N	CD	U	12/28/2001			I-Improved	CORNERSTONE CAFE	KRUSE FLOYD	\$120,000	\$120,000	120936		I		14-CFD/INT PA	120936
N	CD	U	12/28/2001			I-Improved	SWIECICHOWSKI CRAIG	KRUSE JUDITH	\$120,000	\$120,000	76427		I		17-EXCESS PP	76427

Recent Sales In Area

Sale date range:

From: To:

Distance: Units:

Transfer History

Grantor	Grantee	Recorded Date	Doc Type	Doc No
TRICAMBRA HOLDINGS LLC	SPERR PROPERTIES LLC	11/17/2025	WAR	1589849
TRICAMBRA FOODS INC	TRICAMBRA HOLDINGS LLC	11/17/2025	QCD	1589848
CORNERSTONE CAFE AND CATERING LLC	TRICAMBRA HOLDINGS LLC	10/2/2017	WAR	1354697
KRUSE JUDITH A; KRUSE FLOYD A	CORNERSTONE CAFE AND CATERING LLC	4/18/2013	WAR	1234663
SWIECICHOWSKI CRAIG; SWIECICHOWSKI SUSAN	NEW MAIN STREET MERCHANTS LLC	3/9/2006	AQC	1001049

Note: Transfer History data is from LandLink beginning 01/01/2003.

Valuation

	2025 Assessment	2024 Assessment	2023 Assessment	2022 Assessment	2021 Assessment
+ Estimated Land Value	\$74,200	\$74,200	\$46,000	\$34,300	\$33,800
+ Estimated Building Value	\$257,200	\$251,100	\$233,000	\$194,800	\$188,300
+ Estimated Machinery Value	\$0	\$0	\$0	\$0	\$0
= Total Estimated Market Value	\$331,400	\$325,300	\$279,000	\$229,100	\$222,100
% Change	1.88%	16.59%	21.78%	3.15%	0.00%

Taxation (Internal Only)

[Click here to view Taxation Information for this parcel](#)

	2025 Payable	2024 Payable	2023 Payable	2022 Payable
Estimated Market Value	\$325,300	\$279,000	\$229,100	\$222,100
- Excluded Value	\$0	\$0	\$0	\$0
- Homestead Exclusion	\$0	\$0	\$0	\$0
= Taxable Market Value	\$325,300	\$279,000	\$229,100	\$222,100
Net Taxes Due	\$5,403.08	\$4,156.00	\$3,270.54	
+ Special Assessments	\$2,856.92	\$676.00	\$1,775.46	
= Total Taxes Due	\$8,260.00	\$4,832.00	\$5,046.00	
% Change	70.94%	-4.24%		0.00%

Taxation

[Click here to view Taxation Information for this parcel](#)

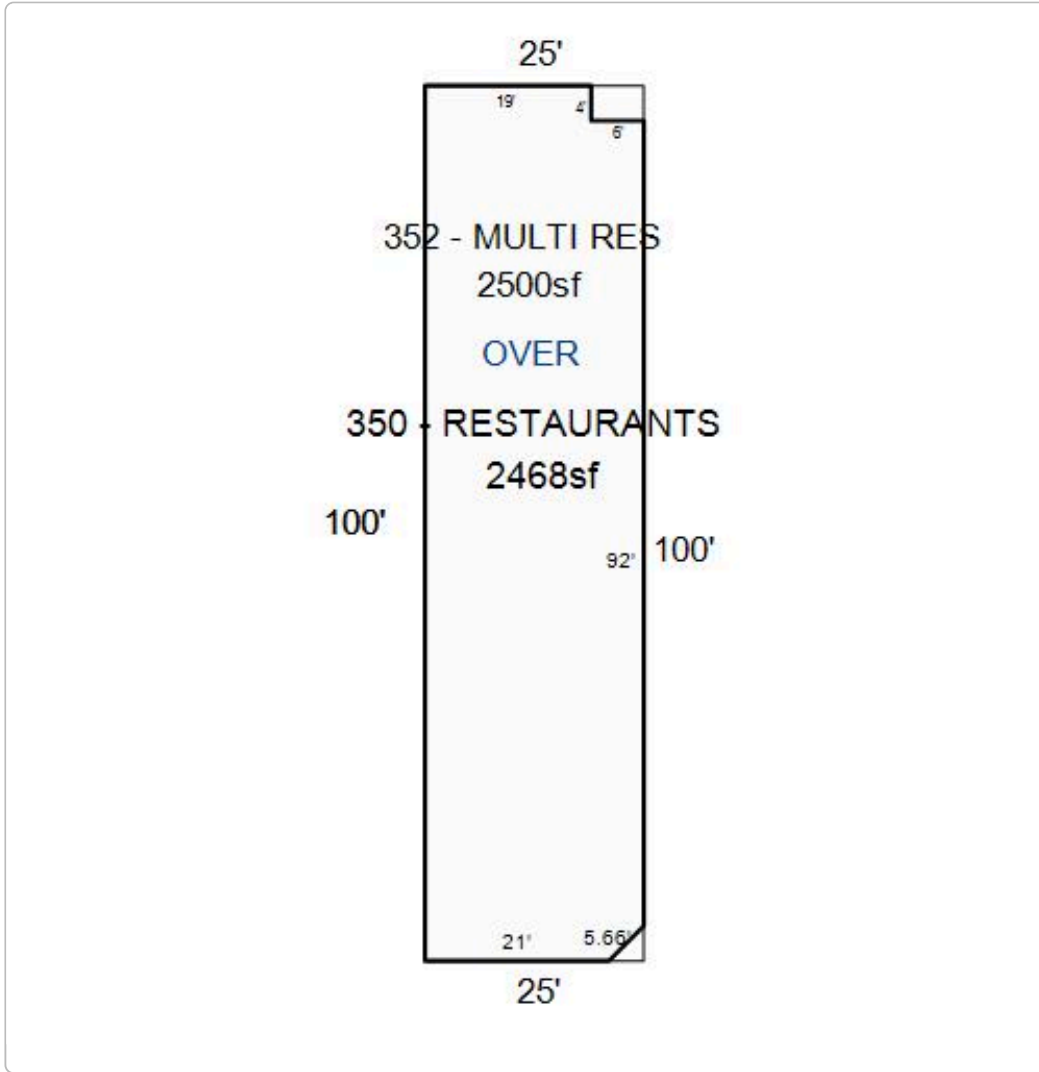
Taxes Paid

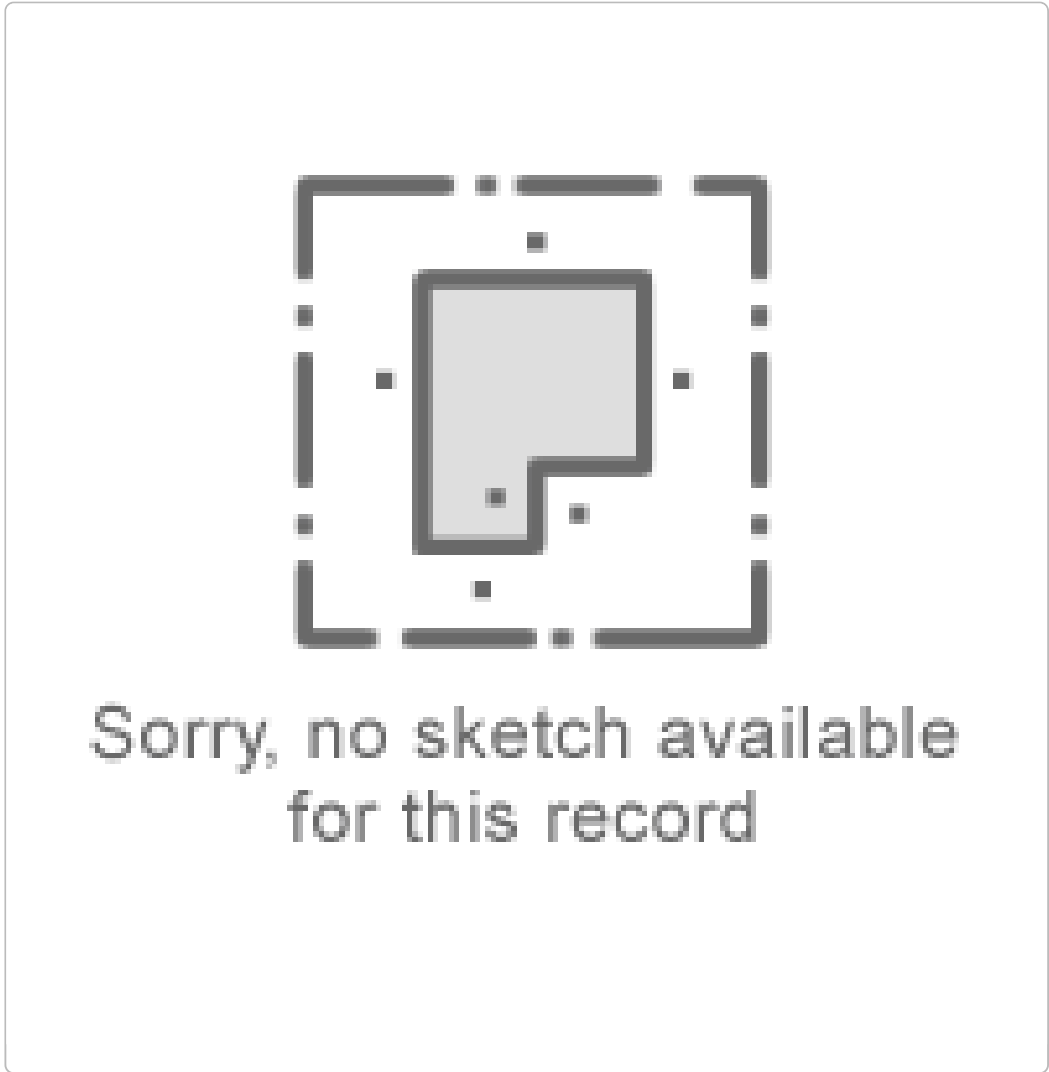
[Click here to view Taxes Paid for this parcel](#)

Photos



Sketches





Map



No data available for the following modules: Land GA/RP, Extra Features, OBY, OBY (Working 2026 Assessment).

The information provided on this site is intended for reference purposes only. The information is not suitable for legal, engineering, or surveying purposes. Wright County does not guarantee the accuracy of the information contained herein.
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Last Data Upload: 2/2/2026, 12:27:56 AM

Contact Us



City of Monticello Economic Development Authority

Industrial Development Project Ranking

October 10, 2017

The scoring worksheet is to be used as a Guideline for weighing the merits of the use of EDA development tools such as incentive financing such as TIF or Tax Abatement. It is intended to be Guideline and should be applied to prospects in this manner. There may be instances where factors of a proposed development may warrant deviation from the Guidelines. It is the EDA's discretion to adhere to the Guidelines or deviate from them in the interest of furthering Economic Development Goals and Objectives in the City of Monticello as identified in by the Monticello Comprehensive Plan.

There are several factors that are pertinent to proposed scoring. They are shown below with a Worksheet Summary at the conclusion.

Name of Project: Sperr Properties, 154 W. Broadway

1. Number of New Employees

<u>Point Value</u>	<u>Number</u>
+1	1 – 5
+2	6 - 15
+3	16 - 30
+4	31 - 50
+5	51 +

2. Number of Jobs Per Acre (11 Jobs, 0.09 Acres)

<u>Point Value</u>	<u>Number Per Acre</u>
+1	1 – 2 per acre
+2	3 – 4 per acre
+3	5 – 6 per acre
+4	6 – 7 per acre
+5	8 + per acre

3. Average Wages for New Jobs

<u>Point Value</u>	<u>Pay Range</u>	<u>Dollar Weighting</u>	<u>Total Empl.</u>	<u>Weighted \$ Amt.</u>
+1	\$15,000-24,999	\$20,000	_____	\$ _____
+2	\$25,000-29,999	\$27,500	_____	\$ _____
+3	\$30,000-44,999	\$37,500	6	\$ _____
+4	\$45,000-59,999	\$52,500	_____	\$ __\$49,920__
+5	\$60,000 +	\$60,000	5	\$ _____

$(\$19\text{hr} * 6 \text{ jobs}) + (\$30\text{hr} * 5\text{jobs}) = \$264\text{hr} / 11 \text{ jobs} = \$24\text{hr} * 2080 \text{ hours}$

4. Public Assistance per New Jobs

\$162,000 Public Assistance
11 Number of new jobs created

\$ 14,700 +/- **Public Assistance per new job**

<u>Point Value</u>	<u>Public Dollars Invested Per New Job</u>
+1	Over \$50,000
+2	\$40,000 to \$49,999
+3	\$30,000 to \$39,999
+4	\$20,000 to \$29,999
+5	\$0 to \$19,999

5. Number of Years of TIF Assistance Needed **N/A**

+0	9 years
+1	8 years
+2	7 years or less

6. Developed Assessed Value Per Acre (\$331,400 (2025 valuation) / 0.09 acres)

<u>Point Value</u>	<u>Value Per Acre</u>
+1	\$150,000-199,999
+2	\$200,000-349,999
+3	\$350,000-499,999
+4	\$500,000-599,999
+5	\$600,000 +

7. Business Retention **N/A**

<u>Point Value</u>	<u>Number of Retained Jobs</u>
+0.5	1-5 jobs
+1	6-10 jobs
+1.5	11-30 jobs
+2	31-50 jobs
+2.5	50-100 jobs
+3	101 + jobs

8. Ratio of Private versus Public Investment in Project

\$818,712 Private Investment

\$162,000 (\$100,000 Façade + \$62,000 Tentative GMEF) EDA/Public Investment

\$980,000+/- Total Investment

5 : 1 Ratio of Private versus Public financing

<u>Point Value</u>	<u>Ratio</u>
+1	over 2:1
+2	over 3:1
+3	over 4:1
+4	over 5:1
+5	6:1 or greater

9. Significant Community Impact

<u>Point Value</u>	<u>Unsubsidized Spin-Off development potential</u>
+1	Low potential for spin-off of unsubsidized development
+2	Moderate potential for spin-off unsubsidized development
+3	High potential for spin-off unsubsidized development

10. General Community Benefit

+2	Utilizes or fills vacant building(s) in the community
+3	Utilizes or fills vacant buildings in priority development areas in the community

11. Tenure in Business Operation

<u>Point Value</u>	<u>Number of Years in Business</u>
+1	Five years or less
+2	6 to 10 years
+3	11 years or more

12. Environmental Impacts

<u>Point Value</u>	<u>Types of Environmental Issues</u>
+1	Enhances the environmental aspects of a site via clean-up of contaminants or improved aesthetics via unique site or architectural features
-0-	No impacts
-1	Noise Issues
-2	Noise and negative visual aesthetics
-3	Noise, odors, dust, traffic and negative visual aesthetics

WORKSHEET SUMMARY

<u>Factors</u>	<u>Total Points</u>
#1. Number of New Employees	___ 2 ___ (1-5)
#2. Number of Jobs Per Acre	___ 5 ___ (1-5)
#3. Average Wages for New Jobs	___ 4 ___ (1-5)
#4. Public Assistance Per New Job	___ 5 ___ (1-5)
#5. Number of Years of TIF Assistance	___ n/a ___ (1-2)
#6. Developed Assessed Value Per Acre	___ 5 ___ (1-5)
#7. Business Retention (# of Jobs)	___ n/a ___ (5-3)
#8. Ratio of Private to Public Invest.	___ 4 ___ (1-5)
#9. Significant Impact/Comp Plan Goals	___ 1 ___ (1-3)
#10. General Community Benefit	___ 3 ___ (2-3)
#11. Number of Years of Business Oper.	___ 1 ___ (1-3)
#12. Environmental Impacts	___ 1 ___ (-3 to +1)
Total Points	31

Total Possible Points = 45

Total Worksheet Points Equated to Land Price

Total Overall Points Price for Otter Creek Land

1-5	\$3.16 per sq. ft. (No TIF)
5-10	\$3.16 per sq. ft. with TIF as a land reimbursement to developer
11-15	20 percent discount from market price = \$2.53 per sq. ft.
16-20	40 percent discount from market price = \$1.90 per sq. ft.
21-25	60 percent discount from market price = \$1.26 per sq. ft.

26-30

80 percent discount from market price = \$.63 per sq. ft.

31-42

100 percent discount from market price = \$1.00 for the entire lot



City Policy and Procedure

SECTION: FINANCE

NO: FIN-

REFERENCE:

Date:

Next Review Date:

TITLE: BUSINESS SUBSIDY POLICY

1.0 Purpose

This policy includes the criteria to be considered by the City of Monticello (the “City”) and the City of Monticello Economic Development Authority (the “EDA”) to evaluate the granting of business subsidies (this “Policy”). It is the City and the EDA’s intent in adopting this Policy is to comply with Minnesota Statutes, Sections 116J.993-116J.995, as amended (the “Act”). The term “business subsidy” or “business subsidies” shall be as defined in the Act.

2.0 Policy

Goals and Objectives/Public Purpose

It is the City’s and EDA’s intent to support and comply with the goals and objectives stated in the City of Monticello’s Comprehensive Plan and with the public purpose requirements of the Act when granting business subsidies. At a minimum, to be granted a business subsidy by the City or the EDA, a project must meet one (or two, depending) of the following goals and objectives. The City or the EDA may grant a business subsidy for the purpose of:

- 1. Attracting New Businesses & Expanding the Tax Base**
 - a. Project increases the tax base (Cannot be the only goal).
 - b. Project promotes and enhances industrial and commercial diversity in the City.
- 2. Attracting and Retaining Jobs**
 - a. Project creates the maximum number of livable wage jobs possible. To meet this goal, on average, the jobs created by the Project (both part-time and full-time) shall have a minimum hourly wage equal to twice the current State of Minnesota minimum wage.
 - b. Job retention may be an allowable goal for the Project if job loss is imminent and demonstrable.
- 3. Enhancing Downtown:** Project promotes revitalization and redevelopment in the City’s downtown.
- 4. Facilitating Redevelopment:** Project promotes redevelopment objectives and removal of blight, including pollution cleanup.
- 5. Housing:** Project diversifies the housing stock available within the City.

Subsidy Agreement, Compliance and Reporting Requirements

Prior to granting a business subsidy, the City or the EDA and the grantee (the “Grantee”) will be

required to enter into a formal agreement (the “Agreement”) which shall, among other things:

- Identify the amount and nature of the business subsidy and articulate the goals and objectives thereof.
- Identify the number of full-time or part-time jobs and the wages for those jobs which are to be established (or retained) within two years of the Benefit Date (as defined in the Act).
- Require that the Grantee continue project operations at the site for at least five years.

The Grantee shall file a report annually for two years after the Benefit Date or until all goals as set forth in the Agreement have been met, whichever is later. Reports shall be completed using the format drafted by the State of Minnesota and shall be filed with the City or the EDA no later than March 1 of each year for the previous calendar year.

Grantees failing to comply with the above provisions will be subject to fines, repayment requirements, and be deemed ineligible by the State of Minnesota to receive any loans or grants from public entities for a period of five years.

3.0 Scope

The City has the authority to administer the City’s Tax Abatement Program and grant business subsidies thereunder.

The EDA has the authority to administer the following programs and grant business subsidies thereunder:

1. Tax Increment Financing (TIF)
2. Greater Monticello Enterprise Fund (GMEF)
3. Small Cities Economic Development Set Aside Fund (ED)
4. Façade Improvement Forgivable Loan Program

The City and the EDA have adopted separate policies for each of these programs (the “Policies”). To the extent that the Policies contain more specific guidelines for each type of business subsidy, those Policies control.

Notwithstanding anything to the contrary herein, the City (and EDA, subject to City approval) reserve the right to create and administer additional programs and grant any type of business subsidy authorized by law, without limitation.

4.0

HISTORY			
Public Hearing and Approval Date:	03/11/2009 03/23/2009	Approved by:	EDA City Council
Public Hearing and Amendment Date:	11/09/2023 10/23/2023	Approved by:	EDA Council
Amendment Date:		Approved by:	



Ad Proof

Not Actual Size

**CITY OF MONTICELLO
ECONOMIC
DEVELOPMENT AUTHORITY
WRIGHT COUNTY,
MINNESOTA NOTICE OF
PUBLIC HEARING**

-Public Notice Ad Proof-

This is the proof of your ad scheduled to run on the dates indicated below. Please proof read carefully. If changes are needed, please contact us prior to deadline at Cambridge (763) 691-6000 or email at publicnotice@apgecm.com

NOTICE IS HEREBY GIVEN that the Board of Commissioners of the City of Monticello Economic Development Authority (the "Authority") will hold a public hearing on Wednesday, February 11, 2026, at approximately 6:00 P.M. or as soon thereafter as the matter may be heard, in the Mississippi Room of the Monticello Community Center located at 505 Walnut Street in the City of Monticello, Minnesota (the "City") to consider the provisions of a proposed business subsidy under Minnesota Statutes, Sections 116J.993 through 116J.995, as amended (the "Business Subsidy Law"), by providing a loan to Sperr Properties, LLC, a Minnesota limited liability company and L & L Homestyle Cafe, LLC, a Minnesota limited liability company (collectively, the "Recipient"), to finance a portion of the costs of interior building renovations and the purchase of restaurant equipment located at 154 Walnut Street in the City (the "Project").

Information about the proposed business subsidy for the Recipient is available for inspection at the office of the Authority's Executive Director at City Hall during regular business hours. After the public hearing, the Authority will consider granting the business subsidy in accordance with the proposed terms.

A person with residence in or the owner of taxable property in the City may file a written complaint with the Authority if the Authority fails to comply with the Business Subsidy Law, and no action may be filed against the Authority for the failure to comply unless a written complaint is filed.

All interested persons may appear at the hearing and present their views on the matters orally or provide their comments prior to the meeting in writing.

Dated: January 20, 2026
BY ORDER OF THE BOARD OF
COMMISSIONERS OF THE CITY
OF MONTICELLO ECONOMIC
DEVELOPMENT AUTHORITY
/s/ Jim Thares
Executive Director

Published in the Monticello Times
January 29, 2026
1515386

Publications:
Monticello Times

Date: 01/20/26

Account #: 429204

Customer: CITY OF MONTICELLO ~

Address: 505 WALNUT ST STE 1
MONTICELLO

Telephone: (763) 295-2711
Fax: (763) 295-4404

Ad ID: 1515386
Copy Line: Feb 11 Sperr Properties

PO Number:

Start: 01/29/26

Stop: 01/29/2026

Total Cost: \$157.25

of Lines: 74

Total Depth: 8.278

of Inserts: 1

Ad Class: 150

Phone # (763) 691-6000

Email: publicnotice@apgecm.com

Rep No: SM700

5B. Consideration of approving amendments to the Monticello Homeowner Rehabilitation Program Policy

<p>Prepared by: Economic Development Manager, Community Economic Development Coordinator</p>	<p>Meeting Date: 3/11/26</p>	<p><input checked="" type="checkbox"/> Regular Agenda Item <input type="checkbox"/> Consent Agenda Item</p>
<p>Reviewed by: Community Development Director, Finance Director</p>	<p>Approved by: City Administrator</p>	

ACTION REQUESTED

1. Motion to approve amendments to the Monticello Homeowner Rehabilitation Program Policy.
2. Motion of other as determined by the EDA.

REFERENCE AND BACKGROUND

In January of 2026, the EDA adopted a policy for the use of affordable housing funding, known as Statewide Affordable Housing Assistance (SAHA). The EDA’s adoption followed workshops and regular meeting discussions in fall of 2025 and early 2026 regarding the use of the funding.

Following guidance and adoption of the policy by the EDA in January, staff had additional discussions with the EDA’s attorney on the policy. The EDA attorney recommended additional changes to the policy to better align with the statutes and further clarify the nature of the program as a loan versus a grant program.

There are four updates to the policy after legal review by the EDA attorney, including proposed amendments that clarify the program is a loan, that the program “targets” specific age restrictions and area within the community, adding further weight to the statutory requirement for income restrictions, and language for target area justification. These amendments do not change the intent of the policy but instead provide consistency throughout the document and further clarification on program eligibility.

Grant vs. Forgivable Loan

In an effort to safeguard against the program being used to leverage improvements for a quick real-estate sale turnaround, the January policy was proposed as a forgivable loan of 2-years. Staff deliberated the benefits of both a grant-only program and a forgivable-loan program, and recommended the forgivable-loan program, which states that if a home sells within 2 years,

those dollars can be recycled into the program for additional use. The EDA attorney recommended clerical corrections throughout the document to reflect that the program is a “forgivable loan” rather than “grant”. The amendment also requires a subordinate mortgage recorded against the property for this purpose.

Age-Restrictions

Regarding age restrictions of a senior 55+ only program, the EDA attorney has indicated that although there is no outright prohibition of this restriction in the state statute, there are no communities from their research that are using the programs with age restrictions. Staff’s recommendation is for the policy to give priority to those ages 55+ or greater but allow flexibility at the discretion of the EDA given this notation by the attorney.

Income Restrictions

Regarding income requirements in the policy, the income limits of 115% of Area Median Income (AMI) set forth by the Department of Housing & Urban Development (HUD) are not permitted to be deviated from the prioritization of projects the provide affordable housing to those with incomes at 80% or less of median income remains unchanged. Verification of income will be provided by the applicant through a tax return or recent pay stubs. The amended language provides further support to these statutory requirements.

Targeted Area

The EDA attorney recommended including language in the policy that speaks to the justification of the targeted area. Staff have updated the policy to include language from the Monticello 2040 Vision + Plan that directly illustrates the desire for such a program north of I-94.

“NEIGHBORHOOD PRESERVATION, Monticello’s traditional neighborhoods north of Interstate 94 represent the community’s most walkable places, its most diverse housing stock, and its most character-rich area, contributing to Monticello’s sense of place and identity. These neighborhood blocks also represent substantial past investment in streets, sidewalks, parks, and other infrastructure. Maintaining and enhancing these areas and their housing stock can help increase value and strengthen the visual realm, making Monticello’s traditional neighborhoods an attractive and desirable place to live. To achieve this, Monticello should explore financing incentives, which facilitate neighborhood reinvestment in traditional homes and neighborhoods, balancing design standards and goals with these incentives.”

I. Budget Impact: The budget impact is limited at this time.

II. Staff Workload Impact: City staff involved in this consideration include the Community Development Director, Community Economic Development Coordinator, and Economic Development Manager. Additional reviews also involved the EDA Attorney and City Attorney

related to compliance with applicable State Statutes. At this point in time, no other staff are required to complete the tasks involved in this effort.

III. Comprehensive Plan Impact: The Monticello 2040 Vision + Plan identifies Neighborhood Preservation in Chapter 7, Community Character, Design, and the Arts. “Monticello’s traditional neighborhoods north of Interstate 94 represent the community’s most walkable places, its most diverse housing stock, and its most character-rich area, contributing to Monticello’s sense of place and identity. These neighborhood blocks also represent substantial past investment in streets, sidewalks, parks, and other infrastructure. Maintaining and enhancing these areas and their housing stock can help increase value and strengthen the visual realm, making Monticello’s traditional neighborhoods an attractive and desirable place to live. To achieve this, Monticello should explore financing incentives, which facilitate neighborhood reinvestment in traditional homes and neighborhoods, balancing design standards and goals with these incentives.”

STAFF RECOMMENDATION

Staff defer to the EDA on consideration of the proposed amendments to the Affordable Housing Rehabilitation Loan Program.

Staff continues to finalize work on a robust communications and outreach plan that will be presented in the spring.

SUPPORTING DATA

- A. Draft Homeowner Rehabilitation Loan Program Policy and Target Area
- B. Application Form
- C. [January 14, 2026 EDA Agenda](#)

Senior Homeowner Rehabilitation Program Application

Community Development, 505 Walnut Street, Suite 1, Monticello, MN 55362
(763) 295-2711 • Tyler.Bevier@MonticelloMN.gov



Property Information	
Property Address	
Property Legal Description	
Property ID Number	
Property Owner Information	
Owner Name	
Owner Address	
Owner Phone	
Owner Email	
Applicant Information (If different from the property owner)	
Applicant Name	
Applicant Address	
Applicant Phone	
Applicant Email	

Have you scheduled or completed a pre-grant review meeting with City Staff?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Other:
Have you read and understood the requirements of the program policy?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	Other:

Application Submittal Requirements	Applicant Checklist	City Checklist (Office Use Only)
Age verification via a valid state or federal form of photo identification		
Income verification as a qualifying recipient of funds for an income that is at or below the 115% Area Median Income (AMI) of Minneapolis-St.Paul-Bloomington MSA. Verification provided by the applicant via a tax return or recent pay stubs.		
A completed project budget with the Required Two Quotes per proposed improvement		
Affidavit signature of proof of 5% availability for the cost-sharing of the program improvements		
Verification of valid property insurance		
Verification that the home is located in the Target Area (North of Interstate 94)		

Property Owner's Statement	
I am the fee title owner of the described property, and I agree to this application. I certify that I am in compliance and current with all property taxes and any outstanding mortgages, as well as no outstanding blight notices on the property listed above. Additionally, I understand that if the property is sold within two (2) years of the completed improvements, the grant funds must be repaid to the City of Monticello.	
(Signature)	(Date)

Applicant's Statement	
This application shall be processed in my name and I am the party whom the City should contact regarding the application. I have completed all of the applicable filing requirements and I hereby acknowledge that I have read and fully understand the applicable provisions of the current policies related to this application and that the documents and information I have submitted are true and correct.	
(Signature)	(Date)

Complete Application Required

The review and consideration of an application submitted shall only occur if such application includes all items that are required in support of the application and is deemed complete by the Community Development Department.

City Approval Timeline		
Pre-Grant Meeting with City Staff	(Date)	
Tentative Regular Meeting of the Economic Development Authority for Application Consideration	(Date)	
Approval Status (Office Use Only)	<input type="checkbox"/> Approved	<input type="checkbox"/> Denied

5C. Consideration to approve an amendment to the Downtown Façade Improvement Forgivable Loan Program

<p>Prepared by: Economic Development Manager, Community Economic Development Coordinator</p>	<p>Meeting Date: 3/11/2026</p>	<p><input checked="" type="checkbox"/> Regular Agenda Item <input type="checkbox"/> Consent Agenda Item</p>
<p>Reviewed by: Community Development Director, Finance Director</p>	<p>Approved by: City Administrator</p>	

ACTION REQUESTED

1. Motion to approve the amendments to the Downtown Façade Improvement Forgivable Loan Program.
2. Motion of other as determined by the EDA.

REFERENCE AND BACKGROUND

The Downtown Façade Improvement Program was a deliverable from the 2017 Downtown Small Area Plan, which cited an implementation goal to “bolster Broadway with a façade improvement program”, and encourage more retail vitality: “establish a façade improvement program that offers financial support for investments that improve the visual appearance of buildings and district identity.”

The guidelines for the program were adopted in August 2018 by the EDA, and outreach efforts began in the Fall of 2018. Since that time, eight projects have been completed or are in progress. An update on these projects was provided at the December 2025 EDA Meeting. Additional projects are in the queue for possible consideration in early 2026.

Staff are seeking two changes to the policy related to window opacity and historic signage for clarity of expectations for applicants and to further align outcomes with the Downtown Small Area Plan and Broadway design guidelines.

Window Opacity

Staff is seeking a change to bring downtown windowfronts into alignment with both zoning and recommendations from the Downtown Small Area Plan as part of any Downtown Façade loan consideration. The current zoning code of states that “Storefronts facing any public street shall consist of a minimum of 50% window/door transparency on ground floor.” This design standard was recommended under the Downtown Small Area plan’s Broadway design guidelines for

façade and frontage, “Minimum 50% (windows/doors) transparency on ground floor”. The intent of the standard is to support retail vitality and activity visibility along the ground floor of buildings along Downtown Streets. The policy change to the Downtown Façade Improvement program will require that façade loan recipients bring their storefront windows and doors into compliance with this expectation, regardless of whether the proposed façade improvements are for new windows. Compliance with the City’s ordinance is already a minimum requirement in the policy, but the additional language provides a clear reference for applicant understanding.

Historical Signage

The second policy change formally adopts language requiring the historical placard signage for properties receiving loans. Previously, the post-construction historical plaque has been a verbal understanding with applicants, as their projects are proposed. Staff are recommending this be added to the policy for adoption with a clear understanding for future applicants.

As a result of the downtown walking tour at the EDA workshop on July 9, 2025, EDA Commissioners reached consensus in favor of the revised color palette, with a black and white option as an alternative. Staff continue to work with the communications department to finalize the history narratives for each recipient sign. Sign quote will be solicited this summer with the goal of sign placement by September 1 of this year for prior loan recipient locations. The historical plaques illustrate a narrative of each building’s history, either from oral or written record, offering a snapshot into the rich history of downtown Monticello.

The total downtown façade improvement funding provided by the EDA amounts to \$571,935. The façade improvement dollars have leveraged private funding for the 8 buildings totaling about \$352,723 +/-.

I. Budget Impact:

No budget impact is expected at this time

II. Staff Workload Impact:

City staff involved in this consideration include the Community Development Director, Community Economic Development Coordinator, Economic Development Manager and Finance Director. At this point in time no other staff are required to complete the tasks involved in this effort.

III. Comprehensive Plan Impact:

The Monticello 2040 Vision + Plan identifies the Downtown as a “development focus” area with the intent of promoting investment and redevelopment of key properties and parcels in the City’s core area.

By utilizing EDA funding through a formal Façade Improvement Forgivable Loan program, the Small Area Plan and Comprehensive Plan goals are being achieved. The 8 projects have resulted in noticeable exterior building upgrades as well as producing a more aesthetic and inviting look and feel in the downtown core area.

STAFF RECOMMENDATION:

Staff recommends the two policy update changes of window opacity and historical signage.

SUPPORTING DATA

- A. Downtown Façade Forgivable Loan Policy – Proposed Changes
- B. Downtown Target Area



SECTION: FINANCE

NO: FIN-

REFERENCE:

Date:

Next Review Date:

TITLE: FAÇADE IMPROVEMENT PROGRAM

1.0 Purpose

The City of Monticello Economic Development Authority (the “EDA”) recognizes the need to encourage investment in commercial and retail buildings in the Downtown area in order to maintain the economic viability of the City and the Downtown/Central Community District. The purpose of this forgivable loan program is to support a visually and financially appealing Downtown and greater Monticello community by providing forgivable loans to improve the façades of existing Downtown commercial and retail buildings.

2.0 Policy

ELIGIBLE BUSINESSES

Commercial property located within the geographic area illustrated in **Exhibit A** of these guidelines may be eligible for a Downtown Façade Improvement Forgivable Loan (“ Loan”) as further defined herein. The area illustrated in **Exhibit A** of these guidelines is amended to include the buildings to remain on Block 52 following redevelopment, as well as those buildings along Walnut Street, between Broadway Street West and River Street. It is the goal of the EDA that 70% of the buildings within the eligible area complete improvements to their properties.

The EDA has allocated a maximum of \$200,000 for the initial Loan program. This is a pilot program, and additional areas and allocations will be considered at a future date.

FORGIVABLE LOAN FUND TERMS & CONDITIONS

Loan Amount & Structure

Individual loans may be made in an amount ranging from \$5,000-\$50,000. Loan forgiveness generally takes place over a three-year period with fifty percent (50%) of the award forgiven at the end of the first year, and twenty-five percent (25%) forgiven at the end of years two and three. The EDA may extend or reduce the forgiveness period based on the dollar amount of the Loan. If the benefitting building is sold within the period of the Loan, the Loan must be repaid. The Applicant must provide at least 5% of the project cost in cash. The Applicant percentage shall be used as the project down-payment, as may be required.

Eligibility Requirements

Tenants and property owners should discuss the loan program to determine responsibilities and commitment for application and its components. The owner of the property must be a cosignatory to the application and Loan agreement.

The property owner must carry current property insurance both at the time of application and through completion of approved Loan improvements.

Property taxes on the subject site must be current for the duration of the Loan.

Applicants are not eligible to receive funding if the property to be rehabilitated is in default under a property mortgage, contract for deed or comparable obligation. An applicant/property owner is ineligible to receive assistance if currently involved in bankruptcy proceedings.

Applicants may apply for only one Facade Loan per building.

The EDA reserves the right to approve or reject applications on a case-by-case basis, taking into consideration factors considered appropriate by the EDA, in addition to established polices, criteria, and potential benefits. Meeting the criteria does not guarantee an application will be approved. Approval or denial of an application is at the sole discretion of the EDA.

Concurrent Loans

The concurrent use of different EDA loan programs by any one borrower or for any one project is permitted. Business subsidy agreements may be required.

Permitted Loan Uses

Exterior renovation of the façades of principal use retail or commercial buildings as further shown on **Exhibit B** attached hereto. An applicant may apply for façade improvements on all exterior sides of their building. The EDA may approve a Loan for improvements for all or some of the sides of the building at their discretion.

An architectural rendering supplied by one of the following is required: an EDA selected architect, applicant contractor or architect, or a qualified architect accepted by the EDA. This item is required for use in determining final scope of work in consultation with the applicant and the applicant's selected contractor for any project. The cost of the rendering shall not be included in the Loan amount. Architectural renderings will be considered for preparation after initial letter of interest by an applicant.

Façade renovation may include, but is not limited to windows, doors, siding, brick, stucco, masonry, painting, steps, cornices, parapets, shutters, dormers, signage, awnings, and structural roof components and such improvements shall be guided by the architectural rendering. Any façade loan property recipient must maintain at least 50% transparency on all ground-floor windows. This includes both any existing windows at the time of application and any proposed new windows.

Interior side renovation proposals may be considered on a case-by-case basis.

The applicant will work with a contractor to define final selected improvements using the architectural rendering as a guide. The architectural rendering with final selected improvements must be reviewed and approved by the EDA and will be included in final Loan documentation. The improvements must be completed in substantial conformity to the approved architectural rendering.

The cost of the building permit for the approved Loan project will be included in the final Loan amount.

CONSTRUCTION AND IMPROVEMENTS CODE COMPLIANCE

As applicable, buildings for which public funds will be used within this program are to be brought into conformity with city ordinances and state building codes in effect for the area in which the building is located. It is the intent of the Downtown Façade Improvement Loan Program to comply with the City's building standards for the Downtown/Central Community District (CCD). Please refer to the City's Downtown Small Area Plan and zoning ordinance for complete details as it relates to the standards governing this program's design guidelines.

TIMING OF PROJECT EXPENSES

No project may commence until the EDA has approved the Loan application and the Loan agreement. Any costs incurred prior to execution of the Loan agreement are not eligible expenditures.

No building construction may commence until the required city permits are secured.

Loan disbursements shall be as provided for within the Loan agreement and shall be made directly to the Applicant/owner's contractor. The Loan agreement shall reference final contracts for improvements.

COMMUNICATION

Success of the project depends on the completeness of applications and good communication between all parties. Applicants should feel free to reach out to EDA staff with any questions at any time.

PROCEDURAL GUIDELINES FOR APPLICATION AND APPROVAL

The applicant shall meet with city staff to obtain information about the Loan program, discuss the project, and obtain application forms.

Prior to application, it is recommended that the applicant complete and submit a letter of interest to the EDA. The letter of interest should provide a summary of desired façade improvements. As part of the letter of interest review, the EDA may consider authorization of a façade rendering by the EDA's architectural consultant or may direct the applicant to proceed with a formal application including preparation of rendering by their contractor(s)/architect. Once the applicant has obtained the rendering and estimates, the applicant must submit a formal application to the EDA for review including the project rendering and detailed estimates.

Applications will be received and reviewed on a first-come, first-served basis from the time of submission of a complete application.

An inspection of the building may be required.

The EDA is a governmental entity and as such must provide public access to public data it receives. Data deemed by Applicant to be nonpublic data under State law should be so designated or marked by Applicant. See Minnesota Statutes, Section 13.591, Subd. 1 and 2. The formal Loan application will be reviewed by EDA staff to determine if it conforms to all city policies and ordinances, and will be presented to the EDA for formal approval, as follows:

1. Staff will complete a preliminary application review and may consult with the EDA's Financial Advisor and/or EDA Attorney in preparing a report for EDA consideration.
2. Staff will evaluate the project application in terms of the following:
 - a. Project Design - Evaluation of project design will include review of proposed activities, project construction and renovation plans including architectural rendering and final building elevations detailing selected improvements, timelines and capacity to implement the project.
 - b. Financial Feasibility - Availability of funds, private investment, financial packaging and cost effectiveness, and bid-quote submissions.
 - c. Evidence of applicant's ability to meet the 5% cash requirements.
 - d. Letter of Commitment from other financing sources stating terms and conditions of their participation in the project, if applicable.

- e. All other information as required in the application and/or additional information as may be requested by the EDA staff.
 - f. Project compliance with all applicable city codes and policies.
3. The EDA Commissioners will review each application in terms of:
 - a. Its consistency with the goals of the city's Comprehensive Plan and Downtown Small Area Study.
 - b. Whether it is desirable and in the best interests of the public to provide funding for the project.
 - c. The project's overall potential impact on the community's economy.
4. The EDA Commissioners will approve or deny the application, or request a resubmission with clarifications, at the EDA's sole discretion.

APPROVAL OR DENIAL OF LOAN APPLICATION

The EDA, at its sole discretion, may deny any application on a case-by-case basis, taking into consideration factors such as: consistency with the goals of the city's Comprehensive Plan and Downtown Small Area Study, the project's overall impact on the community's economy, and the above criteria.

LOAN POLICY REVIEW

The above criteria will be reviewed on an annual basis to ensure that the policies reflected in this document are consistent with the economic development goals set forth by the city.

COMPLIANCE WITH BUSINESS SUBSIDY LAW

All developers/businesses receiving financial assistance from the City of Monticello EDA shall be subject to the City's Business Subsidy Policy as amended, and the provisions and requirements set forth under Minnesota Statutes, Sections 116J.993 to 116J.995.

LOAN AGREEMENT

If the application for a Loan is approved, the applicant/property owner will be required to enter into a Loan agreement to proceed. The Loan agreement will specify the terms and conditions of the Loan as identified herein.

HISTORIC SIGNAGE

Approved applicants for the loan program shall work with the EDA for the installation of a historic plaque to describe the property's history in Monticello, to be installed at the conclusion of the façade improvements. The City or EDA shall be responsible for the cost of production and maintenance of the sign.

DISBURSEMENT OF LOAN FUNDS

Upon approval of a Loan application, applicants are required to provide executed contracts with qualified, licensed contractors for work per the approved Loan plans. Contracts shall be consistent with the procedures and requirements herein.

Loan funds will be disbursed to the contractor based on completion of work as outlined below. The City's Chief Building Official will verify completion of work. Upon verification of completion, payment will be dispersed per contract amount for the work completed based on submitted invoice.

PROJECT CONTRACTOR PROCEDURES AND REQUIREMENTS

A. PARTICIPATING CONTRACTORS: All contractors participating in the Downtown Façade Improvement Loan Program must have a contractor's license on file with the Minnesota Department of Labor and Industry. The contractors will be responsible for securing insurance of the amounts specified on the application form. The application must contain proof of insurance coverage via a Certification of Insurance Coverage, and the contractor's registration and license number and bond.

B. BID/QUOTE SOLICITATION: To participate in the Downtown Façade Improvement Loan Program, the applicant must solicit bids or quotes from at least two vendors. An applicant is free to choose any contractor, provided the license requirements are met and the cost differential in the quotes received does not exceed 20%.

C. CONTRACTOR CONTRACT: The contract for work is between the property owner (applicant) and the contractor. Each selected contractor will enter into a contract with the property owner. The contract will outline the terms for completion of the rehabilitation on the project and will include the following:

1. Scope of Work
2. Project Start Date;
3. Project Completion Date;
4. General Conditions;
5. Building Elevations and Architectural Drawings;
6. Special Conditions;
7. Project Warranties;
8. Change Order Procedures;
9. Payment Terms;
10. Termination Procedures.

D. FAILURE TO START/COMPLETE PROJECT: Upon approval of the Loan agreement, the applicant and selected contractor will have 180 calendar days in which to complete the contracted work. The 180-day time period shall not be exceeded except through the issuance of a change order. Failure to complete any work within 180 days will be grounds to terminate the Loan agreement.

E. PAYMENT PROCEDURES: All contractors will agree to the payment schedule, which is as follows:

1. Pre-payments for contracted services may be disbursed from an escrow account established with the EDA's specified agency. Such escrow account shall be administered per the Loan agreement.
2. Lien waivers are required for all contractors and subcontractors before payment is made.
3. Final payment for work completed, including any retainage amounts, will be made after work by a contractor is completed with verified receipts and costs incurred, the final inspection has been conducted and the Chief Building Official, property owner, and contractor have signed off on the work.

F. CHANGE ORDERS: Change orders to the approved Loan project require the approval of the EDA. Change orders will be allowed only for the following reasons:

1. To rectify hidden deficiencies that are discovered once the work has begun.
2. To change a specification due to unforeseen difficulties arising after work has begun.
3. To address a deficiency that was inadvertently dropped from the project during project packaging.
4. To change completion dates.

PROJECT COMPLETION

The City’s Chief Building Official will complete a final project inspection and issue a Certificate of Completion verifying project completion per the approved Loan plans.

3.0 Scope

This policy applies to all projects that apply for and may receive assistance under the Façade Improvement Program.

4.0

HISTORY			
Approval Date:	August 8, 2018	Approved by:	EDA
Amendment Date:	November 9, 2022	Approved by:	EDA
Amendment Date:	January 10, 2024	Approved by:	EDA

EXHIBIT A
Geographic Program Limits

Downtown Facade Improvement Grant Program Eligibility Area



EXHIBIT B
Permitted Fund Uses – Visual Reference

6A. Economic Development Manager's Report

Prepared by: Economic Development Manager	Meeting Date: 03/11/2026	<input checked="" type="checkbox"/> Other Business
Reviewed by: N/A	Approved by: N/A	

REFERENCE AND BACKGROUND

- a. Sales Tax Revenue Collections: See attached Exhibit A.
- b. Planning Commission Agendas – March 3, 2026: Please see attached Exhibit B.
- c. TIF Questions Responses from EDA Regular Meeting February 11, 2026 – See Exhibit C.
- d. Project Updates: Please see attached Exhibit D.
- e. Prospect List – March 02, 2026: Please see attached Exhibit E.

SALES TAX RECEIPTS

City of Monticello							
Payment Date	Spend Month	Revenue Month	Gross Revenue Amount	Start-up Costs (One-time only)	Miscellaneous Deduction or Addition (See notes below)	Administrative Cost	Net Amount Paid
7/10/2025	April	May	175,249.36	(16,116.45)		(1,577.24)	157,555.67
8/10/2025	May	June	204,919.19			(1,844.27)	203,074.92
9/10/2025	June	July	203,551.14			(1,831.96)	201,719.18
10/10/2025	July	August	217,249.10			(1,955.24)	215,293.86
11/10/2025	August	September	200,916.80			(1,808.25)	199,108.55
12/10/2025	September	October	199,196.68			(1,792.77)	197,403.91
1/10/2026	October	November	219,355.63			(1,974.20)	217,381.43
2/10/2026	November	December	225,114.69			(2,026.03)	223,088.66
3/10/2026	December	January					-
4/10/2026	January	February					-
5/10/2026	February	March					-
6/10/2026	March	April					-
7/10/2026	April	May					-
8/10/2026	May	June					-
9/10/2026	June	July					-
10/10/2026	July	August					-
11/10/2026	August	September					-
12/10/2026	September	October					-
1/10/2027	October	November					-
2/10/2027	November	December					-
3/10/2027	December	January					-
4/10/2027	January	February					-
5/10/2027	February	March					-
6/10/2027	March	April					-
7/10/2027	April	May					-
8/10/2027	May	June					-
9/10/2027	June	July					-
10/10/2027	July	August					-
11/10/2027	August	September					-
12/10/2027	September	October					-
1/10/2028	October	November					-
2/10/2028	November	December					-
3/10/2028	December	January					-
4/10/2028	January	February					-
5/10/2028	February	March					-
6/10/2028	March	April					-
7/10/2028	April	May					-
8/10/2028	May	June					-
9/10/2028	June	July					-
10/10/2028	July	August					-
11/10/2028	August	September					-
12/10/2028	September	October					-
1/10/2029	October	November					-
2/10/2029	November	December					-
3/10/2029	December	January					-
4/10/2029	January	February					-
5/10/2029	February	March					-
6/10/2029	March	April					-
7/10/2029	April	May					-
8/10/2029	May	June					-
9/10/2029	June	July					-
10/10/2029	July	August					-
11/10/2029	August	September					-
12/10/2029	September	October					-
1/10/2030	October	November					-
2/10/2030	November	December					-
3/10/2030	December	January					-
4/10/2030	January	February					-
5/10/2030	February	March					-
6/10/2030	March	April					-
7/10/2030	April	May					-
8/10/2030	May	June					-
9/10/2030	June	July					-
10/10/2030	July	August					-
11/10/2030	August	September					-
12/10/2030	September	October					-
1/10/2031	October	November					-
2/10/2031	November	December					-
3/10/2031	December	January					-
4/10/2031	January	February					-
5/10/2031	February	March					-
6/10/2031	March	April					-
7/10/2031	April	May					-
8/10/2031	May	June					-
9/10/2031	June	July					-
TOTAL			1,645,552.59	(16,116.45)	-	(14,809.96)	1,614,626.18
							(13,385,373.82)

AGENDA
REGULAR MEETING – PLANNING COMMISSION
Tuesday, March 3, 2026– 6:00 p.m.
Mississippi Room, Monticello Community Center

PLANNING COMMISSION WORKSHOP
Monticello Community Center – North Mississippi

5:00 p.m. Discussion on Amendments to 2040 Vision + Plan and Zoning Ordinance for single-family housing goals

Commissioners: Chair Andrew Tapper, Vice-Chair Melissa Robeck, Rick Kothenbeutel, Teri Lehner, Rob Stark
Council Liaison: Councilmember Kip Christianson
Staff: Angela Schumann, Steve Grittman, Bob Ferguson, Tyler Bevier

1. General Business

- A. Call to Order
- B. Roll Call
- C. Consideration of Additional Agenda Items
- D. Approval of Agenda
- E. Approval of Regular Meeting Minutes – February 3, 2026
- F. Citizen Comment

2. Public Hearings

- A. Consideration of an Amendment to the Stony Brook Village Planned Unit Development District for amendment to the proposed residential twinhome structures, including design standards for the exterior elevations and floor plans. Applicant: Thomas Dehn – Thomas Allen Homes LLC
- B. Consideration of a Preliminary Plat for Jefferson Commons Fifth Addition and Conditional Use Permits for Cross-Access on a 7.01 acre site in a B-4 (Regional Business) district, for a Day Care Center use. Applicant: Kid’s Haven Childcare and Preschool
- C. Consideration of an Amendment to the Monticello 2040 Vision + Plan (Comprehensive Plan), Chapter 3, “Land Use, Growth and Orderly Annexation”, re-guiding certain parcels from the Light Industrial Park land use designation to other land use designations, and including any other amendments to related

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sections of Chapter 3 necessary to regulate land use for the subject area.
Applicant: City of Monticello

3. Regular Agenda

4. Other Business

A. Community Development Director's Report

5. Adjournment

02-13-26

Good morning,

I'm not sure how you prefer to report back on questions from the EDA but here are the two I noted from Wednesday evening:

1. TIF 1-40 Rivertown Residential – based on the projected TIF cashflow in the district's transcript and the details of the Paygo note, the district originally projected needing the full duration through 2045 to payoff the note. Using the same 1% growth assumption from the original TIF cashflow projection, the note could be paid off in 2037, or 8 years early.
2. State statutes do not specify a limit for holding funds in decertified districts. However, doing so does increase risk of an audit and the potential for future legislative changes to require payment of the balance to the County for redistribution similar to excess increment.

Let me know if you need anything else from me on these.

Thank you!

There is not a statutory deadline. I have discussed with the EDA in the past (it's a been a few years), while there is not a statutory deadline, there is legislative and audit risk/exposure. Meaning the legislature could always change the laws that govern. And if a district remains open with funds it is subject to audit by the OSA.

I hope that helps.

Tammy Omdal

Managing Director, Public Finance



Direct (612) 851-4964 | Office (612) 851-5900

Email tomdal@northlandsecurities.com

From: Sarah Rathlisberger <Sarah.Rathlisberger@MonticelloMN.gov>

Sent: Friday, February 13, 2026 9:28 AM

To: Fiorini, Gina A. <gina.fiorini@kutakrock.com>; Omdal, Tammy <tomdal@northlandsecurities.com>

Cc: Jim Thares <Jim.Thares@MonticelloMN.gov>; Angela Schumann <Angela.Schumann@MonticelloMN.gov>

Subject: [External] TIF

Good morning,

The draft 2025 financial statements for the EDA were presented during their annual business meeting on Wednesday evening. One board member asked how long pooled/remaining TIF balances can remain held in decertified districts. I am not aware of a specific limit but wanted to check with the experts to report back.

I appreciate any information you can provide.

Thank you,

6A. Project Updates

Big River Commercial Development - Chelsea Road:

Temporary Certificates of Occupancy were recently issued for both the Les Schwab Tire Center and the Valvoline rapid oil change service facility.

Fairfield By Marriott Hotel:

Construction of the 98-room hotel development project has slowed greatly due to labor shortages. City staff will continue to monitor and provide updates.

Minnesota Sports Cards - Retail:

Construction of the Minnesota Sports Cards retail center (4,409 sq. ft. building) on a 1.09-acre site located just east of the former McDonald’s fast-food restaurant (located along the freeway in front of Home Depot) is progressing with opening slated for Spring.

Big Bore Restaurant (formerly the McDonald’s Restaurant on East 7th Street):

The extensive remodeling of the former McDonald’s restaurant is also continuing. The Big Bore Restaurant, featuring convenient pick-up and drive-through options, is scheduled to open in late April 2026.

Discount Tire:

Construction of Discount Tire (2.04-acre parcel located at 1300 7th Street East) at sales and service store is underway on the north side of I-94 adjacent to the Sunny Days Therapy facility on 7th Street East. After pausing construction for some time due to supply chain issues, it is now actively progressing again and is targeted for late June 2026 completion.

