



City Council Memorandum

To: Mayor Fasbender and City Council
From: John Hinzman, Community Development Director
Date: December 18, 2023
Item: Resolution: Approve the First Amendment to Purchase Agreement - Sale of City Property – Northern State Services LLC – Northwest Corner of Spiral Blvd and Glendale Rd

City Council Action Requested

Adopt the attached resolution approving the First Amendment to the Purchase Agreement between the City of Hastings and Northern State Services, LLC for sale of +/- 5 acre parcel located at the northwest corner of Spiral Blvd and Glendale Rd. A simple majority is necessary for action.

The amendment extends the closing date until July 1, 2024. All other provisions remain the same.

Background Information

The City Council authorized sale of the property on June 26, 2023 subject to closing on the property by December 31, 2023. Staff continues to work with Northern State Services and expects the closing to occur shortly, however it is likely the December 31st requirement will not be met.

Financial Impact:

Sale of the property will generate \$60,960 in revenue as well as an increase in the community's annual tax base. City maintenance expenses for the property will cease.

Advisory Commission Discussion:

N/A

Council Commission Discussion:

N/A

Attachments:

- Location Map
- Resolution – Approving First Amendment to Purchase Agreement
- First Amendment to Purchase Agreement

Richard Reis Property



City Property for disposition/ sale

HASTINGS CITY COUNCIL

RESOLUTION NO. _____

A RESOLUTION APPROVING THE FIRST AMENDMENT TO PURCHASE AGREEMENT WITH NORTHERN STATE SERVICES LLC

Council member _____ introduced the following Resolution and moved its adoption:

WHEREAS, the City of Hastings (“City”) is the fee owner of real property located in Dakota County, Minnesota, and legally described on Exhibit A (“City Property”); and

WHEREAS, on June 26, 2023, by and through Resolution No. 06-28-23, the City approved the disposal and sale of the portion of City Property legally described on Exhibit B (the “Property”); and

WHEREAS, also on June 26, 2023, by and through Resolution No. 06-28-23, the City approved the related Purchase Agreement dated June 26, 2023 (“Agreement”) by and between the City and Northern State Services LLC (“Buyer”); and

WHEREAS, Buyer has requested the Purchase Agreement be amended to extend the Closing Date.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hastings as follows:

1. The Closing Date is hereby extended to July 1, 2024.
2. The First Amendment to Purchase Agreement is hereby approved, subject to minor modification as approved by the City Attorney, and the appropriate officials are authorized to take such action as to effectuate its execution and implementation.

Council member _____ moved a second to this Resolution and upon being put to a vote it was adopted by the Council Members present.

Adopted by the Hastings City Council this 18th day of December 2023, with the following vote:

Ayes:
Nays:
Absent:

Mary Fasbender, Mayor

ATTEST:

Kelly Murtaugh, City Clerk

EXHIBIT A
LEGAL DESCRIPTION OF CITY'S PROPERTY

That part of the Southwest Quarter of the Southeast Quarter of Section 35, Township 115, Range 17, Dakota County, Minnesota lying west of Glendale Road and subject to highway easement Parcel 1 on County Right-of-Way Map 108.

Abstract Property
PID: 19-03500-84-010

EXHIBIT B
LEGAL DESCRIPTION OF THE PROPERTY

That part of the Southwest Quarter of the Southeast Quarter of Section 35, Township 115, Range 17, described as BEGINNING at the northwest corner of said Southwest Quarter of the Southeast Quarter; thence South 0 degrees 15 minutes 13 seconds East along the west line of said Southwest Quarter of the Southeast Quarter 578.64 feet; thence northeasterly 535.96 feet along a curve that is concave to the northwest having a radius of 707.00 feet, central angle of 35 degrees 01 minute 17 seconds, chord distance of 425.45 feet, and the chord of said curve bears North 52 degrees 26 minutes 53 seconds East; thence North 34 degrees 56 minutes 16 seconds East, tangent to the last described curve, 104.02 feet; thence northeasterly 253.80 feet along a curve concave to the southeast, having a radius of 260.00 feet, central angle of 55 degrees 55 minutes 45 seconds, chord distance of 243.84 feet, and the chord of said curve bears North 62 degrees 54 minutes 08 seconds East; thence South 89 degrees 58 minutes 45 seconds East, not tangent to the last described curve; 50.00 feet to the centerline of Dakota County Road 91, as now traveled; thence North 0 degrees 01 minute 15 seconds East along said centerline of County Road 91 a distance of 125.04 feet to the north line of said Southwest Quarter of the Southeast Quarter; thence South 89 degrees 49 minutes 32 seconds West along said north line of the Southwest Quarter 666.55 feet to the point of beginning. Subject to highway easement.

FIRST AMENDMENT TO PURCHASE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AGREEMENT (this “First Amendment”) is entered into as of _____, 2023 (the “Effective Date”), by and between the City of Hastings, a Minnesota municipal corporation (“City”), and Northern State Services LLC, a Minnesota limited liability company (“Buyer”).

RECITALS

Recital No. 1. City and Buyer entered into a Purchase Agreement dated June 26, 2023 (“Agreement”), for the purchase and sale of real property identified in the Agreement.

Recital No. 2. Buyer has requested the Agreement be amended to extend the Closing Date.

Recital No. 3. City does not object to the extension.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained in this First Amendment and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do covenant and agree as follows:

1. The entire Agreement is hereby incorporated into this First Amendment, except as modified below.
2. Section 6 of the Agreement shall be removed and replaced in its entirety as follows:
 6. **Closing.** The closing of the purchase and sale contemplated by this Agreement (the “Closing”) shall occur on or before July 1, 2024, unless otherwise agreed to by the parties (the “Closing Date”). City agrees to deliver legal and actual possession of the Property to Buyer on the Closing Date.
3. Except as provided for above, the terms and provisions of the Agreement shall remain in full force and effect.
4. This First Amendment and all disputes or controversies arising out of or relating to this First Amendment or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal laws of the State of Minnesota, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of Minnesota.
5. Nothing contained herein shall be deemed a waiver by the City of any governmental immunity defenses, statutory or otherwise. Further, any and all claims brought by Buyer or its successors or assigns, shall be subject to any governmental immunity defenses of the City and the maximum liability limits provided by Minnesota Statutes, Chapter 466.

6. This First Amendment may be executed in two or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by the parties and delivered to the other parties.
7. This First Amendment shall not be amended, modified or supplemented, except by a written instrument signed by an authorized representative of each party.

[remainder of page intentionally blank]

IN AGREEMENT, the parties hereto have hereunto set their hands as of the Effective Date.

**CITY:
CITY OF HASTINGS**

By _____
Mary Fasbender
Its Mayor

By _____
Kelly Murtaugh
Its City Clerk

BUYER:
NORTHERN STATE SERVICES LLC

By: _____
Printed Name: _____
Its: _____