

GRANT AGREEMENT

THIS GRANT AGREEMENT is made and entered into as of the ___ day of _____, 2012, by and between the Economic Development Authority in and for the City of Coon Rapids (the "EDA") and American Preclinical Services, a Minnesota Corporation (the "Grantee");

ARTICLE 1

Definitions

Section 1.1. Definitions. In this Agreement, unless a different meaning clearly appears from the context:

"**City**" means the City of Coon Rapids, Minnesota.

"**Development Property**" means the real property and improvements thereon located at 8960 Evergreen Boulevard in Coon Rapids, Minnesota.

"**EDA**" means The Economic Development Authority in and for the City of Coon Rapids.

"**Grant**" means the funds granted by the EDA to the Grantee pursuant to this Agreement.

"**Grant Proceeds**" means the funds disbursed to the Grantee pursuant to this Agreement and any proceeds thereof.

"**Grantee**" means American Preclinical Services LLC ("APS"), a Minnesota Corporation.

"**Project**" "Project" means the Grantee's substantial rehabilitation of 20,000 square feet of space at the building located at 8960 Evergreen Boulevard, Coon Rapids, MN 55433.

ARTICLE 2

Agreement

Section 2.1. Project Cost. The estimated cost of the project is \$2,650,000. This includes \$1,500,000 for interior construction and \$1,150,000 for equipment.

Section 2.2. Grant Amount. The Grant amount is \$350,000.

Section 2.3. Disbursement of Funds. Grant Proceeds will be disbursed upon execution of this agreement and receipt of invoices for the expenses to be reimbursed by the proceeds. The Grantee will provide an accounting of all costs incurred for the Project after the Project is

completed.

Section 2.4. Project Time Frame. Construction of the Project must begin by July 1, 2012 and be completed by December 31, 2012. Grant Proceeds must be expended by December 31, 2012.

Section 2.5. Uses of Funds. Grant Proceeds must be used to offset the cost of construction of the Project, as follows:

	APS	EDA	Total Cost
Building	\$1,150,000	\$350,000	\$1,500,000
Equipment	\$1,150,000	\$0	\$1,150,000
Total	\$2,300,000	\$350,000	\$2,650,000

Section 2.6. Job Creation Requirements. The Company must create at least 40 new jobs at 8960 Evergreen Boulevard in Coon Rapids, Minnesota and retain at least 75 additional jobs at various locations within Coon Rapids. The 40 new jobs must be created by December 31, 2013. The 40 new jobs must have an average wage of at least \$19.00 per hour, excluding benefits.

Section 2.7. Company Operations. The Company must continue operations as they exist at the time of completion of the project in the City for at least five years following December 31, 2012.

Section 2.8. Remedies. The sole remedy for failure of the Company to comply with this Grant Agreement shall be a return of the Grant Proceeds. If the Project is not completed by December 31, 2012, all Grant Proceeds will be treated as a loan and must be returned to the EDA. If the Company fails to satisfy the requirements for job creation and retention described in Section 2.6, Grant Proceeds must be returned on a pro rata basis based on the number of jobs actually created compared to the goal of 40 new jobs. For the purposes of this Section each job is assigned a subsidy value of \$8,750.

Section 2.9. Counterparts. This Agreement may be executed in counterpart.

IN WITNESS WHEREOF, the EDA has caused this Agreement to be duly executed in its name and behalf and the Grantee has caused this Agreement to be duly executed in its name and behalf as of the date first above written.

**ECONOMIC DEVELOPMENT AUTHORITY
IN AND FOR THE CITY OF COON RAPIDS**

By _____

Tim Howe, Chair

By _____

Denise Klint, Secretary

APPROVED AS TO FORM

By _____

Stoney Hiljus, City Attorney

AMERICAN PERCLINICAL SERVICES LLC, a Minnesota Corporation

By _____

Name _____

Its _____