

LAND O'LAKES, INC.

4001 Lexington Avenue North
Arden, Hills, MN 55126

Mailing: P.O. Box 64101
St. Paul, MN 55164-0101

651.375.2222
landolakesinc.com

DATE: October 6, 2021

VIA EMAIL AND CERTIFIED MAIL

Ramsey County
Attn: County Manger, Ryan O'Connor
Ramsey County Courthouse
Suite 220
15 W Kellogg Boulevard
St. Paul, MN 55102

RE: Termination of Tax Abatement Agreement Notice

Dear County Manager:

In 2016, Land O'Lakes, Inc. ("**Land O'Lakes**") commenced plans to construct an office expansion at its headquarters location at 4001 Lexington Avenue North in Arden Hills, Minnesota. In support of this project, Land O'Lakes sought funding and tax abatement assistance from the Independent School District No. 621, the City of Arden Hills, Ramsey County, and the State of Minnesota.

Land O'Lakes, the City of Arden Hills, Minnesota ("**City**") and Ramsey County, Minnesota ("**County**") are parties to an Abatement Contract for Private Development dated April 2, 2016 ("**Abatement Agreement**"). Pursuant to Minnesota Statutes Section 469.1812 through 469.1815, the City Council of the City and the Board of Commissioners of the County each approved a resolution authorizing abatement of a portion of the property taxes at Land O'Lakes headquarters property. Pursuant to the Abatement Agreement, the City approved a tax abatement for up to 15 years in the maximum amount of \$650,000 commencing on August 1, 2020 and continuing through February 1, 2035 ("**City Abatement**") and the County approved a tax abatement for up to 15 years in the maximum amount of \$1,500,000 commencing on August 1, 2020 and continuing through February 1, 2035 ("**County Abatement**"). Under the terms of the Abatement Agreement, the City is responsible for paying Land O'Lakes the City Abatement and the County Abatement on each February 1 and August 1, commencing on August 1, 2020. The Abatement Agreement terminates on February 1, 2035.

Land O'Lakes' compliance date for its obligations under the Abatement Agreement expired on December 31, 2020. Circumstances have shifted considerably for our company; the pandemic in particular has impacted the level and pace of job creation for our company and many others. As a result, we are no longer seeking the benefits of the Abatement Agreement. We are grateful for the strong collaboration and partnership we gained with your agency during the process, however, and hope we can continue to foster that relationship in the years ahead. At no point during the term of the Abatement Agreement has Land O'Lakes requested or received any City Abatement and County Abatement amounts from the City or County related to the Abatement Agreement. For purposes of clarity the parties agree that Land O'Lakes is not in default under the Abatement Agreement and did not receive any City Abatement and County Abatement amounts from the City or County under the Abatement Agreement. Per Section 9.2(c) of the Abatement Agreement, the City and County are not entitled to make any claim against Land O'Lakes for any damages whatsoever. The parties also acknowledge and agree to release one another from any obligation under the Abatement Agreement.

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This letter hereby provides the County with formal notice of Land O'Lakes' intent not to pursue tax abatement funds detailed in the Abatement Agreement and confirm the parties agree the Abatement Agreement will terminate upon receipt of this notice.

Please indicate your acknowledgement and receipt of this notice by executing and returning a photocopy of this notice back to me. If Land O'Lakes has not heard from you in ten (10) business days, Land O'Lakes will assume that you acknowledge this notice of termination.

Regards,

DocuSigned by:

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SVP & General Counsel

Acknowledged and Received:

Ryan O'Connor

Approved as to form:

Amy K. L. Schmidt
Assistant County Attorney

cc: Alexandra Kotze, County Chief Financial Officer
Amy Schmidt, Assistant County Attorney
Josh Olson, Deputy Director – Community and Economic Development