

PURCHASE OF SERVICES AGREEMENT

THIS AGREEMENT (this "Agreement") is made and entered into between the Housing and Redevelopment Authority of the City of Ramsey, a public body corporate and politic under the laws of the state of Minnesota (the "HRA"), 7550 Sunwood Drive NW, Ramsey, Minnesota 55303, hereinafter referred to as the "HRA," and Landform Professional Services, LLC, a Minnesota limited liability company, 105 South Fifth Avenue, Suite 513, Minneapolis, Minnesota 55401, hereinafter referred to as the "Contractor."

WITNESSETH:

WHEREAS, the HRA is in need of development management services for its Ramsey Town Center Project, in the City of Ramsey; and

WHEREAS, the Contractor represents that the Contractor is qualified and willing to help the City in providing said services; and

WHEREAS, the City wishes to purchase this service from the Contractor.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, it is agreed and understood as follows:

I. TERM

This Agreement shall commence upon the signing of this Agreement and shall continue in effect through the satisfactory completion of the services to be provided herein unless terminated earlier as provided herein.

II. SERVICES

The HRA agrees to purchase and the Contractor agrees to furnish the services set forth in Contractor's Proposal dated March 22, 2010, (the "Contractor's Proposal") a copy of which is attached hereto and incorporated herein as Schedule A. HRA is referenced as "Owner" within the Contractor's Proposal and Contractor is referenced as Landform within said Proposal.

III. COMPENSATION

Compensation to Contractor shall be as provided in Section in Article IV of the Contractor's Proposal.

IV. BILLING AND PAYMENT

On a monthly basis, the Contractor shall submit to the HRA an itemized statement containing such information as is required by the HRA for work satisfactorily completed. Within thirty (30) days of its receipt of the billing statement, the HRA shall make payment to the Contractor or make reasonable arrangements for payment acceptable to the Contractor.

V. INDEMNIFICATION

The Contractor agrees that it will hold harmless, indemnify, and defend the HRA, its commissioners, officers, agents and employees against any and all claims, expenses (including attorneys fees), losses, damages or lawsuits for damages arising from or related to providing or failing to provide services hereunder, including but not limited to the negligence of the Contractor.

VI. INSURANCE

The Contractor shall procure and maintain in full force and effect during the term of this Agreement, insurance coverage for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors. The insurance coverage shall satisfy the requirements set forth in Schedule B, which is attached hereto and incorporated herein.

VII. SERVICES NOT PROVIDED FOR

No claim for services furnished by Contractor not specifically provided for herein shall be honored by the HRA.

VIII. INDEPENDENT CONTRACTOR

It is agreed by the parties that at all times and for all purposes hereunder, the relationship of the Contractor to the HRA is that of an independent contractor and not an employee or agent of the HRA.

IX. HRA PROJECT MANAGER

The HRA's representative for administering this Agreement is Deputy Ramsey City Administrator Heidi Nelson. For purposes of this Agreement Ms. Nelson shall be the designated Project manager. To the extent consistent with Contractor's status as an independent Contractor, Ms. Nelson shall be Contractor's direct supervisor relating to Agreement issues. Neither Ms. Nelson nor Contractor shall have the authority to legally bind the HRA and expend HRA funds, except as specifically permitted by this Agreement.

X. COMPLIANCE WITH LAWS

In providing all services pursuant to this Agreement, the Contractor shall abide by all statutes, ordinances, rules and regulations pertaining to or regulating the provision of such services, including those now in effect and hereafter adopted. Any violation of said statutes, ordinances, rules, or regulations shall constitute a material breach of this Agreement and shall entitle the HRA to terminate this Agreement immediately upon delivery of written notice of termination to the Contractor. SPECIFICALLY, neither Landform, its team members, employees nor consultants are real estate brokers or salespersons as defined by Chapter 82 of Minnesota Statutes. Therefore, Landform will not be entitled to any compensation for work which requires a license under said Chapter 82.

XI. SUBCONTRACTING AND ASSIGNMENTS

Contractor, unless provided for in the Contractor's Proposal, shall not enter into any subcontract for performance of any of the services contemplated under this Agreement, nor assign any interest in the Agreement without the prior written approval of the HRA and subject to such conditions and provisions as the HRA may deem necessary. The Contractor shall be responsible for the performance of all subcontractors.

XII. MODIFICATIONS

Any material alterations, modifications or variations of the terms of this Agreement shall be valid and enforceable only when they have been reduced to writing as an amendment and signed by the parties.

XIII. AFFIRMATIVE ACTION

In accordance with the HRA's Affirmative Action Policy and the HRA's policies against discrimination, no person shall illegally be excluded from full-time employment rights in, be denied the benefits of, or be otherwise subjected to discrimination in the project which is the subject of this Agreement on the basis of race, creed, color, sex, sexual orientation, marital status, public assistance status, age, disability, or national origin.

XIV. DATA PRIVACY

In collecting, storing, using and disseminating data on individuals in the course of providing services hereunder, the Contractor agrees to abide by all pertinent state and federal statutes, rules and regulations covering data privacy, including, but not limited to, the Minnesota Data Practices Act and all rules promulgated pursuant thereto by the Commissioner of the Department of Administration.

All data created, collected, received, stored, used, maintained, or disseminated by the Contractor in performing this Agreement is also subject to the provisions of Minn. Stat. § 13 et. seq. (the Minnesota Government Data Practices Act) and, pursuant to that statute, the Contractor must comply with the requirements of that statute as if it were a government entity. All remedies set forth in Minn. Stat. § 13.08 shall also apply to the Contractor. The Contractor is not required to provide public data to the public if that same data is available from the HRA, unless stated otherwise in this Agreement.

XV. EARLY TERMINATION

This Agreement may be terminated by the HRA or Contractor at any time, with or without cause, upon thirty (30) written days notice delivered by mail or in person. Notice to HRA and Contractor shall be delivered to HRA or Contractor at the respective addresses first written above. If notices are delivered by mail, they shall be effective two days after mailing.

Upon early termination by the HRA, the Contractor shall only be entitled to payment for services satisfactorily performed through the date of termination and shall not be entitled to any other payment and/or damages, EXCEPT as provided in Contractor's Proposal.

XVI. DEFAULT AND REMEDY

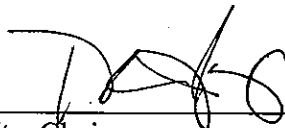
Failure of the Contractor (including the failure of any employee or agent of the Contractor) to abide by any of the terms, conditions, or requirements expressed in this Agreement shall constitute a default if not properly corrected by the Contractor upon receipt of a notice of deficiency and a request for compliance from the HRA. In the event of a default by the Contractor, the HRA may cancel this Agreement by sending a written notice of cancellation to the Contractor at the address stated above, and may recover from the Contractor any damages sustained by the HRA which may directly or consequently arise out of the breach of this Agreement by the Contractor.

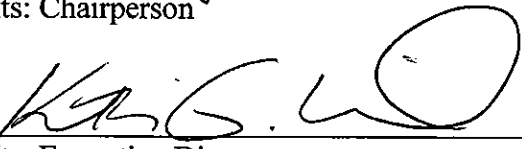
XVII. ENTIRE AGREEMENT

It is understood and agreed by the parties that the entire agreements of the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof as well as any previous agreements presently in effect between the HRA and Contractor relating to the subject matter hereof. The parties hereto revoke any prior oral or written agreement between themselves and hereby agree that this Agreement is the only and complete agreement regarding the subject hereof.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands.

**HOUSING AND REDEVELOPMENT
AUTHORITY OF THE CITY OF RAMSEY**

By 
Its: Chairperson

By 
Its: Executive Director

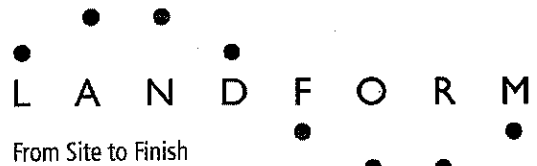
Dated: 4/21/10

**LANDFORM PROFESSIONAL
SERVICES, LLC**

By: 
Its: PRESIDENT

Dated: 4/21/10

SCHEDULE A



March 22, 2010

105 South Fifth Avenue
Suite 513
Minneapolis, MN 55401

Tel: 612-252-9070
Fax: 612-252-9077
www.landform.net

Kurt G. Ulrich
HRA Executive Director
City of Ramsey
7550 Sunwood Drive NW
Ramsey, MN 55303

Re: Development Management Services
Ramsey, Minnesota

Mr. Ulrich:

LANDFORM is pleased to submit our proposal for Development Management Services as described below: This proposal is sometimes hereinafter referred to as this "Agreement".

ARTICLE I. PROJECT SCOPE:

Acting on behalf of The Housing and Redevelopment Authority of the City of Ramsey, Minnesota (the "HRA" and/or the "Owner"), Landform Professional Services, LLC, a Minnesota limited liability company it's team members and consultants ("Landform") shall provide development management services as Owner's representative during the project evaluation, feasibility, pre-development, and development of Owner's approximate 140-acre property located adjacent to Highway 10 in Ramsey, Minnesota in the Ramsey Town Center subdivision and legally described on attached Exhibit "A" (the "Project").

ARTICLE II. PROJECT OBJECTIVE:

Landform shall determine maximum market viability of Project site based upon visioning and mission statements developed under previous efforts. Organize, coordinate and strategically focus the resources and efforts of existing and new team members to maximize critical Project decisions. Create a new identity in the marketplace to bolster confidence in the new Project objectives. Develop viable pro-formas based on Project vision and market conditions. Prepare the Project and team for key events at which to showcase the Project. Initiate introductory meetings of the new Project with potential key users and development partners. Advance and negotiate various team accepted disposition strategies. Monitor and coordinate activities of team members from conception to completion.

The ultimate objective of the development of the Project is to create a mixed use development which shall include construction of a mixed use of commercial, office, retail and residential buildings for the Project's mixed use objective.

ARTICLE III. DEVELOPMENT MANAGEMENT SERVICES TO BE PROVIDED BY LANDFORM:

A. Project Organization

1. **Project Team Organization** - Review existing Project vision statement and provide additional input if/as required. Clearly establish key Project goals, properly prioritize the order of these goals, and initiate potential strategies to accomplish the desired Project goals. Identify all key Project team members required to accomplish Project goals. Establish Project roles and responsibilities. Identify existing and forecasted team members based upon expertise, skill sets, and available workload capacity. Establish Project team reporting and communications standards and framework. Landform represents that it has a professional working relationship with Greeby, Inc., an Illinois corporation, and CronkRE, LLC, an Illinois limited liability company, both of which are development management services firms. Therefore, Landform will have available to it personnel resources from both Greeby, Inc. and CronkRE, LLC for reasonable amounts of time to perform certain services for Owner as required of Landform pursuant to this Agreement. The Project team as defined herein does include personnel from both Greeby, Inc. and CronkRE, LLC.
2. **Master Development Activities List and Schedule** - Develop a master list of activities and explain requirements and responsibilities associated with each for the completion of the Project's process. Create responsibility assignment matrix for each Project item. Establish the master Project schedule for accomplishment of each task.
3. **Critical Item Assessment** – Develop a Critical Item Assessment which is a product of the due diligence investigation, determines and ranks the most relevant events and circumstances that possess the potential to interfere with or disrupt the Project process.
4. **Development Team Assembly** - Identify and assemble all additional key Project team members, internally or third party, including the preparation of request for qualifications, request for proposals, proposal evaluation, selection recommendations and negotiation of all contracts.

B. Planning and Engineering

- 1. Master Planning** –Provide basic master planning services as needed to evaluate potential development scenarios and respond to the opportunities that present themselves in the marketplace regarding this Project. This will include meeting with existing and perspective users and the coordination of planning efforts by all parties. Landform will maintain the master site database to ensure data integrity as all parties work on the various aspects of the Project. Upon expiration of this Agreement the master site database will become the property of the Owner.
- 2. Conceptual Layout** –Provide basic conceptual site design to assist in the evaluation and coordination of prospective deals and to ensure plans prepared by end users conform to the design criteria of the Project.
- 3. Preliminary Engineering** – Perform basic preliminary engineering necessary to evaluate potential development scenarios. If extensive engineering becomes necessary to facilitate a development concept, Landform will provide a separate proposal to the HRA for consideration at any time that becomes necessary.
- 4. Plan review and approval** - Provide peer review and summary of all plans prepared by other consultants within the Project to ensure compatibility with design intent, coordination with master plan, and data integrity of the overall CAD file systems.

C. Development Feasibility

- 1. Site Use Evaluation** - Review existing market feasibility analysis and as needed, conduct additional comprehensive industry, customer and competitor market feasibility analyses in order to determine market opportunities. Apply market research and use evaluation to determine and identify potential user classifications. Prepare list of potential user candidates and evaluate feasibility of each candidate based upon current and projected market conditions.
- 2. Public Incentives & Benefits Analysis** – Determine the necessary funds required at each stage of the development process of the Project in order to manage responsibilities and sources of funding appropriately. Identify various scenarios and options for public financial incentives and benefits to assist in the development of the Project.
- 3. Pro Forma Development** - Prepare anticipated income and expense pro forma based upon Project scenarios to include all projected hard and soft costs as well as potential income scenarios to determine each of the Project site's alternative financial feasibility. Landform will maintain

current "Dashboard" summaries for review and assessment by the team, and to assist in the analysis of potential Project scenarios.

4. **Development & Disposition Scenario Analysis** - Prepare and present various options and strategies for disposition of the Project parcels based upon identified Project parameters. Evaluate and prioritize potential development and disposition options for the Project.

D. Marketing

1. **The Project Identity Establishment** – Coordinate the efforts of the third party design consultant to assist in finalizing the brand identity for the Project. This may include a brand for the overall area as well as sub-brands for specific portions of the Project.
2. **Project Marketing Strategy** – Develop an overall marketing strategy, and appropriate sub-strategies, necessary to bring the Project to several markets. This will include the coordination of third party consultants to develop marketing collateral (print, electronic, etc.) necessary to present the Project to potential purchasers in the community, at trade shows, and/or industry events.
3. **Marketing Package Preparation** – Prepare and maintain comprehensive Project site marketing packages, to include the assembly of relevant economic, demographic, traffic, and planning data for Owner's use in disposition strategy.

E. Development

1. **Proposal Criteria Establishment** – Work to establish a criteria for disposition strategies. This may include leveraging industry relationships, evaluating presented opportunities, or developing specific RFP opportunities where appropriate. Landform will present the criteria to the Owner for consideration and approval.
2. **Property Interest Solicitation** – Based upon industry knowledge and existing team relationships, disseminate marketing package(s) on behalf of Owner to targeted groups. Establish communication and as appropriate facilitate introduction of Owner to potential candidates for the various development options with the intent for deal establishment. For the term of this Agreement (or as extended by the parties) Landform shall be the exclusive development manager and will be responsible for all potential development deals within the 140 acre Project.
3. **Development Options** – Assist Owner in advancing the following development scenarios:

- a. Property Sale or Lease – Assist in finalizing an agreement for the sale or lease of the Project land.
 - b. Public-Private Partnership (P3) – Assist in the establishment of development partnership(s) with private entities for various components of the Project.
 - c. Owner Self-Development – If applicable, assist Owner in developing a program for self development and ownership of specific components of the Project (see below).
4. **Development Administration** – Organize, prepare, and disseminate ongoing reporting, budgeting, and meeting minutes for the review of the team and Owner. Attend and present reports at scheduled HRA meetings and stand for questions or further consideration. Coordinate with Staff to prepare and present cases for consideration by the HRA and/or other boards or commissions of Owner.

F. Owner Self-Development (if applicable)

Scope of services shall include but not be limited to Design Coordination, Pre-Construction, Leasing, Financing, Project Management, Tenant Coordination, and Project Closeout.

ARTICLE IV. BASIS OF COMPENSATION:

A. Development Management Services (Administrative Compensation)

Project Organization / Planning and Engineering / Development Feasibility / Development / Marketing Phases

1. Landform shall provide development management services for the twelve (12) month period from April 1, 2010 – March 31, 2011 per the following activity schedule on a fixed fee basis:

Initial Workshop

Landform shall organize and facilitate a workshop session with selected members of Staff and the HRA to review, strategize, and formalize the proposed development structure. This will be focused on assisting the Owner in arriving at an agreeable basis on which to proceed with the Project, and how it will identify and evaluate various disposition strategies.

Organizational Activities

Pre-Development & Planning
 Municipal Approvals / Entitlements / Development Board-Commission
 Architectural Coordination & Establishment
 Preliminary Engineering

Project Construction Guidelines & Rules
Anchor Procurement Process
Commence Sales & Leasing effort & Developer Solicitation
Marketing
Financial Analysis
Tenant Coordination
Off-Site Improvement Coordination
Public Projects
Owners Coordination (existing owners in Ramsey TC)
Reporting & On-Going Meetings with City of Ramsey
The Organizational Activities do also include all those services as referenced in Article I Project Scope, Article II Project Objective, and Article III Development Management Services herein.

2. Compensation.

Landform shall be compensated a total of \$180,000.00 for those services described in paragraph 1. above during the Term of the Agreement at the rate of \$15,000.00 per month. However, in the event this Agreement is terminated prior to March 31, 2011, Landform shall receive the said \$15,000 monthly compensation only for each full month this Agreement is in effect and a prorated amount for any partial month during which this Agreement is in effect. This \$180,000.00 compensation is hereinafter referenced as the "Administrative Compensation".

B. Incentive Based Development Compensation (Incentive Compensation)

In addition to the Administrative Compensation received for development management services, Landform shall receive additional incentive-based compensation (Incentive Compensation) for development management services based upon success in advancing the development.

1. For the purposes of this Agreement, it is assumed that the disposition of various land parcels may occur in any of three ways: Sale or Lease, Public-Private Partnership (P3), or Owner Self-Developed. Landform shall solicit the interest of various prospective end-users, to include individual entities, corporations, developers, and/or development partners. Landform will coordinate the efforts of all team members to provide a uniform front to the development community, and assist in the evaluation, consideration, negotiations, and deal structuring on any disposition of land within the development area. Compensation under this section will be paid on all transactions regardless of origin or referral source. Meeting update reports documenting marketing progress shall be presented to the Owner on a regular basis.

2. The Incentive Compensation shall be **two percent (2.00%)** of the total capital cost of the end use of the parcel or property sold or developed which is the Development'(s) Capital Cost(s) (the "DCC"). The DCC shall be the total of the following items a. through e:
 - a. The net land sale price paid to Owner plus;
 - b. The proforma building value as presented by Landform net any City of Ramsey of HRA building subsidy provided to developer, except that said value shall not exceed the then current Minnesota Department of Labor and Industry's Building Valuation Data by more than 25% plus;
 - c. The site improvement costs net any City of Ramsey or HRA site subsidy provided to developer ("Subsidy") plus;
 - d. The development soft costs such as engineering, planning architecture, legal fees, any marketable title issues, realtor commissions, finance expenses and special inspections net of any Subsidy. In no event shall the development soft costs exceed 20% of the total of items a. through c. above.
 - e. In all events, the total DCC shall be net of any Subsidy.

The DCC is the basis for the Incentive Compensation. However, the parties agree that during the term of this Agreement, unique development scenarios may be presented which will require modification of the Incentive Compensation terms. With that understanding the parties agree to negotiate as necessary modified terms in relation to the Incentive Compensation.

3. The Incentive Compensation will be payable at the following stages of a specific development:
 - a. On a monthly basis, Landform shall receive monthly advances on future Incentive Compensation in the amount of **\$10,000/each**. Such draws shall be reimbursed from the proceeds of the Incentive Compensation when earned, and shall be considered minimum compensation for this contract component. However, in the event this Agreement is terminated prior to March 31, 2011, Landform shall receive the said \$10,000 monthly advance only for each full month this Agreement is in effect and a prorated amount for any partial month during which this Agreement is in effect. Monthly draws shall terminate once total compensation under this section reaches \$120,000.

- b. During the drafting of any lease or purchase agreement and/or development agreement (HRA Contract), the HRA and Landform shall work to determine the DCC, according to the formula defined in section IV, B. 2. above, which DCC total shall be used to determine the Incentive Compensation. A purchase agreement must have a closing date within 120 days of execution to be considered a "purchase agreement" for Incentive Compensation purposes. Once contingencies to an HRA Contract are removed, allowing closing to proceed within 120 days, the Incentive Compensation will become due and payable to Landform. The Incentive Compensation, once calculated based on these criteria, or from criteria outlined in this Section B., Paragraphs 4 and 5 below for Larger Development(s) or Phased Development(s), respectively, shall be final on or before the execution of any HRA Contract. Any substantial changes to the proposed development phasing, or terms prior to closing will necessitate redetermination of the Incentive Compensation consistent with the terms herein. Minor changes will be considered incidental.
- c. Upon the execution of an HRA Contract, Landform shall receive **20%** of the total Incentive Compensation, EXCEPT that in no event shall the said 20% exceed the earnest money or other down payment received by the HRA from the other party to the HRA Contract, i.e. buyer, lessee, or developer, except upon specific HRA authorization. In such circumstances where the portion of Incentive Compensation due exceeds the non refundable earnest monies or down payment received by the HRA, that portion in excess of said earnest money shall be deferred to the Incentive Compensation due upon closing of the land sale transaction, as described in paragraph d. below, or when said earnest monies become non-refundable, whichever occurs first.
- d. Upon closing of a land sale transaction between the HRA and a parcel developer, or tenant occupancy under a lease, Landform shall receive **60%** of the total Incentive Compensation.
- e. Following development design, permitting and construction, and upon issuance of a Certificate of Occupancy by the City of Ramsey, Landform shall receive a final payment of **20%** of the total Incentive Compensation, subject to this Section B, paragraphs 4 and 5 below.

Example for Paragraph 3.a.-e. above: An HRA contract is signed on a parcel of land for an office building having a DCC of \$10m in June, 2010. There are three (3) previous advances totaling \$30,000.

- i. The Incentive Compensation is calculated at two percent (2%) of \$10m or \$200,000.
- ii. The initial payment would be twenty percent (20%) of the total Incentive Compensation or \$40,000 **minus** the previous advances of \$30,000 for a net payment of \$10,000.
- iii. Closing occurs and the second payment of sixty percent (60%) of the Incentive Compensation becomes due in the amount of \$120,000 **minus** subsequent draws (if any).
- iv. Upon certificate of occupancy for the office building, the final twenty percent (20%) of the Incentive Compensation becomes due in the amount of \$40,000.

4. **Large Developments** – In calculating the Incentive Compensation on developments with a total DCC greater than \$30 million in a single transaction, the following equation shall be used:
- a. The Incentive Compensation shall be two percent (2%) of the DCC up to \$30 million (standard agreement);
 - b. Then, one percent (1.0%) for DCC in excess of \$30 million up to \$100 million;
 - c. Then, one half percent (0.5%) for DCC in excess of \$100 million up to \$150 million;
 - d. Then, one quarter per cent (0.25%) for DCC in excess of \$150 million.

Example for paragraphs 4. a.-d. above: An HRA contract is signed for a development with an estimated DCC of \$180,000,000. The Incentive Compensation shall be calculated as follows:

- i. 2.0% of \$30m = \$600,000
- ii. 1.0% of \$70m = \$700,000
- iii. 0.5% of \$50m = \$250,000
- iv. 0.25% of \$30m = \$75,000
- v. Total Incentive Compensation = \$1,625,000

5. **Phased Developments** – In calculating the Incentive Compensation on developments where occupancy is anticipated to be phased over a period greater than 24 months from closing of the transaction (phased start), a discount to the Incentive Compensation will be applied.
- a. **Phase 1.** For the purposes of this paragraph 5, if the land for the entire development is purchased at closing, the entire land value shall be reflected in phase 1 of the development. The Incentive Compensation for Phase 1 of the development shall be paid at the

20/60/20 percentages, as described in Section B, paragraph 3, b through e, above.

- b. **Future Phases.** For each 12 month period of the development, or portion that is anticipated to be phased beyond 24 months, the DCC for said Future Phases shall be calculated minus the net land sale price defined in paragraph 2.b. above. In addition, the Incentive Compensation for that portion of the development shall be discounted as follows:
- i. Phase 2. For those portions of the development anticipated to commence following the 24th month through the 36th month the Incentive Compensation will be 80% of the full Incentive Compensation, payable as follows:
 - a) Based upon the DCC minus the net land sale price, Landform shall receive 50% of the Incentive Compensation attributable to the phase 2 development as discounted in paragraphs 4 above and this paragraph 5 in sequence, upon closing of a land sale transaction between the HRA and a parcel developer, or tenant occupancy under a lease; and
 - b) Following development design, permitting, construction, and issuance of a Certificate of Occupancy by the City of Ramsey, Landform shall receive the final payment of 50% of the total Incentive Compensation attributable to that phase of the development as discounted in paragraphs 4 above and this paragraph 5, in sequence.
 - c) This Incentive Compensation payment formula shall apply to paragraphs ii., iii., and iv. below.
 - ii. Phase 3. Portions of the development anticipated to commence following the 36th month through the 48th month the Incentive Compensation will be 60% of the full Incentive Compensation.
 - iii. Phase 4. Portions of the development anticipated to commence following the 48th month through the 60th month the Incentive Compensation will be 40% of the full Incentive Compensation.
 - iv. Phase 5., etc. Portions of the development anticipated to commence after the 60th month the Incentive Compensation will be 20% of the full Incentive Compensation. In the event of termination of this Agreement, any outstanding earned Incentive Compensation becomes due and payable according to the terms herein.
 - v. Following the 84th month after closing on the first phase transaction, any portions of these fees deferred are eliminated.

Example for paragraph 5.a.i through v. above: A sale occurs for an apartment project consisting of six buildings. Two are to be constructed immediately; two are anticipated to begin 36 months later, and the last two the year after. The DCC for each phase is roughly \$20m (\$18m in building and \$2m in land). Both the Phased Developments (Article IV, B, 5) and the Large Developments (Article IV, B, 4) discounts shall apply.

- i. First phase Incentive Compensation shall be the full two percent (2%) of the **\$24m** (Phase 1 plus total land costs) or \$480,000.
 - ii. Phase 2. \$18m for building only, is discounted 20% or \$3.6m for a total value of \$14.4m. For the purposes of Incentive Compensation for this section one-half of that value or \$7.2m is realized. For \$6m of this value the full two percent (2%) applies for a total Incentive Compensation of \$120,000, for the remaining \$1.2m (now over \$30m value) one percent (1%) applies or \$12,000, for a total fee of \$132,000, with \$72,000 deferred as outlined in paragraph b.i. above.
 - iii. Phase 3, \$18m for building only, is discounted 40% or \$7.2m for a total value of \$10.8m. For the purposes of Incentive Compensation for this section one-half of that value or \$5.4m is realized. The Incentive Compensation of one percent (1%) applies for a total Incentive Compensation of \$54,000 with \$54,000 deferred as outlined in paragraph b.i. above.
 - iv. The total Incentive Compensation, subject to the 20/60/20 split as outlined in paragraph 3.b. through e. above would be \$666,000 with \$126,000 deferred as outlined in paragraph b.i. above.
6. **Prior Projects.** Incentive Compensation shall be due on any development deals located within the Project that close or break ground after April 1, 2010. In the event of the termination of this Agreement, regardless of cause, any incentive compensation on active deals, as defined in paragraph 7. (Hot List) a. through f. below, that have been declared prior to termination shall become payable in full at the time of it's eventual execution of HRA Contracts, land sale transaction, and issuance of certificate of occupancy.

7. Hot List

- a. Active deals will be declared, approved, and tracked through a "Hot List" incorporated into the active Dashboard. This list will be presented to the HRA at regular meetings for its approval. No active deal will be considered for placement on the Hot List unless there has been sufficient interest in the development by the subject developer, as determined by the HRA. The Hot List will have no binding effect if it has not received formal approval of the HRA. In the event of termination of this Agreement, the current Hot List will be finalized and approved by all parties.
- b. For Incentive Compensation coming due in the 12 months following the approval of the final Hot List, full Incentive Compensation will be paid pursuant to paragraph 3.c., d., and e. above.
- c. Following the 12th month through the 24th month the Incentive Compensation will be 80% of the full Incentive Compensation.
- d. Following the 36th month through the 48th month the Incentive Compensation will be 40% of the full Incentive Compensation.
- e. Following the 48th month through the 60th month the Incentive Compensation will be 20% of the full Incentive Compensation. After the 60th month, NO Incentive Compensation will be due to Landform.
- f. If, by the agreement of both parties, Services outlined in this proposal are provided outside the Project all terms and conditions outlined in this proposal shall apply on a parcel-by-parcel basis.
- g. Exceptions/Exclusions to Incentive Compensation:
 - i. No Incentive Compensation will become due on any public infrastructure (roads, bridges, utilities, etc.) projects constructed within the Project.
 - ii. No Incentive Compensation will become due on any public park projects including the City of Ramsey's East Meandering Park unless the park contains a commercial or private component for which the fee will be calculated on that portion alone.
 - iii. No incentive Compensation will become due on any city initiated facilities providing municipal services to the City of Ramsey. (i.e. City offices, pump house, public works facilities, community center, etc.). The term "community center" as used herein shall mean a facility that is constructed without any private partnership with the

City/Owner. Incentive Compensation will be paid on the Development Cost of the private portion of a community center where there exists a private/public partnership for said construction.

- iv. No Incentive Compensation will be paid for the workforce/market housing project known as, and proposed by Sands Companies (SCI, LLC). Landform, with staff, will assist the HRA in assessments, negotiations, and the preparation of documents for this project on an hourly basis for a fee not to exceed \$8,500 unless authorized in writing by the HRA.
- v. The Incentive Compensation for the HRA's pending Veterans Administration Clinic development (the "VA Clinic") notwithstanding anything herein to the contrary shall be limited as follows:
 - vi. The Incentive Compensation shall be one-half percent (.5%) of the Development's Capital Cost for the space occupied by the VA Clinic.
 - vii. The Incentive Compensation shall be two percent (2%) of the Development's Capital Cost of the second story of the VA Clinic building constructed for occupancy by users other than the VA Clinic.

C. Additional Compensation

In the normal course of the development of the project, It becomes necessary at times to prepare detailed feasibility, preliminary, and final design documents. Typically these are completed by the developer, as part of the overall development and include land surveying, civil engineering, planning, landscape architecture, and related architectural disciplines. Additionally, these services are also necessary for individual site development plans by either the end-user, or the developer on behalf of the end-user.

1. For the term of this Agreement (or as extended by the parties) when the need for design services beyond the basic services outlined in Article III. Section B of this Agreement, it is understood that said services identified in the above paragraph in this Section C. will either be performed by or coordinated by Landform. At the time the need is identified, Landform will prepare a proposal specific to the scope required and present said proposal for consideration and approval by the HRA.
2. For the term of this Agreement (or as extended by the parties) when the need for design services beyond the basic services outlined in Article III. Section B of this Agreement is required by an end-user, to the extent possible the HRA shall require this work be completed by Landform at the

end-user's direction and costs. Whether these services are contracted directly between the end user and Landform, or if they are escrowed by the HRA for payment to Landform, the contract for such services will be reviewed and approved by the HRA. Architectural services are excluded from this condition.

3. All design services performed shall be at normal and customary fees constant with fees Landform charges similar clients for similar projects. Said fee schedule attached as Exhibit B.
4. In any event, the HRA and Landform, understanding the dynamic nature of the development business, shall be free to discuss compensation strategies specific to deals of a more complicated nature, or on deals outside the Project, so as to create appropriate compensation on specialized deals.
5. Should the HRA opt to self-develop certain components of the Project, services and fees will be determined and mutually agreed upon for each component at that time.

D. Only Compensation

For work within the Project, Landform agrees that the Administrative Compensation, the Incentive Compensation and the Additional Compensation shall be the only compensation paid to Landform under this Agreement.

E. Reimbursable Expenses

In addition to the compensation set forth above, Landform shall receive reimbursement from Owner subject to the provision of proper documentation for the expenses listed in paragraphs 1., 2. and 3. below for Project related expenses at cost plus 10%. No Reimbursable Expenses will be considered for payment unless said expense is included as an expense item category previously approved on the then current HRA budget.

1. Any normal and ordinary business expenses permitted by the City/Owner including temporary living and travel expenses, airfare, lodging, car rental, mileage, meals, parking and tolls. Said expenses shall be approved by Owner prior to expenditure.
2. Administrative expenses incurred in connection with work performed on Owner's behalf and to handle Project related documents during the course of Project. Expenses shall include but not be limited to costs for reproduction, photocopies, printing, postage, and overnight delivery. Also to be reimbursed shall be the costs for Landform's providing various web-based Project and information management systems and hosting for the

purposes of collaboration, document sharing, and marketing during the course of the Project.

3. Third party expenses such as sub-consultant fees, event registrations, memberships, third party services, and other similar expenses. Said expenses shall be approved by Owner prior to expenditure.

F. Invoicing and Owner Payment

An initial retainer of fifteen thousand dollars (\$15,000) shall be made upon execution of this Agreement and is minimum payment under this Agreement. Said retainer shall be credited to Landform's account and applied to the final invoice of the initial twelve month phase.

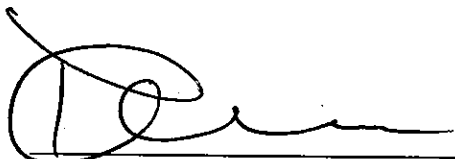
Landform shall invoice Owner for services rendered that month, or for Incentive Compensation becoming due, with the Administrative Compensation payment due within 30 days of the invoice date. Accounts unpaid 30 days after the invoice date will be subject to a monthly service charge of 1.5% on the then unpaid balance.

ARTICLE V. FORM OF CONTRACT:

The attached Terms and Conditions, Exhibit C are incorporated by reference and are an integral component of this contract.

Landform agrees to perform the Services described in this Proposal under the terms as outlined, subject to the terms and conditions of the Purchase of Services Agreement of even date to which this proposal is attached as Schedule A.

The HRA accepts the scope, terms and conditions outlined in this Proposal and instructs Landform to perform the Services as outlined, subject, to the terms and conditions of the Purchase of Services Agreement of even date to which this proposal is attached as Schedule A.

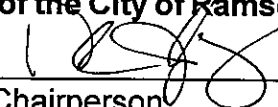


Darren B. Lazan
President

Date: 4/21/10

Landform Federal Tax ID: 27-1199905

**Housing and Redevelopment Authority
(HRA) of the City of Ramsey, Minnesota**

By: 
Its Chairperson

ATTEST:

By: 
Its Executive Director

Date: 4/21/10

LIST OF EXHIBITS

Exhibit A - Legal Description

Exhibit B - Landform Fee Schedule per Article IV. C.3.

Exhibit C - Additional Agreement Terms and Conditions

Exhibit A

Legal Description of the Project Property

Outlots V, CC, DD and HH, RAMSEY TOWN CENTER ADDITION Anoka County; Minnesota;

and

Outlot GG, RAMSEY TOWN CENTER ADDITION, Anoka County; Minnesota, except that part described as follows: Beginning at the northwest corner of said Outlot GG; thence on an assumed bearing of South, along the westerly line of said Outlot GG for 567.55 feet to a point of curvature in said westerly line; thence southerly for 36.04 feet along said westerly line along a tangential curve concave to the west, radius 540 feet and a central angle 03 degrees 49 minutes 27 seconds to a point of tangency in said westerly line; thence South 03 degrees 49 minutes 27 seconds West along said westerly line for 87.95 feet to the most southerly corner in said westerly line; thence South 66 degrees 10 minutes 33 seconds East along the southwesterly line of said Outlot GG for 659.59 feet; thence on a bearing of North for 957.75 feet to the northerly line of said Outlot GG; thence on a bearing of West along said northerly line for 596.32 feet to the point of beginning;

and

Outlot A, RAMSEY TOWN CENTER 11th ADDITION, and Lot 1, Block 1, RAMSEY TOWN CENTER 11th ADDITION, Anoka County; Minnesota, except that part which lies southerly of the following described line: Commencing at the southeasterly corner of Lot 1; thence on an assumed bearing of North along the easterly line of said Lot 1 for 186.92 feet to the actual point of beginning of the line to be described; thence on a bearing of West for 692.28 feet to the westerly line of Lot 1 and there terminating;

and

Outlot B, RAMSEY TOWN CENTER 11th ADDITION Anoka County; Minnesota;

and

All that part of Outlot B, RAMSEY TOWN CENTER 2nd ADDITION, Anoka County; Minnesota which lies easterly of the easterly line of Block 1, RAMSEY TOWN CENTER 7th ADDITION, and its southerly extension;

and

All that part of Outlot B, RAMSEY TOWN CENTER 2nd ADDITION Anoka County; Minnesota, lying southerly of the following described line: Commencing at the Northeast corner of Block 1, Ramsey Town Center 7th Addition; thence South, along the East line of said Block 1,

a distance of 247.47 feet to the Point of beginning of said line; thence West, along the South line of Block 1, Ramsey Town Center 7th Addition, a distance of 616.21 feet to the Westerly line of Outlot B, RAMSEY TOWN CENTER 2nd ADDITION, and said line there terminating.

and

Outlots A, C, D, and F, RAMSEY TOWN CENTER 8th ADDITION Anoka County; Minnesota;

Beginning of said line; thence West, along the South line of Block 1, Ramsey Town Center 7th Addition, a distance of 616.21 feet to the Westerly line of Outlot B, RAMSEY TOWN CENTER 2nd ADDITION, and said line there terminating.

and

Outlots A, C, D, and F, RAMSEY TOWN CENTER 8th ADDITION Anoka County; Minnesota;

and

Outlots F, G, H, J, K, N, O, P, Q and R, RAMSEY TOWN CENTER ADDITION Anoka County; Minnesota;

and

Tracts A, C, D and E, REGISTERED LAND SURVEY NO. 241 Anoka County; Minnesota;

and

Outlot M, RAMSEY TOWN CENTER ADDITION, except that part platted as RAMSEY TOWN CENTER 5th ADDITION Anoka County; Minnesota;

and

Outlot A, RAMSEY TOWN CENTER 5th ADDITION Anoka County; Minnesota;

and

Outlot A, RAMSEY TOWN CENTER 10th ADDITION Anoka County; Minnesota;

and

Outlots A and B, RAMSEY TOWN CENTER 7th ADDITION Anoka County; Minnesota;

and

Lot 2, Block 1, RAMSEY TOWN CENTER 5th ADDITION, Anoka County; Minnesota;

Exhibit B

Landform Fee Schedule per Article IV. C.3.

Exhibit B

LANDFORM

From Site to Finish

105 South 5th Avenue
Suite 513
Minneapolis, MN 55401

Tel: 612-252-9070
Fax: 612-252-9077
www.landform.net

RATE SCHEDULE

Effective Date: July 1, 2008

LABOR RATES

The following hourly rates shall be used for this contract:

Senior Principal	195.00/hour
Principal	160.00/hour
Associate	130.00/hour
Water Resources Specialist	125.00/hour
Project Designer	115.00/hour
Senior Designer	115.00/hour
Designer III	80.00/hour
Designer II	75.00/hour
Designer I	65.00/hour
Project Planner	115.00/hour
Senior Planner	115.00/hour
Planner III	80.00/hour
Planner II	75.00/hour
Planner I	65.00/hour
Survey Department Manager	135.00/hour
Survey Project Manager	115.00/hour
Crew Coordinator	100.00/hour
Survey Technician III	90.00/hour
Survey Technician II	75.00/hour
Survey Technician I	65.00/hour
Crew Chief	90.00/hour
Instrument Person	55.00/hour
GPS Equipment	35.00/hour
Construction Observation III	110.00/hour
Construction Observation II	85.00/hour
Construction Observation I	80.00/hour
Department Manager	75.00/hour
Information Systems Manager	125.00/hour
Senior Administrative Assistant	85.00/hour
Administrative Assistant	50.00/hour

REIMBURSABLE EXPENSES

Internal reimbursable expenses are priced as follows:

Mileage	0.55 per mile
Plotting on Bond	0.25 per square foot
Plotting on Vellum	1.10 per square foot
Plotting on Mylar	2.50 per square foot
Plotting in Color	7.00 per square foot
Color Printing	1.00 for 8.5 x 11
	2.00 for 8.5 x 14, 11 x 17
Scanning	1.50 per scan
CD/DVD	10.00 per cd/dvd

External reimbursable expenses shall be billed at cost plus 15%.

EXHIBIT C

TERMS AND CONDITIONS

1.0 CONSULTANT'S SERVICES. Consultant shall perform the services identified in this Proposal and no others unless otherwise agreed and unless Consultant is paid additional compensation in accordance with this Proposal. As used in this Terms and Conditions document, the term "Client" means the City of Ramsey and the term "Consultant" means Landform.

1.1 STANDARD OF CARE. Consultant's services shall be performed based on the standard of reasonable professional care for services similar in scope, schedule, and complexity to the services being provided by the Consultant.

1.2 SCHEDULE. Time limits established by the schedule identified in the Proposal shall not, except for reasonable cause, be exceeded by Consultant or Client. Consultant's compensation shall be equitably adjusted in the event of delays caused by Client, Client's other consultants, or Client's agents. Fees quoted in the Proposal shall be adjusted if services do not commence within 90 days after the date of the Proposal.

2.0 ADDITIONAL SERVICES. In addition to any other Additional Services listed in the Proposal, the following services are not included in Basic Services and Client shall compensate Consultant for such services upon prior agreement by Client, in addition to compensation for Basic Services: (1) Making revisions in Drawings and Specifications or other documents when such revisions are (a) inconsistent with approvals or instructions previously given, (b) the result of adjustments in Client's requirements, (c) required by enactment, interpretation or revision of codes, laws or regulations subsequent to preparation of such documents, (d) required by the failure of Client or Client's consultants to render decisions or to provide necessary information in a timely manner, (e) imposed by municipal or other authorities as a condition for approval of a project, unless the Drawings, Specifications or other documents clearly were not in compliance with applicable law when submitted for approval, or (f) due to or caused not solely within control of Consultant; (2) Providing any services excluded from the Scope of Services identified in the Proposal; (3) Providing any other services not otherwise expressly included in this Proposal.

7.0 MISCELLANEOUS PROVISIONS. ((1) This Proposal represents the entire and integrated agreement between Client and Consultant and supersedes all prior negotiations, representations or agreements, either written or oral. (2) This Proposal may be amended by written instrument signed by both Client and Consultant or, in the case of Additional Services, by a written confirmation from Consultant to which Client does not object within ten (10) working days.

9.0 BASIS OF COMPENSATION. Client shall compensate Consultant as set forth in the Proposal.

10.0 DELAYED PAYMENT; PAYMENT DISPUTES.

10.1 CONDITIONS PRECEDENT TO WITHHOLDING PAYMENT. The Client may not withhold any payments to the Consultant unless the basis of (including all particulars) and amount in dispute are identified and presented in writing to the Consultant not later than the twenty-fifth (25th) calendar day after presentation of the disputed invoice.

10.2 NOTICE OF CLAIMED ERRORS OR OMISSIONS. Client shall provide written notice, including all known particulars, to Consultant of any claimed errors or omissions in Consultant's services not later than 60 calendar days after Client becomes aware, or in the exercise of reasonable diligence should have become aware, of the existence of such error or omission. Consultant shall be given a reasonable opportunity, during such 60-day period, to investigate and recommend ways of mitigating any alleged damages. Client's failure to provide such notice, and/or Client's failure to provide Consultant a reasonable opportunity to investigate and make recommendations, within the time stated shall constitute an irrevocable waiver of any and all claims, counterclaims, defenses, setoffs, or recoupments Client might have in connection with any such alleged error or omission. In the event Client asserts a claim in violation of this paragraph, or in the event that any other error and omission claim asserted by Client is determined to be without substantial merit,

10.3 ERRORS OR OMISSIONS OF CLIENT'S CONSULTANTS. If Client has separately retained other design professionals Client agrees to defend, indemnify, and hold the Consultant harmless from all loss, damage, liability, cost or expense (including but not limited to reasonable attorneys' fees) arising out of or relating to (a) the negligent acts or omissions of such other design professionals, and/or (b) the failure of such other design professionals to carry or maintain professional liability insurance in an amount adequate to protect Client and Consultant from loss.

SCHEDULE B

INSURANCE REQUIREMENTS

Contractor shall procure and maintain for the duration of the contract, insurance coverage for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, their agents, representatives, employees or subcontractors.

1. Minimum Scope of Insurance: Coverage shall be at least as broad as follows:

- 1.1 Insurance Services Office (ISO) Commercial General Liability coverage (occurrence form CG 00 01 or a substitute form providing equivalent coverage), and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury, advertising, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).
- 1.2 Business Automobile Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or substitute for providing equivalent liability coverage. Such insurance shall cover liability arising out of any auto (including owned, hired, and non-owned autos).
- 1.3 Workers' Compensation as required by the State of Minnesota, and Employer's Liability insurance.
- 1.4 Professional Liability or Errors and Omissions insurance appropriate for the profession. Coverage shall be maintained for at least two years following the completion of work.

2. Minimum Limits of Insurance: Bidder/contractor/consultant shall maintain **NO LESS THAN:**

- 2.1 Commercial General Liability (CGL) and if necessary, Commercial Umbrella Liability: \$1,000,000 each occurrence. If Commercial General Liability insurance contains a general aggregate limit, it shall apply separately to this project/location, or the general aggregate limit shall be twice the required occurrence limit.
- 2.2 Business Automobile Liability and if necessary, Commercial Umbrella Liability: \$1,000,000 each accident for bodily injury and property damage.
- 2.3 Employers Liability: as required by the State of Minnesota
- 2.4 Professional Liability or Errors and Omissions: \$1,000,000 per occurrence.

3. Deductibles and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by the HRA. At the option of the HRA, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects HRA, agents, officers, directors, and employees; or the bidder/contractor/consultant shall procure a bond guaranteeing payment of losses and related

investigations, claim administration and defense expenses; or the bidder/contractor/consultant shall provide HRA-requested financial statements for the purpose of verifying financial solvency, and acceptance of deductibles or self-insured retention based on this verification.

4. Other Insurance Provisions

- 4.1 The General Liability policy is to contain, or be endorsed to contain, the following provision: **HRA, its agents, officers, directors, and employees are to be covered as an additional insured for all liability coverages using ISO additional insured endorsement CG 20 10 or substitute providing equivalent coverage.** This insurance shall apply as primary insurance with respect to any other insurance or self-insurance program. The HRA's insurance shall be excess of the Consultant's insurance and shall not contribute to it. The Consultant's coverage shall contain no special limitations on the scope of protection afforded to the HRA, its agents, officers, directors, and employees.
- 4.2 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the HRA, its officers, officials, employees or volunteers.
- 4.3 Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, or canceled by either party, reduced in coverage or in limits, or non-renewed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the HRA.
- 4.4 The Contractor shall include all subcontractors as insured under its policies or furnish separate certificates and endorsements for each subcontractor where applicable. All coverage for subcontractors shall be subject to all of the requirements stated herein.
- 4.5 Each insurance policy shall include an endorsement that waives any claim or right in the nature of subrogation to recover against the HRA, its agents, officers, directors, and employees.

5. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of A:VII, unless otherwise acceptable to the HRA.

6. Verification of Coverage

Contractor shall furnish the HRA with certificates of insurance and original endorsements effecting coverage required by this clause. *The certificate attached to this contract should be signed by a person authorized by that insurer to bind coverage on its behalf. A certificate other than the one attached may be used if coverages and endorsements match or exceed the coverages identified on the attached certificate.* All certificates and endorsements are to be received and approved by the

HRA before work commences. The HRA reserves the right to require complete, certified copies of all required insurance policies and endorsements at any time.

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/07/2010

PRODUCER (952)707-8200 FAX (952)890-0535
Kraus-Anderson Insurance
 420 Gateway Boulevard
 Burnsville, MN 55337-2790

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

NAIC #

INSURED **Landform**
 105 Fifth Ave. South
 Suite 513
 Minneapolis, MN 55401

INSURER A: **Secura Insurance**
 INSURER B: **Landmark American Ins Co**
 INSURER C:
 INSURER D:
 INSURER E:

22543

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	BP-003156589-9	11/18/2009	11/18/2010	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 250,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 10,000
					PERSONAL & ADV INJURY \$ Included
					GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				
A	AUTOMOBILE LIABILITY	A-003156590-9	11/18/2009	11/18/2010	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> NON-OWNED AUTOS				
A	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: EA ACC \$
					AGG \$
A	EXCESS/UMBRELLA LIABILITY	CU-003156592	11/18/2009	11/18/2010	EACH OCCURRENCE \$ 5,000,000
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$ 5,000,000
	<input type="checkbox"/> DEDUCTIBLE				\$
	<input checked="" type="checkbox"/> RETENTION \$ 10,000				\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC-003156591-9	11/18/2009	11/18/2010	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				E.L. EACH ACCIDENT \$ 500,000
					E.L. DISEASE - EA EMPLOYEE \$ 500,000
					E.L. DISEASE - POLICY LIMIT \$ 500,000
B	OTHER Professional Liability	LHR724124	11/18/2009	11/18/2010	Each Claim: \$2,000,000 Aggregate: \$2,000,000 Deductible: \$5,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 RE: Ramsey Town Center Project in the City of Ramsey

SEE ATTACHED

CERTIFICATE HOLDER

Housing and Redevelopment Authority +
 of the City of Ramsey
 7550 Sunwood Drive NW
 Ramsey, MN 55303

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Justin Voerster/AMBER 

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

Housing and Redevelopment Authority +

Certificate issued to Housing and Redevelopment Authority +

04/07/2010

Kraus-Anderson Insurance

04/07/2010

The Certificate Holder, its agents, officers, directors, and employees are Additional Insureds under the Commercial General Liability on a Primary/Non-Contributory Basis when required by written contract.

A Waiver of Subrogation in favor of the Additional Insureds applies to the Commercial General Liability and Workers' Compensation Policies when required by written contract.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

ADDITIONAL INSURED WRAP

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
BUSINESSOWNERS LIABILITY COVERAGE FORM

1. Additional Insured When Required by Written Construction Contract

A. Operations Performed for an Additional Insured

Who Is An Insured is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured.

A person's or organization's status as an additional insured under this provision ends when your operations for that additional insured are completed.

B. Limitations

The Operations Performed for an Additional Insured coverage is limited as follows:

1. This insurance does not apply to "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
 - a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - b. Supervisory, inspection, architectural or engineering activities.
2. This insurance does not apply to "Bodily injury" or "property damage" occurring after:
 - a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.
3. The Limits of Insurance applicable to the additional insured are those specified in the written contract or agreement or in the Declarations for this policy, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in the Declarations. If other insurance available to you and written by us is applicable to this additional insured, the maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit under any one coverage form or policy providing coverage on either a primary or excess basis.

2. Additional Insured When Required by Written Construction Contract – Completed Operations

A. Additional Insured - Completed Operations

WHO IS INSURED is amended to include as an additional insured any person or organization, when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy, but only with respect to "bodily injury" or "property damage" caused, in whole or in part, by "your work" performed for that additional insured and included in the "products-completed operations hazard".

B. Limitations

The Additional Insured - Completed Operations coverage is limited as follows:

1. A person or organization's status as an insured under Additional Insured - Completed Operations continues only for the period of time required by the written contract or agreement. If no time period is required by the written contract or agreement, a person or organization's status as an additional insured under this endorsement will not apply beyond the lesser of:
 - a. The period of time required by the written contract or agreement; or
 - b. Five years from the completion of "your work" on the project which is the subject of the written contract or agreement.
2. The insurance as provided to the additional insured does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of "your work" for which a consolidated (wrap-up) insurance program has been provided by the prime contractor-project manager or owner of the construction project in which you are involved.
3. The Limits of Insurance applicable to the additional insured are those specified in the written contract or agreement or in the Declarations for this policy, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in the Declarations. If other insurance available to you and written by us is applicable to this additional insured, the maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit under any one coverage form or policy providing coverage on either a primary or excess basis.
4. The coverage provided to the additional insured by this endorsement and by paragraph f. of the definition of "insured contract" under DEFINITIONS do not apply to "bodily injury" or "property damage" arising out of the "products-completed operations hazard" unless required by the written contract or agreement.

3. Primary and Noncontributory

As respects the coverage provided under this endorsement, Paragraph 4.b. of the Other Insurance Condition is deleted and replaced by the following:

4. Other Insurance

b. Excess Insurance

This insurance is excess over any other insurance naming the additional insured as an insured whether primary, excess, contingent or on any other basis unless the written contract or agreement described in 1. and 2., above specifically requires that this insurance be either primary or primary and noncontributory.

4. Waiver of Transfer of Rights of Recovery Against Others to Us

LIABILITY CONDITIONS; Transfer of Rights of Recovery Against Others to Us, is amended by adding the following:

We waive any right of recovery we may have to recover we make for all or part of any payment we have made under this Coverage Part arising out of "your work" under a written contract or agreement requiring such waiver with that person or organization. However, our rights may only be waived prior to the "occurrence" for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.

5. Amendment – Aggregate Limits of Insurance (Per Project)

The General Aggregate Limit under LIMITS OF INSURANCE applies separately to each of your projects away from the premises owned by you or rented to you. This extension does not apply to the "products-completed operations hazard".

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

1 MN

ALL PERSON(S) OR ORGANIZATION(S) AS
REQUIRED BY WRITTEN CONTRACT

LOC(S) AS SPECIFIED IN
WRITTEN CONTRACT

This endorsement changes the policy to which it is attached effective on the date issued unless otherwise indicated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective
Insured

Policy No.

Endorsement No. 000
Premium \$

Insurance Company
SECURA INSURANCE,
A Mutual Company

Countersigned by _____

WC 00 03 13
(Ed. 4-84)