

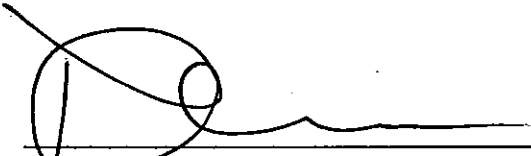
FIRST AMENDMENT TO DEVELOPMENT MANAGEMENT CONTRACT

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."

Amending Page 16, Article IV, B. 7. Adding the following text as item c2.

"Following the 24th month through the 36th month the Incentive Compensation will be 60% of the full Incentive Compensation."


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



Darren B. Lazan
President
1/28/2011

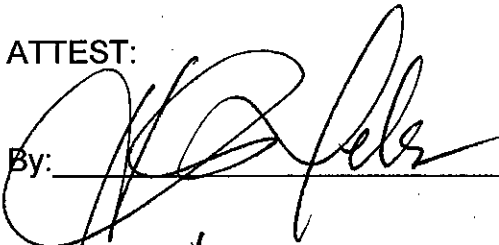
Date

Landform Federal Tax ID: 27-1199905

By: 

Its Chairperson

ATTEST:

By: 

Date

1/28/2011

**SPECIAL HOUSING AND REDEVELOPMENT AUTHORITY
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The Housing and Redevelopment Authority conducted a special meeting on Tuesday, October 12, 2010, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Commissioner David Elvig
 Chairperson David Jeffrey
 Commissioner Matt Look
 Commissioner Colin McGlone
 Commissioner Bob Ramsey
 Commissioner Jeffrey Wise

Members Absent: Chairperson John Dehen

Also Present: City Administrator Kurtis G. Ulrich
 Deputy City Administrator Heidi A. Nelson
 Public Works Director Brian Olson
 City Engineer Tim Himmer
 Development Manager Darren Lazan
 City Attorney Bill Goodrich

CALL TO ORDER

Acting Chairperson Jeffrey called the regular meeting of the Housing and Redevelopment Authority to order at 8:20 p.m.

OPEN FORUM

There was none.

APPROVAL OF MINUTES

None.

APPROVAL OF AGENDA

Motion by Commissioner Ramsey, seconded by Commissioner McGlone, to approve the agenda as submitted.

Motion carried. Voting Yes: Acting Chairperson Jeffrey, Commissioners Elvig, Look, McGlone, Ramsey, and Wise. Voting No: None. Absent: Chairperson Dehen.

HRA BUSINESS

Case #1: Consider Amendment to the Development Manager Contract to Clarify Inadvertent Omission

Development Manager Lazan reviewed the staff report.

Motion by Commissioner Ramsey, seconded by Commissioner Wise, to approve the proposed amendment to the DM Contract.

Motion carried. Voting Yes: Acting Chairperson Jeffrey, Commissioners Elvig, Look, McGlone, Ramsey, and Wise. Voting No: None. Absent: Chairperson Dehen.

Case #2: Consider Updates to the Hot List

Development Manager Darren Lazan requested the meeting go into closed session.

City Attorney Goodrich stated unless prices were being established, this could not go into closed session. He recommended this go administratively instead.

Motion by Commissioner Wise, seconded by Commissioner McGlone, to postpone Hot List 2.0.

Further Discussion: City Attorney Goodrich reviewed why and how meetings could be closed. City Administrator Ulrich believed one possible solution would be to have a formal offer that would better document this was a sincere interest in the property.

Motion carried. Voting Yes: Acting Chairperson Jeffrey, Commissioners Wise, McGlone, Elvig, Look, and Ramsey. Voting No: None. Absent: Chairperson Dehen.

3. Consider Development Management Compensation for Suite Living

Development Manager Lazan reviewed the staff report.

There was discussion regarding the compensation, scheduling a worksession to discuss a policy.

Motion by Commissioner Ramsey, seconded by Commissioner Wise, to approve the proposed Incentive Compensation structure for the Suite Living project to be located on Lot 3, Block 1, COR ONE.

Motion carried. Voting Yes: Acting Chairperson Jeffrey, Commissioners Ramsey, Wise, Elvig, Look, and McGlone. Voting No: None. Absent: Chairperson Dehen.

COMMITTEE REPORTS

None.

EXECUTIVE DIRECTOR'S REPORT

None.

COMMISSIONER INPUT

None.

ADJOURNMENT

Motion by Commissioner Wise, seconded by Commissioner Ramsey, to close the special meeting of the Housing and Redevelopment Authority.

Motion carried.

The special meeting of the Housing and Redevelopment Authority adjourned at 8:45 p.m.

Respectfully submitted,

Heidi Nelson
HRA Executive Director

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Kathy Altman
TimeSaver Off Site Secretarial, Inc.

**CONSIDER AMENDMENT TO THE DEVELOPMENT MANAGER CONTRACT TO
CLARIFY INADVERTENT OMISSION**
By: Darren Lazan, Development Manager

BACKGROUND:

The current DM Contract contemplated a "Hot List" concept in section C7.

That concept requires the DM team to submit a list of active projects to be approved by the HRA. In the event of the termination of the DM Contract, the projects on the list would be subject to incentive compensation under the terms of the DM contract for a period of five (5) years, in a diminishing fashion, with roughly a 20% reduction each year following termination.

There was a typo in the contract that inadvertently excluded the period from 24-36 months from the equation.

DEVELOPMENT TEAM RECOMMENDATION:

The Development Team recommends the HRA review the proposed amendment to the DM contract and revise the language to include the period from 24-36 months at a percentage of 60%.

Proposed Language:

"Following the 24th month through the 36th month the Incentive Compensation will be 60% of the full Incentive Compensation."

HRA ACTION:

Approve the proposed amendment to the DM Contract.

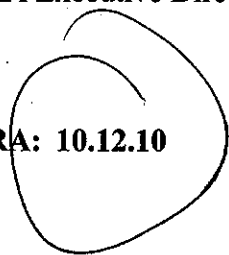
ATTACHMENTS:

- DM Contract excerpt

REVIEWED BY:

HRA Executive Director

HRA: 10.12.10



Article
IX - IV

B. 7.

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

→ c2
c1

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