

**AGREEMENT TO DEVELOP
BLOCKS 5 & 6 & OUTLOT F, TOWN CENTER GARDENS THIRD ADDITION**

This Agreement to Develop (this "Agreement") is made effective _____, 2012, by and between the **City of Ramsey, Minnesota**, a municipal corporation under the laws of the State of Minnesota (the "City") and **Podawiltz Development Corporation**, a Minnesota corporation (the "Developer").

Recitals.

- A. Developer represents that it has an agreement to purchase real property located in the City in the plat of Town Center Gardens Third Addition, including Blocks 5 & 6, as well as Outlot F, Ramsey County, Minnesota (the "Development Property").
- B. Developer proposes to construct 50 workforce rental housing townhomes on the Development Property approximately described on the attached **Exhibit A** (hereafter referred to as the "Project").
- C. To facilitate the construction of the Project, Developer requests the vacation of 147th Circle N.W. located within Town Center Gardens Third Addition, the contribution of Outlot C Town Center Gardens Third Addition, as well additional support as set out in this Agreement.
- D. The City desires to facilitate the Project based upon its goals of seeing the Development Property fully utilized, providing for additional construction within the City, increasing local property tax base and creating necessary workforce housing.
- E. The City previously entered into a Development Agreement concerning Amended and Restated Development Agreement recorded as Document No. _____ (the "Development Agreement").
- F. Developer agrees as part of the Project to complete the terms of the Development Agreement relating to the Development Property.
- G. This Agreement is intended to set out certain agreements of the City and Developer relating to the Development Property.

In consideration of the mutual promises contained in this Agreement, the parties agree as follows:

1. Developer to Construct 50 Townhome Units.

- a. Developer proposes to construct as part of the Project, 50 workforce townhome rental units as approximately shown on **Exhibit A** to this Agreement.

- b. The Project proposal contains a community building and an on-site management office/maintenance facility; on-site play area sized and fully equipped for the number of households; maintenance free exterior and premium interior finish to minimize maintenance and enhance tenant's living environments; water conservation features; and energy efficient appliances.

2. Developer Responsibilities.

- a. Developer proposes, as part of the Project, extend 147th Lane N.W. to connect with Town Center Drive to the West. Such extension shall be in accord with City approved plans and specifications. The extension shall include street improvements of equivalent width and facilities as currently exist for 147th Lane N.W. and current design standards as required by the City's subdivision ordinance.
- b. Developer proposes to comply with applicable terms and conditions of the Development Agreement which have not yet been completed. Such items specifically include without limitation those items stated in item 4 of the Development Agreement.

Developer proposes to improve the existing pond located on Block 5 of the Development Property and add walking/park features.

Upon said vacation of 147th Circle N.W. and deeding of the underlying property to Developer, Developer will accept full responsibility for the upkeep and maintenance of the roadway improvements, storm drains, and sewer and water lines located on the vacated roadway property.

- c. The Developer shall replat the Development Property in accord with legal requirements and required variances, if any.

3. City Approval Contingencies.

- a. All City requirements and contributions contained in this Agreement are contingent upon the Ramsey City Code requirements for appropriate approvals and process as required therein.
- b. Contribution of 147th Circle N.W. Property.

(i) Upon preliminary review, the City finds that Developer's plans for the Project will allow for the vacation of 147th Circle N.W. and that, pursuant to Developer's plans, there will no longer be a need for 147th Circle N.W. to remain as a public street.

(ii) As part of the City's contribution to the Project, the City preliminarily agrees to convey to Developer by limited warranty deed, the property underlying 147th Circle N.W. for use in the Project, subject to item #3 above. Such conveyance shall be

completed within 5 business days of the vacation of the roadway, subject to the time required by City Charter 12.6. All costs related to the vacation of 147th Circle and recording of the deed shall be borne by Developer.

(iii) Subject to contingencies found in paragraph #3 above, the City will, upon the request of Developer, take all necessary procedural action to vacate the public easement over 147th Circle N.W. in accord with the terms of this Agreement.

4. Contribution of Outlot C. (put under 3)

- a. The City will contribute Outlot C, Town Center Gardens Third Addition, to Developer as a local contribution to the Project. Outlot C will be contributed by limited warranty deed, subject only to easements and restrictions of record. Said conveyance will occur contemporaneously with the conveyance of vacated 147th Circle N.W., and Developer shall pay all costs of recording the transfer.

5. Local Contribution. (put under 3)

- a. The City agrees to facilitate and support the Project by providing a credit in permit fees or other regulatory cost avoidance measures in a value equal to \$_____. The City agrees to address these through grant funded sources.

6. Miscellaneous.

- a. The City and Developer agree that this Agreement is contingent upon the approval of Developer's tax credit application for the Project by the Minnesota Housing Finance Agency and Developer's successful acquisition of the Development Property and financing for the Project and successful application and approval of necessary subdivision and zoning applications as required by City Code.
- b. The City and Developer acknowledge that it is Developer's intent to assign its rights to purchase the Development Property and its rights and responsibilities under this Agreement to a limited partnership or a limited liability company that will be created to own the Project long term.
- c. The City and Developer agree to work in good faith to pursue the approvals and actions required to fulfill this Agreement and to construct the Project as presented to the City Council.
- d. Subject to the contingencies found in paragraph 3 above, the Developer agrees, and upon preliminary review, the City agrees that the Project complies with the City's land use goals for the Development Property, and Developer.

- e. Upon preliminary review, the City finds that the Project as proposed by Developer will fit with the City's plans and goals for the Development Property and neighborhood, provide needed workforce housing, create needed construction jobs, and is overall in the best interest of the City and its residents.
- f. This Agreement may be executed in counterparts with each party signing a separate signature page which can then be attached to one document and considered a complete Agreement.

City of Ramsey, Minnesota

By _____
Its__Mayor_____

ATTEST

By _____
Its City Clerk

Podawiltz Development Corporation

By _____
J. Michael Podawiltz
Its Chief Executive Officer

STATE OF MINNESOTA)
) SS
COUNTY OF _____)

On this ____ day of _____, 2012, before me, a Notary Public for this County, personally appeared _____, who, being by me duly sworn, did say that he/she is the _____ of the City of Ramsey, a Minnesota municipal corporation, and that this instrument was signed on behalf of said corporation by authority of its City Council and acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

STATE OF MINNESOTA)
) SS
COUNTY OF _____)

On this ____ day of _____, 2012, before me, a Notary Public for this County, personally appeared J. Michael Podawiltz, who, being by me duly sworn, did say that he is the Chief Executive Officer of Podawiltz Development Corporation, and that this instrument was

signed on behalf of said corporation by authority of its Board of Directors and acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

THIS INSTRUMENT DRAFTED BY:

Rinke Noonan (ISL)
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EXHIBIT A
PROJECT DESCRIPTION

(see attached)