

**CITY OF RAMSEY  
DEVELOPMENT CONTRACT FOR OAKWOOD ACRES**

This contract (hereinafter the "Contract") is dated as of this \_\_\_\_\_ day of \_\_\_\_\_, 2013 and is by and between the **CITY OF RAMSEY**, a Minnesota municipal corporation (the "**CITY**") and **GREAT NORTHERN LAND CORPORATION**, 660 River Lane, Anoka, MN 55303 (the "**PERMITTEE**").

**WHEREAS**, the **PERMITTEE** is the owner of land legally described on the attached Exhibit A (the "Subject Property").

**WHEREAS**, the **PERMITTEE** has received approval from the **CITY** to subdivide the Subject Property and plat the same as OAKWOOD ACRES (the "Plat").

**WHEREAS**, the Plat re-subdivides the Subject Property into Lots 1 and 2, Block 1, OAKWOOD ACRES, Anoka County, Minnesota.

THEREFORE, THE **CITY** AND THE **PERMITTEE** AGREE AS FOLLOWS:

1. Conditions of Approval. The **CITY** has approved the Plat subject to satisfaction of the following conditions subsequent:
  - a. The **PERMITTEE'S** Execution of this Contract. That the **PERMITTEE** enter into this Contract.
  - b. Marketable Title. That prior to recording the Plat, the **PERMITTEE** shall provide the **CITY** with proof of marketable title to the Subject Property either through a currently certified abstract, registered property abstract or title insurance commitment or policy. A successor in title to the **PERMITTEE** who acquires any right, title or interest in or to all or any portion of the Subject Property in good faith and for value may rely on the recording of the Plat as conclusive evidence that this condition has been satisfied.
  - c. Proof of Authority. That the **PERMITTEE** provide proof that the respective governing boards of the **PERMITTEE** have authorized the **PERMITTEE'S** execution of this Contract. This proof of authority may be satisfied by providing the **CITY** with a certified copy of the minutes of the governing board of each entity which grants such authority. A successor in title to the **PERMITTEE** who acquires any right, title or interest in or to all or any portion of the Subject Property in good faith and for value may rely on the recording of the Plat as conclusive evidence that this condition has been satisfied.
2. The Plans. The term "Plans" as used in this Contract means the Final Plat Plans prepared by Anderson Passe Associates dated August 5, 2013, as revised

September 11, 2013. The Plans remain subject to: (a) **CITY** Staff's review and approval of the July 12, 2013 revisions to, among other things, confirm that the revisions requested in the **CITY** Staff's July 12, 2013 review letter have been made; and (b) such further revisions as the **PERMITTEE** may propose and the **CITY** approves. The **CITY** may not arbitrarily or capriciously deny or delay approval of proposed revisions to the Plans or impose arbitrary or capricious conditions upon the **CITY'S** approval of proposed changes to the Plans. The Plans shall not be attached to this Contract, but are in the **CITY'S** files.

3. Stage I Improvements. The improvements the **PERMITTEE** will construct or install are as follows:
- a. Streets – construction of 167<sup>th</sup> Avenue NW (already constructed)
  - b. Concrete curb and gutter – along 167<sup>th</sup> Avenue NW (already constructed)
  - c. Street traffic control signals – for 167<sup>th</sup> Avenue (already constructed)
  - d. Lot grading
  - e. Sidewalks – along 167<sup>th</sup> Avenue (already constructed)
  - f. Boulevard sodding – from back of curb to sidewalk (already complete)
  - g. Trunk and lateral sanitary sewer (already constructed)
  - h. Trunk and lateral water main (already constructed)
  - i. Storm drainage facilities
  - j. Trail development (already completed)
  - k. Electricity
  - l. Phone
  - m. Natural gas
  - n. Water shut off boxes (already completed)

(the “Stage I Improvements”).

The **PERMITTEE** agrees to construct the Stage I Improvements according to the terms and conditions of this Contract and in accordance with the Plans and the **CITY** Code.

4. Additional Requirements Related to Certain Stage I Improvements. This paragraph intentionally deleted.
5. Lot Corner Staking. The **PERMITTEE** must install lot corner stakes at all lot corners.
6. Stage I Improvement Financial Guarantee. The **PERMITTEE** shall provide a financial guarantee to the **CITY** guaranteeing the construction of the Stage I Improvements and their timely completion. The **PERMITTEE** shall be responsible for a financial guarantee in the amount of \_\_\_\_\_ Dollars and No Cents (\$\_\_\_\_\_.00), which amount is 125% of the **CITY** Engineer's estimated cost of the Stage I Improvements. Upon completion of Stage I Improvements (including the removal of “temporary” erosion control measures as identified in the approved Grading Plan), acceptance by the **CITY**, supported by appropriate

lien waivers, The **PERMITTEE** may request a reduction in the amount of the financial guarantee.

7. Inspection Fees for the Stage I Improvements. The **PERMITTEE** shall provide an inspection fee to the **CITY** to inspect the Stage I Improvements. The **PERMITTEE** shall be responsible for an inspection fee in the amount of \_\_\_\_\_ Dollars and No Cents (\$\_\_\_\_\_.00), which amount is 5% of the City Engineer's estimated cost of the Stage I Improvements. The inspection fee must be in the form of a cash escrow. The **PERMITTEE** may request a refund of the remaining balance in the escrow upon completion of the Stage I Improvements, acceptance by the **CITY**, and supported by appropriate lien waivers
8. Installation of the Stage I Improvements. The **PERMITTEE** shall obtain all necessary permits from all governmental agencies before commencing construction of the Stage I **PERMITTEE** Improvements. The **PERMITTEE** must provide the **CITY** with copies of all necessary permits from other governmental agencies prior to or when the **PERMITTEE** applies for a building permit to construct improvements on a lot within the Plat. Within thirty (30) days after the completion of the Stage I **PERMITTEE** Improvements and as a condition of the **CITY'S** release of the greater of the last ten percent (10%) or the last \$\_\_\_\_\_ of the security described in Section 7 above, the **PERMITTEE** shall provide the **CITY** with a complete set of reproducible "As Built" plans for the Stage I **PERMITTEE** Improvements.
9. Time of Performance for the Stage I Improvements. The **PERMITTEE** must complete the Stage I Improvements within one (1) year after the recording of the Plat.
10. Ownership of the Stage I Improvements. The **PERMITTEE** owns the Stage I Improvements until the **CITY'S** acceptance of the Stage I Improvements. Title to the Stage I Improvements automatically passes to the **CITY** upon the **CITY'S** written acceptance of the Stage I Improvements. Except to the extent the **CITY** has accepted all or portions of the Stage I Improvements, in writing, prior to the lapse, expiration, or other termination of the **CITY'S** financial guaranty described in Section 7 and except to the extent the **CITY** and the **PERMITTEE** may agree, in writing, to defer the **CITY'S** acceptance of certain specified Stage I Improvements, the **CITY** is deemed to have accepted the Stage I Improvements when the **CITY** releases the financial guaranty described in Section 7 or allows such financial guarantee to lapse, expire or otherwise terminate.
11. Stage I **PERMITTEE** Improvements License. The **PERMITTEE** hereby grants the **CITY** and the **CITY'S** agents, employees, officers, and contractors an irrevocable license to enter the Subject Property to perform all necessary work and/or inspections the **CITY** deems appropriate during the **PERMITTEE'S** installation of the Stage I Improvements. The license shall expire after the **CITY** accepts ownership of Stage I Improvements.

12. Stage II CITY Improvements. The future improvements the **CITY** must construct or install are as follows:

- a. Street striping and signing (already complete)
- b. Street lights (already complete)
- c. Installation of survey monumentation.

(the “Stage II Improvements”). The **PERMITTEE** must complete the construction of the Stage II Improvements within one (1) year after the date upon which the Plat is recorded.

**PERMITTEE** must install the Stage II Improvements in accordance with the Plans.

13. Stage I and Stage II Improvements to Outlots. *This paragraph intentionally deleted.*

14. Financial Guaranty for Stage II PERMITTEE Improvements. The **CITY** does not require a financial guaranty to secure the **PERMITTEE’S** obligation to construct the **PERMITTEE** Stage II Improvements.

15. Street Cleaning and Clean Up. After the street surfacing that is a part of the Stage I Improvements is installed, the **PERMITTEE** shall clear any soil, earth, or debris from the streets. From time to time, the **CITY** may remove accumulations of soil, earth, and debris from the streets resulting from the construction of the Stage I Improvements. It shall be the **PERMITTEE’S** responsibility to pay the costs associated with this necessary street cleaning. Invoices from the **CITY** to the **PERMITTEE** for such costs shall be paid within fifteen (15) days of the date of the invoice.

16. Payment of Development Fee’s. The **PERMITTEE** must pay to the **CITY** the fees described on Exhibit C which may include, but are not limited to, Park Land Dedication Fees, Trail Development Fees, Sanitary Sewer Construction (Trunk) Fees, Water Connection (Trunk) Fees, Sanitary Sewer Lateral Fees, Water Lateral Fees, Storm Management Fees and Street Light and Street Light Operation and Maintenance Fees.

17. Requirements for Building and Occupancy Permits.

- a. No building permit for any lot in the Plat shall be issued until the **PERMITTEE** has: (a) installed a Class 5 driving surface to within 300 feet of the structure; (b) provided the **CITY** Building Official with a Certificate of Survey that includes the survey information described on Exhibit B; c.) the financial guaranty described in Section 7 to the **CITY**; d.) obtained all necessary permits from the Lower Rum River Watershed Management Organization and the Anoka County Soil Conservation District and has provided a copy of each such permit to the **CITY**; and

- b. No occupancy permit for any lot in the Plat shall be issued until the **PERMITTEE** has: (a) constructed vehicular access to the lot, including the installation of at least one layer of bituminous surfacing; (b) constructed all utilities and storm water facilities this Contract requires to serve the lot and such utilities and storm water facilities are in place, and operational and the **CITY** has accepted those utilities and storm water facilities; (c) for lots that have a slope of less than 2%, provided the **CITY** with a certificate of grading, prepared by a licensed (State of Minnesota) professional land surveyor, certifying that the flattest grade on the lot is 1% or greater; and (d) installed and planted the sod and landscaping that are required as a part of the Stage I Improvements.
18. **PERMITTEE Defaults.** If the **PERMITTEE** defaults in the performance of one or more of the **PERMITTEE'S** obligations under this Contract, the **CITY** gives the **PERMITTEE** thirty (30) days written notice of the default (except as provided in subsection (a) below and in Section 6 above with respect to expiring letters of credit) and the **PERMITTEE** fails to cure the default within said thirty (30) the **CITY** may pursue any and all remedies available at law or in equity including, but not limited to, the following:
- a. The **CITY** may, at its option, perform or engage one or more third parties to perform the **PERMITTEE'S** obligations. If, in the reasonable judgment of the **CITY'S** staff, the **PERMITTEE'S** default creates an immediate risk to public health or safety, the **CITY** may perform or engage one or more third parties to perform the work before the **CITY** provides the notice described in the initial paragraph of this Section, but the **CITY** must use commercially reasonable efforts to notify the **PERMITTEE** as promptly as possible that the **CITY** is undertaking to perform the **PERMITTEE'S** obligation or obligations. If the **CITY** performs one or more obligations of the **PERMITTEE**, the **PERMITTEE** must reimburse the **CITY** for any costs or expenses the **CITY** incurs, including costs and expenses for **CITY** staff time, to perform the work within 30 days after the **CITY** notifies the **PERMITTEE**, in writing, of the costs and expenses the **CITY** incurred to perform the work. If the **PERMITTEE** does not reimburse the **CITY** within said 30 day period, the **CITY** may pursue any remedies available to the **CITY** either at law or in equity or, in the alternative, the **CITY** may draw on the financial guaranty the **PERMITTEE** has provided to the **CITY** pursuant to this Contract to reimburse itself for the expenses the **CITY** incurs to perform the work. This Contract is a license for the **CITY** to act, and it shall not be necessary for the **CITY** to seek a Court Order for permission to enter the **PERMITTEE** Property. As an alternative to seeking recovery from the **PERMITTEE** or the financial guaranty, the **CITY** may levy special assessments against the **PERMITTEE** Property

in accordance with Minnesota Statutes Section 429, and the **PERMITTEE**, for itself and its successors in title, hereby expressly waives any and all substantive and procedural objections or defenses the **PERMITTEE** may have to such special assessments;

- b. The **CITY** may commence an action in Anoka County District Court to pursue any remedy available to the **CITY** at law or in equity including, but not limited to, injunctive relief;
- c. The **CITY** may refuse to grant building permits for improvements to be constructed on any lots within the Plat until the **PERMITTEE** has cured all of its defaults; and
- d. The **CITY** may draw upon all or any portion of the financial guaranty the **PERMITTEE** has provided to the **CITY** pursuant to Section 6 and (i) use all or any portion of the proceeds from the financial guaranty to reimburse the **CITY** pursuant to subsection (a) above; (ii) use all or any portion of the proceeds from the financial guaranty to satisfy any judgment the **CITY** obtains against the **PERMITTEE** pursuant to subsection (b) above; (iii) use all or any portion of the proceeds to reimburse the **CITY** pursuant to Section 21 (j) below; and (iv) hold all or any portion of the proceeds for a reasonable time for the future application as described in subsections (i), (ii) and (iii) of this Section 20(d).

19. Miscellaneous.

- a. Invalidity of Any Section. If any portion, section, subsection, sentence, clause, paragraphs or phrase of this Contract is for any reason invalid, such decision shall not affect the validity of the remaining portion of this Contract.
- b. Written Amendments Only. The action or inaction of the **CITY** or the **PERMITTEE** shall not constitute a waiver or amendment to the provisions of this Contract. To be binding, amendments or waivers shall be in writing, signed by the parties and approved by a resolution of the **CITY** Council. The **CITY'S** or the **PERMITTEE'S** failure to promptly take legal action to enforce this Contract shall not be a waiver or release.
- c. Compliance with Laws and Regulations. The **PERMITTEE** represents to the **CITY** that the Plat complies with all **CITY**, County, metropolitan, State, and Federal laws and regulations, including but not limited to: subdivision ordinances, zoning ordinances and environmental regulations.

If the **CITY** determines that the Plat does not comply, the **CITY** may, at its option, refuse to allow any construction or development work in the Plat until the **PERMITTEE** does comply. Upon the **CITY'S** demand shall cease work until there is compliance.

- d. Mailbox Locations. If the **PERMITTEE** desires to construct mailboxes within the right of way, the **PERMITTEE** agrees that the placement of mailboxes along public streets is subject to the approval by the **CITY**. Utility locates will be necessary.
- e. Boulevard and Wetland Restoration. The **PERMITTEE** shall be responsible for the cost of establishing seed in all boulevards within thirty (30) days of the completion of the street improvements, and restoring all other areas disturbed by the development grading operation in accordance with the approved Grading and Erosion Control plan. The **PERMITTEE** shall be responsible for the cost of cleaning any soil, earth, or debris from the wetlands within and adjacent to this Plat resulting from grading performed in the development of the Plat.
- f. Construction, Hours and Entrance Signs. The **CITY** restricts construction and delivery hours to Monday through Saturday 7:00 a.m. to 10:00 p.m. The **PERMITTEE** is required to provide a sign at each entrance point stating delivery and construction operation hours. Said signs are not to exceed eighty (80) square feet in size and must be clearly visible at all times during the construction period.
- g. Constructing Site Maintenance. The **PERMITTEE** shall adhere to all of the **CITY** ordinances relating to, but not limited to, dumping of garbage, site development, construction debris, open burning, etc.
- h. Estimated Cost. It is understood and agreed that cost amounts set forth in this Contract as to **PERMITTEE** Stage I and Stage II Improvements, unless qualified as fixed amounts, are estimated. The **PERMITTEE** agree to pay the entire cost of said improvements including interest, engineering and legal fees related thereto.
- i. Plat Approval Expenses. The **PERMITTEE** agrees that it will pay to **CITY** all **CITY** expenses incurred in the approval of the Plat, including, but not limited to, administration expenses, engineering and legal fees. Said expenses incurred after recording of the Final Plat shall also be paid within said fifteen (15) day billing period. Failure to pay the **CITY'S**

expenses within the fifteen (15) day billing period will permit the **CITY** to draw upon any of the escrows required by this contract for payment.

- j. Reimbursement to the **CITY**. The **PERMITTEE** agree to reimburse the **CITY** for all costs incurred by the **CITY** in defense or enforcement of this Contract, or any portion thereof, including court costs and reasonable engineering and attorney's fees.
- k. Certificate of Occupancy. The term "Certificate of Occupancy" as used in this Contract shall be defined as a document issued by the **CITY'S** Building Official, which authorizes the structure to be used for its intended purposes.
- l. Estoppel Certificates and Certificate of Completion. Within ten (10) days after a written request from the **PERMITTEE**, the **CITY** will provide the **PERMITTEE** and any third party who is purchasing all or any portion of the **PERMITTEE** Property or to whom the **PERMITTEE** is granting a mortgage on all or any portion of the **PERMITTEE** Property with a written estoppel certificate stating: (i) that this Contract remains in full force and effect or that this Contract has been terminated; (ii) that this Contract has not been modified or amended or, if this Contract has been modified or amended, identifying such modifications or amendments; (iii) the type and amount of any security the **CITY** is holding to secure the performance of the **PERMITTEE'S** obligations under this Contract; (iv) that, to the best of the **CITY'S** actual knowledge, the **PERMITTEE** is not in default in the performance of the **PERMITTEE'S** obligations under this Contract or, if the **CITY** has knowledge of **PERMITTEE** defaults, describing those defaults; and (v) that, to the best of the **CITY'S** actual knowledge, the **CITY** is not in default in the performance of the **CITY'S** obligations under this Contract or, if the **CITY** has knowledge of **CITY** defaults, describing those defaults. At any time that the **PERMITTEE** believes it has fully performed its obligations under this Contract, the **PERMITTEE** may so notify the **CITY** and the **CITY** shall promptly inspect the Subject Property to determine if the **PERMITTEE** has full performed its obligations under this Contract. Within ten (10) days after the **CITY'S** inspection the **CITY** must provide the **PERMITTEE** with either a detailed written description of the **PERMITTEE** obligations which the **CITY** determines the **PERMITTEE** has not fully performed or a recordable instrument executed by the **CITY'S** mayor and **CITY** administrator evidencing the termination and satisfaction of this Contract.
- m. Notices. Required notices shall be in writing, and shall be either hand delivered to the Parties, its employees or agents, or mailed to them by certified or registered mail at the following address:

**TO PERMITTEE:**

Great Northern land Corporation  
Attn: Ronald G. Stratton, President  
660 River Lane  
Anoka, MN 55303

**TO THE CITY:**

City of Ramsey  
Attn: City Administrator  
7550 Sunwood Drive NW  
Ramsey, MN 55303

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## EXHIBIT A

### Legal Description of the Subject Property

That part of Lot 1, Block 1 Geberts Addition lying easterly and southerly of easterly boundary of Tract A and lying southerly and westerly of a line described as follows: Commencing at the southeast corner of said Lot 1, thence north 00 degrees, 12 minutes, 57 seconds west, assumed bearing, along east line of said Lot 145.80 feet to point of beginning of said line, thence north 89 degrees, 54 minutes, 43 seconds west 99.87 feet, thence north 13 degrees, 07 minutes, 24 seconds west 112.56 feet to easterly boundary of Tract A and there terminating, Tract A is described as follows: An 80 foot strip of land over, under and across part of said Lots 1 and 2 the centerline of said strip is described as follows: Commencing at the southwest corner of said Lot 2, thence south 89 degrees, 46 minutes, 04 seconds east, assumed bearing, along south line of said Lot 2 148.93 feet to point of beginning of said centerline, thence northeasterly 27.65 feet along a non-tangent curve concave to northwesterly having a center angle of 04, degrees, 57 minutes, 01 seconds a radius of 320 feet and a chord bearing of north 13 degrees, 53 minutes, 28 seconds east thence north 11 degrees, 24 minutes, 58 seconds east tangent to last described curve 41.69 feet, thence northeasterly 294.03 feet along a tangent curve concave to southeast having a center angle of 52 degrees, 38 minutes, 48 seconds and a radius 320 feet to north line of said Lot 1 and there terminating, the side lines of said strip of land are to be prolonged or shortened to terminate on south north and east lines of said Block 1, subject to easement of record.

and

That part of Lot 2, Block 1, Geberts Addition lying easterly of the easterly boundary of Tract A, said Tract is described as follows: An 80 foot strip of land over under and across parts of Lots 1 & 2 of said Block 1, Geberts Addition. The center line of said strip of land is described as follows: Commencing at the southwest corner of said Lot 2, thence south 89 degrees, 46 minutes, 04 seconds east, assumed bearing, along said line of said Lot 2 148.93 feet to point of beginning of said center line, thence northeasterly 27.65 feet along a non-tangent curve concave to northwest having a center angle of 04 degrees, 57 minutes, 01 seconds a radius of 320 feet and a chord bearing of north 13 degrees, 53 minutes, 28 seconds east, thence north 11 degrees, 24 minutes, 58 seconds east TAN to last described curve 41.69 feet, thence northeasterly 294.03 feet along a tangent curve to southeast having a center angle of 52 degrees 38 minutes, 48 seconds and a radius of 320 feet to north line of said Lot 1 and there terminating, the side lines of said strip of land are to be prolonged or shortened to terminate on south, north and east lines of said Block 1, subject to easement of record.

**EXHIBIT B**

**Survey Requirements**

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## EXHIBIT C

### Fees Payable to the City

1. Park Dedication. The **PERMITTEE** is responsible for satisfying applicable Park Dedication requirements. The 2013 Park Dedication Fee applicable to the Plat is \$2,475 per residential unit. **PERMITTEE** must pay a Park Dedication Fee of Four Thousand Nine Hundred and Fifty Dollars and No Cents ( $\$2,475 \times 2 \text{ units} = \mathbf{\$4,950.00}$ ).
2. Trail Development Fees. The **PERMITTEE** is responsible for satisfying applicable Trail Development Fee requirements. The 2013 Trail Development Fee applicable to the Plat is \$600 per residential unit. **PERMITTEE** must pay a Trail Development Fee of One Thousand Two Hundred Dollars and No Cents ( $\$600 \times 2 \text{ units} = \mathbf{\$1,200.00}$ ).
3. Sanitary Sewer Connection (Trunk) Fees. The **PERMITTEE** is responsible for satisfying applicable Sanitary Sewer Trunk Fee requirements. The 2013 Sewer Trunk Fee applicable to the Plat is \$1,099 per residential unit. **PERMITTEE** must pay a Sewer Trunk Fee of Two Thousand One Hundred Ninety Eight Dollars and No Cents ( $\$1,099 \times 2 \text{ units} = \mathbf{\$2,198.00}$ ).
4. Water Connection (Trunk) Fees. The **PERMITTEE** is responsible for satisfying applicable Water Trunk Fee requirements. The 2013 Water Trunk Fee applicable to the Plat is \$1,558 per residential unit. **PERMITTEE** must pay a Water Trunk Fee of Three Thousand One Hundred Sixteen Dollars and No Cents ( $\$1,558 \times 2 \text{ units} = \mathbf{\$3,116.00}$ ).
5. Sanitary Sewer Lateral Benefit Fees. The **PERMITTEE** is responsible for satisfying applicable Sanitary Sewer Lateral Benefit Fee requirements, as the City previously installed these improvements without assessment to the Subject Property. The 2013 Sanitary Sewer Lateral Benefit Fee is \$3,328 per acre. The Sanitary Sewer Lateral Benefit Fee for the Plat is Three Thousand Three Hundred Ninety Five Dollars and No Cents ( $\$3,328 \times 1.02 \text{ acres} = \mathbf{\$3,395.00}$ ).
6. Water Lateral Fees. The **PERMITTEE** is responsible for satisfying applicable Water Lateral Benefit Fee requirements, as the City previously installed these improvements without assessment to the Subject Property. The 2013 Water Lateral Fee is \$8,777 per acre. The Water Lateral Benefit Fee for the Plat is Six Thousand Two Hundred Sixty Six Dollars and No Cents ( $\$6,143 \times 1.02 \text{ acres} = \mathbf{\$6,266.00}$ ).
7. Stormwater Management Fee. The **PERMITTEE** is responsible for satisfying applicable Stormwater Trunk Fee requirements. The 2013 Stormwater Management Fee \$448 per residential unit. **PERMITTEE** must pay a Stormwater Management Fee of Eight Hundred Ninety Six Dollars and No Cents ( $\$448 \times 2 \text{ units} = \mathbf{\$896.00}$ ).

8. Street Light and Street Light Operation and Maintenance Fee. *This paragraph has been intentionally deleted.*
9. Development Fees for the Outlots. *This paragraph has been intentionally deleted.*

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