

City of Ramsey
Agenda
Housing and Redevelopment Authority (HRA)
Regular Session
Tuesday, November 12, 2013
Immediately following City Council
Council Chambers, 7550 Sunwood Drive NW

- 1. Call to Order**
- 2. Citizen Input**
- 3. Approve Agenda**
- 4. Approve Minutes**
 1. Approve the Following Meeting Minutes:
 1. HRA Regular - October 8, 2013
- 5. HRA Business**
 1. Award Contract for Services for Further Analysis of Tax Increment Financing (TIF) District #14 - The COR
 2. Approve Work Order for Installation of Sign in COR TWO/Sunwood Retail Area per Real Estate Contract with McDonald's USA, LLC
 3. Consider Third Amendment to the Real Estate Contract with McDonald's Corporation
 4. Discuss Contract Settlement Offer, Landform, LLC (**Portions may be closed to the public**)
- 6. Executive Director's Report**
- 7. Commissioner Input**
- 8. Adjournment**

HRA Regular Session

4. 1.

Meeting Date: 11/12/2013

By: Jo Thieling, Administrative Services

Information

Title:

Approve the Following Meeting Minutes:

1. HRA Regular - October 8, 2013

Purpose/Background:

Attached are the HRA meeting minutes for review and approval.

Notification:

Observations/Alternatives:

Funding Source:

Recommendation:

N/A

Action:

Motion to approve the following meeting minutes

1. HRA Regular - October 8, 2013
-

Attachments

HRA Mtg Mts 100813

Form Review

Form Started By: Jo Thieling
Final Approval Date: 10/17/2013

Started On: 10/17/2013 12:48 PM

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

The Housing and Redevelopment Authority conducted a regular meeting on Tuesday, October 8, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Chairperson Randy Backous
 Commissioner Jill Johns
 Commissioner Mark Kuzma
 Commissioner John LeTourneau
 Commissioner Sarah Strommen
 Commissioner Jason Tossey

Members Absent: Commissioner Chris Riley

Also Present: HRA Executive Director Kurtis G. Ulrich
 Deputy Executive Director Timothy Gladhill
 Finance Director Diana Lund
 City Engineer Bruce Westby
 Assistant to the City Administrator Patrick Brama
 City Attorney Joe Langel

1. CALL TO ORDER

Chairperson Backous called the regular meeting of the Housing and Redevelopment Authority to order at 10:57 p.m.

2. CITIZEN INPUT

There was none.

3. APPROVAL OF AGENDA

Motion by Commissioner Tossey, seconded by Commissioner Kuzma, to approve the agenda as submitted.

Motion carried. Voting Yes: Chairperson Backous, Commissioners Tossey, Kuzma, Johns, LeTourneau, and Strommen. Voting No: None. Absent: Commissioner and Riley.

4. APPROVAL OF MINUTES

Commissioner Johns requested a correction to the August 27, 2013, minutes, Page 1, Call to Order, to indicate: Acting Chairperson LeTourneau ~~Chairperson Backous~~ called the meeting..."

Motion by Commissioner Kuzma, seconded by Commissioner LeTourneau, to approve the following minutes:

Regular Meeting Minutes dated July 9, 2013
Regular Meeting Minutes dated July 23, 2013
Regular Meeting Minutes dated August 27, 2013, as corrected
Regular Meeting Minutes dated September 10, 2013
Special Meeting Minutes dated September 17, 2013

Motion carried. Voting Yes: Chairperson Backous, Commissioners Kuzma, LeTourneau, Johns, Strommen, and Tossey. Voting No: None. Absent: Commissioner Riley.

5. HRA BUSINESS

5.01: Approve Second Amendment to the Real Estate Contract Between the Ramsey HRA and McDonald's USA, LLC

HRA Executive Director Ulrich reviewed the staff report and Second Amendment to the Real Estate Contract between the Ramsey HRA and McDonald's USA, LLC (McDonald's), noting the HRA had granted a 90-day extension to extend the July closing date. The original request was for a six-month extension; however, a shorter 90-day extension was negotiated and the HRA and McDonald's entered into the First Amendment to the Real Estate Contract with the extended closing date to October 9. Due to the fact that some open items remain prior to proceeding to close on the property, staff is requesting a 60-day extension to December 9, 2013. The items that remain to be completed prior to closing include: 1. Application for an Examiner's Directive from Anoka County Examiner of Titles; 2. Sign package; 3. Final soils agreement; and, 4. Final easements for recording at closing. It was noted the HRA has the option to not extend the contract, which would require McDonald's to either cancel the contract or waive all contingencies and close by October 23. Given that McDonald's may not be able to waive all contingencies by October 9 and the logistics of closing by October 23 are difficult, staff recommends a 60-day extension. He stated there will be no costs for the HRA to consider this extension.

Motion by Commissioner Tossey, seconded by Commissioner Strommen, to approve the Second Amendment to the Real Estate Contract between the Ramsey HRA and McDonald's USA, LLC, with an extension of the contingency period to December 9, 2013.

Motion carried. Voting Yes: Chairperson Backous, Commissioners Tossey, Strommen, Johns, Kuzma, and LeTourneau. Voting No: None. Absent: Commissioner Riley.

5.02: Approve Extended Contract with Ehlers Financial Advisors for TIF Analysis

HRA Executive Director presented the Proposal for Services for further analysis of TIF District #14, The COR, from Ehlers & Associates in a not-to-exceed amount of \$5,000 to finalize the initial work performed under the first contract. It was noted the amendment is to add the task of performing drafting and analysis of special legislation to meet the City's TIF goals.

Commissioner Strommen asked what is involved with drafting special legislation prior to the analysis.

HRA Executive Director Ulrich stated there will be different alternatives that could be brought forward with special legislation that need to be analyzed. He stated support to have Ehlers involved with analysis of the alternatives.

Commissioner Strommen stated she does not support paying Ehlers to draft special legislation in case the HRA decides to go a different direction.

Commissioner Tossey stated his belief that Ehlers left the HRA thinking The Residence at The COR was “hunky-dory” and he would not support paying Ehlers for anything, as TIF #14 District is a mess. He stated Ehlers gave testimony saying everything would be fine but that is not the case so he would not support paying Ehlers any more dollars.

Chairperson Backous asked if the HRA was getting value for the dollars spent with Ehlers.

HRA Executive Director Ulrich answered in the affirmative, noting Ehlers has extensive experience with TIF and can analyze accuracy of the numbers for the HRA’s consideration. He stated it is true there are issues with this District and it was not anticipated when this District was created that property values would continue to fall. HRA Executive Director Ulrich explained the HRA needs to understand the problems and take action so if not Ehlers, another consultant could be used.

Commissioner Strommen agreed the HRA needs help figuring out what to do with this District and Ehlers has knowledge of this District. She stated after the last meeting, she was pessimistic about moving forward based on advice from Ehlers, and now this situation has occurred when people should have known property values would fall. Commissioner Strommen stated the HRA has to hear what needs to be heard, not what they want to hear, because the HRA needs to understand the challenges being faced, seriousness, and how much of the problem will be solved.

Commissioner Tossey noted staff predicted that property values would continue to fall and he does not support paying Ehlers more money when it led the HRA “down the wrong road” by saying this District cannot fail. He supported using another financial consultant.

Commissioner LeTourneau stated he also struggles with the issue of trust and asked what a solution would be. He stated he would support getting a bid for another view from another resource that the HRA could trust.

Finance Director Lund stated on the value, you have to lock in on a year to establish a baseline to create a TIF comparison. She stated the Flaherty and Collins bond is coming up quickly so the TIF agreement has to be locked in.

Chairperson Backous stated he agrees with the concern of Commissioner Tossey.

Finance Director Lund stated a new consultant will end up costing more and suggested that Ehlers be told the HRA is not happy with their past recommendation and that they need to do better.

Commissioner LeTourneau stated he also struggles with the trust issue and wants the proper outcome. He stated he trusts the opinion of Finance Director Lund and her perspective and asked how he can agree that Ehler's is the correct consultant.

Finance Director Lund stated any consultant who bids on the work will do a good job because they know what has happened. She stated she understands the trust issue but does not have a problem with Ehlers. Finance Director Lund stated she felt whoever is hired will know the guidelines, the problem, and how it needs to be corrected.

Commissioner Tossey stated Ehlers raised the issue of decertification and asked if they need to be used to decertify.

Finance Director Lund stated now that it is in place, anyone can come in and help because it has been drafted, what has to be corrected.

Chairperson Backous suggested the HRA postpone action on this item and request that staff obtain quotes from other consultants.

Motion by Commissioner Tossey, seconded by Commissioner Kuzma, to postpone consideration of the Proposal for Services, as amended to add the task of performing drafting and analysis of special legislation to meet the City's TIF goals, for further analysis of TIF District #14, The COR, for a not-to-exceed amount of \$5,000, and ask staff to obtain additional quotes.

Motion carried. Voting Yes: Chairperson Backous, Commissioners Tossey, Kuzma, Johns, LeTourneau, and Strommen. Voting No: None. Absent: Commissioner and Riley.

6. EXECUTIVE DIRECTOR'S REPORT

None.

7. COMMISSIONER INPUT

None.

8. ADJOURNMENT

Motion by Commissioner Kuzma, seconded by Commissioner Tossey, to adjourn the regular meeting of the Housing and Redevelopment Authority.

Motion carried.

The regular meeting of the Housing and Redevelopment Authority adjourned at 11:19 p.m.

Respectfully submitted,

Kurtis G. Ulrich
HRA Executive Director

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Carla Wirth
TimeSaver Off Site Secretarial, Inc.

HRA Regular Session

5. 1.

Meeting Date: 11/12/2013

Submitted For: Kurt Ulrich, Administrative Services

By: Jo Thieling, Administrative Services

Information

Title:

Award Contract for Services for Further Analysis of Tax Increment Financing (TIF) District #14 - The COR

Purpose/Background:

The purpose of this case is to review the proposals received for further analysis of TIF District 14 and award same.

The city of Ramsey created TIF District #14 in 2010 via special legislation. At this time, a TIF plan was created by Springsted, Inc., on behalf of the city, which reflected the proposed property tax values and respective estimated increment to be generated in the TIF District #14 area for the term of the district. Due to a down-turn in the economy, the proposed estimates are not holding favorably for the city.

A further analysis of the area is needed to determine the correct size of the district, possible development scenarios and the possible need for special legislation due to not only a restrictive TIF rule known as the 4-Year knock-down rule, but also in relation to the F&C project in which the city has issued debt and a pay-as-you go TIF note.

During the regular HRA meeting of October 8, staff presented a Proposal for Services for Further Analysis of TIF District #14 - The COR from Ehlers. The proposal was for a not-to-exceed amount of \$5,000 to finalize the initial work performed under the first contract by Ehlers. Staff noted that the proposal would include an amendment that was to add the task of performing drafting and analysis of special legislation to meet the City's tax increment financing goals..

The HRA discussed the proposal and postponed consideration. Staff was directed to obtain quotes from other consultants.

Notification:

Staff sent out a request for proposals to the firms of Ehlers, Northland Securities and Springsted on October 16, 2013 with a closing date of October 28, 2013.

Proposals were received from Ehlers and Northland Securities. Both proposals are attached for the Authority to review.

Observations/Alternatives:

Alternative 1: Accept the proposal from Ehlers in a not-to-exceed amount of \$5,000. This was the amount of their original proposal at the October 8 HRA meeting. Ehlers was the firm that worked exclusively on the F&C-Residence at the COR project. Of the firms that submitted a proposal, they are the most knowledgeable of the city's TIF District # 14 area and have already performed a first analysis of the city's original TIF #14 plan.

Alternative 2: Accept the proposal from Northland Securities which has bid the proposal in two phases. Phase I: Analysis of district in an amount not-to-exceed \$5,920 and Phase II: Special Legislation in a not-to-exceed amount of \$1,480. As Northland has not been active in prior activities of the COR, they would require additional staff time to be "caught up to date".

Alternative 3: Do nothing. Staff does not recommend this approach as the bonded debt and TIF Note to Flaherty and Collins requires that the city act promptly in regards to special legislation, down-sizing TIF district area, etc.

Funding Source:

In 2010 a reimbursement resolution was established for TIF #2 to loan to TIF #14 an amount of up to \$500,000 to cover all administration costs related to the creation of the TIF #14 area and F&C project with TIF #2 to be paid back via future increment from TIF #14.

Recommendation:

Staff recommends accepting the proposal from Ehlers. They have submitted the lowest proposal and have the most knowledge of the TIF #14 area of those proposals received.

Action:

Motion to approve the proposal from Ehlers in a not-to-exceed amount of \$5,000.

Attachments

Proposal from Ehlers

Proposal from Northland Securities

Form Review

Inbox	Reviewed By	Date
Kurt Ulrich	Jo Thieling	11/07/2013 08:59 AM
Diana Lund	Diana Lund	11/07/2013 10:05 AM
Kurt Ulrich	Kurt Ulrich	11/07/2013 04:34 PM
Form Started By: Jo Thieling		Started On: 11/06/2013 02:26 PM
Final Approval Date: 11/07/2013		



Mr. Kurt Ulrich
City of Ramsey
7550 Sunwood Drive Northwest
Ramsey, MN 55303

October 28, 2013

RE: Proposal for Services for Further Analysis of TIF District #14 – The COR

Dear Kurt:

Thank you for the opportunity to submit a proposal in regards to the above referenced project. Following is the scope of services anticipated for this portion of the project:

1. Meet with City staff to revise development scenarios and timing of development.
2. Update overall COR project costs to date and anticipated costs.
3. Prepare updated TIF runs for each area and update overall TIF district model to determine:
 - a. Amount of TIF available through the term of the district to repay the City/HRA for their investment in the land and public improvements to date
 - b. Amount of TIF available for any future public improvements in the TIF district
 - c. Amount of TIF available for Residence at the COR bond and pay-as-you-go obligations; and
 - d. Amount of TIF available for any future third party obligations (amount of TIF that is not needed to pay for existing or future City/HRA obligations).
4. Determine what parcels could be decertified from the TIF district and impact of their removal.
5. Provide an analysis of impacts of changing the fiscal disparities election to inside the district.
6. Prepare analysis and drafting of potential special legislation the City may need for the TIF District.
7. Attend meeting with City Council/HRA to overview findings and facilitate discussion on options.

We propose a not to exceed fee of \$5,000 for the work to be completed. I will be responsible for the majority of the work involved. Shelly Eldridge in our office will serve as the secondary contact on the project and will be involved in completing the TIF and fiscal disparities analysis.

I look forward to continued work with you and your staff on this project. Please contact me at 651-697-8506 with any questions.

Sincerely,

Stacie Kvilvang

cc: Diana Lund – Finance Director



October 25, 2013

Mr. Kurt Ulrich
City Administrator
City of Ramsey
7550 Sunwood Drive NW
Ramsey, MN 55303

RE: Proposal for Tax Increment Financing Services

Dear Mr. Ulrich:

Northland Securities appreciates the opportunity to present our financial planning services to the City of Ramsey. Northland has built its reputation on being attentive to client needs and responding with creative and prudent ideas. It is that philosophy, combined with our experienced personnel, and our sincere interest in working diligently with you to achieve your objectives, that will help accomplish the goals for the city. We look forward to the opportunity to provide excellent service to the City.

Northland desires to furnish services to the City as described in this letter. The City may decide to use Northland for any or all of these services at its sole discretion.

BACKGROUND

The City of Ramsey issued a Request for Proposals (RFP) on October 16, 2013, seeking proposals from qualified firms to perform the following tasks related to Tax Increment Financing District No. 14 (the "COR"):

1. Meet with City staff to revise development scenarios and timing of development.
2. Update overall COR project costs to date and anticipated costs.
3. Prepare updated Tax Increment Financing (TIF) runs for each area and update overall TIF district model to determine:
 - a. Amount of TIF available through the term of the district to repay the City/HRA for their investment in the land and public improvements to date.
 - b. Amount of TIF available for any future public improvements in the TIF district.
 - c. Amount of TIF available for Residence at the COR (Apartment Complex Project) bond and pay-as-you-go obligations; and
 - d. Amount of TIF available for any future third party obligations (amount of TIF that is not needed to pay for existing or future City/HRA obligations).

4. Determine what parcels could be decertified from the TIF district and impact of their removal.
5. Provide an analysis of impacts of changing the fiscal disparities election to inside the district.
6. Prepare analysis and drafting of potential special legislation the City may need for the TIF District. (The city received special legislation in regards to the creation of the district.)
7. Attend meeting with City Council/HRA to overview findings and facilitate discussion on options.

OUR FIRM

Northland Securities is committed to keeping local governments informed of the latest tools, issues and trends in public finance. Northland's Public Finance Group specializes in the public finance needs of municipalities and governmental agencies across the Upper Midwest. Our public finance professionals have the depth of experience in the industry that serves our clients well, as they navigate through the complexities of planning for development, infrastructure improvements, and the financial markets.

As a diversified financial services firm, we provide financial advisory services and are also a significant underwriter of municipal debt. This provides a distinct advantage to our clients. Not only can they draw upon our experience to develop a sound finance plan, but also our expertise in the credit markets, to get firsthand market information useful in the structuring and timing of their financing.

Our mission is to "provide direction and produce results." Northland Public Finance is committed to developing long-term client relationships by providing sound advice, creative solutions, and the desired results.

Northland provides a complete array of services related to the use of tax increment financing. From the evaluation of potential projects to the creation of TIF districts to the management of existing districts, we provide the assistance needed to make effective use of this powerful development tool.

SCOPE OF SERVICES

Northland will provide the following services to the City of Ramsey, referred to herein as Phase I and Phase II.

Phase I

1. **Initial Meeting.** Meet with city staff to confirm project objectives and to discuss revised development scenarios and timing of development.
2. **Estimated Public Costs.** Prepare schedule of actual costs incurred to date and future estimated costs by year, reported by tax increment reporting categories.

3. **Estimated Sources of Revenue.** Prepare updated TIF projections for each area and update overall TIF district model to determine TIF available to pay public costs, both incurred and obligated. Analysis will consider the financial impact of the following:
 - a. Four-year knock down rule (TIF Plan anticipates the City seeking special legislation for exemption from the four-year rule) .
 - b. Five-year rule (extended to ten years under special legislation).
4. **Parcel Review.** An analysis of parcels within the district will be completed to determine the financial impact (i.e., potential loss of tax increment revenue and increase in general tax base) of removal of certain parcels. The four-year rule analysis from Task 3 above will provide input and inform this review for Task 4.
5. **Fiscal Disparities.** Provide an analysis of impacts of changing the fiscal disparities election to inside the district.
 - a. Analysis will provide an estimate of the reduction in estimated tax increment to be collected within the District, should the fiscal disparities election be changed – requiring tax capacity from within the District to contribute to the fiscal disparities pool.
6. **Meeting to Review Results of Phase I.** Meet with City staff to review the analysis and results from Phase I.
 - a. Memorandum with conclusions and recommendations will be prepared with analysis (reports) included as attachments.

Phase II

7. **Special Legislation.** Prepare analysis and drafting of potential special legislation the City may need for the TIF District.
 - a. City received special tax increment financing legislation, Session Laws 2010, Chapter 389.
 - b. Adopted TIF Plan states the City proposes to seek special legislation for an exemption from or redefinition of the requirements of the four-year rule.
 - c. Analysis will inform the discussion about special legislation and what other considerations may be of benefit and necessary for the District to meet its objectives.
8. **Presentation to City Council/HRA.** Northland will attend a meeting with the City Council/HRA to overview findings and facilitate discussion on options.

The proposed scope of services includes three meetings; other meetings and services will be defined and added at the direction of the City.

REFERENCES AND QUALIFICATIONS

References will be provided on request. Northland staff that will provide service to the City of Ramsey has performed similar tax increment analysis and assisted with drafting of special legislation for other cities and would welcome the opportunity for city staff from these cities to comment on our work. We have work product, including comprehensive TIF management planning, for other cities that we can share with you upon request to demonstrate our qualifications to undertake this work.

COMPENSATION

The proposed compensation reflects Northland's long tenured relationship with Ramsey and the efficiency this will bring to the completion of the proposed tasks. For the services specified, NSI shall be paid an amount not to exceed \$5,920 for Phase I and \$1,480 for Phase II. The total amounts are based on the estimated number of hours required to complete these tasks at an hourly billing rate of \$185 per hour plus reimbursable expenses for travel, printing and mailing. NSI will bill on a monthly basis for actual services performed and reimbursable expenses. The actual amount billed may be less than but shall not exceed the stated amounts for Phase I and Phase II.

The City may at its discretion authorize NSI to undertake additional tasks, including meeting attendance, beyond the tasks listed above. Additional planning services will be billed monthly at a rate of \$185 per hour.

Invoices will detail the work performed, requested compensation for the period and show amounts previously billed.

ASSIGNED NORTHLAND EMPLOYEE

The NSI employee responsible for providing services and for the services performed is Tammy Omdal.

Thank you for the opportunity to submit this letter and proposal to provide service to the City of Ramsey. Northland's financial planning service to Ramsey is grounded in significant experience helping cities in Minnesota establish and manage tax increment financing districts. I would be happy to answer any questions or concerns regarding our proposal for service to the City. Please contact me at 612-851-4964 or by email at tomdal@northlandsecurities.com.

Sincerely,



Tammy Omdal
Manager Northland Strategies/Sr. VP

Meeting Date: 11/12/2013

By: Tim Gladhill, Community Development

Information

Title:

Approve Work Order for Installation of Sign in COR TWO/Sunwood Retail Area per Real Estate Contract with McDonald's USA, LLC

Purpose/Background:

On December 19, 2012, the HRA entered into a Real Estate Contract with McDonald's USA, LLC for the purchase of Lot 2, Block 1, COR TWO. The Contract is attached to this case. Per Paragraph 12 of the Contract, the HRA is responsible for constructing two (2) signs:

1. Southeast corner of Sunwood Drive and Armstrong Boulevard, on Lot 2 (McDonald's Site) (150 square feet)
2. At the easterly shared entrance of Lots 1-3, Block 1 COR TWO, on Lot 3 (Convenience Gas Location) (75 square feet)

These two (2) signs will be shared by Lots 1-3, Block 1, COR TWO. Each lot would have one (1) tenant panel on each sign. The signs are illustrated in Exhibits D of the Contract. It is anticipated that the cost of the sign will be divided evenly between the three (3) lots. Under the Contract, McDonald's has agreed to pay for a third of the cost of construction. The remaining two-thirds (2/3) would be anticipated to be reimbursed at time of sale of those two (2) lots. The interim funding for the remaining two-thirds (2/3) would be the land sale proceeds from the McDonald's sale.

The proposed signs comply with the approved Master Sign Plan for The COR. Staff is proposing that the proposed Kasota Stone/Limestone face be constructed as Dryvit as a cost savings alternative. Dryvit is a plaster finish similar to Stucco that can be finished to provide a similar look to the original design of The COR Master Sign Plan.

Staff requested quotes from approximately five (5) sign vendors and received responses from two (2) sign vendors. Staff requested quotes for a Kasota Stone finish as original contemplated in the Master Sign Plan. In addition, Staff requested that vendors provide a lower-cost alternative to Kasota Stone. A summary of quotes is attached to this case for review. The lowest quote was provided by DeMars Signs with an estimated cost of \$75,000 (when factoring electrical connection services). Please note: this quote does not include the planter as shown on the attached drawings. The HRA could add said planter at an additional cost of \$5,000.

It is hereby noted that the electrical service construction is still estimated and will need to come back under separate contract at a future date. Both quotes received note that the electrical service connection is to be done by others. Staff has received verbal quotes of \$15,000 and is generally comfortable with said quotes. It is anticipated that this price may reduce once site conditions are better understood. However, Staff will secure at least three (3) quotes for electrical service and bring that component back for approval at a future date.

Notification:

No notification is required.

Observations/Alternatives:

Alternative #1 - Approve the work order for construction of signs with DeMars Signs exchanging the Kasota Stone finish with a dryvit finish. This alternative is the lowest cost option presented to the HRA to date. Although the dryvit finish is not as high quality of true Kasota Stone, the cost-savings outweigh the benefit and are acceptable under The COR Design Framework/Master Sign Plan. The estimated costs for sign construction is approximately \$60,000. This alternative is estimated to cost approximately \$75,000 total for two (2) signs with electrical included. As noted, this does not include the planter box illustrated in the attached exhibit. The planter would increase the cost approximately \$5,000, and also could be added at a later date.

Alternative #2 - Approve a work order with Archetype Signs for construction of signs utilizing Kasota Stone. This alternative would be the highest quality design, but also the highest cost. The quote, when factoring in electrical service, would exceed \$100,000 and require the HRA to open a competitive bidding process. Since only one (1) of the three (3) parcels are moving forward with development in the short term, funds are limited to increase the costs of the sign in a fiscally-responsible manner. This alternative is estimated to cost approximately \$144,000 for two (2) signs with electrical included.

Alternative #3 - Approve a Work Order with Demars Signs for a Condor Brick in lieu of Kasota Stone. This alternative is estimated to cost approximately \$96,000 total for two (2) signs with electrical included.

Alternative #4 - Approve a Work Order with Archetype Signs for a Painted Aluminum surface in lieu of Kasota Stone. This alternative is estimated to cost approximately \$108,000 total for two (2) signs with electrical included and would require a competitive bidding process. Note: this design alternative was used for The Draw Sign. Further note: the Summary Spreadsheet and \$108,000 estimate for this alternative also removed the illustrated planter bed. Addition of the planter bed using this construction method is estimated to add \$13,500.

Alternative #5 - Do not approve a work order for construction of signs. McDonald's does have a 'right-to-cure' under the Contract and may be able to proceed forward with construction of the signs as originally designed. At that point, the HRA would not have control over the design and costs of the signs. The cost to McDonald's to construct the signs under a right-to-cure scenario would be deducted from the land sale proceeds. Not approving the sign request may impact McDonald's decision to proceed to closing at this point. Staff has inquired with McDonald's as to whether they would desire to proceed with a single-tenant sign on their own. Their response was that McDonald's desires to move forward as outlined in the Contract.

Alternative #6 - Postpone action until November 26, 2013 and request additional information.

Funding Source:

One-third of the cost of the signs will be reimbursed by McDonald's in addition to the purchase price. The remaining two-thirds will be paid by land sale proceeds from McDonald's and are anticipated to be reimbursed at time of sale of Lots 1 and 3, Block 1, COR TWO of the Sunwood Retail Area.

Recommendation:

As the HRA has committed to this obligation under the Real Estate Contract between the HRA and McDonald's USA, LLC, Staff recommends that the HRA adopt Resolution #13-11-194 approving a Work Order for construction of two (2) permanent signs along Sunwood Drive in the amount of \$60,554.00, contingent upon completion of the real estate transaction by and between the HRA and McDonald's USA, LLC. Staff would then bring back a separate contract for electrical service.

Action:

Motion to adopt Resolution #13-11-194 approving a Work Order for construction of two (2) permanent signs along Sunwood Drive in the amount of \$60,554.00, contingent upon completion of the real estate transaction by and between the HRA and McDonald's USA, LLC.

[Site Location Map](#)

[Real Estate Contract](#)

[Sign Illustrations](#)

[3D Rendering of Armstrong Sign](#)

[Summary of Quotes](#)

[DeMars Dryvit Quote - Recommended for Approval](#)

[DeMars Condor Brick Quote](#)

[Archetype Kasota Stone Quote](#)

[Archetype Painted Aluminum Quote](#)

[Proposed Resolution](#)

Form Review

Inbox

Diana Lund

Kurt Ulrich

Form Started By: Tim Gladhill

Final Approval Date: 11/07/2013

Reviewed By

Diana Lund

Kurt Ulrich

Date

11/07/2013 08:56 AM

11/07/2013 04:42 PM

Started On: 11/06/2013 11:38 AM

Sign Location 1

Lot 2

Lot 3

Sign Location 2

Lot 1

EXISTING BUILDING
FFE=870.7 FT

EXISTING BUILDING
FFE=870.1 FT

LOT 2, BLOCK 1,
COR TWO

LOT 1, BLOCK 1,
COR TWO

PROPOSED SUNWOOD DRIVE
(CONCURRENT CONSTRUCTION BY OTHERS)

ARMSTRONG BLVD
(IMPROVEMENTS BY OTHERS)

M...S...H...OON

28...0061...
1900...82

CARWASH
802 SF
FFE=873.50

P-38
EL 862.8

P-38
EL 868.9

DEVELOPER

RAMSEY HRA

7550 SUNWOOD DRIVE
RAMSEY, MN 55303
TEL (763) 427-1410 • FAX (763) 424-5543

MUNICIPALITY



PROJECT

**SUNWOOD RETAIL
COR TWO**
RAMSEY, MINNESOTA

SHEET INDEX

SHEET	TITLE
C2.1	STORM SEWERS
C4.2	SANITARY SEWER & WATERMAIN

REVISION HISTORY

DATE	REVISION	REVIEW

PROJECT MANAGER REVIEW

BY	DATE

CERTIFICATION

IF THE SEWERAGE, GAS, OR FOUR INCH DUCT - AND DEARER NET
FEE IS THE SHEET HAS BEEN REPRODUCED BY OTHERS
READER PLEASE CONTACT THE ENGINEER AT THE ADDRESS
INDICATED TO REQUEST PERMISSION TO REPRODUCE.

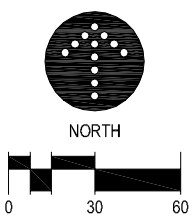


105 South Fifth Avenue Tel: 612-252-9070
Suite 513 Fax: 612-252-9077
Minneapolis, MN 55401 Web: landform.net

FILE NAME C201RAM025.DWG
PROJECT NO. RAM12025

COR TWO SITE PLAN

C2.1



City, State: Ramsey, MN
Address: Sunwood Drive
L/C: 022-0575

REAL ESTATE CONTRACT

This Real Estate Contract ("**Contract**") dated 12/19, 2012, is between **The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota**, a public body corporate and politic under the laws of the State of Minnesota ("**Seller**"), and **McDONALD'S USA, LLC**, a Delaware limited liability company ("**Purchaser**"). For service of notices under this Contract, see Article 10.

1. **Conveyance:** Seller agrees to sell and convey to Purchaser (or Purchaser's nominee), and Purchaser agrees to purchase from Seller, the real estate located in Ramsey, County of Anoka, State of Minnesota, having a frontage of not less than 250 feet on Sunwood Drive, containing not less than 57,500 square feet (not including roads or public rights-of-way), more particularly described on Exhibit A, together with all easement rights and appurtenances, all buildings and improvements now located on the property, and all of Seller's rights, title and interest in all public ways adjoining the property (with the land, collectively called "**Premises**"). If Purchaser has the Premises surveyed in accordance with the certified survey provided for in Article 6A(4), then, at Purchaser's option, the parties will execute an amendment by which the survey description will be substituted for the Exhibit A description at any time hereafter, if necessary, and provided that such survey legal description is the same as the plat legal description to be recorded prior to closing.

2. **Price:** The purchase price is \$470,000.00.

3. **Deed and Other Documents:** Seller will convey insurable title to the Premises by quitclaim deed, subject only to title and survey matters approved by Purchaser in writing pursuant to the terms set forth in Article 5 of this Contract. Seller will also cause to be delivered to Purchaser, at closing, two restrictive covenants in recordable form, restricting those portions of Seller's other property located adjacent to the Premises and as depicted as Areas 1, 2 and 3 on Exhibit C, in substantially the same form and substance as those restrictive covenants attached to this Contract as Exhibit C-1 and Exhibit C-2. Specifically, the restrictive covenant attached as Exhibit C-1 will be recorded against Area 2 as shown on Exhibit C, and the restrictive covenant attached as Exhibit C-2 will be recorded against Areas 1 and 3 as shown on Exhibit C. Seller acknowledges that this restriction commences and will be recorded upon the earlier of (a) closing or (b) the closing of Seller's sale of that property labeled "Area 2" on Exhibit C to M&W Holding Company, LLC, a Minnesota limited liability company ("M&W Holding Company, LLC"), its member, Jeffrey Wise, or any subsidiary or affiliate of M&W Holding Company, LLC in which the majority interest is held by Jeffrey Wise or M&W Holdings, LLC. Notwithstanding the foregoing, if M&W Holding Company, LLC, its member, Jeffrey Wise, or any subsidiary or affiliate of M&W Holding Company, LLC in which the majority interest is held by Jeffrey Wise or M&W Holdings, LLC, do(es) not close on said property prior to January 1, 2014, or if Seller sells said property to any party other than M&W Holding Company, LLC, its member, Jeffrey Wise, or any subsidiary or affiliate of M&W Holding Company, LLC, in which the majority

interest is held by Jeffrey Wise or M&W Holdings, LLC, the restrictive covenant described in Exhibit C-2 will apply to and be recorded against Areas 1, 2 and 3, and the restrictive covenant attached as Exhibit C-1 will not be recorded or used in any capacity. Seller agrees to execute and deliver to Purchaser any other affidavit, statement or other document normally required by the Title Company (hereafter defined) as a condition for the issuance of the title insurance policy or for the escrow closing provided for below.

4. **Earnest Money:** Purchaser will deposit with the Title Company, as escrowee, within 30 days after the date of final execution of this Contract, \$5,000.00, as earnest money, to be credited against the purchase price at closing. If Purchaser defaults under this Contract and fails to cure the default within 10 days after receipt of notice from Seller, then, upon demand of Seller, the earnest money will be forfeited as liquidated damages, and not as a penalty; and this Contract will become null and void. If this Contract is terminated for any reason other than Purchaser's default, the earnest money will be returned to Purchaser.

5. **Title Insurance:** Purchaser, at Purchaser's sole cost and expense, will order a title commitment of the Premises for a 2006 ALTA owner's policy, with extended coverage, or a comparable form, from Chicago Title Insurance Company ("**Title Company**") in the amount of the purchase price, covering the date of this Contract. Upon final execution of this Contract, Seller will deliver to Purchaser any prior title evidence Seller may have, such as a current abstract or title policy, to expedite further examination of title. If the report on title, binder or commitment (the "**Title Commitment**") discloses any defects in title (other than liens or encumbrances of a definite or ascertainable amount which may be paid at closing by Seller), Purchaser will have 120 days after the opening of escrow to review the Title Commitment and and/or any survey obtained by Purchaser and to deliver to Seller, in writing, any objections that Purchaser may have to such defects described in the Title Commitment and/or survey (including in such notice a copy of the title commitment and survey, which Seller may rely upon at Seller's sole risk) ("**Purchaser's Notice of Objections**"). Seller will deliver to Purchaser, within 5 business days after Seller's receipt of Purchaser's Notice of Objections, a written notice ("**Seller's Response**") responding to each of Purchaser's objections and identifying any of such objections that Seller agrees to cure prior to closing. After receiving Seller's Response, Purchaser may, prior to the expiration of the Contingency Period (as defined hereafter), either (i) waive any objections that Seller has not committed to cure or (ii) terminate this Contract by written notice delivered to Seller at which time Purchaser will immediately be entitled to a refund of the earnest money.

Seller will have no obligation to cure any of Purchaser's objections. However, if Purchaser exercises option (i) above, Seller's commitment in Seller's Response to cure any such objections will then constitute a covenant on the part of Seller under this Contract to complete such cure prior to closing, and Purchaser will have the right to order an updated title commitment at any time. If such defects are not cured or removed prior to closing, Purchaser may, at Purchaser's sole option, either (i) take the title as it then is with the right to deduct from the purchase price liens or encumbrances of a definite or ascertainable amount by giving notice of such election to Seller and tendering performance on Purchaser's part or (ii) terminate this Contract by written notice delivered to Seller at which time Purchaser will immediately be entitled to a refund of the earnest money. Notwithstanding the foregoing, if new title or survey defects are revealed by Purchaser's updated Title Commitment, whether before or after Purchaser may have waived any defects disclosed in the original Title Commitment, Purchaser

will have the right to object to such new defects in the manner described above, except Purchaser will send Purchaser's Notice of Objections to Seller within 3 business days after discovery of the new title defects, and Seller will have 3 business days to provide Seller's Response. Purchaser will then have 3 business days to either (i) take the title as it then is with the right to deduct from the purchase price liens or encumbrances of a definite or ascertainable amount by giving notice of such election to Seller and tendering performance on Purchaser's part or (ii) terminate this Contract by written notice delivered to Seller at which time Purchaser will immediately be entitled to a refund of the earnest money.

6. **Conditions Precedent:**

A. **Contingency Period:** If Purchaser is unable to satisfy the contingencies and/or conditions precedent of this Contract within 170 days after the opening of the escrow ("**Contingency Period**"), or if the soil tests, Phase I ESA (hereafter defined) or Phase II ESA, if applicable, title, survey, permits, or any other matters do not meet with Purchaser's approval or if they disclose matters that make the Premises unsuitable for the purposes stated in this Contract, Purchaser or Seller may, at any time after the expiration of the Contingency Period, terminate this Contract, the money and documents deposited in escrow will be returned to the party depositing them and this Contract will terminate and be of no further force and effect.

If Seller elects to terminate this Contract after the expiration of the Contingency Period, Purchaser will have 10 days after receiving Seller's termination notice to waive, in writing, the contingencies and/or conditions precedent and agree to close this Contract. If Purchaser waives the contingencies and/or conditions precedent, the closing must then take place within 14 days from the date of such waiver. If Purchaser does not waive the contingencies and/or conditions precedent, this Contract will terminate and be of no further force or effect 10 days after Purchaser's receipt of Seller's notice.

Purchaser and Seller covenant to act in good faith and use due diligence to satisfy all contingencies and/or conditions for which they are responsible, and neither party will have the right to terminate this Contract unless they have so performed.

This Contract is subject to the following contingencies and/or conditions precedent:

1. **Permits:** Purchaser obtaining, after expiration of all applicable appeal periods, all permits, variances, special use permits, licenses, permissions, approvals or other authorizations (collectively called "**Permits**") necessary for the construction and operation of a McDonald's restaurant, including Purchaser's signs and special service windows, and playland or PlayPlace and Purchaser's ability to operate 24 hours a day / 7 days a week (all at Purchaser's option), built according to Purchaser's plans and specifications, including, without limitation, curb cuts in connection with the facility deemed necessary or desirable by Purchaser. Seller agrees to execute any necessary documents, make appearances and do other things as Purchaser may reasonably request, at no cost or liability to Seller.

2. **Zoning:** Seller will, if necessary, use best efforts to obtain, or, where appropriate, assist Purchaser in obtaining the approval of all public and governmental authorities as to all matters relating to zoning, subdivision, lot splits, lot ties, replats or similar requirements for use of the Premises as a McDonald's restaurant in accordance with

Purchaser's plans and specifications as will permit Purchaser to obtain all necessary permits, licenses and approvals referred to above. Seller agrees to pay the expense of application and engineering and any other incidental costs relating to such approval or the recordation of a final parcel map or plat. Seller further agrees to dedicate or grant any easements for public ways and to diligently perform and pay for any improvements located off the Premises to the extent required by the Declarations (as defined in the Article 6A(13)). Purchaser will pay its proportionate share for such improvements, if any and if required by the Declarations.

3. **Utilities:** Purchaser confirming all water and gas mains, electric power lines, telephone, cable/DSL and/or internet lines, sanitary and storm sewer lines are located in the public right-of-way and at the property line of the Premises and are available and adequate for Purchaser's intended use. Seller agrees to extend sanitary and storm sewer lines and water mains to the Premises meeting Purchaser's specifications within 60 days from the date of closing, but in no event prior to May 15, 2013. Purchaser will, upon written request from Seller, promptly reimburse Seller for any and all impact, tap and connection fees associated with such utilities if paid by Seller. If any other utility lines are not available or not adequate, in Purchaser's sole discretion, for Purchaser's intended use, or if Purchaser decides, in Purchaser's sole discretion, that it is unwilling to expend any costs associated with extending such utilities to the Premises, then Purchaser may terminate this Contract, in which event this Contract will be null and void and of no further force and effect.

4. **Survey:** Purchaser obtaining a certified topographical survey, in accordance with Purchaser's standards, to be performed by a licensed surveyor, showing the area, dimensions and location of the Premises to the nearest monuments, streets, alleys on all sides, the topography, the location of all available utilities in adjoining streets, alleys or property, the location of all improvements and encroachments, the location of all recorded easements against or appurtenant to the Premises, and not disclosing any condition rendering the Premises unusable, in Purchaser's sole judgment, for the purposes stated in this Contract. If Purchaser elects to terminate due to Seller's default under this Contract, Seller will reimburse Purchaser for the cost of the survey within 30 days after written request.

5. **Soil Tests:** Purchaser obtaining boring, percolation, environmental and other soil or groundwater tests (the "Tests") describing the physical characteristics of the substrata of the Premises and showing that the soil and ground water are not contaminated with hazardous substances as defined or regulated under any federal, state or local laws relating to health, safety or the environment ("**Environmental Law**"), and that the Premises are satisfactory, in Purchaser's sole judgment, for the purposes stated in this Contract. All Tests will be performed between the hours of 8:00am and 5:00pm. Purchaser will provide written notice to Seller prior to entering the Premises to perform any Tests, which notice will include (i) a description of the type of testing to be performed; (ii) the date Purchaser plans to conduct the Tests and (iii) the identity of the contractor who will be performing the Test(s), and Purchaser will use good faith efforts to send such notice to Seller as many days as is reasonable possible prior to the planned date of the performance of the Tests.

6. **Phase I and II Environmental Site Assessments:** Purchaser may, at Purchaser's expense, obtain a written Phase I Environmental Site Assessment ("**ESA**") of the Premises conducted in accordance and compliance with the ASTM E1527-05 and 40 C.F.R. Part 312, et seq., standards and regulations for conducting Phase I ESAs ("**ESA Standards**

and Regulations"). The environmental professional, qualified to conduct an ESA in accordance with the ESA Standards and Regulations ("**Environmental Professional**") chosen by and acceptable to Purchaser will conduct the ESA.

If the Phase I ESA or any other soil tests identify any recognized environmental conditions, indicate that any hazardous substances are located on the Premises or recommend further Phase II environmental testing, Purchaser may, at Purchaser's option: (a) terminate this Contract and declare this Contract of no further force and effect; or (b) order, at Purchaser's expense, a written Phase II ESA to be undertaken as recommended by the Phase I ESA. If the written Phase II ESA is unacceptable to Purchaser, in Purchaser's sole judgment, Purchaser may, at Purchaser's option: (a) terminate this Contract and declare this Contract of no further force and effect; or (b) direct Seller, and Seller covenants, to remediate, remove and dispose of any environmental condition identified in the Phase II ESA that is a "Recognized Environmental Condition" as defined in ASTM E1527, for which remediation, removal and/or disposal is required by Environmental Law, to the extent required by the Minnesota Pollution Control Agency, with all costs and expense of any investigation, remediation, removal or disposal of hazardous substances, as required by Environmental Law, at the Premises to be paid by Seller, all of which must be completed within a timeframe acceptable to Purchaser. Seller indemnifies and holds Purchaser harmless and will defend Purchaser from and against any liability, obligation, damage, cost, expense, fines and penalties, including attorney's fees and costs, resulting directly or indirectly from the presence, removal or disposal of any hazardous substances at the Premises, which indemnity obligation will survive closing or termination of this Contract for a period of one year from the date of final execution of this Contract.

7. **Access:** Purchaser obtaining access to public thoroughfare(s) adequate, in Purchaser's sole judgment, for Purchaser's intended use of the Premises.

8. **Off-Site Costs:** Purchaser determining that Purchaser's off-site and extraordinary costs will not exceed \$10,000.00. "**Off-site and extraordinary costs**" will be defined as all costs and expenses other than construction costs for Purchaser's standard building and site improvements. Off-site and extraordinary costs include, but are not limited to: contaminated soil and ground water removal or remediation; costs to extend utility lines to the site; costs to construct off-site drainage or sewage treatment facilities; permit fees; impact fees; legal fees; expert and consulting fees for non-employees; costs and expenses for easements and additional property used in conjunction with the Premises; and costs or expenses related to roadways or the surrounding public rights-of-way. However, the parties' respective obligations to provide or pay for any of the above items may be stipulated elsewhere in this Contract.

9. **Intentionally Deleted.**

10. **Easements and Approvals:** Purchaser obtaining any and all necessary (in Purchaser's sole and absolute discretion) of the following: (i) perpetual, insurable easements and/or easement agreements in recordable form and (ii) approvals and/or amendments and/or consents and/or waivers from Seller or any third parties (including but not limited to non-disturbance agreements) necessary by any recorded or non-recorded documents in order for Purchaser to construct and operate Purchaser's desired improvements or in order to avoid any

interference with the rights, duties and obligations contemplated by this Contract. All of the foregoing (i) and (ii) must be acceptable to Purchaser in Purchaser's sole and absolute discretion at no additional cost to Purchaser and Purchaser will have the right to review all recordable documents prior to their recordation.

11. **Access Drives:** Purchaser determining that the access roads as legally described and depicted upon Exhibit B (the "Private Access Roads"), are fully constructed and operational, and provide adequate access for Purchaser's intended use of the Premises. Purchaser and Seller acknowledge that certain third parties will be responsible for construction of the Private Access Roads. Purchaser acknowledges and agrees to reimburse the constructing parties (or Seller, if Seller has paid Purchaser's share prior to closing) for Purchaser's pro rata share of the cost of constructing the roads, pursuant to a separate agreement. Notwithstanding the foregoing, if the Private Access Roads are not completed or are not constructed in a manner acceptable to Purchaser, in Purchaser's sole discretion, Purchaser may either (i) terminate this Contract, in which event Purchaser will not be responsible for any costs or expenses associated with the Private Access Roads or (ii) proceed to closing and complete or re-construct the Private Access Roads in a manner acceptable to Purchaser, pursuant to the terms of Article 5 of the Seller's Work Rider.

12. **Signage:** Purchaser determining, in Purchaser's sole discretion, that it will be able to obtain adequate signage for its intended development, through recorded agreements or otherwise. Notwithstanding the foregoing, Purchaser and Seller agree that Purchaser is entitled to the following signage: (i) one (1) 4' x 4' panel on the "Project Entry Sign" as shown on Exhibit D-1; (ii) one (1) 6' x 8' panel on the "Project Gateway Sign" as shown on Exhibit D-2; (iii) one panel on the east side of the "Community Pylon" as shown on Exhibit D-3 and (iv) Seller and Purchaser agree that Purchaser has the right to construct a temporary pylon sign at the corner of Highway 10 and Armstrong as shown on Exhibit D-4, and that the costs of such temporary pylon sign will be distributed amongst Purchaser, Seller and any relevant third parties in a manner that is mutually acceptable to Purchaser and Seller. Seller further agrees to use commercially reasonable efforts to obtain all necessary permits, approvals and/or easements to construct a permanent pylon sign at or near the aforementioned location when the Armstrong/Highway 10 interchange construction is complete. To the extent Seller undertakes to construct such pylon sign, Seller agrees that Purchaser will be granted at least one panel on the permanent pylon sign, and Purchaser and Seller further agree that the costs associated with such permanent pylon sign, should one eventually be constructed, will be distributed amongst Purchaser, Seller and any relevant third parties in a manner that is mutually acceptable to Purchaser, Seller and such relevant third parties. Nothing herein will preclude Seller from constructing such sign and providing panels thereon to third parties if Seller, Purchaser and relevant third parties cannot come to agreement as to the location of the sign, Purchaser's panel thereon and the distribution of the costs related thereto.

13. **Declaration(s):** Seller has informed Purchaser, and Purchaser has acknowledged that the Premises is or may be encumbered by one or more Declarations, including but not limited to that certain Agreement and Declaration of Easements, Covenants and Restrictions for COR TWO dated _____, recorded _____, that certain Declaration of Signage and Related Electrical Line Easements, dated _____, 2012, recorded _____, 2012, and that certain Agreement Relating to the Plat of COR TWO,

dated _____, 2012, recorded _____, 2012 (collectively, the "Declarations").

Notwithstanding anything contained in this Contract to the contrary, Purchaser will have the right to review the Declarations during the time period set forth in Article 5 to assure that the terms and provisions of the Declarations are acceptable to Purchaser, and that the Declarations are not in conflict with the business or legal parameters of this Contract or Purchaser's intended use of the Premises. Seller acknowledges that Purchaser may request certain modifications and/or amendments to the Declarations that Purchaser deems necessary or desirable, in Purchaser's sole opinion, for Purchaser's intended construction and operation of Purchaser's improvements on the Premises and Purchaser's intended use of the Premises (the "**Requested Declaration Amendment(s)**"), and Seller agrees to take all commercially reasonable steps necessary to obtain the Requested Declaration Amendment(s). If the terms of the Declarations are not acceptable to Purchaser, in Purchaser's sole opinion, and/or if Seller is unable to obtain the Requested Declaration Amendment(s), Purchaser may, at its option, terminate this Contract and declare this Contract null and void and of no further force and effect.

B. Access: Seller grants to Purchaser, Purchaser's agents and contractors, the right to enter upon the Premises to make the Tests (as defined in Article 6A(5)), surveys, and environmental assessments. In the event that Purchaser's entry upon the Premises disturbs any portion of the Premises, Purchaser agrees to restore the Premises to substantially its prior condition. Purchaser agrees to indemnify, defend and hold Seller harmless from and against any and all losses, damages, causes of action, claims, liabilities, cost and expenses (including reasonable attorneys' fees and court costs), suffered or incurred by Seller as a result of, directly or indirectly, the conduct of the Tests, surveys and/or environmental assessments or the entry upon the Premises by Purchaser, its agents, contractors, employees, licensees and invitees, which indemnity obligation will survive closing or termination of this Contract for a period of one year from the date of final execution of this Contract. The foregoing will not include, however, any cost, expense, claim or liability arising out of or in any way related to contaminated soil, asbestos or other environmental hazards discovered by the Tests or environmental assessments, or for any pre-existing physical conditions upon the Premises, to the extent that Purchaser did not create or exacerbate such conditions.

7. Possession and Demolition:

A. Possession: Seller covenants to deliver sole and actual possession of the Premises to Purchaser, free and clear of all tenancies and parties in possession on the date title passes to Purchaser, subject to the easements contemplated in this Contract.

B. Demolition: Seller further covenants to demolish and remove from the Premises all signs, encroachments and existing improvements, including foundations and underground tanks, if any, within 10 days after Purchaser notifies Seller that all contingencies and/or conditions precedent have been satisfied or waived. This provision is a contingency of this Contract.

C. As-Is: Purchaser acknowledges that except for any obligations or express warranties and representations contained in this Contract or any instrument, document or agreement to be delivered to Purchaser at Closing, Purchaser is not relying on any written, oral, implied or other

representations, statements or warranties by Seller or any agent of Seller or any real estate broker or salesman. All previous written, oral, implied or other statements, representations, warranties or agreements, if any, are merged herein. Except as expressly set forth herein, Seller will have no liability to Purchaser, and Purchaser hereby releases Seller from any liability (including, but not limited to, contractual and/or statutory actions for contribution or indemnity), for, concerning or regarding (i) the nature and condition of the Premises, including, but not limited to, the suitability thereof for any activity or use; (ii) any improvements or substances located thereon; or (iii) the compliance of the Premises with any laws, rules, ordinances or regulations of any government or other body. PURCHASER ACKNOWLEDGES THAT SELLER HAS MADE NO, AND EXPRESSLY DISCLAIMS ALL, REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS, WHETHER IMPLIED OR BY OPERATION OF LAW, WITH RESPECT TO ANY MATTER AFFECTING THE PREMISES, INCLUDING BUT NOT LIMITED TO: (i) THE CONDITION, SUITABILITY, HABITABILITY, MERCHANTABILITY OR FITNESS OF THE PREMISES FOR PURCHASER'S PLANNED USE OF THE PREMISES; (ii) THE AVAILABILITY OR EXISTENCE OF ANY WATER, SEWER OR UTILITIES (PUBLIC OR PRIVATE); AND (iii) THE EXISTENCE OF ANY HAZARDOUS SUBSTANCE IN, ON, OR ABOUT THE PREMISES. PURCHASER ACKNOWLEDGES THAT THE PREMISES IS BEING SOLD "AS IS". THE PROVISIONS OF THIS PARAGRAPH WILL SURVIVE THE CLOSING HEREUNDER.

8. **Escrow:** This sale will be closed in escrow with the Title Company, under a deed and money escrow agreement conforming with this Contract, within 14 days after all contingencies and/or conditions and provisions of this Contract have been satisfied or waived by Purchaser and the Title Company is prepared to issue its final owner's policy, subject only to the approved title matters. Prior to closing, Seller will submit to Purchaser for approval a copy of the required deed and copies of the restrictive covenants described in Article 3. The submission and approval of these documents is a contingency of this Contract.

Seller and Purchaser agree that because Seller is a government entity exempt from the payment of real estate taxes, there will be no current or outstanding real estate taxes prior to closing. Notwithstanding the foregoing, if there are any outstanding real estate taxes or special assessments due and payable on or before closing, Seller will be responsible for those costs.

If the Premises is part of a larger parcel and is not separately assessed as of the date of closing, Purchaser's prorata share will be calculated in the following manner: (A) in the case of the land, the numerator of the fraction will be the land area of the Premises, and the denominator of the fraction will be the total land area of the property covered by the tax bill; (B) in the case of buildings, if there is no separate assessment for the building(s) on the Premises, the numerator of the fraction will be the area of the building(s) on the Premises, and the denominator of the fraction will be the total area of all buildings located on the property covered by the tax bill. Purchaser's prorata share will not include taxes attributable to improvements, unless there is a building on the Premises and Purchaser intends to use such building. For purposes of this Article 8, the term "**Premises**" will not be deemed to include any easement areas.

All transfer and conveyance taxes or documentary stamps and special real estate taxes and assessments will be paid by Seller. The cost of recording the documents called for in this Contract will be paid by Purchaser. The cost of the escrow will be divided equally between

Seller and Purchaser. Seller and Purchaser will pay other closing costs not expressly identified in this Article 8 according to local custom in Anoka County, Minnesota.

At closing, Seller will deliver the following: (1) the quitclaim deed, pursuant to Article 3 of this Contract; (2) an affidavit indicating that on the Closing Date there are no outstanding, unsatisfied judgments, tax liens or bankruptcies against or involving Seller, that there has been no skill, labor or material furnished to the Premises by or at the request of Seller for which mechanics' liens could be filed, and that there are no other unrecorded interests in the Premises of any kind, including but not limited to any leasehold interests in the Premises, except for those title exceptions of record approved in writing by Purchaser pursuant to Article 3 of this Contract; (3) a Certification Regarding Non-Foreign Status ("Non-Foreign Affidavit"), executed and sworn to under oath on behalf of Seller, in satisfaction of Section 1445(b)(4) of the Internal Revenue Code of 1986, as amended; (4) a settlement statement consistent with this Contract and (5) such certificates and other documentation as Title Company may reasonably request from Seller in order to issue the Owner's Policy to Purchaser.

9. Time of the Essence: Time is of the essence of this Contract, but any defaulting party will have 10 days after receipt of notice of a default to cure before the other party may exercise the remedies available to it under this Contract, namely: Seller may, as Seller's sole remedy, terminate this Contract and retain the earnest money as liquidated damages, and Purchaser may, as Purchaser's sole remedy, terminate this Contract and receive a refund of the earnest money and Seller will further reimburse Purchaser for all title, survey, engineering, architectural, legal and other fees reasonably incurred by Purchaser in reliance on this Contract, up to a maximum amount of \$75,000.00 within 30 days after receipt of a reasonably detailed written invoice from Purchaser (not including the refund of the earnest money). Notwithstanding the foregoing, in the event of litigation between Seller and Purchaser regarding this Contract, the prevailing party will be entitled to recover reasonable attorney fees, costs, and expenses (including expert fees and costs) incurred in connection with the prosecution or defense of such action, including any appeal, in addition to all other relief provided for in this Article 9. For the purposes of this Contract, "prevailing party" will mean the party which obtains the principal relief it has sought, whether by compromise, settlement, judgment or otherwise. In addition, the non-prevailing party will be responsible for payment of any and all actual third party costs and/or expenses (including, without limitation, reasonable attorney's fees and expert fees) incurred by the prevailing party in the enforcement of any of its rights and/or remedies under this Contract.

10. Notices: If at any time, it becomes necessary or convenient for one of the parties to serve notice, demand or communication upon the other party, such notice, demand or communication must be in writing, signed by the party serving notice, sent by nationally recognized overnight carrier or registered or certified United States mail, return receipt requested and postage or other charges prepaid. If intended for Seller, the notice must be addressed to The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, 7550 Sunwood Drive NW, Ramsey, MN 55303 or if intended for Purchaser, the notice must be addressed to One McDonald's Plaza, Oak Brook, IL 60523, Attention: Director, U.S. Legal Department L/C 022-0575 and a copy to 1650 W. 82nd Street, Southpoint Office Center, Suite 900, Bloomington, MN 55431, Attention: Real Estate Manager, L/C 022-0575 or such other address as either party furnishes to the other, in writing, as a place for the service of notice. Any notice so sent will be deemed given as of receipt.

11. Conflicts of Interest: Seller and (if Seller is not an individual) the party(ies) executing this Contract for or on behalf of Seller, or as a representative of Seller, represent that, to the best of his/her/their knowledge, he/she/they, or any person connected directly or indirectly with Seller is/are not (an) agent(s), employee(s), servant(s), supplier(s), licensee(s) or officer(s) of Purchaser or any subsidiary, affiliate or parent corporation or related to any agent, employee, servant, supplier, licensee or officer of Purchaser or any subsidiary, affiliate or parent corporation. The parties executing this Contract acknowledge that Purchaser relies upon Seller's representations as inducement to enter into this Contract. Any misrepresentation will be grounds for Purchaser to terminate this Contract.

12. Covenants: All of the covenants, warranties, representations and agreements in this Contract will survive closing and extend to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties for a period of 1 year after the date of final execution of this Contract. It is understood that there are no oral or written agreements or representations between Seller and Purchaser affecting this Contract; and this Contract supersedes and cancels any and all previous negotiations, arrangements, representations and understandings, if any, between the parties. This Contract may be modified or altered only by an agreement in writing between the parties; and no act or omission of any employee or agent of the parties or any broker, if any, will alter, change or modify any of the provisions of this Contract.

13. No Waiver: No waiver by either party of any term, covenant or condition ("**Provision**") under this Contract by the other party will be effective or binding upon such party unless given in the form of a written instrument signed by such party, and no such waiver will be implied from any omission by such party to take action with respect to such Provision. No express written waiver of any Provision will affect any other Provision or cover any period of time other than the Provision and/or period of time specified in such express waiver. One or more written waiver(s) of any Provision will not be deemed to be a waiver of any subsequent Provision.

14. Authority to Sign: No employee or agent of Purchaser (other than an authorized signatory) has authority to execute this Contract or make any other warranty, representation, agreement or undertaking. The parties' submission of this document for examination and negotiation does not constitute an offer to purchase or a reservation of or option for the Premises and this document will become effective and binding only upon final execution and delivery by Seller and an authorized signatory of Purchaser. The parties executing this Contract on behalf of Seller and Purchaser represent that they have authority and power to sign this Contract on behalf of Seller and Purchaser. No act or omission of any employee or agent of the parties or any broker will alter, change or modify any provisions of this Contract.

15. Anti-Terrorism Representation and Warranty: Seller and Purchaser each represent and warrant that neither they nor the officers and directors controlling Seller and Purchaser, respectively, are acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by the United States Treasury Department as a Specially Designated National and Blocked Person, or for or on behalf of any person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit or supports terrorism; and that they are not engaged in this transaction directly or indirectly on behalf of, or facilitating this transaction directly or indirectly on behalf of, any such person, group, entity or nation. Each party agrees that in the event of a breach of this provision or any applicable law

relating to the subject of this provision, the non-breaching party may take such action as may be necessary in order to comply with this provision and/or the applicable law, including, but not limited to, terminating this Contract.

16. Right of Re-Entry: The deed described in Article 3 of this Contract will contain a reservation of a right of re-entry, which right of re-entry will be superior to any mortgage on the Premises, for breach of conditions subsequent in favor of Seller pursuant to which Seller may commence an action in Anoka County District Court seeking an order re-vesting title to the Premises in Seller if (i) Purchaser does not commence construction of the improvements on the Premises (the "Purchaser's Improvements") within 720 days after the date of the deed; or (ii) Purchaser does not substantially complete the construction of Purchaser's Improvements within 1080 days after the date of the deed. For purposes of this right of re-entry, Purchaser will be deemed to have commenced construction when Purchaser has (a) obtained building permits for the construction of Purchaser Improvements; and (b) caused material or labor to be furnished to the Premises in a manner and to an extent sufficient that a mechanic's lien for such work would attach and take effect pursuant to Minn. Stat. §514.05, and Purchaser will be deemed to have substantially completed construction of Purchaser Improvements when Purchaser opens for business on the Premises. Seller may redeem the Premises from foreclosure, as an owner, within the time allowed by law. The provisions of this Article 16 will survive closing.

17. Section Headings: Article and section headings used in this Contract are for reference and identification only and are not intended to in any way limit or amplify the terms and provisions of this Contract.

18. Assignment: Purchaser will not have the right to assign this Contract or any interest herein without the express written consent of Seller, which consent will not be unreasonably withheld, conditioned or delayed, and in the event Seller consents to such assignment, Purchaser will remain liable for, and the assignee will assume, all obligations of Purchaser hereunder. Notwithstanding the foregoing, Purchaser may, without the consent of Seller, assign this Contract or its rights under this Contract to any affiliate, subsidiary or parent corporation thereof.

19. Governing Law. This Contract will be governed by and construed in accordance with the laws of the State in which the Premises is located. This Contract will be enforced in any state or federal court with proper jurisdiction located in the State of Minnesota.

20. Counterparts: This Contract may be executed in multiple counterparts, each of which will constitute an original hereof, and all of which taken together will constitute one and the same Contract.

21. Days: Any reference to "day" or "days" in this Contract will, unless the context clearly requires otherwise, mean calendar days. Any reference to "business days" will mean calendar days excluding Saturdays, Sundays, or legal holidays of the States of Minnesota and Illinois. Any time period provided herein (whether relating to delivery of documents or other items, or relating to the inspection period, closing or any other matter) that ends on a day that is not a business day will be deemed to be extended to the immediately following business day.

22. Broker's Commission: The parties to this Contract represent to each other that they have not dealt with any real estate agent, broker, finder or any other entity which is or may be entitled to a commission as a result of this transaction, except for Colliers, located at 4350 Baker Road, Minnetonka, Minnesota, 55343. Any party making a misrepresentation under this clause will hold the other party harmless from any loss, costs, or expenses, including reasonable attorneys' fees, arising out of such breach. Notice of any claim under this provision must be given to the other party within 30 days from the date a request for a commission is made. The indemnifying party will have the right to defend and settle any claim.

22. Riders and Exhibits: This Contract includes the following Riders and/or Exhibits, which govern over conflicting provisions (if any) of this Contract, and are made an integral part of this Contract and fully incorporated by reference:

- Exhibit A – Legal Description of the Premises
- Exhibit B – Depiction of Private Access Drives
- Exhibit C – Depiction of Seller's Property to be Restricted
- Exhibit C-1 – Lot 3 Restrictive Covenant
- Exhibit C-2 – Lot 5 and Outlot A Restrictive Covenant
- Exhibits D-1 through D-3 – Sign Easement Depictions
- Exhibit E – Sunwood Retail Common Improvements Overall Cost Estimate
- Seller's Work Rider

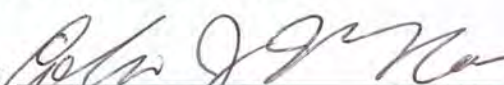
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SELLER'S SIGNATURE PAGE
TO
PURCHASE AGREEMENT
BETWEEN
THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF RAMSEY,
MINNESOTA, A PUBLIC BODY POLITIC AND CORPORATE UNDER THE LAWS OF THE
STATE OF MINNESOTA
AND
MCDONALD'S USA, LLC, A DELAWARE LIMITED LIABILITY COMPANY

SELLER AND PURCHASER, by their execution below, indicate their consent to the terms of this Contract.

SELLER:
**The Housing and Redevelopment Authority
in and for the City of Ramsey, Minnesota,** a
public body corporate and politic under the
laws of the State of Minnesota

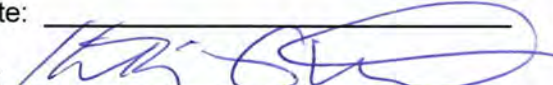
PURCHASER:
McDONALD'S USA, LLC, a Delaware limited
liability company

By: 
Name: Colin McGlone
Its: Board Chair

By:  
Its: Jacob Steinfink, Senior Counsel

Date: _____

Date: 12/19/12

By: 
Name: Kurt Ulrich
Its: Executive Director

Date: 10/25/12

SELLER'S SOCIAL SECURITY or FEDERAL
TAX I.D. # _____
(FORM W-9 ATTACHED FOR EXECUTION)

(ATTACH ACKNOWLEDGMENT CERTIFICATES)

ACKNOWLEDGMENT – McDONALD'S
(No Attestation required)

STATE OF ILLINOIS)
) SS:
COUNTY OF DUPAGE)

I, Michele M. Lechtenberg, a Notary Public in and for the county and state set forth above, CERTIFY that Jacob Steinfink, as Senior Counsel of McDONALD'S USA, LLC, a Delaware limited liability company, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such authorized party, appeared before me this day in person and acknowledged that he/she signed, sealed and delivered this instrument as his/her free and voluntary act as such authorized party and as the free and voluntary act of the company for the uses and purposes described in this instrument.

Given under my hand and notarial seal, this 19 day of December, 2012.

Michele M. Lechtenberg
Notary Public

My commission expires 2/24/16.



ACKNOWLEDGMENT – CORPORATE

STATE OF MN)
) SS:
COUNTY OF ANOKA)

I, JoAnn M. Thieling Notary Public in and for the county and state set forth above, CERTIFY that **The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota**, a public body corporate and politic under the laws of the State of Minnesota, who is personally known to me to be the person whose name is subscribed to the foregoing instrument as such authorized party, appeared before me this day in person and acknowledged that he/she signed, sealed and delivered this instrument as his/her free and voluntary act as such authorized party and as the free and voluntary act of the company/corporation for the uses and purposes described in this instrument.

Given under my hand and notarial seal, this 25th day of October, 2012

JoAnn M. Thieling
Notary Public

My commission expires 1-31-2015.

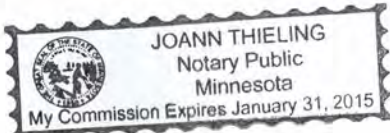


EXHIBIT A

LEGAL DESCRIPTION OF THE PREMISES

LOT 4, BLOCK 1, COR TWO - (Prior to Platting):

THAT PART OF OUTLOT H, RAMSEY TOWN CENTER, ANOKA COUNTY, MINNESOTA DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID OUTLOT H, THENCE SOUTH 00 DEGREES 11 MINUTES 57 SECONDS EAST ASSUMED BEARING ALONG THE WEST LINE OF SAID OUTLOT H, A DISTANCE OF 118.48 FEET TO THE POINT OF BEGINNING; THENCE NORTH 44 DEGREES 47 MINUTES 55 SECONDS EAST, A DISTANCE OF 28.29 FEET; THENCE NORTH 89 DEGREES 47 MINUTES 46 SECONDS EAST, A DISTANCE OF 235.50 FEET; THENCE SOUTH 00 DEGREES 11 MINUTES 57 SECONDS, PARALLEL WITH SAID WEST LINE, A DISTANCE OF 104.81 FEET; THENCE SOUTHERLY 47.96 FEET ALONG A TANGENTIAL CURVE, CONCAVE TO THE EAST, HAVING A RADIUS OF 500.00 FEET AND A CENTRAL ANGLE OF 05 DEGREES 29 MINUTES 43 SECONDS; THENCE SOUTH 05 DEGREES 41 MINUTES 40 SECONDS EAST, TANGENT TO LAST DESCRIBED CURVE, A DISTANCE OF 75.58 FEET; THENCE SOUTHERLY 30.48 FEET ALONG A TANGENTIAL CURVE, CONCAVE TO THE WEST, HAVING A RADIUS OF 500.00 FEET AND A CENTRAL ANGLE OF 03 DEGREES 29 MINUTES 35 SECONDS; THENCE NORTH 64 DEGREES 11 MINUTES 24 SECONDS WEST, NOT TANGENT TO LAST DESCRIBED CURVE, A DISTANCE OF 27.55 FEET; THENCE WESTERLY 90.79 FEET ALONG A TANGENTIAL CURVE, CONCAVE TO THE SOUTH, HAVING A RADIUS OF 200.00 FEET AND A CENTRAL ANGLE OF 26 DEGREES 00 MINUTES 33 SECONDS; THENCE SOUTH 89 DEGREES 48 MINUTES 03 SECONDS WEST, TANGENT TO LAST DESCRIBED CURVE, A DISTANCE OF 154.56 FEET TO SAID WEST LINE OF OUTLOT H; THENCE NORTH 00 DEGREES 11 MINUTES 57 SECONDS WEST, ALONG SAID WEST LINE, A DISTANCE OF 205.98 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

LEGAL DESCRIPTIONS AND DEPICTIONS OF PRIVATE ACCESS DRIVES

Legal Description of the West Access Easement Property

DESCRIPTION SKETCH

FOR: COR TWO ACCESS EASEMENT

LEGAL DESCRIPTION

AN INGRESS AND EGRESS EASEMENT OVER AND ACROSS THAT PART OF LOTS 3, 4 AND 5, BLOCK 1, COR TWO, ANOKA COUNTY, DESCRIBED AS FOLLOWS:

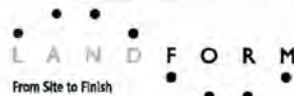
COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 4; THENCE NORTH 00 DEGREES 11 MINUTES 57 SECONDS WEST, ASSUMED BEARING ALONG THE WEST LINE OF SAID LOT 4, A DISTANCE OF 20.00 FEET; THENCE NORTH 89 DEGREES 48 MINUTES 03 SECONDS EAST, PARALLEL WITH THE SOUTH LINE OF SAID LOT 4, A DISTANCE OF 154.56 FEET; THENCE SOUTHEASTERLY 83.66 FEET, PARALLEL WITH SAID SOUTH LINE AND ALONG A TANGENTIAL CURVE, CONCAVE TO THE SOUTH, HAVING A RADIUS OF 220.00 FEET, A CENTRAL ANGLE OF 21 DEGREES 47 MINUTES 14 SECONDS AND A CHORD THAT BEARS SOUTH 79 DEGREES 18 MINUTES 20 SECONDS EAST; THENCE NORTH 53 DEGREES 55 MINUTES 25 SECONDS EAST, A DISTANCE OF 15.17 FEET; THENCE NORTH 05 DEGREES 41 MINUTES 40 SECONDS WEST, PARALLEL WITH THE EAST LINE OF SAID LOT 4, A DISTANCE OF 58.96 FEET; THENCE NORTHERLY 40.39 FEET, PARALLEL WITH SAID EASTERLY LINE AND ALONG A TANGENTIAL CURVE, CONCAVE TO THE EAST, HAVING A RADIUS OF 515.00 FEET AND A CENTRAL ANGLE OF 5 DEGREES 29 MINUTES 43 SECONDS; THENCE NORTH 00 DEGREES 11 MINUTES 57 SECONDS WEST, PARALLEL WITH SAID WEST LINE, A DISTANCE OF 104.81 FEET TO THE NORTH LINE OF SAID LOT 4, THENCE NORTH 89 DEGREES 47 MINUTES 46 SECONDS EAST, ALONG SAID NORTH LINE, A DISTANCE OF 15.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 4; THENCE CONTINUING NORTH 89 DEGREES 47 MINUTES 46 SECONDS EAST, ALONG THE NORTH LINE OF SAID LOT 5, A DISTANCE OF 15.00 FEET; THENCE SOUTH 00 DEGREES 11 MINUTES 57 SECONDS, PARALLEL WITH SAID EAST LINE OF SAID LOT 4 AND THE WEST LINE OF SAID LOT 5, A DISTANCE OF 104.81 FEET; THENCE SOUTHERLY 46.52 FEET, PARALLEL WITH SAID WEST LINE AND ALONG A TANGENTIAL CURVE, CONCAVE TO THE EAST, HAVING A RADIUS OF 485.00 FEET AND A CENTRAL ANGLE OF 5 DEGREES 29 MINUTES 43 SECONDS; THENCE SOUTH 05 DEGREES 41 MINUTES 40 SECONDS EAST, PARALLEL WITH SAID WEST LINE, A DISTANCE OF 75.58 FEET; THENCE SOUTH 32 DEGREES 49 MINUTES 06 SECONDS EAST, A DISTANCE OF 27.46 FEET; THENCE SOUTH 64 DEGREES 11 MINUTES 24 SECONDS EAST, PARALLEL WITH THE SOUTH LINE OF SAID LOT 5, A DISTANCE OF 29.82 FEET; THENCE SOUTHEASTERLY 47.50 FEET, PARALLEL WITH SAID SOUTH LINE AND ALONG A TANGENTIAL CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 180.00 FEET AND A CENTRAL ANGLE OF 15 DEGREES 07 MINUTES 07 SECONDS AND A CHORD THAT BEARS SOUTH 71 DEGREES 44 MINUTES 57 SECONDS EAST; THENCE SOUTH 00 DEGREES 11 MINUTES 57 SECONDS EAST, A DISTANCE OF 40.60 FEET; THENCE NORTHWESTERLY 65.72 FEET, PARALLEL WITH THE NORTH LINE OF SAID LOT 3 AND ALONG A NON-TANGENTIAL CURVE, CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 220.00 FEET AND A CENTRAL ANGLE OF 17 DEGREES 07 MINUTES 00 SECONDS AND A CHORD THAT BEARS NORTH 72 DEGREES 44 MINUTES 54 SECONDS; THENCE NORTH 64 DEGREES 11 MINUTES 24 SECONDS WEST, PARALLEL WITH THE NORTH LINE OF SAID LOT 3 AND TANGENT TO LAST DESCRIBED CURVE, A DISTANCE OF 78.49 FEET; THENCE WESTERLY 81.71 FEET, PARALLEL WITH SAID SOUTH LINE AND ALONG A TANGENTIAL CURVE, CONCAVE TO THE SOUTH HAVING A RADIUS OF 180.00 FEET AND A CENTRAL ANGLE OF 26 DEGREES 00 MINUTES 33 SECONDS; THENCE SOUTH 89 DEGREES 48 MINUTES 03 SECONDS WEST, PARALLEL WITH SAID NORTH LINE AND TANGENT TO LAST DESCRIBED CURVE, A DISTANCE OF 154.56 FEET TO THE WEST LINE OF SAID LOT 3, THENCE NORTH 00 DEGREES 11 MINUTES 57 SECONDS WEST, ALONG SAID WEST LINE, A DISTANCE OF 20.00 FEET TO THE POINT OF BEGINNING.

PAGE 1 OF 3

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly licensed Land Surveyor under the laws of the State of Minnesota.

Scott C. Trosen

SCOTT C. TROSEN Date: 08.06.12
License No. 47465 Revise:

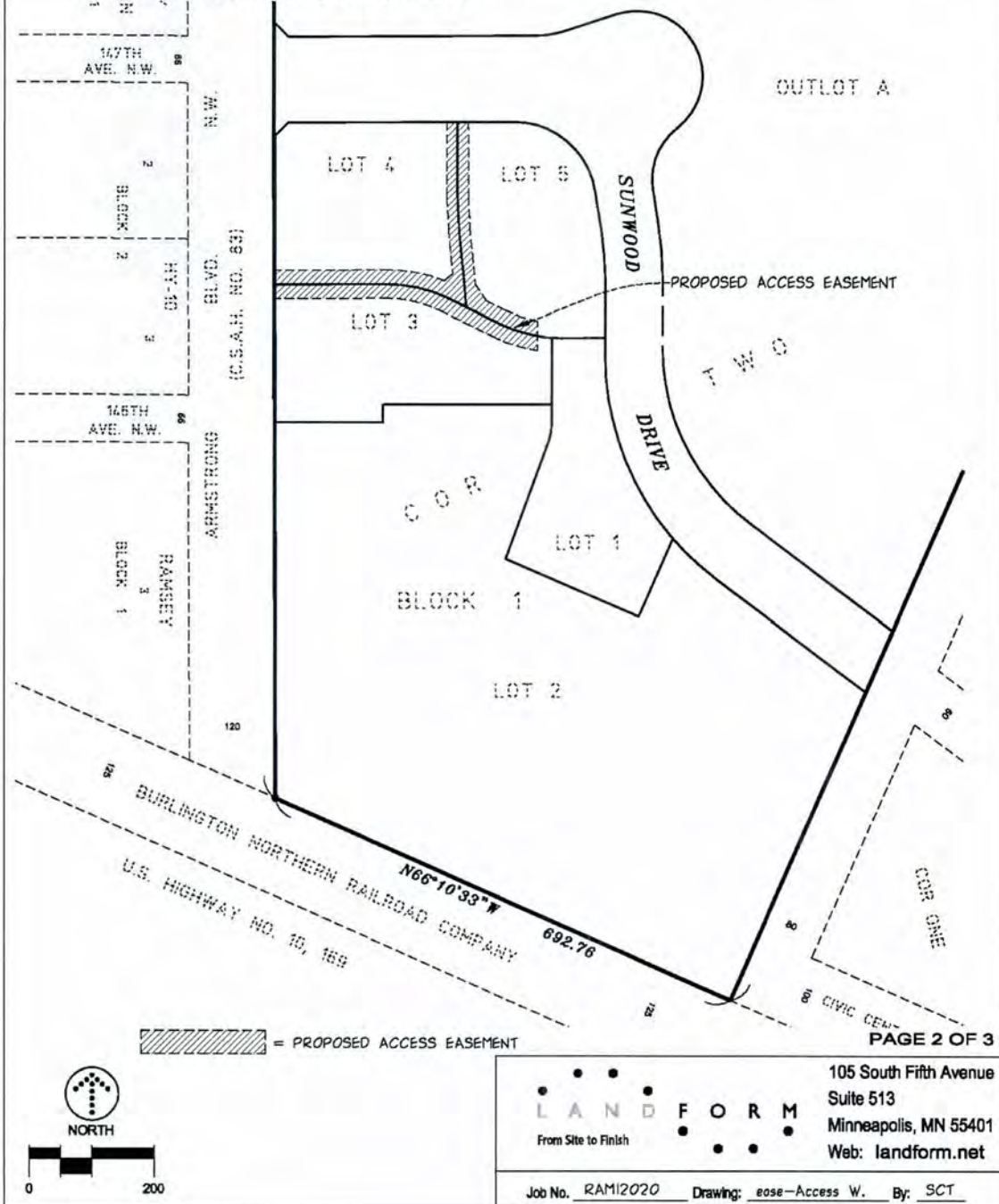


105 South Fifth Avenue
Suite 513
Minneapolis, MN 55401
Web: landform.net

Job No. RAM12020 Drawing: ease-Access W. By: SCT

DESCRIPTION SKETCH

FOR: COR TWO ACCESS EASEMENT



PAGE 2 OF 3

LANDFORM
From Site to Finish

105 South Fifth Avenue
Suite 513
Minneapolis, MN 55401
Web: landform.net

Job No. RAM2020 Drawing: ease-Access W. By: SCT

EXHIBIT B

DESCRIPTION SKETCH

FOR: COR TWO ACCESS EASEMENT

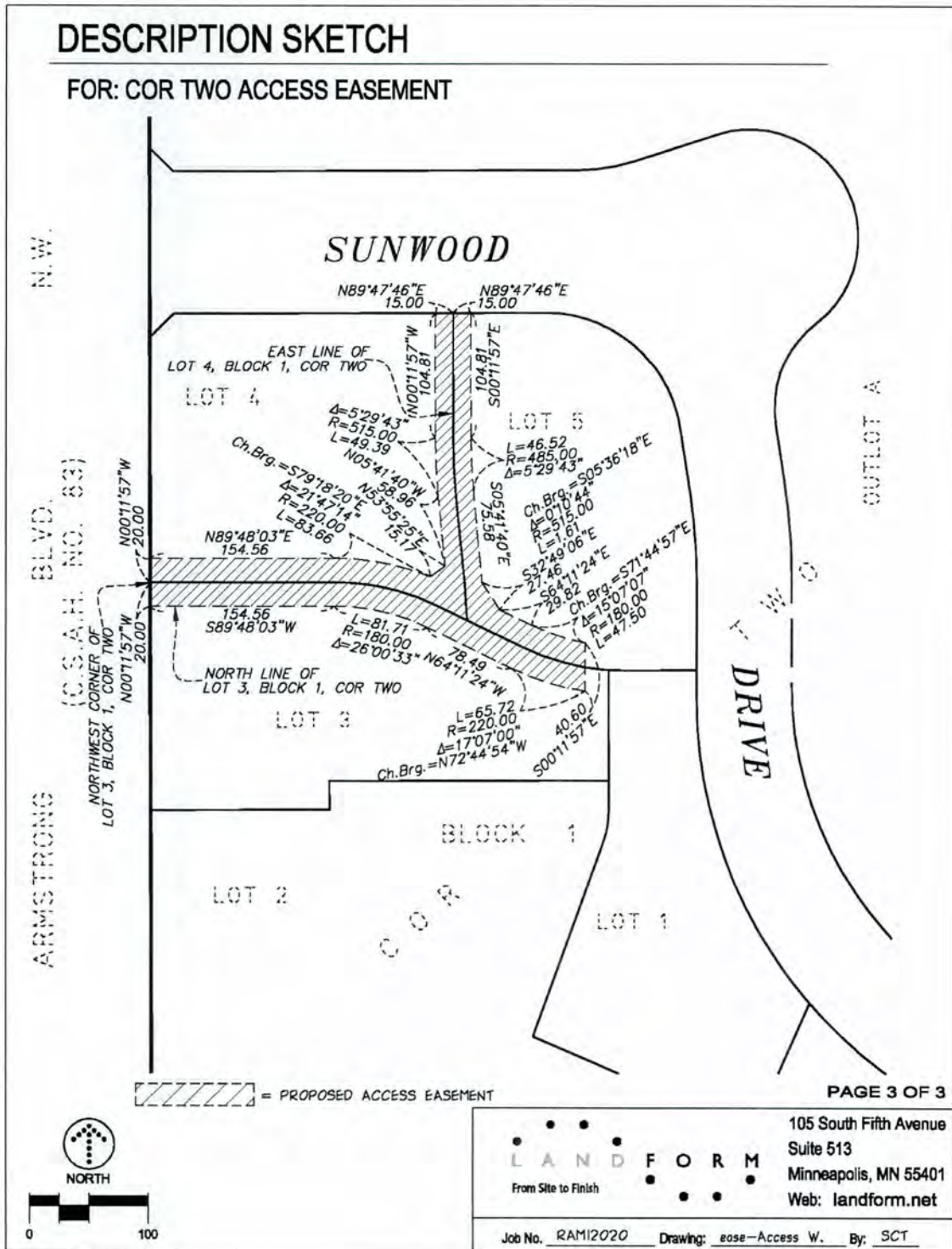


EXHIBIT B

Legal Description of the East Access Easement Property

DESCRIPTION SKETCH

FOR: COR TWO ACCESS EASEMENT

LEGAL DESCRIPTION

AN INGRESS AND EGRESS EASEMENT OVER AND ACROSS THAT PART OF LOTS 1, 2, 3 AND 5, BLOCK 1, COR TWO, ANOKA COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID LOT 1; THENCE SOUTH 00 DEGREES 11 MINUTES 57 SECONDS, ASSUMED BEARING, ALONG THE EAST LINE OF SAID LOT 1, A DISTANCE OF 20.00 FEET; THENCE SOUTH 89 DEGREES 48 MINUTES 03 SECONDS WEST, PARALLEL WITH THE NORTH LINE OF SAID LOT 1, A DISTANCE OF 29.00 FEET; THENCE SOUTH 44 DEGREES 48 MINUTES 03 SECONDS WEST, A DISTANCE OF 35.36 FEET; THENCE SOUTH 00 DEGREES 11 MINUTES 57 SECONDS, PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1, A DISTANCE OF 71.19 FEET; THENCE SOUTHERLY 35.68 FEET, PARALLEL WITH SAID WESTERLY LINE AND ALONG A TANGENTIAL CURVE CONCAVE TO THE WEST, HAVING A RADIUS OF 102.00 FEET AND A CENTRAL ANGLE OF 20 DEGREES 02 MINUTES 36 SECONDS; THENCE SOUTH 19 DEGREES 50 MINUTES 39 SECONDS WEST, PARALLEL WITH SAID WEST LINE AND TANGENT TO LAST DESCRIBED CURVE, A DISTANCE OF 174.53 FEET TO THE SOUTH LINE OF SAID LOT 1, THENCE NORTH 66 DEGREES 37 MINUTES 45 SECONDS WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 20.04 FEET TO THE SOUTHWEST CORNER OF SAID LOT 1; THENCE CONTINUING NORTH 66 DEGREES 37 MINUTES 45 SECONDS WEST, ON THE NORTHWESTERLY EXTENSION OF THE SOUTH LINE OF SAID LOT 1 A DISTANCE OF 20.04 FEET; THENCE NORTH 19 DEGREES 50 MINUTES 39 SECONDS, PARALLEL WITH SAID WESTERLY LINE OF LOT 1 AND THE EASTERLY LINE OF LOT 2, A DISTANCE OF 172.06 FEET; THENCE NORTHERLY, 21.69 FEET, PARALLEL WITH SAID EASTERLY LINE AND ALONG A TANGENTIAL CURVE, CONCAVE TO THE WEST, HAVING A RADIUS OF 62.00 FEET AND A CENTRAL ANGLE OF 20 DEGREES 02 MINUTES 36 SECONDS; THENCE NORTH 00 DEGREES 11 MINUTES 57 SECONDS WEST, PARALLEL WITH SAID EASTERLY LINE OF SAID LOT 2 AND THE EASTERLY LINE OF SAID LOT 3 AND ITS NORTHERLY EXTENSION, A DISTANCE OF 139.43 FEET; THENCE EASTERLY, PARALLEL WITH THE SOUTH LINE OF SAID LOT 5 AND ALONG A NON-TANGENTIAL CURVE, CONCAVE TO THE NORTH, HAVING A RADIUS OF 180.00 FEET, A CENTRAL ANGLE OF 10 DEGREES 53 MINUTES 26 SECONDS AND A CHORD THAT BEARS 84 DEGREES 45 MINUTES 14 SECONDS EAST; THENCE NORTH 89 DEGREES 48 MINUTES 03 SECONDS EAST, PARALLEL WITH THE SAID SOUTH LINE, A DISTANCE OF 59.99 FEET TO THE EASTERLY LINE OF SAID LOT 5, THENCE SOUTH 00 DEGREES 11 MINUTES 57 SECONDS EAST ALONG SAID EAST LINE, A DISTANCE OF 20.00 FEET TO THE POINT OF BEGINNING.

PAGE 1 OF 3

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly licensed Land Surveyor under the laws of the State of Minnesota.

Scott C. Trosen

SCOTT C. TROSEN Date: 08.06.12
License No. 47465 Revised:

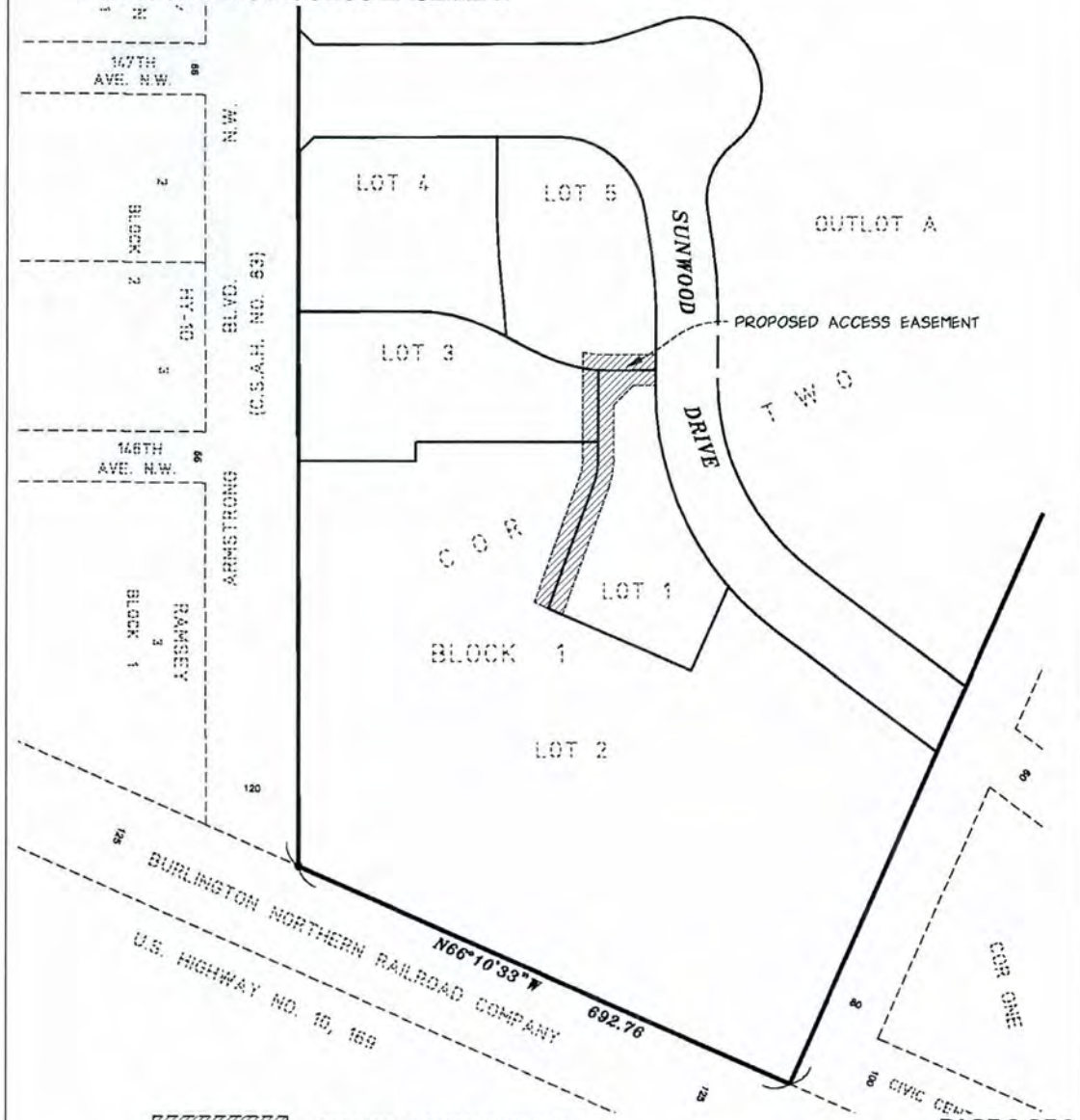


105 South Fifth Avenue
Suite 513
Minneapolis, MN 55401
Web: landform.net

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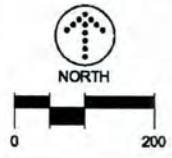
DESCRIPTION SKETCH

FOR: COR TWO ACCESS EASEMENT



 = PROPOSED ACCESS EASEMENT

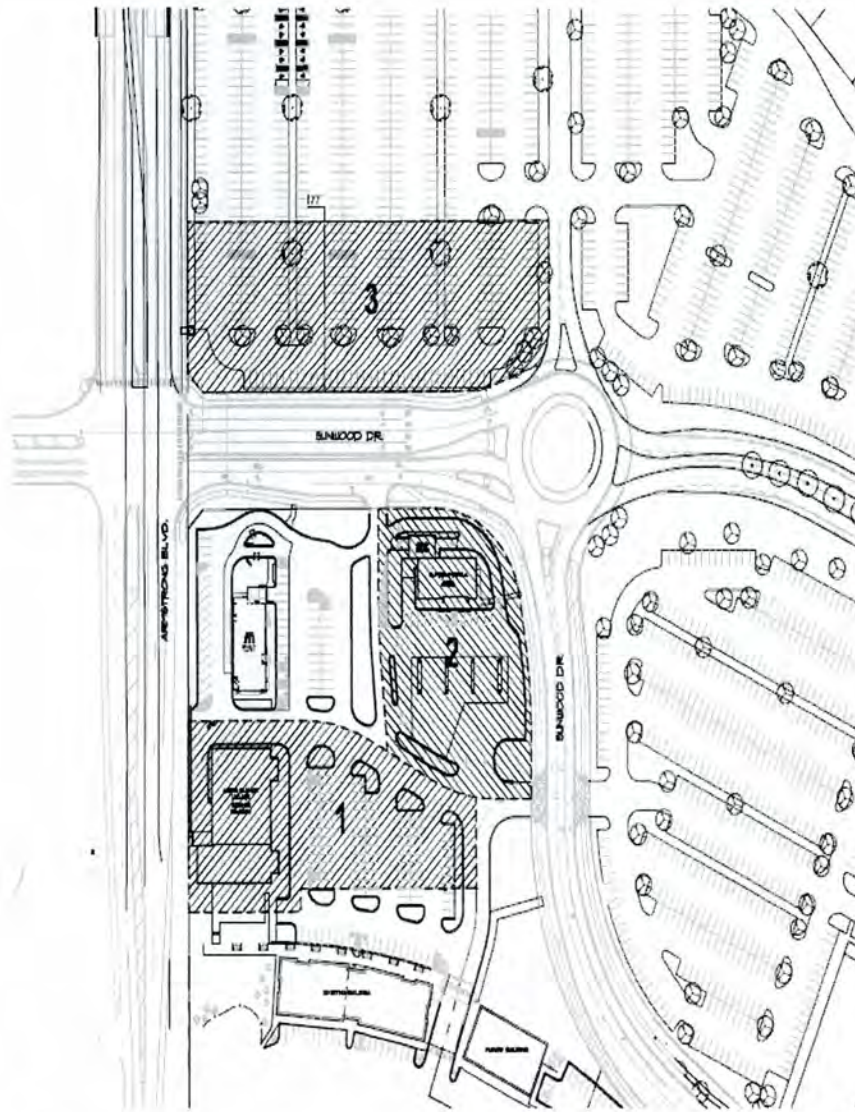
PAGE 2 OF 3



LANDFORM
From Site to Finish

105 South Fifth Avenue
Suite 513
Minneapolis, MN 55401
Web: landform.net

Job No. RAMI2020 Drawing: eose-Access E. By: SCT



THE COR

HAMERY, MINNESOTA

LEGAL DESCRIPTIONS FOR RESTRICTION AREA'S

AREA 1
LOT 3, BLOCK 1, COR TWO

AREA 2
LOT 5, BLOCK 1, COR TWO

AREA 3
THAT PART OF OUTLOT A, COR TWO ANDA COUNTY, MINNESOTA LYING SOUTHERLY AND WESTERLY OF THE FOLLOWING DESCRIBED LINE:
BEGINNING AT A SOUTHWESTERLY CORNER OF SAID OUTLOT A, SAID POINT BEING THE INTERSECTION OF THE NORTH-SOUTH OF WAY LINE OF SUNWOOD DRIVE AND THE EAST RIGHT-OF-WAY OF ARMISTONG BOULEVARD N.W.; THENCE NORTH 00 DEGREES 11 MINUTES 37 SECONDS WEST, ASSUMED BEARING ALONG THE WEST LINE OF OUTLOT A, A DISTANCE OF 197.00 FEET TO THE POINT OF BEGINNING OF THE LINE TO BE DESCRIBED; THENCE NORTH 09 DEGREES 47 MINUTES 46 SECONDS EAST, PARALLEL WITH A SOUTHERLY LINE OF SAID OUTLOT A, A DISTANCE OF 405.50 FEET; THENCE SOUTH 00 DEGREES 11 MINUTES 37 SECONDS EAST, PARALLEL WITH SAID EAST LINE, A DISTANCE OF 146.5 FEET TO A SOUTHERLY LINE OF SAID OUTLOT A AND SAID LINE THERE TERMINATING.



NORTH



USE RESTRICTION AREA'S

10-01-2012

Ramsey, MN
Sunwood Drive
L/C: 022-0575

Prepared by: Gillian Bregman
After recording, return to: Kim Delmedico
McDONALD'S CORPORATION
One McDonald's Plaza
Oak Brook, Illinois 60523

RESTRICTIVE COVENANT

The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, a public body corporate and politic under the laws of the State of Minnesota ("Grantor") wishes to enter into a contract ("Contract") with **McDONALD'S USA, LLC, a Delaware limited liability company** ("Grantee") to sell to Grantee a parcel of real estate described on Exhibit A attached ("the Premises").

As an inducement for Grantee to enter into the Contract with Grantor, Grantor has agreed to record a Restrictive Covenant affecting the use of Grantor's parcel of real estate located adjacent to the Premises, as described on Exhibit B and as depicted as Area 1 on Exhibit C ("Lot 3").

THEREFORE, in consideration of ONE DOLLAR AND NO CENTS (\$1.00), and other good and valuable consideration, the receipt of which is hereby acknowledged, Grantor promises and declares that Lot 3 will not be leased, used or occupied as a Quick Service Restaurant and further, that Lot 3 will only be primarily used for non-restaurant retail purposes (although its ancillary uses will remain unrestricted) for a period of 20 years from the date listed in this Restrictive Covenant; provided, however, that if (a) Grantee is not operating a McDonald's Restaurant within 545 days after the date listed in this Restrictive Covenant or (b) if Grantee opens and operates a McDonald's Restaurant and at any time within said 20 year period ceases operating the McDonald's Restaurant for a period of more than 180 days other than as the result of a casualty or any other conditions that are beyond the reasonable control of any party to this Restrictive Covenant and not due to the fault or negligence of such party, this Restrictive Covenant shall be null and void and of no further force or effect. The term "Quick Service Restaurant" for purposes of this restriction shall be defined as any restaurant or food service establishment with drive thru service, drive-in service or pedestrian walk-up window service whose primary business consists of or whose marketing strategy is based on the sale of hamburgers, ground meat or meat substitute sandwiches, or a combination of ground meat and meat substitute sandwiches, or any other type of meat products, any of which are served in sandwich form or chicken served in sandwich form. Any food service establishment which offers as the primary method of service for all meal times, food and drink orders taken by and served by a waiter or waitress at the customer's table is excluded from the term Quick Service Restaurant. Notwithstanding the foregoing, a restaurant with drive-thru facilities that sells as its primary product hamburgers, ground beef or ground beef products in sandwich form or chicken in sandwich form shall be included in the term "Quick Service Restaurant". In addition, and not by way of example, the following restaurants operating under the listed trade names, or operating under any successor trade names, are prohibited within the area described on Exhibit B, attached:

Apollo Burgers
 Bison Jack's
 Burger King
 Checkers
 Culver's
 Fatburger
 Fuddruckers
 Iceberg Drive Inn
 Jake's Wayback Burgers
 Rally's
 Smashburger
 Wendy's
 Bojangles'
 El Pollo Loco
 Pollo Tropical

Astro Burgers
 Bobby's Burger Palace
 Burger Street
 Cheeburger Cheeburger
 DQ Grill & Chill
 Five Guys
 Hardee's
 In-N-Out Burger
 Johnny Rockets
 Roy Rogers
 Sonic
 Whataburger
 Brown's Chicken
 KFC
 Popeyes

Back Yard Burgers
 Burger 21
 Carl's Jr.
 Crown Burgers
 Elevation Burger
 Five Napkin Burger
 Hires Big H
 Jack in the Box
 Krystal
 Shake Shack
 Steak 'n Shake
 White Castle
 Chick-fil-A
 Pollo Campero
 Raising Cane's

As of the date of this Restrictive Covenant, Grantor is under contract to sell Lot 3 to M&W Holding Company, LLC, a Minnesota limited liability company (the "Next Lot 3 Owner"). This restriction will become effective and will run with Lot 3 upon the first of the following: (a) alienation in the form of transfer of title of Lot 3 to any owner who receives fee title to Lot 3 from the Next Lot 3 Owner, or (b) alienation in the form of the subleasing or assignment of any leasehold interest held by the lessee of Lot 3 under any lease agreement between the Next Lot 3 Owner and such lessee, as the term of such lease may be extended. Notwithstanding the foregoing, if Grantor sells Lot 3 to anyone other than the Next Lot 3 Owner, its member, Jeffrey Wise, or any subsidiary or affiliate of M&W Holding Company, LLC, in which the majority interest is held by Jeffrey Wise or M&W Holdings, LLC, or if the Next Lot 3 Owner, its member, Jeffrey Wise, or any subsidiary or affiliate of M&W Holding Company, LLC in which the majority interest is held by Jeffrey Wise or M&W Holdings, LLC, does not close on its purchase of Lot 3 prior to January 31, 2014, the foregoing paragraph will not apply and the restriction will be enforced as above. This restriction will inure to the benefit of Grantee and be binding upon Grantor and Grantor's successors and assigns.

Grantor has executed this Restrictive Covenant, this ____ day of _____, 2012.

GRANTOR:
Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota,
 a public body corporate and politic under the laws of the State of Minnesota

GRANTEE:
McDONALD'S USA, LLC,
 a Delaware limited liability company

By _____
 Printed _____ Name: _____
 Its _____

By _____
 Printed _____ Name: _____
 Its _____

*(CITY/STATE)
*(Address)
L/C: *
File #*

Prepared by: *
After recording, return to: *
McDONALD'S CORPORATION
One McDonald's Plaza
Oak Brook, Illinois 60523

RESTRICTIVE COVENANT

Under a Contract dated _____, 2012, ("Contract") The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, a public body corporate and politic under the laws of the State of Minnesota ("Grantor") agreed to convey to McDONALD'S USA, LLC, a Delaware limited liability company ("Grantee") a parcel of real estate described on Exhibit A attached ("the Premises").

One of the terms of that Contract required Grantor to record a Restrictive Covenant affecting the use of certain portions of Grantor's other property located adjacent to the Premises, as legally described on Exhibit B, and as depicted as Areas 2 and 3 on Exhibit C.

THEREFORE, in consideration of the terms and conditions contained in that Contract, Grantor promises and declares that the property described on Exhibit B will not be leased, used or occupied as a Quick Service Restaurant for a period of 20 years from the date listed in this Restrictive Covenant; provided, however, that if (a) Grantee is not operating a McDonald's Restaurant within 545 days after the date listed in this Restrictive Covenant or (b) if Grantee opens and operates a McDonald's Restaurant and at any time within said 20 year period ceases operating the McDonald's Restaurant for a period of more than 180 days other than as the result of a casualty or any other conditions, which are beyond the reasonable control of any party to this Restrictive Covenant and not due to the fault or negligence of such party, this Restrictive Covenant will be null and void and of no further force or effect. The term "Quick Service Restaurant" for purposes of this restriction will be defined as any restaurant or food service establishment with drive thru service, drive-in service or pedestrian walk-up window service whose primary business consists of or whose marketing strategy is based on the sale of hamburgers, ground meat or meat substitute sandwiches, or a combination of ground meat and meat substitute sandwiches, or any other type of meat products, any of which are served in sandwich form or chicken served in sandwich form. Any food service establishment which offers, as the primary method of service for all meal times, food and drink orders taken by and served by a waiter or waitress at the customer's table is excluded from the term Quick Service Restaurant. Notwithstanding the foregoing, a restaurant with drive-thru facilities that sells as its primary product hamburgers, ground beef or ground beef products in sandwich form or chicken in sandwich form will be included in the term "Quick Service Restaurant". In addition, and not by way of example, the following restaurants operating under the listed trade names, or operating under any successor trade names, are prohibited within the area described on Exhibit B:

Apollo Burgers
Bison Jack's
Burger King
Checkers
Culver's
Fatburger
Fuddruckers
Iceberg Drive Inn
Jake's Wayback Burgers
Rally's
Smashburger
Wendy's
Bojangles'
El Pollo Loco
Pollo Tropical

Astro Burgers
Bobby's Burger Palace
Burger Street
Cheeburger Cheeburger
DQ Grill & Chill
Five Guys
Hardee's
In-N-Out Burger
Johnny Rockets
Roy Rogers
Sonic
Whataburger
Brown's Chicken
KFC
Popeyes

Back Yard Burgers
Burger 21
Carl's Jr.
Crown Burgers
Elevation Burger
Five Napkin Burger
Hires Big H
Jack in the Box
Krystal
Shake Shack
Steak 'n Shake
White Castle
Chick-fil-A
Pollo Campero
Raising Cane's

This restriction runs with the land described on Exhibits A and B and will inure to the benefit of Grantee and be binding upon Grantor and Grantor's successors and assigns.

Grantor has executed this Restrictive Covenant, this ____ day of _____, 2012.

GRANTOR:

WITNESS

By

Its

ATTEST:

By

Its

(Attach Exhibits A, B and C)

SIGN EXHIBITS

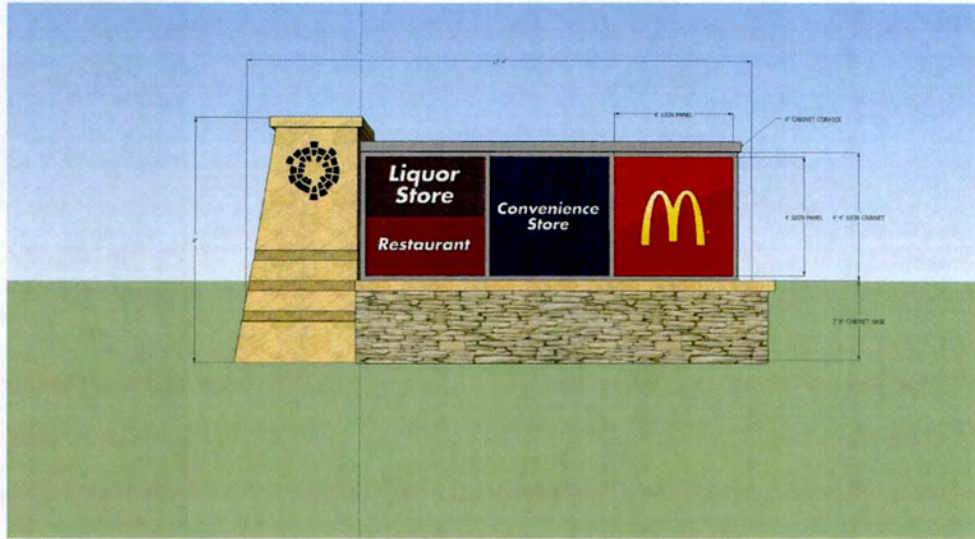
EXHIBIT D-1: PROJECT ENTRY SIGN

EXHIBIT D-2: PROJECT GATEWAY SIGN

EXHIBIT D-3: COMMUNITY PYLON

EXHIBIT D-4: TEMPORARY PYLON SIGN

EXHIBIT D-1
PROJECT ENTRY SIGN



PROJECT ENTRY SIGN

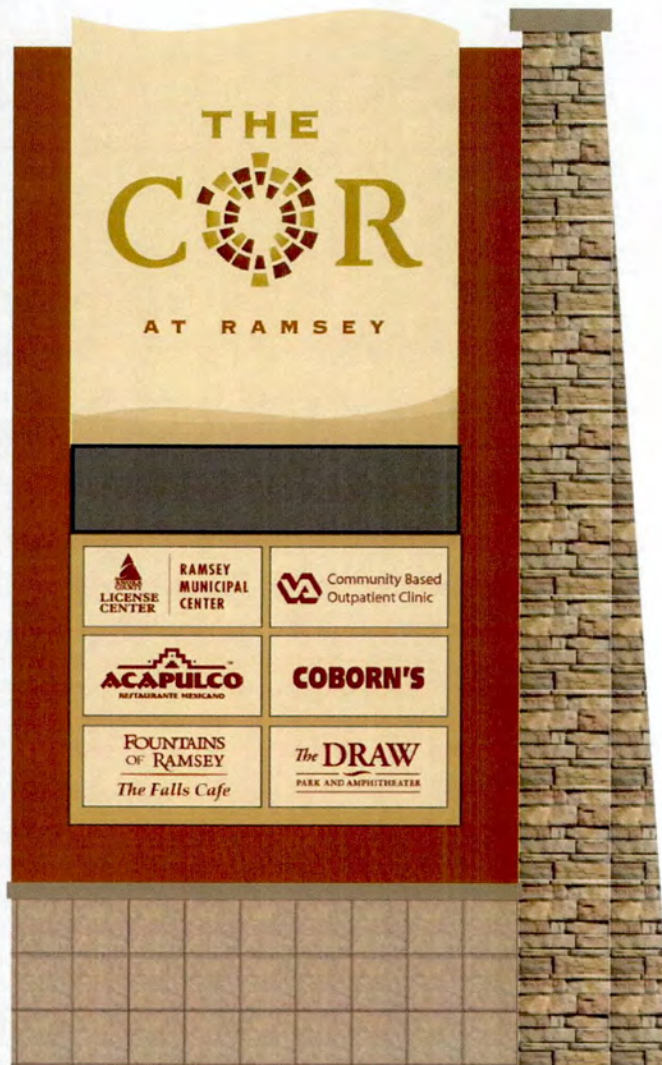
EXHIBIT D-2

PROJECT GATEWAY SIGN



PROJECT GATEWAY SIGN

EXHIBIT D-3
COMMUNITY PYLON

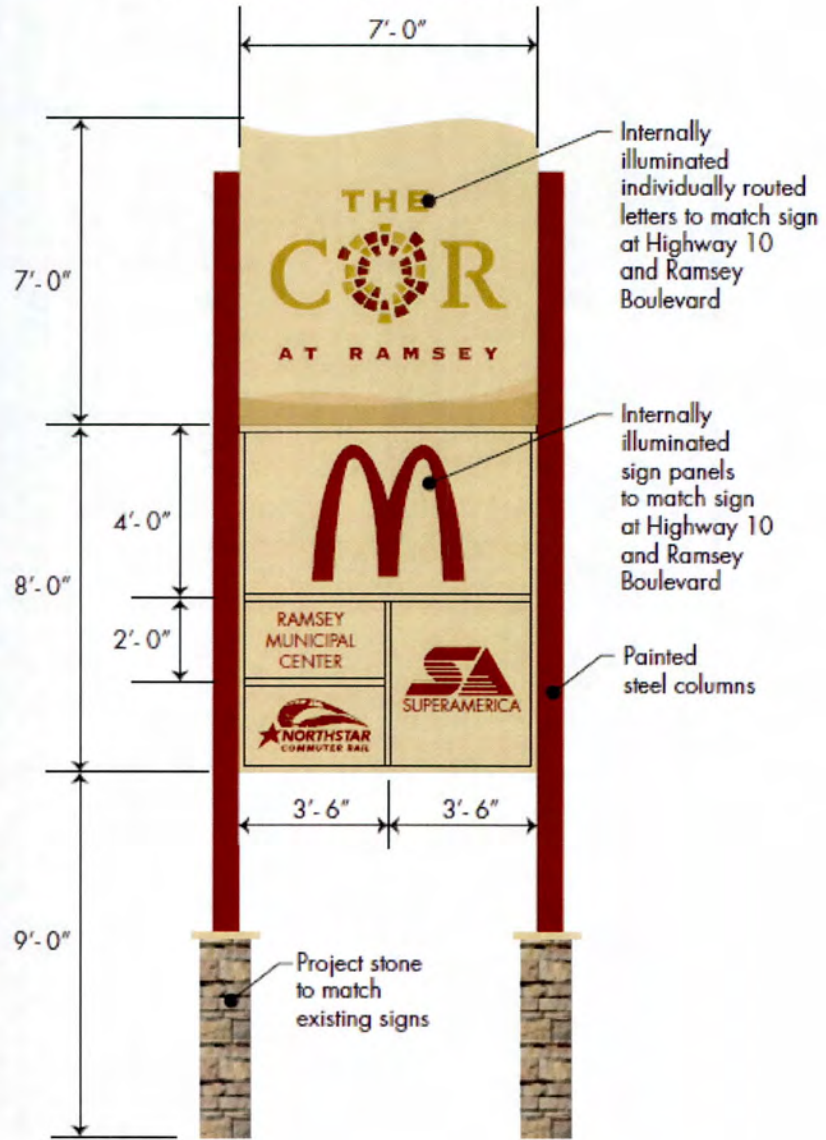


COMMUNITY PYLON

Westbound View

EXHIBIT D-4

TEMPORARY PYLON SIGN



SIGN AT HIGHWAY 10 & ARMSTRONG BOULEVARD

Overall Cost Estimate
Project: Sunwood Retail Common Improvements
Ramsey, MN



	HRA (LOT 1 & 2, BLOCK 1)	HRA (COSTS ASSOC, W/ LOT 4, BLOCK 1)	WISER CHOICE (LOT 3, BLOCK 1)	McDONALDS (LOT 4, BLOCK 1)	SUPERAMERICA (LOT 5, BLOCK 1)	
Item						Total Price
Mobilization	3,000	-	3,000	3,000	3,000	12,000
Clearing & Erosion Control	1,719	-	2,057	2,641	2,756	9,173
Grading / Earthwork	2,089	-	2,428	2,944	3,069	10,540
Bituminous Pavement w/ Aggregate Base	-	-	14,689	13,641	9,581	37,920
Concrete Pavement w/ Aggregate Base	6,404	-	-	-	-	6,404
Curb & Gutter	560	-	2,534	2,590	-	5,684
Storm Sewer (including Stormwater Treatment)	-	29,183	29,606	-	26,311	85,100
Sanitary Sewer (including Dewatering)	-	15,680	-	-	14,920	30,600
Watermain	-	13,130	-	-	13,130	26,260
Lighting	8,041	-	14,918	16,029	13,913	52,900
Landscaping (Tree's, Seed)	3,083	-	-	27	21	3,130
	24,905	57,993	68,242	40,870	86,700	279,711

10% Contingency:	\$27,971.14
Subtotal	\$307,682.50

20% Indirect Costs	\$64,613.32
Grand Total	\$372,295.82

SELLER'S WORK RIDER

This Seller's Work Rider ("**Seller's Work Rider**") is attached to and forms a part of the Real Estate Contract dated _____, 2012, ("**Contract**") between **The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota**, a public body corporate and politic under the laws of the State of Minnesota ("**Seller**") and **McDONALD'S USA, LLC**, a Delaware limited liability company ("**Purchaser**"). Seller and Purchaser agree as follows:

1. **Seller's Work:** Seller promises to perform all work described in the Contract and the work set forth in this Seller's Work Rider (collectively "**Seller's Work**") including extending certain utilities to the Premises meeting Purchaser's specifications and completing site preparation as set forth in Article 1C of this Seller's Work Rider.

A. **Utilities:** Seller will extend sanitary and storm sewer lines and water main(s) to the Premises meeting Purchaser's specifications within 30 days from the date Purchaser notifies Seller that Purchaser has obtained all necessary permits and approvals and Purchaser delivers Purchaser's plans and specifications for the utilities to Seller. Seller will pay any and all impact, tap and connection fees associated with such utilities.

B. **Intentionally Deleted.**

C. **Site Preparation:** Seller agrees to clear, fill, compact and grade the Premises and the access roads, drives and parking areas adjacent to the Premises and required for access to the Premises to those finished elevations mutually acceptable to Seller and Purchaser. Seller must clear the existing subgrade of all large stones, sod, wood, mud and other debris, including all foundations and underground tanks and utility lines. Seller will fill all holes and other irregularities and compact same before the main fill is placed. The fill material must consist of granular materials, free of rock or gravel greater than 2 inches in diameter, such as bank-run sand, gravel, crushed stones, crushed air-cooled blast furnace slag weighing not less than 70 lbs. per cubic foot, or other granular material approved by Purchaser. Cinders, foundry sand, clay or silt are not acceptable.

Seller must remove soils with a UBC Expansion Index greater than 15 within the upper 2 feet of pad subgrade (soil grade) and replace same with non-expansive material. Imported non-expansive fill should consist of a well graded, slightly cohesive, fine silty sand or sandy silt soil. This material should possess the following characteristics:

Percent Passing No. 200 Sieve	20 to 50
Plasticity Index	10 maximum
UBC Standard 29-2 Expansion Index	15 maximum

On-site soil with a UBC Expansion Index between 15 and 50 may be utilized below 2 feet of soil grade.

Seller must remove any undocumented fill on the Premises and recompact the Premises to the minimum standards set forth in this Seller's Work Rider.

Seller must place the fill in layers not exceeding 8 inches in loose depth for heavy equipment or 4 inches in loose depth for material compacted by hand-operated tampers. Seller must install the fill to a finished grade of +/- 1 foot (one foot) of the finished pad elevation, as defined in Purchaser's approved grading plan. Seller will thoroughly compact fill material to 95% of the maximum dry soil density, as defined by ASTM 1557-91, by rolling, vibrating or tamping, or by a combination of these methods or as prescribed in the soils report for the Premises ("**Soils Report**"). Seller will not use bulldozers and trucks as compacting equipment. The Premises will be delivered to Purchaser in an interim grading condition facilitating sheet drainage across the site to interim drainage facilities. Earthwork on the Premises as delivered to Purchaser will balance within 200 cubic yards.

Soil at all foundation locations must have a minimum soil bearing capacity of 2000 pounds per square foot. The subgrade must be well drained and of adequate and uniform load bearing nature. Any clay subgrade must be covered with at least one inch of granular material, such as bank-run sand.

After the site preparation work set forth in this Seller's Work Rider is complete, Seller will provide, at Seller's sole cost, a compaction report certified and signed by a licensed civil/geotechnical engineer showing that the site preparation work is complete as required in this Seller's Work Rider. Purchaser may, at Purchaser's option, have borings and other soil tests performed after the above work is complete to determine if such work meets the standards set forth in this Seller's Work Rider. If, in Purchaser's reasonable opinion, such standards have not been met, Seller will immediately, upon notice from Purchaser, correct all deficiencies.

Purchaser's acceptance of the site is further contingent upon Purchaser's receipt of a report from a licensed surveyor certifying that the grades at the time of the surveyor's investigation are as represented in this Seller's Work Rider. If, after receipt of this report, Purchaser finds a difference of 6" or more at any point on the site, or if any of the other site preparation standards are not met, Seller will immediately upon notice from Purchaser correct all deficiencies. Seller's surveyor will replace any corner stakes and pins originally placed by Purchaser's surveyor that may have been removed during the course of Seller's Work.

- D. **Paving and Construction of Common Areas, Utilities, and Off-Site Improvements:** Seller will pave and construct all on-site and off-site improvements pursuant to the terms of the Contract and this Seller's Work Rider, which will include, but not be limited to, all street improvements, street paving, access roads, drives, curbs, gutters, sidewalks, traffic signals, installation of necessary utilities to the exterior boundary lines of the Premises, building area and common area rough grading, demolition, necessary fill and soil compaction, necessary storm water detention/retention facilities, including collection lines and detention pond areas, engineering, surveys, soils tests, and common access drive lighting.

The paving must provide for 1.5% minimum slope to allow for the surface drainage of water from the Premises, common drives or the public right-of-way, as approved by Purchaser, and described in this Seller's Work Rider. The material and thickness of the base and paving material for the common area must be, at a minimum, as follows:

COMPACTION: 1-1/2" BINDER COURSE
 1-1/2" SURFACE COURSE 96% MARSHALL
 6" GRANULAR BASE COURSE
 95% MODIFIED PROCTOR DENSITY

OIL CONTENT: 4.5% - 6.0%

GRADATION EXTRACTION: 80% MAXIMUM, SHALL PASS U.S. STD. #4 SIEVE

The minimum standards set forth above may be adjusted to meet the requirements set forth in the Soils Report.

Seller will insure that all utility lines are installed to a location on the Premises approved in writing by Purchaser. Unless otherwise agreed to in writing by Purchaser and Seller, the minimum utility requirements are as follows:

Water	2" diameter line @ 65 PSI
Sanitary Sewer	6" sewer lateral
Fire	6" diameter line @ 65 PSI
Storm Sewer	As required per approved civil engineering design plan(s)

2. **Permits and Approvals:** Within 60 days from the date of final execution of this Contract, Seller will apply for and diligently pursue obtaining all governmental approvals for the final grading and drainage plan and other permits and approvals to complete the common access drives and utility work described in Article 1A of this Seller's Work Rider. Prior to closing, Seller will provide Purchaser with evidence acceptable to Purchaser, in Purchaser's sole opinion, that Seller has paid all fees and obtained all governmental approvals for all utilities, curb cuts, driveways and the construction of the common areas on the Shopping Center.

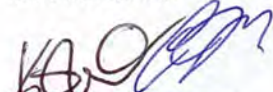
3. **Intentionally Deleted.**

4. **Warranties:** Seller will pay all costs to complete Seller's Work; provide affidavits, statements and waivers reasonably required by Purchaser or the Title Company to insure that all mechanics' and materialmen's liens and/or rights have been released or waived; perform all Seller's Work in a good, workmanlike manner; guarantee all Seller's Work for 1 year against defects in materials, faulty workmanship and design. Seller's Work must be done in compliance with all local, state and federal laws, standards and codes including, but not limited to, the Americans with Disabilities Act, at Seller's sole cost.


5. **Completion of Seller's Work:** Seller will complete Seller's Work prior to closing ("Seller's Completion Date"). If Seller has not completed Seller's Work by Seller's Completion Date, Purchaser may, in addition to all other remedies, at Purchaser's option, either (A) postpone closing until Seller's Work is complete; (B) proceed to closing; or (C) terminate this

Contract. Seller has no right to terminate this Contract if Purchaser has notified Seller that all other contingencies and/or conditions have been satisfied or waived by Purchaser and Seller has not completed Seller's Work.

If Purchaser closes, the escrow agent is authorized to record and deliver Seller's deed and withhold from the funds due Seller 1 1/2 times the cost of completing Seller's Work as the cost of all of the uncompleted items described on the Sunwood Retail Common Improvements Overall Cost Estimate (the "**Overall Estimate**") attached to the Contract as Exhibit E. After closing, Purchaser may (but is not obligated to) complete Seller's Work and be reimbursed by the escrow agent upon presentation to the escrow agent of an affidavit, setting forth Purchaser's costs and the amount of reimbursement Purchaser is entitled to under this Contract, together with invoices marked "Paid" or invoices with copies of checks paying such invoices; it being understood and agreed that the amount payable to Purchaser for any uncompleted item shall not exceed the amount of said item as set forth on the Overall Estimate, subject to unforeseen costs incurred by Purchaser in the course of performing the uncompleted items set forth on the Overall Estimate. The balance of the funds remaining, if any, will be disbursed to Seller. If the escrowed funds are insufficient to fully reimburse Purchaser, Seller is liable for the difference, provided that any amount payable by Seller under this sentence for any uncompleted item shall not exceed the amount of said item as set forth on the Overall Estimate, subject to unforeseen costs incurred by Purchaser in performing the uncompleted items of Seller's Work. Notwithstanding the foregoing, any payment to Purchaser under this Paragraph 5 shall be net of amounts that Purchaser is obligated to reimburse Seller pursuant to the Contract or the Declarations (as defined in the Contract). This provision survives closing and will not merge with the deed.



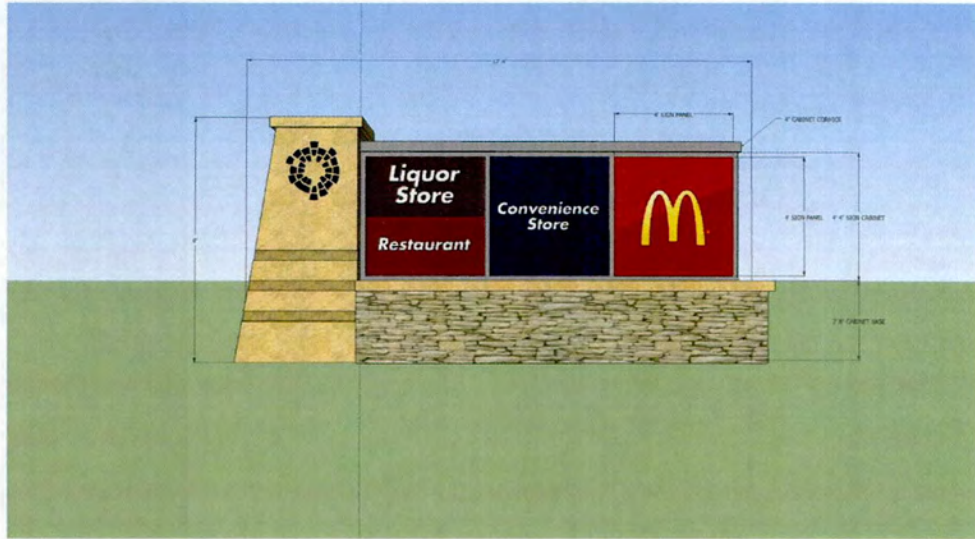
Seller's Initials



Purchaser's Initials

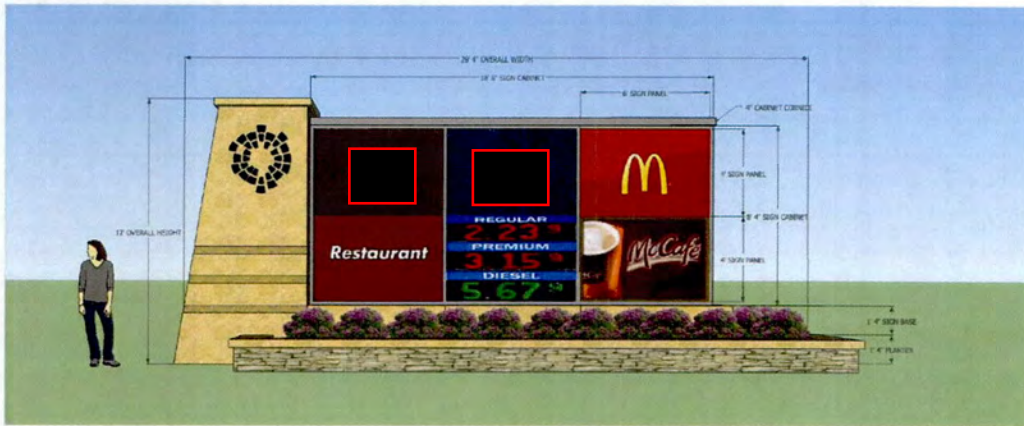


EXHIBIT D-1
PROJECT ENTRY SIGN



PROJECT ENTRY SIGN

EXHIBIT D-2
PROJECT GATEWAY SIGN



PROJECT GATEWAY SIGN



Liquor Store
Convenience Store
McDonald's
McCafe
Restaurant

REGULAR 2.23
PREMIUM 3.15
DIESEL 5.67

McDonald's

Order Here

Alternate 1: Stone per original design

Per User

Demars (Condor Brick)		
Sign 1	\$50,175.00	
Sign 2	\$31,400.00	
<i>Subtotal (Sign Only)</i>	\$81,575.00	
Electrical	\$15,000.00	
TOTAL	\$96,575.00	\$32,191.67

Archetype (Kasota Stone)		
Sign 1	\$83,200.00	
Sign 2	\$46,320.00	
<i>Subtotal (Sign Only)</i>	\$129,520.00	
Electrical	\$15,000.00	
TOTAL	\$144,520.00	\$48,173.33

Alternate 2: Alternate Material

Demars (Dryvit) - RECOMMENDED ALTERNATIVE		
Sign 1	\$34,864.00	
Sign 2	\$25,690.00	
<i>Subtotal (Sign Only)</i>	\$60,554.00	
Electrical	\$15,000.00	
TOTAL	\$75,554.00	\$25,184.67

Archetype (Painted Aluminum)		
Sign 1	\$56,750.00	
Sign 2	\$36,390.00	
<i>Subtotal (Sign Only)</i>	\$93,140.00	
Electrical	\$15,000.00	
TOTAL	\$108,140.00	\$36,046.67



SHOP ADDRESS
 410 93rd Avenue NW
 Coon Rapids, MN 55433
 Phone: (763) 786-5545
 Fax: (763) 786-5520

ESTIMATE

Sales Person: Tim Olson

CUSTOMER	Date	November 5 th 2013
	Name	COR
	Address	
	City, State, ZIP	Ramsey Mn
	Phone number	612-638-0250
	Fax number	
	Attn.	Tim Gladhill

Qty	Description	Total
1	Dryvit to match color Ramsey City hall fascia On pillar and base of sign 2' x 8' footing holes for 10" x 10' square tubes 3/4" wall Engineered drawing \$350.00 Cage on pole \$1,320.00 Sono tube \$1,000.00 Lit 8'4"x 18' lit sign two sided with with lexan faces (not lettered) No planter Installed Signs to match drawing Does not include city permit Does not include electrical hook up	
** City permits fees will be additional ** Electrical connection to primary service is responsibility of client		
BID PRICE		\$34,864.00

NOTICE REGARDING MECHANIC'S LIENS

- (A) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.
- (B) Under Minnesota Law, you have the right to pay persons who supplied labor or material for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or materials for the improvement and who gave you timely notice

I agree to pay as required by your terms until the balance has been entirely paid. I agree that title to and right at the possession of the merchandise shall remain in you, that I will not sell, remove, or encumber the same without your written consent that I assume and shall be responsible for all loss or damage to said goods, and that upon default of any payment or payments, you may, at your option take back the merchandise or affirm the sales and hold me liable for the full unpaid balance, and if buyer fails of the terms of this contract, Buyer will pay collection fees as set by a commercial agency and reasonable fees incurred in prosecution of suit.

BALLAST AND TRANSFORMERS CONTAINED IN SIGNAGE CARRY A ONE YEAR WARRANTY FROM MANUFACTURERS STAMPED DATE.. LABOR FOR REPAIR AND INSTALLATION OF THESE BALLASTS AND TRANSFORMERS IS NOT INCLUDED IN THIS WARRANTY.

Price subject to revision when unforeseen obstructions such as excess rock, steel, cement, utilities or other unforeseeable foundation or wall conditions are encountered.



SHOP ADDRESS

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BUYER



SHOP ADDRESS

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 Coon Rapids, MN 55433
 Phone: (763) 786-5545
 Fax: (763) 786-5520

ESTIMATE

Sales Person: Tim Olson

CUSTOMER	Date	November 5 th 2013
	Name	COR
	Address	
	City, State, ZIP	Ramsey Mn
	Phone number	612-638-0250
	Fax number	
	Attn.	Tim Gladhill

Qty	Description	Total
1	8' x 18' monument sign Condor brick Western Ledge Stack to match existing stone on pylon sign On base Dryvit to match color Ramsey City hall fascia On pillar 2' x 8' footing holes for 10" x 10' square tubes 3/4" wall Engineered drawing \$350.00 Cage on pole \$1,320.00 Sono tube \$1,000.00 Lit 4' x 16' lit sign two sided with with lexan faces (not lettered) Signs to match drawing Does not include city permit Does not include electrical hook up	
** City permits fees will be additional ** Electrical connection to primary service is responsibility of client		
BID PRICE		\$25,690.00

NOTICE REGARDING MECHANIC'S LIENS

- (A) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.
- (B) Under Minnesota Law, you have the right to pay persons who supplied labor or material for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or materials for the improvement and who gave you timely notice

I agree to pay as required by your terms until the balance has been entirely paid. I agree that title to and right at the possession of the merchandise shall remain in you, that I will not sell, remove, or encumber the same without your written consent that I assume and shall be responsible for all loss or damage to said goods, and that upon default of any payment or payments, you may, at your option take back the merchandise or affirm the sales and hold me liable for the full unpaid balance, and if buyer fails of the terms of this contract, Buyer will pay collection fees as set by a commercial agency and reasonable fees incurred in prosecution of suit.

BALLAST AND TRANSFORMERS CONTAINED IN SIGNAGE CARRY A ONE YEAR WARRANTY FROM MANUFACTURERS STAMPED DATE.. LABOR FOR REPAIR AND INSTALLATION OF THESE BALLASTS AND TRANSFORMERS IS NOT INCLUDED IN THIS WARRANTY.

Price subject to revision when unforeseen obstructions such as excess rock, steel, cement, utilities or other unforeseeable foundation or wall conditions are encountered.



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BUYER



SHOP ADDRESS

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 Coon Rapids, MN 55433
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 Fax: (763) 786-5520

ESTIMATE

Sales Person: Tim Olson

CUSTOMER	Date	April 5 th 2013
	Name	COR
	Address	
	City, State, ZIP	Ramsey Mn
	Phone number	612-638-0250
	Fax number	
	Attn.	Darren B. Lazan, RLA

Qty	Description	Total
1	12' x 29'4" monument sign with planter Condor brick Western Ledge Stack to match existing stone on pylon sign On planter Condor custom stone to match color Ramsey City hall fascia On pillar and base of sign 2' x 8' footing holes for 10" x 10' square tubes 3/4" wall Engineered drawing \$350.00 Cage on pole \$1,320.00 Sono tube \$1,000.00 Lit 8'4"x 18' lit sign two sided with with lexan faces (not lettered) Installed Signs to match drawing Does not include city permit Does not include electrical hook up	

** City permits fees will be additional

** Electrical connection to primary service is responsibility of client

BID PRICE

\$50,175.00

NOTICE REGARDING MECHANIC'S LIENS

- (A) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.
- (B) Under Minnesota Law, you have the right to pay persons who supplied labor or material for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or materials for the improvement and who gave you timely notice

I agree to pay as required by your terms until the balance has been entirely paid. I agree that title to and right at the possession of the merchandise shall remain in you, that I will not sell, remove, or encumber the same without your written consent that I assume and shall be responsible for all loss or damage to said goods, and that upon default of any payment or payments, you may, at your option take back the merchandise or affirm the sales and hold me liable for the full unpaid balance, and if buyer fails of the terms of this contract, Buyer will pay collection fees as set by a commercial agency and reasonable fees incurred in prosecution of suit.

BALLAST AND TRANSFORMERS CONTAINED IN SIGNAGE CARRY A ONE YEAR WARRANTY FROM MANUFACTURERS STAMPED DATE. LABOR FOR REPAIR AND INSTALLATION OF THESE BALLASTS AND TRANSFORMERS IS NOT INCLUDED IN THIS WARRANTY.

Price subject to revision when unforeseen obstructions such as excess rock, steel, cement, utilities or other unforeseeable foundation or wall conditions are encountered.



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CUSTOMER	Date	April 5 th 2013
	Name	COR
	Address	
	City, State, ZIP	Ramsey Mn
	Phone number	612-638-0250
	Fax number	
	Attn.	Darren B. Lazan, RLA

Qty	Description	Total
1	8' x 18' monument sign Condor brick Western Ledge Stack to match existing stone on pylon sign On base Custom Condor stone to match Ramsey City hall fascia On pillar 2' x 8' footing holes for 10" x 10' square tubes 3/4" wall Engineered drawing \$350.00 Cage on pole \$1,320.00 Sono tube \$1,000.00 Lit 4' x 16' lit sign two sided with with lexan faces (not lettered) Signs to match drawing Does not include city permit Does not include electrical hook up	

** City permits fees will be additional
 ** Electrical connection to primary service is responsibility of client

BID PRICE

\$31,400.00

NOTICE REGARDING MECHANIC'S LIENS

- (A) Any person or company supplying labor or materials for this improvement to your property may file a lien against your property if that person or company is not paid for the contributions.
- (B) Under Minnesota Law, you have the right to pay persons who supplied labor or material for this improvement directly and deduct this amount from our contract price, or withhold the amounts due them from us until 120 days after completion of the improvement unless we give you a lien waiver signed by persons who supplied any labor or materials for the improvement and who gave you timely notice

I agree to pay as required by your terms until the balance has been entirely paid. I agree that title to and right at the possession of the merchandise shall remain in you, that I will not sell, remove, or encumber the same without your written consent that I assume and shall be responsible for all loss or damage to said goods, and that upon default of any payment or payments, you may, at your option take back the merchandise or affirm the sales and hold me liable for the full unpaid balance, and if buyer fails of the terms of this contract, Buyer will pay collection fees as set by a commercial agency and reasonable fees incurred in prosecution of suit.

BALLAST AND TRANSFORMERS CONTAINED IN SIGNAGE CARRY A ONE YEAR WARRANTY FROM MANUFACTURERS STAMPED DATE.
 LABOR FOR REPAIR AND INSTALLATION OF THESE BALLASTS AND TRANSFORMERS IS NOT INCLUDED IN THIS WARRANTY.

Price subject to revision when unforeseen obstructions such as excess rock, steel, cement, utilities or other unforeseeable foundation or wall conditions are encountered.

Proposal

Number: 21873

Date: 06/14/13



archetype

9635 Girard Ave. S
Minneapolis, Minnesota 55431

952 641 9600

archetypesign.com

Customer:	Project Location:
CITY OF RAMSEY 7550 SUNWOOD DRIVE NW RAMSEY MN 55303	The COR at Ramsey Sunwood Drive and East COR II Entry Ramsey MN 55303

1	QUOTE #45559 Furnish and install exterior monument gateway sign A. Internally illuminated double sided pylon. Pillow faces to have white background and stock color vinyl text. Stone base is included.	\$83,200.00	\$83,200.00
1	QUOTE #45559-01 Furnish and install exterior monument multi tenant sign. Faces internally illuminated flat lexan with vinyl graphics not included.	\$46,320.00	\$46,320.00

TOTAL PROPOSAL AMOUNT: \$129,520.00

General Qualifications:

Sales tax is additional
Performance and payment bond if required is additional
All electrical signage is wired for 120V primary with final electrical connection by others
Permits if required are additional
1 Year warranty on fabricated components
5 Year warranty on finishes
90 Day warranty on electrical components

Accepted By: _____

Signature: _____

Archetype
Representative: _____

Signature: _____

Title: _____

Date: _____

Date: _____

Proposal

Number: 21880

Date: 06/14/13



archetype

9635 Girard Ave. S
Minneapolis, Minnesota 55431

952 641 9600

archetypesign.com

Customer:	Project Location:
CITY OF RAMSEY 7550 SUNWOOD DRIVE NW RAMSEY MN 55303	The COR at Ramsey Sunwood Drive and East COR II Entry Ramsey MN 55303
	REQUESTED BY: xx

1	QUOTE #45559-02 Furnish and install exterior monument gateway sign A. Internally illuminated double sided pylon. Pillow faces to have white background and stock color vinyl text. Stone base to be fabricated aluminum with 3 color faux paint finish. Planter detail has been deleted.	\$56,750.00	\$56,750.00
1	QUOTE #45559-02A Budget pricing for installation of planter detail around exterior monument Gateway sign A (alternate construction).	\$13,500.00	\$13,500.00
1	QUOTE #45559-03 Furnish and install exterior monument multi tenant sign. Faces internally illuminated flat lexan with vinyl graphics. Stone base will be fabricated aluminum with 3 color faux paint finish.	\$36,390.00	\$36,390.00
TOTAL PROPOSAL AMOUNT:			\$106,640.00

General Qualifications:

- Sales tax is additional
- Performance and payment bond if required is additional
- All electrical signage is wired for 120V primary with final electrical connection by others
- Permits if required are additional
- 1 Year warranty on fabricated components
- 5 Year warranty on finishes
- 90 Day warranty on electrical components

Accepted By: _____

Title: _____

Signature: _____

Date: _____

Archetype Representative: _____

Signature: _____

Date: _____

Board Member _____ introduced the following resolution and moved for its adoption:

RESOLUTION #13-11-194

RESOLUTION APPROVING WORK ORDER WITH DEMARS SIGNS FOR CONSTRUCTION OF TWO SIGNS IN THE SUNWOOD RETAIL AREA/COR TWO PLAT IN THE AMOUNT OF \$60,554.00.

WHEREAS, on December 19, 2012, the HRA entered into a Real Estate Contract (the “Contract”) with McDonald’s USA, LLC (“McDonald’s”); and

WHEREAS, the HRA agreed to construct two (2) signs to be shared with Lots 1-3, Block 1, COR TWO in the Contract; and

WHEREAS, McDonalds agreed to reimburse to the HRA one-third of the cost of the signs; and

WHEREAS, it is anticipated that the remaining two-thirds of the cost to construct the signs will be reimbursed upon sale of Lots 1 and 3, Block 1, COR TWO; and

WHEREAS, the HRA requested quotes from five (5) sign vendors for construction of the signs and received quotes from two (2) vendors; and

WHEREAS, the lowest quote was received from DeMars Signs in the amount of \$60,554.00 for construction of two (2) signs utilizing a Dryvit finish in lieu of Kasotastone; and

WHEREAS, the quote from DeMars Signs did not include services for electrical connection.

NOW THEREFORE, BE IT RESOLVED BY THE HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF RAMSEY, ANOKA COUNTY, STATE OF MINNESOTA, as follows:

- 1) That the Ramsey HRA hereby approves a Work Order with Demars Signs for the construction of two (2) permanent signs, in the amount of \$60,554.00.
- 2) That the approval of this resolution is contingent upon the completion of the real estate transaction by and between the HRA and McDonald’s USA, LLC.
- 3) That this resolution becomes null and void if the real estate transaction by and between the HRA and McDonald’s USA, LLC does not occur.
- 4) That the services for the electrical connection will be approved under separate contract and said electrical services contract is estimated at \$15,000.

The motion for the adoption of the foregoing resolution was duly seconded by Board Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following abstained:

and the following were absent:

Whereupon said resolution was declared duly passed and adopted by the Ramsey HRA this the 12th day of November 2013.

Mayor

ATTEST:

City Clerk

HRA Regular Session

5.3.

Meeting Date: 11/12/2013

Submitted For: Kurt Ulrich, Administrative Services

By: Jo Thieling, Administrative Services

Information

Title:

Consider Third Amendment to the Real Estate Contract with McDonald's Corporation

Purpose/Background:

Attached is the third amendment to the real estate contract with McDonald's. This document is intended to be the final clean-up of outstanding issues prior to closing.

Notification:

Not applicable

Observations/Alternatives:

Since the original agreement was signed, the City has completed all of the site improvements (i.e., street, sewer and water, storm water system). In addition, the plat of COR 2 was completed, and separated from the land to the south, so all the lots were re-numbered. The contract is amended to take that into account.

Escrow accounts have been established that take into account a guarantee of suitable soils, completion of signage, and striping of the access drive.

Exhibit C, Restrictive Covenants, now apply fully to the other two lots in the development. Previously, there was an exemption for wiser Choice because they were believed to be under contract for Lot 1.

The HRA is currently reviewing the document in detail and will forward any additional comments.

The City has the option to delay or reject the amendments as proposed, but doing so would delay the sale, subject to additional negotiation with the buyer.

Recommendation:

Approve the Third Amendment to the Real Estate Contract with McDonald's USA, LLC, subject to the review and approval of the City Attorney.

Action:

Motion to approve the Third Amendment to the Real Estate Contract with McDonald's USA, LLC, subject to the review and approval of the City Attorney.

Attachments

Third Amendment to McDonalds

Form Review

Inbox

Kurt Ulrich

Form Started By: Jo Thieling

Reviewed By

Kurt Ulrich

Date

11/07/2013 06:16 PM

Started On: 11/07/2013 09:11 AM

Ramsey, Minnesota
Sunwood Drive
L/C: 022-0575

THIRD AMENDMENT TO REAL ESTATE CONTRACT

This THIRD AMENDMENT TO REAL ESTATE CONTRACT ("**Amendment**") is dated _____ between **THE HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF RAMSEY, MINNESOTA**, a public body corporate and politic under the laws of the State of Minnesota ("**Seller**") and **McDONALD'S USA, LLC**, a Delaware limited liability company ("**Purchaser**"). The following statements are a material part of this Amendment:

A. Seller and Purchaser entered into a Real Estate Contract dated December 19, 2012 as amended by First Amendment to Real Estate Contract dated June 11, 2013 and Second Amendment to Real Estate Contract dated October 15, 2013 (collectively, the "Contract") for the property described in Exhibit A attached to the Contract and incorporated into this Agreement by this reference.

B. Seller and Purchaser desires to further amend the Contract.

THEREFORE, in consideration of the mutual covenants contained in the Contract and other good and valuable consideration, the receipt of which is hereby acknowledged between the parties, Seller and Purchaser agree as follows:

1. Exhibit A attached to the Contract is deleted and the Exhibit A attached to this Amendment is substituted in its place.
2. The lot designations shown on the plans attached to Exhibit B as page 2, 3, 5 and 6 are hereby amended as follows:

All the references to Lot 3, Block 1 are now changed to Lot 1, Block 1
All the references to Lot 4, Block 1 are now changed to Lot 2, Block 1
All the references to Lot 5, Block 1 are now changed to Lot 3, Block 1

3. Article 3 (Deed and Other Documents) of the Contract is deleted in its entirety and the following is substituted in its place:

"3. Deed and Other Documents: Seller will convey insurable title to the Premises by quitclaim deed, subject only to title and survey matters approved by Purchaser in writing pursuant to the terms set forth in Article 5 of this Contract. Seller will also cause to be delivered to Purchaser, at closing, a restrictive covenant in recordable form, in substantially the same form and substance as the restrictive covenant attached as Exhibit C. Seller agrees to execute and deliver to Purchaser any other affidavit, statement or other document normally required by the Title Company (hereafter defined) as a condition for the issuance of the title insurance policy or for the escrow closing provided for below."

4. Exhibit C, Exhibit C-1 and Exhibit C-2 attached to the Contract are deleted in their entirety and the Exhibit C attached to this Amendment is substituted in their place.
5. The second paragraph of Article 5 of Seller's Work Rider is deleted in its entirety and the following substituted in its place:

“5a. Notwithstanding anything to the contrary, at closing, the escrow agent is authorized to record and deliver Seller's deed and shall withhold from the funds due Seller the amount of \$45,000.00. If Purchaser determines in its sole discretion that contaminated soils or other soils unsuitable for Purchaser's use are found on the Premises, then upon notice from Purchaser to the escrow agent, the escrow agent shall within 5 days of receipt of such notice and a copy of an invoice setting forth the amount due for the work to correct such soils, disburse that amount, not to exceed \$45,000.00, to Purchaser. Any portion of the \$45,000.00 that is not disbursed to Purchaser on or prior to Purchaser opening for business in the Premises shall be returned to Seller within 30 days after Purchaser opens for business. Seller will not be responsible for any costs for such work that exceed \$45,000.00. This provision survives closing and will not merge with the deed.

5b. Notwithstanding anything to the contrary, at closing, the escrow agent is authorized to record and deliver Seller's deed and shall withhold from the funds due Seller the amount of \$_____. If Purchaser determines in its sole discretion that Seller's work on the signs set forth in Article 6A12, and/or Seller's Work of striping driveways and/or parking lots set forth in Article 2D of Seller's Work Rider, and/or any other items of Seller's Work have not been completed, then upon notice from Purchaser to the escrow agent, the escrow agent shall within 5 days of receipt of such notice and a copy of an invoice setting forth the amount due for the such work, disburse that amount, not to exceed \$_____, to Purchaser. Any portion of the \$_____ that is not disbursed to Purchaser on or prior to Purchaser opening for business in the Premises shall be returned to Seller within 30 days after Purchaser opens for business. Seller will not be responsible for any costs for such work that exceed \$_____. This provision survives closing and will not merge with the deed.”
6. The parties acknowledge that the Seller's Work set forth on Exhibit E attached to the Contract has been completed.
7. Except as modified by this Amendment, the Contract is ratified and confirmed by the parties.
8. This Amendment may be signed in one or more counterparts, all of which taken together shall constitute one and the same document.

To indicate their agreement to the above, the parties or their authorized representatives or officers have signed this document.

SELLER:
THE HOUSING AND REDEVELOPMENT
AUTHORITY IN AND FOR THE CITY OF
RAMSEY, MINNESOTA, a public body
corporate and politic under the laws of the
State of Minnesota

PURCHASER:
McDONALD'S USA, LLC
a Delaware limited liability company

By: _____
Its: _____
Name: _____

By: _____
Its: _____

By: _____
Its: _____
Name: _____

(ACKNOWLEDGMENTS OF ALL SIGNATURES)

EXHIBIT A
Legal Description of the Premises

Lot 2, Block 1, Cor Two, Anoka County, Minnesota

EXHIBIT C
Form of Restrictive Covenant

Ramsey, MN
Sunwood Drive
L/C: 022-0575

Prepared by: Gillian Bregman
After recording, return to: Kim Delmedico
McDONALD'S CORPORATION
One McDonald's Plaza
Oak Brook, Illinois 60523

RESTRICTIVE COVENANT

Under a Contract dated December 19, 2012, as amended ("Contract") The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, a public body corporate and politic under the laws of the State of Minnesota ("Grantor") agreed to convey to McDONALD'S USA, LLC, a Delaware limited liability company ("Grantee") a parcel of real estate described on Exhibit A attached ("the Premises").

One of the terms of that Contract required Grantor to record a Restrictive Covenant affecting the use of certain portions of Grantor's other property located adjacent to the Premises, as legally described on Exhibit B.

THEREFORE, in consideration of the terms and conditions contained in that Contract, Grantor promises and declares that the property described on Exhibit B will not be leased, used or occupied as a Quick Service Restaurant for a period of 20 years from the date listed in this Restrictive Covenant; provided, however, that if (a) Grantee is not operating a McDonald's Restaurant within 545 days after the date listed in this Restrictive Covenant or (b) if Grantee opens and operates a McDonald's Restaurant and at any time within said 20 year period ceases operating the McDonald's Restaurant for a period of more than 180 days other than as the result of a casualty or any other conditions, which are beyond the reasonable control of any party to this Restrictive Covenant and not due to the fault or negligence of such party, this Restrictive Covenant will be null and void and of no further force or effect. The term "Quick Service Restaurant" for purposes of this restriction will be defined as any restaurant or food service establishment with drive thru service, drive-in service or pedestrian walk-up window service whose primary business consists of or whose marketing strategy is based on the sale of hamburgers, ground meat or meat substitute sandwiches, or a combination of ground meat and meat substitute sandwiches, or any other type of meat products, any of which are served in sandwich form or chicken served in sandwich form. Any food service establishment which offers, as the primary method of service for all meal times, food and drink orders taken by and served by a waiter or waitress at the customer's table is excluded from the term Quick Service Restaurant. Notwithstanding the foregoing, a restaurant with drive-thru facilities that sells as its primary product hamburgers, ground beef or ground beef products in sandwich form or chicken in sandwich form will be included in the term "Quick Service Restaurant". In addition, and not by way of example, the following restaurants operating under the listed trade names, or operating under any successor trade names, are prohibited within the area described on Exhibit B:

Apollo Burgers
Bison Jack's
Burger King
Checkers
Culver's
Fatburger
Fuddruckers
Iceberg Drive Inn
Jake's Wayback Burgers
Rally's
Smashburger
Wendy's
Bojangles'
El Pollo Loco
Pollo Tropical

Astro Burgers
Bobby's Burger Palace
Burger Street
Cheeburger Cheeburger
DQ Grill & Chill
Five Guys
Hardee's
In-N-Out Burger
Johnny Rockets
Roy Rogers
Sonic
Whataburger
Brown's Chicken
KFC
Popeyes

Back Yard Burgers
Burger 21
Carl's Jr.
Crown Burgers
Elevation Burger
Five Napkin Burger
Hires Big H
Jack in the Box
Krystal
Shake Shack
Steak 'n Shake
White Castle
Chick-fil-A
Pollo Campero
Raising Cane's

This restriction runs with the land described on Exhibits A and B and will inure to the benefit of Grantee and be binding upon Grantor and Grantor's successors and assigns.

Grantor has executed this Restrictive Covenant, this ____ day of _____, 2012.

GRANTOR: The Housing and Redevelopment Authority in and for the City of Ramsey, Minnesota, a public body corporate and politic under the laws of the State of Minnesota

WITNESS

By _____
Its _____

By _____
Its _____

(Attach Exhibits A and B)

EXHIBIT A to EXHIBIT C

Legal Description of the Premises

Lot 2, Block 1, Cor Two, Anoka County, Minnesota

EXHIBIT B TO EXHIBIT C

Legal Description of Grantee's property

Lots 1 and 3, Block 1, and Outlot A, Cor Two, Anoka County, Minnesota

EXHIBIT E

Sunwood Retail Common Improvements Overall Cost Estimate

HRA Regular Session

5. 4.

Meeting Date: 11/12/2013

Submitted For: Kurt Ulrich, Administrative Services

By: Jo Thieling, Administrative Services

Information

Title:

Discuss Contract Settlement Offer, Landform, LLC (**Portions may be closed to the public**)

Purpose/Background:

Purpose: The purpose of this case is to discuss a possible settlement with Landform, LLC.

Background: The HRA attorney, Tom Bray, received a contract settlement offer from Landform, LLC that staff would like to discuss with the HRA. Discussion may be limited, or directed to a closed session, as directed by the attorneys.

Currently, the only provisions of the Development Services contract that remain in effect are the incentive fees for projects that were under contract at termination, and the 15-month period, post termination, that would pay Landform for any projects put under contract during that period.

Recommendation:

N/A

Action:

Based upon discussion.

Attachments

No file(s) attached.

Form Review

Inbox

Kurt Ulrich

Form Started By: Jo Thieling

Final Approval Date: 11/07/2013

Reviewed By

Kurt Ulrich

Date

11/07/2013 06:00 PM

Started On: 11/07/2013 04:33 PM