

**CITY OF RAMSEY**  
**DEVELOPMENT AGREEMENT FOR BROOKFIELD 5TH ADDITION**

This Agreement (hereinafter the “Agreement”) is dated as of this \_\_\_\_\_ day of \_\_\_\_\_, 2015 and is by and between the **CITY OF RAMSEY**, a Minnesota municipal corporation (the “**CITY**”) and **MARQUEST HOMES LLC**, a Limited Liability Company (Domestic), whose address is 23035 Ulysses St NW, East Bethel, MN 55005 (“**PERMITTEE**”).

**WHEREAS**, the **PERMITTEE** is the fee owner of the following described property situated in the City of Ramsey, County of Anoka, State of Minnesota, and legally described as follows:

Outlot F, BROOKFIELD FIRST ADDITION, Anoka County, Minnesota

-or upon recording-

Lot 1, Block 1 BROOKFIELD FIFTH ADDITION, Anoka County, Minnesota

(the “**Subject Property**”); and

**WHEREAS**, on January 27, 2015, pursuant to Resolution #15-01-026, the **CITY** approved the final plat of the Subject Property, which plat is known as **BROOKFIELD FIFTH ADDITION** (the “Plat”), which approval is contingent on certain requirements, including the **PERMITTEE** and the **CITY** entering into this Agreement.

**THEREFORE**, in consideration of the mutual promises set forth below, the **CITY** and the **PERMITTEE** agree as follows:

1. Conditions of Approval. The **CITY** has approved the Plat subject to satisfaction of the following conditions subsequent:
  - a. Development Agreement. That the **PERMITTEE** enter into this Agreement.
  - b. Marketable Title. That prior to recording the Plat, the **PERMITTEE** shall provide the **CITY** with proof of marketable title to the Subject Property either through a currently certified abstract, registered property abstract or title insurance commitment or policy.
  - c. Proof of Authority. That the **PERMITTEE** provide proof that the respective governing boards of the **PERMITTEE** have authorized the **PERMITTEE’S** execution of this Agreement. This proof of authority may be satisfied by providing the **CITY** with a certified copy of the minutes of the governing board of each entity which grants such authority.
2. The Plans. The term “Plans” as used in this Agreement means the Preliminary Plat prepared by E.G. Rud & Sons, Inc. dated January 14, 2015 *revised* January 23, 2015

and the Final Plat prepared by E.G. Rud & Sons, Inc. dated January 19, 2015, as revised on February 11, 2015. The Plans remain subject to: (a) CITY Staff's review and approval of revisions in conformance with comments in the January 23, 2015, Staff Review Letter; and (b) such further revisions as the PERMITTEE may propose and the CITY approves. The Plans shall not be attached to this Agreement, but are in the CITY'S files.

3. Utilities. The PERMITTEE shall be responsible for installation and/or extension of utilities to service a home on the **Subject Property**.
4. Financial Guarantee for Condition of Cul-de-Sac Bulb. The PERMITTEE shall provide a financial guarantee, in the form of an irrevocable Letter of Credit or a Cash Escrow in the amount of \$10,000.00, to the CITY guaranteeing that the post-construction condition of the cul-de-sac is the same or will be restored to the same as the pre-construction condition. The financial guarantee shall be provided prior to the commencement of any work on the **Subject Property**.

The PERMITTEE and the CITY shall have an on-site meeting to review the existing condition of the cul-de-sac prior to commencement of any construction activity. Upon passing of the final inspections for the home construction and required landscaping, the PERMITTEE shall request an on-site meeting with the CITY to review the post-construction condition of the cul-de-sac. Upon acceptance of the post-construction cul-de-sac condition by the CITY, the CITY will release the financial guarantee.

The CITY will release the financial guarantee prior to completion of the home construction and required landscaping should it award and execute a contract for the reconstruction of the cul-de-sac bulb.

5. Stage II CITY Improvements. The future improvements the PERMITTEE must construct or install are as follows:
  - a. Installation of survey monumentation.

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

6. Payment of Development Fee's. The PERMITTEE must pay to the CITY the fees described on Exhibit A which may include, but are not limited to, Park Land Dedication Fees, Trail Development Fees, and Storm Management Fees.
7. Requirements for Building and Occupancy Permits.
  - a. No building permit for any lot in the Plat shall be issued until the PERMITTEE has: (a) installed a Class 5 driving surface to within 300 feet of the structure; (b) provided the CITY Building Official with a Certificate

of Survey; and (c) provided the financial guarantee described in Section 4 to the **CITY**.

- b. No occupancy permit for any lot in the Plat shall be issued until the **PERMITTEE** has: (a) constructed vehicular access to the lot, including the installation of at least one layer of bituminous surfacing; (b) constructed all utilities and storm water facilities this Agreement requires to serve the lot and such utilities and storm water facilities are in place, and operational and the **CITY** has accepted those utilities and storm water facilities; (c) for lots that have a slope of less than 2%, provided the **CITY** with a certificate of grading, prepared by a licensed (State of Minnesota) professional land surveyor, certifying that the flattest grade on the lot is 1% or greater; and (d) installed and planted the sod and landscaping that are required as a part of the Stage I Improvements.

8. **PERMITTEE Defaults.** If the **PERMITTEE** defaults in the performance of one or more of the **PERMITTEE'S** obligations under this Contract, and i) the **CITY** gives the **PERMITTEE** 30 days written notice of the default and ii) the **PERMITTEE** fails to cure the default within said 30 days, then the **CITY** may pursue any and all remedies available at law or in equity including, but not limited to, the following:

- a. The **CITY** may, at its option, perform or engage one or more third parties to perform the **PERMITTEE'S** obligations. If, in the reasonable judgment of the **CITY'S** staff, the **PERMITTEE'S** default creates an immediate risk to public health or safety, the **CITY** may perform or engage one or more third parties to perform the work before the **CITY** provides the notice described in the initial paragraph of this Section, but the **CITY** must use commercially reasonable efforts to notify the **PERMITTEE** as promptly as possible that the **CITY** is undertaking to perform the **PERMITTEE'S** obligation or obligations. If the **CITY** performs one or more obligations of the **PERMITTEE**, the **PERMITTEE** must reimburse the **CITY** for any costs or expenses the **CITY** incurs, including costs and expenses for **CITY** staff time, to perform the work within 30 days after the **CITY** notifies the **PERMITTEE**, in writing, of the costs and expenses the **CITY** incurred to perform the work. If the **PERMITTEE** does not reimburse the **CITY** within said 30 day period, the **CITY** may pursue any remedies available to the **CITY** either at law or in equity or, in the alternative, the **CITY** may draw on the financial guaranty the **PERMITTEE** has provided to the **CITY** pursuant to this Agreement to reimburse itself for the expenses the **CITY** incurs to perform the work. This Agreement is a license for the **CITY** to act, and it shall not be necessary for the **CITY** to seek a Court Order for permission to enter the **PERMITTEE'S** Property. As an alternative to seeking recovery from the **PERMITTEE** or the financial guaranty, the **CITY** may levy special assessments against the **PERMITTEE** Property in

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

- b. The **CITY** may commence an action in Anoka County District Court to pursue any remedy available to the **CITY** at law or in equity including, but not limited to, injunctive relief;
- c. The **CITY** may refuse to grant building permits for improvements to be constructed on any lots within the Plat until the **PERMITTEE** has cured all of its defaults; and
- d. The **CITY** may draw upon all or any portion of the financial guaranty the **PERMITTEE** has provided to the **CITY** pursuant to Section 4 and (i) use all or any portion of the proceeds from the financial guaranty to reimburse the **CITY** pursuant to subsection (a) above; (ii) use all or any portion of the proceeds from the financial guaranty to satisfy any judgment the **CITY** obtains against the **PERMITTEE** pursuant to subsection (b) above; (iii) use all or any portion of the proceeds to reimburse the **CITY** pursuant to Section 9 (h) below; and (iv) hold all or any portion of the proceeds for a reasonable time for the future application as described in subsections (i), (ii) and (iii) of this Section 8(d).

9. Miscellaneous.

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

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

- d. Mailbox Locations. If the **PERMITTEE** desires to construct mailboxes within the public right of way, the **PERMITTEE** agrees that the placement of mailboxes along public streets is subject to the approval by the **CITY**. Utility locates will be necessary.
- e. Boulevard and Wetland Restoration. The **PERMITTEE** shall be responsible for the cost of establishing seed in all boulevards within 30 days of the completion of the street improvements, and restoring all other areas disturbed by the development grading operation in accordance with the approved Grading and Erosion Control plan. The **PERMITTEE** shall be responsible for the cost of cleaning any soil, earth, or debris from the wetlands within and adjacent to this Plat resulting from grading performed in the development of the Plat.
- f. Construction Hours. The **CITY** restricts construction and delivery hours to Monday through Saturday 7:00 a.m. to 10:00 p.m.
- g. Construction Site Maintenance. The **PERMITTEE** shall adhere to all of the **CITY** ordinances relating to, but not limited to, dumping of garbage, site development, construction debris, open burning, etc. The **CITY** reserves the right to withhold permits, inspections, or certificates of occupancy to correct violations relating to construction site maintenance.
- h. Plat Approval Expenses. The **PERMITTEE** agrees that it will pay to **CITY** all **CITY** expenses incurred in the approval of the Plat, including, but not limited to, administration expenses, engineering and legal fees. Said expenses incurred after recording of the Final Plat shall also be paid within said fifteen (15) day billing period. Failure to pay the **CITY'S** expenses within the fifteen (15) day billing period will permit the **CITY** to draw upon any of the escrows required by this Agreement for payment.
- i. Reimbursement to the CITY. The **PERMITTEE** agree to reimburse the **CITY** for all costs incurred by the **CITY** in defense or enforcement of this Agreement, or any portion thereof, including court costs and reasonable engineering and attorney's fees.

- j. Certificate of Occupancy. The term “Certificate of Occupancy” as used in this Agreement shall be defined as a document issued by the CITY’S Building Official, which authorizes the structure to be used for its intended purposes.
- k. Notices. Required notices shall be in writing, and shall be either hand delivered to the Parties, its employees or agents, or mailed to them by certified or registered mail at the following address:

**TO PERMITTEE:**

MarQuest Homes LLC  
Attn: Mark Strandlund  
23035 Ulysses St NE  
East Bethel, MN 55005

**TO THE CITY:**

City of Ramsey  
Attn: Community Development Director  
7550 Sunwood Drive NW  
Ramsey, MN 55303

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## EXHIBIT A

### Fees Payable to the City

1. Park Dedication. The **PERMITTEE** is responsible for satisfying applicable Park Dedication requirements. The 2015 Park Dedication Fee applicable to the Plat is \$2,600 per residential unit. **PERMITTEE** must pay a Park Dedication Fee of Two Thousand Six Hundred Dollars and No Cents (\$2,600 x 1 unit = **\$2,600.00**). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.
2. Trail Development Fees. The **PERMITTEE** is responsible for satisfying applicable Trail Development Fee requirements. The 2015 Trail Development Fee applicable to the Plat is \$700 per residential unit. **PERMITTEE** must pay a Trail Development Fee of Seven Hundred Dollars and No Cents (\$700 x 1 unit = **\$700.00**). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.
3. Stormwater Management Fee. The **PERMITTEE** is responsible for satisfying applicable Stormwater Trunk Fee requirements. The 2015 Stormwater Management Fee \$459 per residential unit. **PERMITTEE** must pay a Stormwater Management Fee of Four Hundred Fifty Nine Dollars and No Cents (\$459 x 1 unit = **\$459.00**). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.
4. Sanitary Sewer Connection (Trunk) Fees. The Plat is subject to the Brookfield Addition Amendment to Water Main and Sanitary Sewer Cost Contribution/Reimbursement Agreement (the "Reimbursement Agreement"). Per Section 3.01 of the Reimbursement Agreement, future lots platted from outlots or other lots in Brookfield First, Second, or Third Addition will pay no Trunk Fee for each lot platted. The amount deemed reduced by the trunk fee credit will be One Thousand One Hundred Thirty Seven Dollars and No Cents (\$1,137 x 1 unit = \$1,137.00). This amount will be subtracted from the total amount to be credited to 21<sup>st</sup> Century Bank. A copy of the Reimbursement Agreement is attached as Exhibit B hereto.
5. Water Connection (Trunk) Fees. Per Section 3.01 of the Reimbursement Agreement, future lots platted from outlots or other lots in Brookfield First, Second, or Third Addition will pay no Trunk Fee for each lot platted. The amount deemed reduced by the trunk fee credit will be One Thousand Nine Hundred Twenty Five Dollars and No Cents (\$1,925 x 1 unit = \$1,925.00). This amount will be subtracted from the total amount to be credited to 21<sup>st</sup> Century Bank. A copy of the Reimbursement Agreement is attached as Exhibit B hereto.

**EXHIBIT B**

Existing Brookfield Addition Amendment to Water Main and Sanitary Sewer Cost  
Contribution/Reimbursement Agreement

COPY

**BROOKFIELD ADDITION  
AMENDMENT TO WATER MAIN AND SANITARY SEWER COST  
CONTRIBUTION/REIMBURSEMENT AGREEMENT  
CITY OF RAMSEY, ANOKA COUNTY, MINNESOTA**

**THIS AGREEMENT**, made and entered into by the **CITY OF RAMSEY**, a Municipal Corporation under the laws of the State of Minnesota (the "**CITY**"); **OAKWOOD LAND DEVELOPMENT, INC.**, a Minnesota Corporation ("**Oakwood**"); and **21<sup>ST</sup> CENTURY BANK**, a Minnesota Corporation ("**21<sup>st</sup>**");

**RECITALS**

**WITNESSETH:**

**WHEREAS**, Oakwood and City are parties to the following:

**WATER MAIN AND SANITARY SEWER  
COST CONTRIBUTION/REIMBURSEMENT AGREEMENT  
Dated March 22, 2006  
(the "WCSA")  
(copy appended hereto),**

and

**WHEREAS**, pursuant to the WCSA, Oakwood has contributed to City the sum of \$6.0 million in performance of its obligations under Article 2 of the WCSA, and,

**WHEREAS**, Oakwood is now entitled to reimbursement from City under Article 3 of the WCSA, and

**WHEREAS**, Oakwood has assigned its rights to reimbursement under the WCSA to 21<sup>st</sup>, as contemplated by Article 3.06 of the WCSA, and

**WHEREAS**, 21<sup>st</sup> and City have reached agreement on numerous issues in connection with certain plats known as Brookfield First Addition, Brookfield Second Addition, and Brookfield Third Addition (collectively, "Brookfield")

**NOW THEREFORE**, in consideration of the foregoing and in consideration of the mutual promises herein, it is agreed by and amongst the parties hereto as follows:

**1. SUBSTITUTION**

21<sup>st</sup> is hereby substituted for Oakwood under Articles 3, 4 and 5 of the WCSA. Oakwood hereby assigns its interest thereunder to 21<sup>st</sup> and 21<sup>st</sup> accepts said assignment. It is acknowledged that all duties of all parties under Articles 1 and 2 of the WCSA have been fully performed, and that Oakwood contributed the sum of \$6.0 million under Section 2.01 of the WCSA. From and after the date hereof, Oakwood shall have no interest or rights under the WCSA. Where the word "Oakwood" is used herein, it shall be deemed to mean "21<sup>st</sup>" unless a different connotation is apparent.

**2. DEFINITION OF TERMS** – Capitalized terms as used herein shall have the definition attributed to them herein. Capitalized terms used herein that do not have a stated definition herein shall have that definition assigned to them in the WSCA.

**3. AMENDMENTS TO WSCA**

A. Article 3 of the WSCA is hereby deleted, and replaced by the following Article 3:

**ARTICLE 3  
21<sup>st</sup> REIMBURSEMENT**

**3.01 21<sup>st</sup> Reimbursement** The parties acknowledge that as of the date hereof, the City has partially reimbursed Oakwood for the Oakwood Contribution in the total amount of \$ 502,204.00, through credits given in the respective Brookfield development agreements. In addition, Oakwood assigned some credits to Sweetbay Land Company, a Minnesota corporation, and an Oakwood related company. Sweetbay Land Company was given Trunk Fee credit for \$208,216.00 in the Sweetbay Ridge/City of Ramsey development agreement for Sweetbay Ridge Addition. The total amount reimbursed for the Oakwood Contribution to date is therefore \$710,420.00. The amount remaining to be reimbursed to Oakwood is therefore \$5,289,580.00. Oakwood has assigned its rights to the Oakwood Lots Reimbursement to 21<sup>st</sup>.

Future lots platted from outlots or other lots in Brookfield First, Second and or Third Addition will pay no Trunk Fees for each lot platted, the amount of the Oakwood Contribution deemed reduced by the Trunk Fee credit will be \$3,062 per lot (\$1,925 for the Water Trunk Fee and \$1,137.00 for sewer Trunk Fee). In addition, 21<sup>st</sup> is entitled to up to 91 additional water Trunk Fee credits from the current unplatted lots in Sweetbay Ridge, and up to 60 additional water Trunk Fee credits from the current unplatted lots in Harmony Farms, pursuant to Section 3.01 of the WSCA. The City shall charge the ultimate developer of the remaining unplatted lands in Sweetbay Ridge (91 lots) and Harmony Farms (60 lots) the full Trunk Fees, and remit the Water Trunk Fees to 21<sup>st</sup> at the address noted in Article 5 Section 07 in satisfaction of the credits owed to 21<sup>st</sup> for those two developments. The City will retain the sanitary sewer trunk fees for said lots. Except for the remaining unplatted area of Brookfield (as represented by platted developable outlots), City will also retain the right to all future sanity sewer trunk fees of any kind or nature.

**3.02 Additional 21<sup>st</sup> Reimbursement** For each lot (new or existing) connected to city water within the Northwest Service Area, Northeast Service Area (outside of Brookfield or parts thereof,) or within the Additional Oakwood Reimbursement Area, and outside of Sweetbay Ridge and Harmony Farms, 21<sup>st</sup> will receive from the City the Water Trunk Fee, payable at the time the hookup of a lot occurs, and in the manner provided by Article 5, Section 5.01. If the City increases the Water Trunk Fee, then this per/lot amount will increase by a like amount. The Water Trunk Fee reimbursement will continue until the total amount of the Oakwood Contribution credited by City to date (\$710,420.00) plus the total amount received or credited or paid from new lots created from outlots or other lots in Brookfield or current unplatted lots in Sweetbay Ridge or Harmony Farms plus the total amount received from all other lots platted or hooking up to city water in the Northwest, Northeast Service Area and the Additional Oakwood Reimbursement Area (\$1,925.00 per hookup-or as increased) totals six million dollars (\$6,000,000.00), or until December 31, 2026, whichever comes first.

It is agreed that 21<sup>st</sup> will not receive any Water Trunk Fee if the City does not receive a Water Trunk Fee as a result of an agreement with any other developer that provides for said developer to pay the cost of the extension of the water main to such developer's property which is considered a payment of the Water Trunk Fees for the lots to be developed by such developer. As further clarification of this sentence, it is anticipated that as new development occurs, the City may have to give incentives to developers to pay for the cost of extending water mains into new neighborhoods. This would normally be accomplished by not requiring the developer to pay for Water Trunk Fees up to the point where the savings from not paying Water Trunk Fees equals the cost to the developer in extending water mains. For example, in a 100/lot development, Water Trunk Fees now in effect would total \$190,250.00 at \$1,925.00 per lot. If the cost of extending the water mains in that project was \$50,000.00, the City would be permitted to give the developer in that project up to \$50,000.00 in Water Trunk Fee relief, meaning that ultimately, 21<sup>st</sup> would only receive \$140,250.00 in Water Trunk Fees from that development.

B. Article 4 of the WSCA is hereby deleted and replaced by the following Article 4.

**ARTICLE FOUR  
TERM**

This Agreement shall expire on December 31, 2026, after which time 21<sup>st</sup> will receive no further Water Trunk Fees, **NOTWITHSTANDING THAT THE OAKWOOD CONTRIBUTION MAY NOT BE PAID IN FULL AS OF SAID EXPIRATION DATE.** Notwithstanding the foregoing language, if the City adopts any moratoriums on residential development prior to the expiration date, the expiration date will be extended by an amount of time equal to the duration of the moratoriums.

C. Article 5.07: Notice to Oakwood shall be changed to "Notice to 21<sup>st</sup>", as follows:

**If to 21<sup>st</sup>:**

Thomas P. Dolphin, CEO  
21<sup>st</sup> Century Bank  
9380 Central Avenue NE  
Blaine, MN 55434  
Email: [tpd@21stcenturybank.com](mailto:tpd@21stcenturybank.com)

**With a copy to:**

Wilbur F. Dorn, Jr.  
Dorn Law Firm, Ltd.  
9380 Central Avenue NE  
Blaine, MN 55434  
Email: [wfd@dornlegal.com](mailto:wfd@dornlegal.com)


**4. No Other Changes**

Except as herein modified, all other terms and conditions of the WCSA shall remain in force and effect, and all Exhibits will remain as originally affixed to the WCSA.

The following page is the signature page.

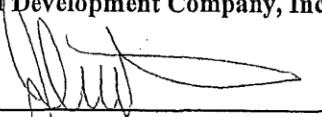
In Witness whereof, the parties have executed this agreement the dates below written:

21<sup>st</sup> Century Bank

By:   
Thomas P. Dolphin, CEO

Dated: 12-30-09

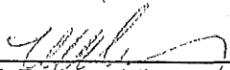
Oakwood Development Company, Inc.

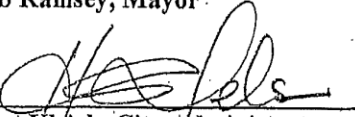
By:   
John Peterson, President

Dated: 12-18-09

City of Ramsey

Dated: 12-30-09


By:   
Bob Ramsey, Mayor

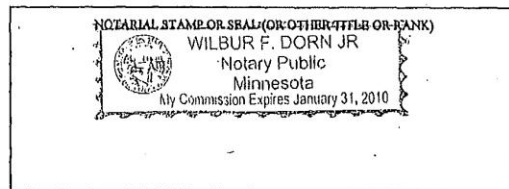
By:   
Kari Blich, City Administrator

*Heidi A. Nelson, Deputy City Administrator*

STATE OF MINNESOTA )  
 ) ss.  
COUNTY OF Anoka )p

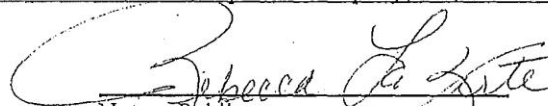
The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of December, 2009, by Thomas P. Dolphin, the Chief Executive Officer of 21<sup>st</sup> Century Bank, a Minnesota corporation, on behalf of the corporation.

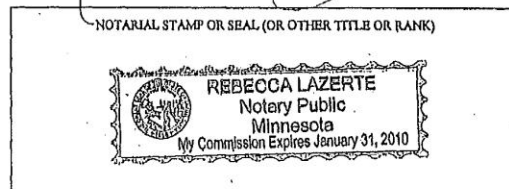
  
Notary Public



STATE OF MINNESOTA )  
 ) ss.  
COUNTY OF ANOKA )

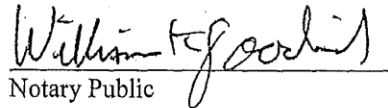
The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of December, 2009, by John Peterson, President of Oakwood Development Company, Inc, a Minnesota corporation, on behalf of the corporation.

  
Notary Public



STATE OF MINNESOTA )  
 ) ss.  
COUNTY OF ANOKA )

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of December, 2009 by Bob Ramsey and Heidi A. Nelson, the Mayor and Deputy City Administrator of the City of Ramsey, a Minnesota municipal corporation, on behalf of the corporation.

  
Notary Public

