

Councilmember ___ introduced the following resolution and moved for its adoption:

RESOLUTION #17-01-033

RESOLUTION APPROVING AN AGREEMENT FOR REIMBURSEMENT OF FEES AND REQUIREMENT OF SUBSEQUENT DEVELOPER(S) TO POST REQUIRED FEES

WHEREAS, K. Hovnanian owns the property described in Attachment A hereto (“Property”) that is located within the property known as the Ramsey Town Center 7th Addition; and,

WHEREAS, The City, K. Hovnanian and the Ramsey Town Center, LLC (“RTC”) are parties to the August 24, 2005 agreement entitled “City of Ramsey Secondary Development Contract for Ramsey Town Center 7th Addition Symphony Town Center” which was recorded with the Anoka County Registrar of Titles on August 25, 2005 as Document No. 1977751.011 (“2005 Secondary Development Contract”); and

WHEREAS, an Pursuant to the terms of the 2005 Secondary Development Contract, K. Hovnanian posted inspection fees (“Inspection Fees”) and a landscaping maintenance guaranty (“Landscaping Maintenance Guaranty”) with the City and which the City is currently holding in escrow; and

WHEREAS, The City, K. Hovnanian, RTC and Stewart Title of Minnesota, Inc. (“Title Company”) are parties to the August 24, 2005 agreement entitled “Escrow Agreement” (“2005 Escrow Agreement”); and,

WHEREAS, The 2005 Escrow Agreement provides in part as follows: (1) RTC agreed to deposit funds into the Title Company’s escrow account (“Escrow Account”) to secure the completion of certain improvements and (2) if the required improvements were not installed by RTC and the City or K. Hovnanian installed the improvements, then the entity performing the improvements would be entitled to reimbursement from the funds in the Escrow Account for the work that was to be done by RTC; and,

WHEREAS, The Title Company has verified that as of the Effective Date there is \$173,592.94 remaining in the Escrow Account; and,

WHEREAS, K. Hovnanian has completed the following work at the following costs (the “Work”) that was to be done by RTC and for which K. Hovnanian is entitled to reimbursement under the Escrow Agreement:

- 1) Storm sewer improvements to complete 146th Street drainage -\$46,346.00;
- 2) Curb and pavement along 146th Street - \$5,858.00;
- 3) Reinstallation of sanitary sewer service to Block 3 - \$6,100.00; and
- 4) Hydrant relocation/curb repair along 146th Street and curb repair made at direction of City \$12,816.00.

The total costs incurred by K. Hovnanian to perform the Work that was to be done by RTC and which is reimbursable under the Escrow Agreement is \$71,120.00; and,

WHEREAS, As set forth in the November 21, 2007 letter from K. Hovnanian's attorney (Attachment B hereto), RTC has consented to the release of \$71,120.00 to K. Hovnanian from the Escrow Account; and,

WHEREAS, K. Hovnanian has decided not to proceed with the development of the Property and is currently trying to sell the Property.

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

- 1) That the City of Ramsey hereby authorizes an agreement for release of fees and requirement of subsequent developer(s) to post required fees and authorizes the Mayor and City Administrator to sign said agreement on behalf of the City.

The motion for the adoption of the foregoing resolution was duly seconded by Councilmember _____, 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 City Council this the 24th day of January, 2017.

Mayor

ATTEST:

City Clerk