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(reserved for recording)

**ASSESSMENT AGREEMENT**

THIS ASSESSMENT AGREEMENT (this “Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between the **City of Ramsey**, Minnesota, a Minnesota municipal corporation (“City”), **Electric Systems of Anoka, Inc.**, a Minnesota limited liability company (“Owner”).

Recitals

- A. Owner is the owner of fee title to the Property, as defined in Exhibit A, attached hereto.
- B. The Owner desires to levy municipal water and sanitary sewer trunk fees against the Property.
- C. The City is willing to levy said trunk fees without certain notices or hearings, provided that assurances and covenants stated below are made by the Owners to ensure that the City will have valid and collectable special assessments as they relate to the Property.
- D. Were it not for the assurances and covenants provided in this Agreement, the City would not levy the trunk fees and is doing so solely at the behest, and for the benefit, of the Owners.

## Agreement

In consideration of the recitals stated above, the mutual promises and agreements set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereby agree as follows:

1. Recitals Incorporated. The recitals stated above are hereby incorporated into this Agreement and made a part of this Agreement by reference.
2. Petition. The Owners hereby petition the City for construction of the Improvement Project.
3. Authority.
  - a. Owners represents and warrants that it is the owner of 100 percent of the Property as described in Exhibit A, that it has full legal authority to encumber the Property as provided in this Agreement, and that as of the date of this Agreement, it has fee simple absolute title in the Property, which is not subject to any liens, interests or encumbrances,.
4. Waiver of Hearings. The Owners waive notice of hearing and hearing pursuant to Minn. Stat. section 429.031, on the Improvement Project, notice of hearing and hearing on the special assessments levied to finance the Improvement Project pursuant to Minn. Stat. section 429.061, and any notice of hearing or procedure specified under the City Charter, and specifically requests that the Improvement Project be constructed and special assessments be levied against the Property without hearings.
5. Waiver of Appeal or Reapportionment. Owner waives the right to appeal the levy of the special assessments pursuant to Minn. Stat. section 429.081, , and further specifically agrees with respect to such special assessments that:
  - a. Any requirements of Minn. Stat. chapter 429 or the City Charter with which the City does not comply are hereby waived;
  - b. The increase in fair market value of its portion of the Property resulting from construction of the Improvement Project will be at least equal to the cost of the Improvement Project as set forth herein, and that such increase in fair market value is a special benefit to the Property;
  - c. Assessment of the above-specified cost of the Improvement Project against its portion of the Property is reasonable, fair and equitable and there are no other properties against which such cost should be assessed.
6. No Deferral. Each Owner represents and warrants that its portion of the Property is not so classified for tax purposes as to result in deferral of the obligation to pay special assessments, and Owner agrees that it will take no action to secure such tax status of its portion of the Property during the term of this Agreement.
7. Assessment. The Owners request that \$11,533 be levied against the Property.

8. Payment of Assessment. [To be completed by Finance Director] The fixed interest rate applied to the Assessment shall be set at the five (5) year U.S. Treasury rate on the date of this agreement plus 2 percent. The owner of any property so assessed may, at any time prior to certification of the assessment or the first installment thereof to the county auditor, pay the whole of the assessment on such property, with interest accrued to the date of payment, to the municipal treasurer, except that no interest shall be charged if the entire assessment is paid within 30 days from the adoption thereof. The owner may at any time prior to November 15 of any year, prepay to the treasurer of the municipality having levied said assessments, the whole assessment remaining due. Assessments levied against any parcel shall be paid in full upon transfer of ownership.
  
9. Collateral. Owner shall furnish the City with an irrevocable letter of credit equal to 40% of the assessments made against the Property. This letter of credit will remain in place until all assessment payments are made. The City shall immediately draw on this letter of credit in the event Owner defaults on making any assessment payments. TThis letter of credit shall adhere to the City's Finance Department minimum standards and must be approved by the City's Finance Director. This letter of credit is separate from the letter of credit that will be required by the City through the City's standard platting and development agreement processes.
  
10. Successors and Assigns. The covenants, waivers and agreements contained in this Agreement shall bind the successors and assigns of each Owner and shall run with such Owner's portion of the Property and bind all its successors in interest. It is the intent of the parties hereto that this Agreement be in a form that is recordable in the land records of Anoka County, Minnesota, and they agree to make any changes in this Agreement that may be necessary to effect the recording of this Agreement against the title to the Property.
  
11. Termination. This Agreement shall terminate upon the final payment of all special assessments levied against that portion of the Property from the Improvement Project. The City shall then execute and deliver such documents, in recordable form, as are necessary to extinguish its rights hereunder.
  
12. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original, but all of which together shall constitute a single agreement.

(left blank intentionally; signature pages and appendix to follow)

**CITY OF RAMSEY**

By: \_\_\_\_\_  
Its: Mayor

ATTEST

By: \_\_\_\_\_  
Its: City Administrator

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF ANOKA )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2020, by John LeTourneau and Kurtis G. Ulrich, the Mayor and City Administrator, respectively, of City of Ramsey, a Minnesota municipal corporation pursuant to the authority granted by its City Council.

\_\_\_\_\_  
Notary Public

**Electric Systems of Anoka, Inc.**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF MINNESOTA                    )  
  ) SS.  
COUNTY OF \_\_\_\_\_                    )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2020, before me a Notary Public within and for said County, personally \_\_\_\_\_, to me personally known, who each by me duly sworn, did say that they are the \_\_\_\_\_ of Electric Systems of Anoka, Inc., a limited liability corporation under the laws of the State of Minnesota, acknowledged said instrument to be the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

**Exhibit A**  
**Legal Description**

THAT PRT OF LOT 5 AUD SUB NO 96 LYG NLY OF A LINE PRL/W & 33 FT NLY OF FOL  
DESC LINE "A" & LYG SLY OF FOL DESC LINE: COM AT MEANDER COR OF W LINE OF SEC  
35 T32 R25, 620.5 FT S OF W 1/4 COR THEREOF (A SSD BRG OF W LINE OF SD SEC BEING N &  
S), TH S 55 DEG

**Exhibit B**  
**Trunk Fee Amounts, Assessment Amount and Assessment Roll**

Total Trunk Fee Amount	\$21,533.00
Lump Sum Payment	\$10,000.00
Assessment Amount	\$11,533.00

*Assessment Roll - to be completed by Finance Director*

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