

ANOKA COUNTY MINNESOTA

Document No.: 2036331.005 ABSTRACT

I hereby certify that the within instrument was filed in this
office for record on: 07/31/2012 10:40:00 AM

Fees/Taxes In the Amount of: \$52.65

LARRY W. DALIEN

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

SRM, Deputy

Delinquent Taxes Certified Certificate of Real Estate Value Not Required
Transfer Entered

Record ID: 2517366



2036331.006

CITY OF RAMSEY
DEVELOPMENT CONTRACT
FOR MAKOWSKY FAMILY FARMS METES AND BOUNDS SUBDIVISION

This CONTRACT dated this 12th day of July, 2012, and is by and between the CITY OF RAMSEY, a Minnesota municipal corporation (the "CITY"), and Makowsky Family Farm, LLC, a Minnesota limited liability company ("PERMITTEE").

WHEREAS, the PERMITTEE is the owner of land legally described as follows:

That part of the West Half of the Northwest ¼ of Section 10, Township 32, Range 25, Anoka County, Minnesota described as follows: Commencing at the Northwest corner of Section 10, Township 32, Range 25, thence Easterly on said Section line 80 rods; thence Southerly parallel with the West line of said Section to Trott Brook; thence Westerly along the channel of said Brook to where the West line of said Section crosses the same; thence Northerly along said line to the place of beginning.

(the "Property").

WHEREAS, PERMITTEE desires to split the Property into two (2) parcels; and

WHEREAS, on May 3, 2012, pursuant to Resolution No. 12-05-066, the CITY approved the subdivision by metes and bounds description (the "Subdivision"), which approval is contingent on certain requirements, including PERMITTEE and the CITY entering into this Contract; and

WHEREAS, PERMITTEE understands that the CITY will expend no CITY funds until PERMITTEE has complied with the relevant escrow requirements in the Code of Ordinances of the CITY.

NOW, THEREFORE, the CITY, PERMITTEE agree as follows:

1. Conditions of Approval. The CITY hereby approves the Subdivision on condition that PERMITTEE provide the necessary security in accordance with the terms of this Contract.
2. Permittee Plans. PERMITTEE shall develop the Property in accordance with the Permittee Plans, with changes as required by the City Staff Review Letter April 26, 2012. The Permittee Plans shall not be attached to this Contract, but are in CITY files. The Permittee Plans as they are:
 - Sketch Plan prepared by Bolton and Menk. dated March 29, 2012
3. Stage I Improvements. The "Stage I Improvements" are described in the Permittee Plans and consist of the following:
 - a. None.

4. Stage I Improvement Financial Guarantee. The PERMITTEE is not required to submit a Stage I Improvement Financial Guarantee. The PERMITTEE is not responsible for installation of Stage I Improvements. The PERMITTEE acknowledges that Stage I Improvements shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision.
5. Inspection Fees. The PERMITTEE shall be responsible for all City inspection costs incurred by the CITY related to the installation of the Stage I Improvements in the amount of No Dollars and No Cents (\$0.00), which equals 5% of the City Engineer's estimated cost of the Stage I Improvements. PERMITTEE shall deposit said amount as a cash escrow held by the CITY at the time of execution of this Contract. PERMITTEE agrees that said fees may be used to complete the Improvements in the event of default by the PERMITTEE. Upon completion of the Stage I Improvements and final inspection and acceptance by the CITY, the remaining balance in the escrow account shall be returned to PERMITTEE.
6. Stage I Improvement Installation. The PERMITTEE is not responsible for installation of Stage I Improvements. The PERMITTEE acknowledges that Stage I Improvements shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision.
7. Time of Performance. The PERMITTEE is not responsible for installation of Stage I Improvements. The PERMITTEE acknowledges that Stage I Improvements shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision.
8. Stage I Improvement Warranty Financial Guarantee. The PERMITTEE is not responsible for installation of Stage I Improvements. The PERMITTEE acknowledges that Stage I Improvements shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision.
9. Maintenance Guarantee for Landscaping. The PERMITTEE is not responsible for providing a maintenance guarantee for landscaping, as no landscaping is required. The PERMITTEE acknowledges that landscaping shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision.
10. Ownership of Improvements. The PERMITTEE is not responsible for installation of Stage I Improvements. The PERMITTEE acknowledges that Stage I Improvements shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision.
11. License. PERMITTEE hereby grants to the CITY, its agents, employees, officers and contractors, a license to enter the Property from time to time in order to perform all work and/or inspections deemed appropriate by the CITY during installation of the

Improvements. This license shall expire after the Improvements installed pursuant to this Contract have been installed and accepted by the CITY.

12. Stage II Improvements. The Stage II Improvements which the CITY requires PERMITTEE to construct, which are not otherwise included in the Stage I Improvements, are as follows:

a. Monument stakes for the Plat

PERMITTEE agrees to construct the Stage II Improvements according to the terms and conditions of this Contract and in accordance with the Permittee Plans, which are subject to revisions per City Staff Review Letter dated April 26, 2012 and which shall be submitted to the City Engineer for review and approval prior to execution by PERMITTEE of any such contract and prior to commencement of construction of the Stage I Improvements.

13. Payment for Stage II Improvements. PERMITTEE shall be responsible for a financial guarantee for the Stage II Improvements to ensure timely completion of the Stage II Improvements. PERMITTEE shall be responsible for a financial guarantee for Stage II Improvements in the amount of 125% of the City Engineer's estimated cost of the Stage II Improvements. PERMITTEE shall deposit said amount as a letter of credit or cash escrow at the time of execution of this Contract.

14. Street and Public Property Cleaning. PERMITTEE shall clear any soil, earth or debris from the streets, public property and Stormwater facilities resulting from any construction within the Property. From time to time and upon not less than thirty six (36) hours prior notice to PERMITTEE, the CITY may remove, at the expense of PERMITTEE, accumulations of soil, earth and debris from the streets and Stormwater facilities within the Property resulting from construction of the Stage I Improvements, and PERMITTEE shall pay each invoice from the CITY to PERMITTEE for such costs within fifteen (15) days of receipt of the invoice.

15. Default. In the event of default by PERMITTEE as to any of the work to be performed by it hereunder, the CITY may, at its option, perform the work and PERMITTEE shall promptly reimburse the CITY for any reasonable expense incurred by the CITY, provided PERMITTEE is first given written notice of the work in default, not less than 48 hours in advance. This Contract is a license for the CITY to act, and it shall not be necessary for the CITY to seek a Court Order for permission to enter the Property. When the CITY does any such work, the CITY may, in addition to its other remedies, assess the cost in whole or in part to the benefitted portion(s) of the Property. PERMITTEE authorizes reimbursement from any of PERMITTEE's escrows held by the CITY.

16. Miscellaneous.

- a. Invalidity of Any Section. If any portion, section, subsection, sentence, clause, paragraph or phrase of this Contract is for any reason invalid, such decision shall not affect the validity of the remaining portions of this Contract.

- b. Written Amendments Only. The action or inaction of the CITY shall not constitute a waiver of or amendment to the provisions of this Contract. To be binding, amendments or waivers shall be in writing, signed by the parties and approved by written resolution of the City Council. The CITY's failure to promptly take legal action to enforce this Contract shall not be a waiver or release.
- c. Compliance with Laws and Regulations. PERMITTEE represents to the CITY that the Plat complies with all CITY, County, metropolitan, State, and Federal laws and regulations, including but not limited to: subdivision ordinances, zoning ordinances and environmental regulations. If the CITY determines that the Plat does not comply, the CITY may, at its option, refuse to allow any construction or development work in the Plat until PERMITTEE cause the Plat to so comply. Upon the CITY's demand, PERMITTEE shall cease work until there is compliance.
- d. Recording, Termination and Release. This Contract shall run with the land and shall be recorded in the office of the Anoka County Recorder at the expense of PERMITTEE. After PERMITTEE has completed the work required of it under this Contract, as to all or any portion of the Property, at the request of PERMITTEE the CITY will execute in recordable form and deliver either a termination of this Contract or a release of such portion of the Property from the effect of this Contract.
- e. Mailbox Locations. PERMITTEE agree that the placement of mailboxes along public streets is subject to the approval by the CITY, and location of utilities will be necessary through Gopher State One-Call.
- f. Boulevard and Area Restoration. PERMITTEE shall be responsible for the cost of establishing seed in all boulevards, except as otherwise noted, within thirty (30) days after completion of the street improvements included in the Stage I Improvements, and restoring all other areas disturbed by the Stage I Improvements, in accordance with approved Permittee Plans. PERMITTEE shall be responsible for the cost of cleaning any soil, earth or debris from wetlands within and adjacent to the Property resulting from grading in connection with the Stage I Improvements.
- g. Construction, Hours and Entrance Signs. The CITY restricts construction and delivery hours to Monday through Saturday, 7:00 a.m. to 10:00 p.m. PERMITTEE is required to provide a sign at each entrance point stating delivery and construction operation hours. Said signs are not to exceed eighty (80) square feet in size and must be clearly visible at all times during the construction period.
- h. Construction Site Maintenance. PERMITTEE shall adhere to all CITY ordinances relating to, but not limited to, dumping of garbage, site development, construction debris, open burning, etc.

- i. Estimated Cost. It is understood and agreed that cost amounts set forth in this Contract as to the Stage I and Stage II Improvements, unless qualified as fixed amounts, are estimated. PERMITTEE agrees to pay the entire cost of the Improvements, including interest, engineering and legal fees related thereto.
- j. Subdivision Approval Expenses. PERMITTEE shall pay to CITY all CITY expenses incurred in the approval of the Subdivision, including, but not limited to, administration expenses, and engineering and legal fees. Any such expenses incurred after recording of the Plat shall be paid within fifteen (15) days after receipt of an invoice therefor. Failure to pay the CITY'S expenses within that fifteen (15) day period will permit the CITY to draw for payment upon any of the escrows required by this Contract. The CITY agrees to provide to PERMITTEE, promptly upon request, an estimate of all such expenses.
- k. Reimbursement to the CITY. PERMITTEE shall reimburse the CITY for all costs incurred by the CITY in defense or enforcement of this Contract if the City prevails in such action, or any portion thereof, including court costs and reasonable engineering and attorney's fees.
- l. Marketable Title. Prior to recording of the Plat, PERMITTEE shall provide the CITY with proof of marketable title to the Property, either through a currently certified abstract, registered property abstract or title insurance.
- m. Certificate of Occupancy. The term "Certificate of Occupancy" as used in this Contract shall be defined as a document issued by the CITY'S Building Official, which authorizes a structure to be used for its intended purposes.
- n. Proof of Authority. The CITY requires PERMITTEE to provide proof of authority by its governing board to execute this Contract. This proof of authority may be satisfied by providing the CITY with a certified copy of the minutes of the governing board of PERMITTEE.
- o. Recording of This Contract. See Section 17(d) above.
- p. Violation of This Contract. If PERMITTEE fail to perform any of the terms of this Contract, the CITY shall be entitled to recover, from PERMITTEE or the issuer of its financial guarantee, the full amount of any and all financial guarantees or withhold the Certificate of Occupancy as defined in Section 16(m) above. Breach of any of the terms of this Contract by PERMITTEE shall be grounds for denial of a building permit for any portion of the Property still owned by PERMITTEE.
- q. Contract Binding On Successors and Assigns. This Contract shall be binding upon the parties, and their respective successors and assigns.

- r. Letters of Credit. All letters of credit presented as a financial guarantee, if required prior to issuance of a Certificate of Occupancy, shall be first approved as to form and content prior to acceptance by the CITY.
17. Requirements for Building Permit and Certificate of Occupancy.
- a. No building permit for any lot in the Plat shall be issued until: (a) a Class 5 driving surface is installed to within 300 feet of the proposed structure; (b) a Certificate of Survey, including the survey information required by the CITY, has been supplied to the CITY Building Official; (c) all the financial guarantees required by the CITY have been satisfied; (d) a permit from the Lower Rum River Watershed Management Organization has been obtained; (e) a permit from Anoka County Soil Conservation District has been obtained (if necessary); and (f) this Contract has been signed and received by the CITY.
- b. No Certificate of Occupancy for any lot in the Plat shall be issued until: (a) vehicular access to the lot is provided, including installation of at least one layer of bituminous surfacing; (b) all utilities are in place, operational and accepted by the CITY in accordance with this Agreement; (c) for lots that have a slope of less than 2%, a certificate of grading, prepared by a licensed (State of Minnesota) professional land surveyor, is provided to the CITY documenting that the flattest grade on the lot is 1% or greater; and (d) boulevard sod and landscape tree, or escrow for same, have been provided.
- c. All improvements included in the Permittee Plans, including amendment required of the City Staff Review Letter dated April 26, 2012 are completed, or financial guarantee in the amount of 125% the City Engineer's estimate of the cost of said improvements is secured in the form of cash escrow or letter of credit for the parking lot and related items.
- d. Vacant Parcel. The PERMITTEE agrees that the vacant 57 acre parcel shall not be considered buildable and shall not be eligible for a Building Permit or Certificate of Occupancy until such time the vacant parcel is subdivided in accordance with City Code requirements to subdivide the parcel by plat. Said platting requirements shall include, but are not limited to, dedicating proper easements, delineating ass floodplain and wetland information, and paying applicable development fees. The vacant parcel shall be subject to applicable processes, application/review fees, and development fees in effect and at the rate in effect at the time said future plat is approved and required agreements are executed.
18. Park Dedication. The PERMITTEE is not responsible for Park Dedication Fees, as the net result of the Subdivision does not create an additional buildable lot. The PERMITTEE acknowledges that Park Dedication shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision. The rate in effect the time a development contract is

executed for future subdivision shall be collected and paid to the City before release of any future plat.

19. Trail Development Fees. The PERMITTEE is not responsible for Trail Development Fees, as the net result of the Subdivision does not create an additional buildable lot. The PERMITTEE acknowledges that Trail Development Fees shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision. The rate in effect the time a development contract is executed for future subdivision shall be collected and paid to the City before release of any future plat.
20. Water and Sanitary Sewer Connection (Trunk) Fees. The PERMITTEE is not responsible for Trunk Fees, as the net result of the Subdivision does not create an additional buildable lot. The PERMITTEE acknowledges that Trunk Fees shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision. The rate in effect the time a development contract is executed for future subdivision shall be collected and paid to the City before release of any future plat.
21. Water and Sanitary Sewer Lateral Fees. The PERMITTEE is not responsible for Lateral Fees, as the net result of the Subdivision does not create an additional buildable lot. The PERMITTEE acknowledges that Lateral Fees may be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision. The rate in effect the time a development contract is executed for future subdivision shall be collected and paid to the City before release of any future plat.
22. Stormwater Management Fee. The PERMITTEE is not responsible for Stormwater Management Fees, as the net result of the Subdivision does not create an additional buildable lot. The PERMITTEE acknowledges that Stormwater Management Fees shall be required with future subdivision requests and will be reviewed at the time the PERMITTEE submits any request for future subdivision. The rate in effect the time a development contract is executed for future subdivision shall be collected and paid to the City before release of any future plat.
23. Future Development Fees. PERMITTEE agrees that none of the above fees are being collected for any of the outlots in the Plat, and therefore said outlots are subject to similar fees at a future date when such outlots are subdivided for development.
24. Trail Construction. The PERMITTEE is not responsible for trail construction.
25. Easements. PERMITTEE shall be responsible for drafting and recording easement documents for all easements required by this Contract on private property. Said easements shall be executed prior to the CITY releasing the Plat for recording and shall be recorded at the same time as the Plat. The PERMITTEE shall provide a thirty (30) foot permanent/perpetual road easement along the Northern property line as indicated on the Permittee Plans. Said easement(s) shall be submitted to the CITY for review prior to execution of this Contract.

26. Maintenance Agreement. The PERMITTEE is not responsible for any additional maintenance agreements.
27. Notices. All notices required or permitted by this Contract to be given to a party shall be in writing, and shall be either personally delivered or mailed by certified or registered mail to such party at the following address or such other address as such party shall specify in a notice to the other party:

William Makowsky
Makowsky Family Farm, LLC
7040 173rd Ave NW
Ramsey, MN 55303

City Administrator
City of Ramsey
7550 Sunwood Dr NW
Ramsey, MN 55303

IN WITNESS THEREOF, the parties have hereunto set their hands and seals, the day and year first written above.

City of Ramsey

By: [Signature]
Its Mayor

By: [Signature]
Its City Administrator ✓

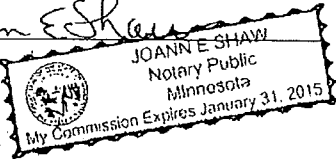
Makowsky Family Farm, LLC

By: Wm J. Makowsky

Its: Chief Manager _____

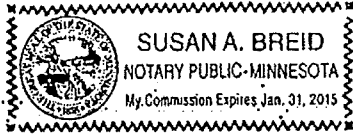
STATE OF MINNESOTA)
)ss.
COUNTY OF ANOKA)

On this 13th day of July, 2012, before me a Notary Public within and for said County, personally appeared Bob Ramsey and Kurtis G. Ulrich, to me personally known, who each by me duly sworn, each did say that they are respectively the Mayor and the City Clerk of Ramsey, the municipal corporation named in the foregoing instrument, and that the seal affixed to said instrument was signed and sealed in behalf of said municipality by authority of its City Council and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said municipal corporation.

Joanne Shaw
Notary Public


STATE OF MINNESOTA)
)ss.
COUNTY OF Anoka)

The foregoing instrument was acknowledged before me this 11th day of July, 2012, by William Makowsky, the Chief Manager of Makowsky Family Farm, LLC, a Minnesota limited liability company, on behalf of the limited liability company.



Susan A. Breid
Notary Public

This Document Drafted By:
City of Ramsey
7550 Sunwood Dr NW
Ramsey, MN 55303

This Document Reviewed By:
Randall and Goodrich
2140 4th Avenue
Anoka, MN 55303

CONSENT TO CONTRACT

First National Bank of Elk River, a NATIONAL BANKING ASSOCIATION, the holder of those certain mortgages on the described real estate, dated January 9, 2007, filed for record with the County Recorder for Anoka County, Minnesota on January 22, 2007 as Document No. 1990535.006, as modified, hereby consents to the recording this Contract against the Property and to be bound to the terms of the Contract.

IN WITNESS WHEREOF, First National Bank of Elk River, a NATIONAL BANKING ASSOCIATION has caused this Consent to be executed this 10th day of July, 2012.

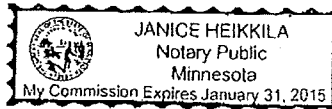
First National Bank of Elk River,
a NATIONAL BANKING ASSOCIATION

By: Andrew Beck
Its: Vice President

STATE OF MINNESOTA)
COUNTY OF Anoka)SS

The foregoing instrument was acknowledged before me this 10th day of July, 2012 by Andrew Beck the Vice President of First National Bank of Elk River, a National Banking Association under the laws of Minnesota, on behalf of the company.

Janice Heikkila
Notary Public



ANOKA COUNTY MINNESOTA

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office for record on: 07/31/2012 10:40:00 AM

Fees/Taxes In the Amount of: \$46.00

LARRY W. DALIEN

Anoka County Property Tax

Administrator/Recorder/Registrar of Titles

SRM, Deputy

Record ID: 2517371