

DONATION AGREEMENT

This Donation Agreement is entered into by and between **T & G Land, Inc.**, a Minnesota corporation (Donor), and the **City of Ramsey**, a Minnesota municipal corporation.

Recitals

A. Donor owns the Property legally described as:

Lot 1, Block 1, Pineview Estates 2nd Addition, County of Anoka, State of Minnesota.

PID 28-32-25-12-0003

B. Donor seeks to donate the Property to the City, and the City desires to accept said donation, pursuant to the terms and conditions set forth in this Agreement.

Agreement

1. **Donation.** Donor hereby donates the Property to the City pursuant to the terms of this Agreement.
2. **Property Value.** The parties agree that the market value of the Property, as determined by an independent appraisal, is \$ _____.
3. **Contingencies.** The City's acceptance of the donation of the Property is subject to the following:
 - a. Completion of a Phase I environmental site assessment and written acceptance of the results of that assessment by the City.
 - b. City's receipt of a title commitment and acceptance of the condition of title, as provided for below.
 - c. Approval of the donation by the City Council.
4. **Title Commitment.** Within 14 days after the date of the latest signature below, the City shall obtain a Title Commitment from a title company of the City's choosing. The City shall have seven days after receipt of the Title Commitment to review title and to give Donor written notice of (i) any defects in the marketability of Donor title to the Property or any encumbrances on Donor's title to the Property that are objectionable to City, and (ii) the specific actions City requests that Donor take with respect to each such defect or encumbrance (a "**Title Objection Notice**"). Any defects in or encumbrances on Donor's title that City does not identify in a timely Title Objection Notice are each a "**Permitted Exception.**" Within three business days after Donor's receipt of a Title Objection Notice from

City, Donor will notify City, in writing, of the actions, if any, that Donor is willing to take with respect to each of the matters identified in the Title Objection Notice and the time frame in which Donor will take those actions (“**Donor’s Title Notice**”). If Donor’s Title Notice indicates that Donor unconditionally agrees to make Donor’s title to the Property marketable on or before the closing date, the parties shall proceed to closing pursuant to the terms of this Agreement. If Donor’s Title Notice indicates that Donor does not unconditionally agree to make Donor’s Title to the Property marketable on or before the closing date, City may, at any time with three business days after City’s receipt of Donor’s Title Notice, terminate this Agreement by written notice to Donor in which case this Agreement is terminated (“**City’s Title Termination Notice**”). If City does not deliver a City’s Title Termination Notice to Donor within the three business days after City’s receipt of Donor’s Title Notice, then Donor must perform in accordance with Donor’s Title Notice, City shall be deemed to have waived City’s objections to the extent Donor has not agreed to address them in Donor’s Title Notice, the matters to which City objected and Donor did not agree to resolve are deemed Permitted Exceptions, and the parties shall proceed to Closing in accordance with the terms of this Agreement and the terms of Donor’s Title Notice.

5. **Right of Entry.** Upon execution of this Agreement, the City, its employees and agents may enter the Property for the purpose of conducting soil tests, environmental tests and survey work subject to the following conditions:
 - a. The City must repair and or restore any damage it caused to the Property and remove any personal property, refuse or debris the City brought onto the Property.
 - b. The City must comply with and shall cause it employees, agents, and contractors to comply with all applicable laws, while on the Property.
6. **Inspection Period.** The City shall have 21 days from the latest date of execution of this Agreement to investigate the Property and determine in its sole judgment whether the Property is suitable for the City’s intended use. The City may, at any time before 5:00 p.m. on the last day of the inspection period, terminate this Agreement and decline the donation by written notice to Donor.
7. **Donor Representations.**
 - a. Donor has no actual knowledge, or reason to believe, that the Property contains Hazardous Substances. The term “Hazardous Substance” means any pollutant, contaminant, hazardous substance or waste, solid waste, petroleum product, distillate, or fraction, radioactive material, chemical known to cause cancer or reproductive toxicity, polychlorinated biphenyl or any other chemical, substance or material listed or identified in or regulated by any Environmental Law.

- b. Donor has no actual knowledge of, or reason to believe, present or past conditions on the Property constitute a violation of Environmental Law, which means the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Federal Water Pollution Control Act (the Clean Water Act), 33 U.S.C. § 1251 et seq. the Clean Air Act, 42 U.S.C. § 7401 et seq., and the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., all as amended from time to time, and any other federal, state, local or other governmental statute, regulation, rule, law or ordinance dealing with the protection of human health, safety, natural resources or the environment now existing or hereafter enacted.
 - c. There were no labor or materials furnished to the Property for which payment has not been made.
 - d. There are no unrecorded contracts, leases, easements or other agreements or interests relating to the Property.
 - e. There are no persons in possession of the Property.
 - f. There are no liens of any kind against Donor that affect the Property.
 - g. There were no bankruptcy or dissolution proceedings involving Donor during the time period in which Donor had any interest in the Property.
8. **Notices.** Notices permitted or required by this Agreement must be in writing and shall be deemed given when delivered in legible form to the party to whom addressed. Notices may be sent by certified mail, overnight mail delivery (such as UPS or FedEx) or e-mail. Notices are effective two business days after they are mailed via certified mail, return receipt requested or, if delivered in any other manner, when the party to whom the notice is directed actually receives the notice. If delivered at the Closing, a notice shall be deemed given when hand-delivered to the party's representative at the Closing. The business addresses of the parties are as follows:

Donor: Tom Sauter
T & G Land, Inc.
6651 141st Ave. N.W., Ste. 3
Ramsey, MN 55303
tsauter03@gmail.com

City: City Administrator
City of Ramsey
7550 Sunwood Drive N.W.
Ramsey, MN 55303
kulrich@ci.ramsey.mn.us

9. **Closing.** This transaction shall close on or before December 31, 2020, or the expiration or waiver of the Inspection Period or on such earlier date as Donor and City may establish by mutual, written agreement. The Closing shall take place at a location the parties mutually agree to prior to such date.
- a. Donor's Obligations at Closing. At Closing, Donor must deliver to the City the following:
 - i. A warranty deed, duly executed and acknowledged on behalf of the Donor conveying title to the Property, subject to (A) the lien of real estate taxes, if any, not yet due and payable; (B) Matters that would be disclosed by an accurate survey of the Property; and (C) matters that constitute Permitted Exceptions.
 - ii. Seller's Affidavit, well disclosure certificate (if required), settlement statement approved by the Donor, and any other documents necessary to effectuate the closing.
 - b. City's Obligations at Closing. At Closing, the City must:
 - i. Provide funds to cover those costs for which the City is responsible under this Agreement;
 - ii. File an e-CRV as necessary.
 - c. Closing costs.
 - i. At Closing, the following Donor closing costs and expenses must be paid by the Donor:
 - 1. Donor's portion of the property taxes prorated to the date of Closing.
 - 2. Donor's own attorney's fees.
 - ii. At Closing, the City must pay the following costs and expenses:
 - 1. City's portion of the property taxes prorated to the date of Closing.
 - 2. City's own attorney's fees.
 - 3. Closing fees.
 - 4. State deed tax.
 - 5. Documentary and recording fees for the deed.
 - 6. Cost of the appraisal.

7. Cost of environmental site assessment.

8. Cost of title commitment and owner's title insurance policy.

d. Possession. Donor must deliver possession of the Property at Closing.

10. **Entire Agreement.** This Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Property. No modification of the terms of this Agreement are effective unless in writing and executed by the parties.

11. **Remedy.** In the event that, following execution of this Agreement, Donor decides not to donate the Property to the City, Donor shall pay the costs incurred by the City for the title commitment and Phase I environmental site assessment, and shall be responsible for the appraisal costs.

12. **Construction.** The Parties acknowledge that this Agreement was initially prepared by the City solely as a convenience and that all parties and their counsel hereto have read and full negotiated all the language used in this Agreement. Consequently, no rule of construction shall apply to this Agreement to construe ambiguous or unclear language in favor of or against any party.

[Remainder of page left blank intentionally.]

T & G Land, Inc.

By: _____
Thomas Sauter

Dated: _____, 2020

Its: _____

City of Ramsey

By: _____
John LeTourneau, Mayor

Dated: _____, 2020

By: _____
Kurtis G. Ulrich
City Administrator

Dated: _____, 2020