

DEVELOPMENT AGREEMENT

BY AND BETWEEN

CITY OF RAMSEY, MINNESOTA

AND

RAMSEY HOTEL GROUP LLC

This document drafted by:

TAFT STETTINIUS & HOLLISTER LLP  
2200 IDS Center  
80 South 8th Street  
Minneapolis, Minnesota 55402

TABLE OF CONTENTS

	Page
ARTICLE I	DEFINITIONS..... 2
Section 1.1	Definitions..... 2
ARTICLE II	REPRESENTATIONS AND WARRANTIES..... 4
Section 2.1	Representations and Warranties of the City..... 4
Section 2.2	Representations and Warranties of the Developer..... 4
ARTICLE III	UNDERTAKINGS BY DEVELOPER AND CITY ..... 6
Section 3.1	Development Property ..... 6
Section 3.2	Legal and Administrative Expenses..... 6
Section 3.3	Business Subsidies Act ..... 6
Section 3.4	Execution of Assessment Agreement ..... 7
ARTICLE IV	EVENTS OF DEFAULT ..... 8
Section 4.1	Events of Default Defined ..... 8
Section 4.2	Remedies on Default..... 8
Section 4.3	No Remedy Exclusive..... 9
Section 4.4	No Implied Waiver ..... 9
Section 4.5	Agreement to Pay Attorney's Fees and Expenses ..... 9
Section 4.6	Indemnification of City..... 9
ARTICLE V	ADDITIONAL PROVISIONS ..... 11
Section 5.1	Restrictions on Use ..... 11
Section 5.2	Conflicts of Interest..... 11
Section 5.3	Titles of Articles and Sections ..... 11
Section 5.4	Notices and Demands ..... 11
Section 5.5	Counterparts..... 12
Section 5.6	Law Governing ..... 12
Section 5.7	Expiration..... 12
Section 5.8	Provisions Surviving Rescission or Expiration..... 12
Section 5.9	Transfer of Development Property; Assignability of Agreement..... 12
EXHIBIT A	DESCRIPTION OF DEVELOPMENT PROPERTY ..... A-1
EXHIBIT B	FORM OF ASSESSMENT AGREEMENT ..... B-1

## DEVELOPMENT AGREEMENT

THIS AGREEMENT, made as of the \_\_\_\_ day of \_\_\_\_\_, 2020, by and between the City of Ramsey, Minnesota (the "City"), a municipal corporation existing under the laws of the State of Minnesota and Ramsey Hotel Group LLC, a Minnesota limited liability company (the "Developer"),

WITNESSETH:

WHEREAS, pursuant to Minnesota Statutes, Section 469.124 to 469.133, the City has heretofore established Development District No. 1 (the "Development District") and has adopted a development program therefor (the "Development Program"); and

WHEREAS, pursuant to Minnesota Laws, 2010, Chapter 389, Article 7, Section 22, as amended by Minnesota Laws, 2011, Chapter 112, Article 11, Section 16 ("Special Legislation") and the provisions of Minnesota Statutes, Section 469.174 through 469.1794, as amended (hereinafter, the "Tax Increment Act"), the City has heretofore established, within the Development District, Tax Increment Financing (Redevelopment) District No. 14 (the "Tax Increment District") and has adopted a tax increment financing plan therefor (the "Tax Increment Plan") which provides for the use of tax increment financing in connection with certain development within the Development District; and

WHEREAS, in order to achieve the objectives of the Development Program and particularly to make the land in the Development District available for development by private enterprise in conformance with the Development Program, the City has determined to finance certain costs of a Project (as hereinafter defined) to be constructed within the Tax Increment District as more particularly set forth in this Agreement; and

WHEREAS, the City believes that the development and construction of the Project, and fulfillment of this Agreement are vital and are in the best interests of the City, the health, safety, morals and welfare of residents of the City, and in accordance with the public purpose and provisions of the applicable state and local laws and requirements under which the Project has been undertaken and is being assisted; and

WHEREAS, the requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J.995, apply to this Agreement;

WHEREAS, the City has adopted criteria for awarding business subsidies that comply with the Business Subsidy Law, after a public hearing for which notice was published; and

WHEREAS, the Council has approved this Agreement as a subsidy agreement under the Business Subsidy Law.

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

Agreement means this Agreement, as the same may be from time to time modified, amended or supplemented;

Assessment Agreement means the agreement, in substantially the form of the agreement contained in Exhibit B attached hereto and hereby made a part of this Agreement, among the Developer, the City and the Assessor for the County, entered into pursuant to Article III of this Agreement;

Assessor's Minimum Market Value means the agreed minimum market value of the Development Property and Project and for calculation of real property taxes as determined by the Assessor for the County pursuant to the Assessment Agreement;

City means the City of Ramsey, Minnesota;

County means Anoka County, Minnesota;

Developer means Ramsey Hotel Group LLC, a Minnesota limited liability company, its successors and assigns;

Development District means Development District No. 1, including the real property described in the Development Program;

Development Program means the development program approved in connection with the Development District;

Development Property means the real property described in Exhibit A attached to this Agreement;

Event of Default means any of the events described in Section 4.1 hereof;

Interfund Loan means the interfund loan in the amount of \$311,020 with interest at a rate of 5.00% per annum authorized by the City's Interfund Loan Resolution adopted on \_\_\_\_\_, 2020;

Legal and Administrative Expenses means the fees or expenses incurred by the City in connection with the establishment of the Tax Increment District and the preparation of this Agreement;

Prime Rate means the rate of interest from time to time publicly announced by U.S. Bank National Association in St. Paul, Minnesota, as its "reference rate" or any successor rate, which rate shall change as and when that prime rate or successor rate changes;

Project means the approximately 36,578 square foot 60-unit hotel, restaurant and related facilities to be located on the Development Property;

Purchase Agreement means that certain agreement between the City and the Developer for the purchase of the Development Property from the City;

Special Legislation means Minnesota Laws, 2010, Chapter 389, Article 7, Section 22, as amended by Minnesota Laws, 2011, Chapter 112, Article 11, Section 16;

State means the State of Minnesota;

Tax Increments means the tax increments derived from the Development Property which have been received and retained by the City in accordance with the provisions of Minnesota Statutes, Section 469.177;

Tax Increment Act means Minnesota Statutes, Sections 469.174 through 469.1794, as amended;

Tax Increment District means Tax Increment Financing (Redevelopment) District No. 14 located within the Development District, a description of which is set forth in the Tax Increment Financing Plan, which was qualified as a redevelopment district under the Tax Increment Act;

Tax Increment Financing Plan means the tax increment financing plan approved for the Tax Increment District by the City Council on December 14, 2010, and any amendments thereto;

Termination Date means the date on which the City has been reimbursed the amount of the Interfund Loan.

Unavoidable Delays means delays, outside the control of the party claiming its occurrence, which are the direct result of strikes, other labor troubles, unusually severe or prolonged bad weather, acts of God, fire or other casualty to the Project, litigation commenced by third parties which, by injunction or other similar judicial action or by the exercise of reasonable discretion, directly results in delays, or acts of any federal, state or local governmental unit (other than the City) which directly result in delays.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the City. The City makes the following representations and warranties:

(1) The City is a municipal corporation and has the power to enter into this Agreement and carry out its obligations hereunder.

(2) The Tax Increment District is a "redevelopment district" within the meaning of Minnesota Statutes, Section 469.174, Subdivision 10, and was created, adopted and approved in accordance with the Special Legislation.

(3) The development contemplated by this Agreement is in conformance with the development objectives set forth in the Development Program.

(4) The City makes no representation or warranty, either expressed or implied, as to the Development Property or its condition or the soil conditions thereon, or that the Development Property shall be suitable for the Developer's purposes or needs.

Section 2.2 Representations and Warranties of the Developer. The Developer makes the following representations and warranties:

(1) The Developer is a Minnesota limited liability company and has the power and authority to enter into this Agreement and to perform its obligations hereunder and doing so will not violate its articles of organization, member control agreement or operating agreement, or the laws of the State and by proper action has authorized the execution and delivery of this Agreement.

(2) The Developer shall cause the Project to be constructed in accordance with the terms of this Agreement, the Development Program, and all applicable local, state and federal laws and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws and regulations).

(3) The construction of the Project would not be undertaken by the Developer, and in the opinion of the Developer would not have been or be economically feasible within the reasonably foreseeable future, without the assistance and benefit to the Developer provided for in this Agreement.

(4) The Developer will use its best efforts to obtain, or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed.

(5) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in a breach of, the terms, conditions or provision of any contractual restriction, evidence of indebtedness,

agreement or instrument of whatever nature to which the Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(6) The Developer will cooperate fully with the City with respect to any litigation commenced with respect to the Project.

(7) The Developer will cooperate fully with the City in resolution of any traffic, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the Project.

(8) The construction of the Project shall commence no later than \_\_\_\_\_, 2020 and barring Unavoidable Delays, will be substantially completed by \_\_\_\_\_, 20\_\_.

(9) Until the Termination Date, the Developer will not seek a reduction in the market value as determined by the County Assessor of the Project.

## ARTICLE III

### UNDERTAKINGS BY DEVELOPER AND CITY

Section 3.1 Development Property. The City agrees to sell the Developer the Development Property for the purchase price set forth in the Purchase Agreement in accordance with the provisions of the Purchase Agreement. The City shall use the Tax Increments to pay the Interfund Loan. It is expected that the Tax Increments to be received by the City will be in the principal amount of \$311,020 plus interest at 5.00%.

Section 3.2 Legal and Administrative Expenses. The Developer has deposited \$5,000 with the City to pay actual out of pocket Legal and Administrative Expenses and any excess will be returned to the Developer after payment of all Legal and Administrative Expenses. If the City determines the deposit to be inadequate, the Developer shall provide additional funds in the amount determined by the City to be escrowed.

#### Section 3.3 Business Subsidies Act.

(1) In order to satisfy the provisions of Minnesota Statutes, Sections 116J.993 to 116J.995 (the "Business Subsidies Act"), the Developer acknowledges and agrees that the amount of the "Business Subsidy" granted to the Developer under this Agreement is \$311,020 which is the value of the Development Property which is being sold to the Developer for \$1.00 and that the Business Subsidy is needed because the Project is not sufficiently feasible for the Developer to undertake without the Business Subsidy. The Tax Increment District is an economic development district and the public purpose of the Business Subsidy is to encourage the construction of the Project in the City (the "Goals"). After holding a public hearing on \_\_\_\_\_, 2020, the City has determined that creation and retention of jobs is not a goal of the subsidy for the Project and consequently has set the wage and job goals hereunder at zero.

(2) If the Goals are not met, the Developer agrees to repay all of the Business Subsidy to the City, plus interest ("Interest") set at the implicit price deflator defined in Minnesota Statutes, Section 275.70, Subdivision 2, accruing from and after the date the Goals are not met, compounded semiannually.

(3) The Developer agrees to (i) report its progress on achieving the Goals to the City until the date the Goals are met or, if the Goals are not met, until the date the Business Subsidy is repaid, (ii) include in the report the information required in Minnesota Statutes, Section 116J.994, Subdivision 7 on forms developed by the Minnesota Department of Employment and Economic Development, and (iii) send completed reports to the City. The Developer agrees to file these reports no later than March 1 of each year commencing March 1, 2021, and within 30 days after the deadline for meeting the Goals. The City agrees that if it does not receive the reports, it will mail the Developer a warning within one week of the required filing date. If within 14 days of the post marked date of the warning the reports are not made, the Developer agrees to pay to the City a penalty of \$100 for each subsequent day until the report is filed up to a maximum of \$1,000.

(4) The Developer agrees to continue operations within the City for at least five (5) years after the date the Project is placed in service.

(5) There are no other state or local government agencies providing financial assistance for the Project other than the City.

(6) Cobblestone Hotel Development, LLC, a Wisconsin limited liability company, is the parent corporation of the Developer.

(7) The Developer certifies that it does not appear on the Minnesota Department of Employment and Economic Development's list of recipients that have failed to meet the terms of a business subsidy agreement.

Section 3.4 Execution of Assessment Agreement. Simultaneously with the execution of this Agreement, the Developer and the City shall execute an Assessment Agreement pursuant to the provisions of Minnesota Statutes, Section 469.177, Subdivision 8, specifying the Assessor's Minimum Market Value for the Development Property and the Project for calculation of real property taxes. Specifically, the Developer shall agree to a market value for the Development Property and the Project which will result in a market value as of January 2, 20\_\_ of not less than \$4,275,000 until December 31, 20\_\_ (such minimum market value at the time applicable is herein referred to as the "Assessor's Minimum Market Value"). Nothing in the Assessment Agreement shall limit the discretion of the Assessor to assign a market value to the property in excess of such Assessor's Minimum Market Value. The Assessment Agreement shall remain in effect until the earlier of (i) December 31, 20\_\_; or (ii) the date of termination of this Agreement. The Assessment Agreement shall be certified by the Assessor for the County as provided in Minnesota Statutes, Section 469.177, Subdivision 8, upon a finding by the Assessor that the Assessor's Minimum Market Value represents a reasonable estimate based upon the plans and specifications for the Project to be constructed on the Development Property and the market value previously assigned to the Development Property. Pursuant to Minnesota Statutes, Section 469.177, Subdivision 8, the Assessment Agreement shall be filed for record in the office of the county recorder or registrar of titles of the County, and such filing shall constitute notice to any subsequent encumbrancer or purchaser of the Development Property (or part thereof), whether voluntary or involuntary, and such Assessment Agreement shall be binding and enforceable in its entirety against any such subsequent purchaser or encumbrancer, including the holder of any mortgage recorded against the Development Property.

## ARTICLE IV

### EVENTS OF DEFAULT

Section 4.1 Events of Default Defined. The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean whenever it is used in this Agreement any one or more of the following events:

(1) Failure by the Developer to timely pay any ad valorem real property taxes assessed, special assessments or other City charges with respect to the Development Property.

(2) Failure by the Developer to cause the construction of the Project to be completed pursuant to the terms, conditions and limitations of this Agreement.

(3) Failure of the Developer to observe or perform any other covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement.

(4) The holder of any mortgage on the Development Property or any improvements thereon, or any portion thereof, commences foreclosure proceedings as a result of any default under the applicable mortgage documents.

(5) If the Developer shall:

(A) file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended or under any similar federal or state law; or

(B) make an assignment for the benefit of its creditors; or

(C) admit in writing its inability to pay its debts generally as they become due;  
or

(D) be adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of the Developer as bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within sixty (60) days after the filing thereof; or a receiver, trustee or liquidator of the Developer, or of the Project, or part thereof, shall be appointed in any proceeding brought against the Developer, and shall not be discharged within sixty (60) days after such appointment, or if the Developer, shall consent to or acquiesce in such appointment.

Section 4.2 Remedies on Default. Whenever any Event of Default referred to in Section 4.1 occurs and is continuing, the City, as specified below, may take any one or more of the following actions after the giving of thirty (30) days' written notice to the Developer, but only if the Event of Default has not been cured within said thirty (30) days:

(1) The City may suspend its performance under this Agreement until it receives assurances from the Developer, deemed adequate by the City, that the Developer will cure its default and continue its performance under this Agreement.

(2) The City may cancel and rescind the Agreement.

(3) The City may take any action, including legal or administrative action, in law or equity, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of the Developer under this Agreement.

Section 4.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 4.4 No Implied Waiver. In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

Section 4.5 Agreement to Pay Attorney's Fees and Expenses. Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of the Developer herein contained, the Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

Section 4.6 Indemnification of City.

(1) The Developer releases from and covenants and agrees that the City, its governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "Indemnified Parties") shall not be liable for and agrees to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project, provided that the foregoing indemnification shall not be effective for any actions of the Indemnified Parties that are not contemplated by this Agreement.

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Developer agrees to protect and defend the Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of the Developer (or other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, construction, installation, ownership, and operation of the Project; provided, that this

indemnification shall not apply to the warranties made or obligations undertaken by the City in this Agreement or to any actions undertaken by the City which are not contemplated by this Agreement but shall, in any event and without regard to any fault on the part of the City, apply to any pecuniary loss or penalty (including interest thereon from the date the loss is incurred or penalty is paid by the City at a rate equal to the Prime Rate) as a result of the Developer operating the Project so that the Tax Increment District does not qualify or ceases to qualify as an "economic development district" under Section 469.174, Subdivision 12, of the Act and Section 469.176, Subdivision 4c. or to violate limitations as to the use of Tax Increments as set forth in Section 469.176, Subdivision 4c.

(3) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City.

## ARTICLE V

### ADDITIONAL PROVISIONS

Section 5.1 Restrictions on Use. Until termination of this Agreement, the Developer agrees for itself, its successors and assigns and every successor in interest to the Development Property, or any part thereof, that the Developer and such successors and assigns shall operate, or cause to be operated, the Project as a hotel, restaurant and related facilities and shall devote the Development Property to, and in accordance with, the uses specified in this Agreement.

Section 5.2 Conflicts of Interest. No member of the governing body or other official of the City shall have any financial interest, direct or indirect, in this Agreement, the Development Property or the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. No member, official or employee of the City shall be personally liable to the City in the event of any default or breach by the Developer or successor or on any obligations under the terms of this Agreement.

Section 5.3 Titles of Articles and Sections. Any titles of the several parts, articles and sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 5.4 Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- (1) in the case of the Developer is addressed to or delivered personally to:

Ramsey Hotel Group LLC  
Attention: R. Hansen  
980 American Drive  
Neenah, WI 54956

- (2) in the case of the City is addressed to or delivered personally to the City at:

City of Ramsey, Minnesota  
Attention: City Administrator  
Ramsey City Hall  
7550 Sunwood Drive NW  
Ramsey, MN 55303

with a copy to:

Taft Stettinius & Hollister LLP  
Attention: Mary Ippel  
2200 IDS Center  
80 South 8th Street  
Minneapolis, MN 55402

or at such other address with respect to any such party as that party may, from time to time, designate in writing and forward to the other, as provided in this Section.

Section 5.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute one and the same instrument.

Section 5.6 Law Governing. This Agreement will be governed and construed in accordance with the laws of the State.

Section 5.7 Expiration. This Agreement shall terminate on the Termination Date, unless earlier terminated or rescinded in accordance with its terms.

Section 5.8 Provisions Surviving Rescission or Expiration. Sections 4.5 and 4.6 shall survive any rescission, termination or expiration of this Agreement with respect to or arising out of any event, occurrence or circumstance existing prior to the date thereof.

Section 5.9 Transfer of Development Property; Assignability of Agreement. The Development Property may be transferred only with the consent of the City and this Agreement may be assigned only with the consent of the City, which shall not be unreasonably withheld, delayed or conditioned.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and on its behalf and its seal to be hereunto duly affixed, and the Developer has caused this Agreement to be duly executed on its behalf, on or as of the date first above written.

CITY OF RAMSEY, MINNESOTA

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

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

This is a signature page to the Development Agreement by and between the City of Ramsey and Ramsey Hotel Group LLC.

RAMSEY HOTEL GROUP LLC

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

This is a signature page to the Development Agreement by and between the City of Ramsey and Ramsey Hotel Group LLC.

EXHIBIT A

DESCRIPTION OF DEVELOPMENT PROPERTY

Property located in the City of Ramsey, Anoka County, Minnesota with the following legal description:

## EXHIBIT B

### FORM OF ASSESSMENT AGREEMENT

THIS AGREEMENT, dated as of this 1st day of April, 2020, is by and among the City of Ramsey, Minnesota (the "City"), and Ramsey Hotel Group LLC, a Minnesota limited liability company (the "Developer"), and the Anoka County Assessor (the "Assessor").

#### WITNESSETH

WHEREAS, the City and the Developer have entered into a Development Agreement dated as of \_\_\_\_\_, 2020 (the "Development Agreement") regarding certain real property located in the City (the "Development Property") which property is legally described on Exhibit A attached hereto and made a part hereof.

WHEREAS, it is contemplated that pursuant to said Agreement, the Developer will construct a Project on the Development Property as described in the Development Agreement.

WHEREAS, the City and Developer desire to establish a minimum market value for the Development Property and the improvements constructed or to be constructed thereon, pursuant to Minnesota Statutes, Section 469.177, Subdivision 8.

WHEREAS, the Developer has acquired the Development Property.

WHEREAS, the Assessor has reviewed the plans and specifications for the improvements and the market value previously assigned to the land upon which the improvements are to be constructed, and that the "minimum market value" as set forth below is reasonable.

NOW, THEREFORE, the parties to this Agreement, in consideration of the promises, covenants and agreements made by each to the other, do hereby agree as follows:

1. As of January 2, 20\_\_ through and thereafter until December 31, 20\_\_ the minimum market value which shall be assessed for the Project shall be not less than \$4,275,000.
2. The minimum market value herein established shall be of no further force and effect and this Agreement shall terminate on the earlier of: (i) December 31, 20\_\_; or (ii) the date of termination of the Development Agreement.
3. This Agreement shall be recorded by the City with the County Recorder of Anoka County, Minnesota. The Developer shall pay all costs of recording.
4. Neither the preamble nor provisions of this Agreement are intended to, or shall they be construed as, modifying the terms of the Agreement between the City and the Developer.
5. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

IN WITNESS WHEREOF, the City, the Developer and the Assessor have caused this Agreement to be executed in their names and on their behalf all as of the date set forth above.

CITY OF RAMSEY, MINNESOTA

(SEAL)

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

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, the Mayor, and Kurtis G. Ulrich, the City Administrator of the City of Ramsey on behalf of said City.

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

Signature page for Assessment Agreement by and between the City of Ramsey, Minnesota, Ramsey Hotel Group LLC, and the Anoka County Assessor.

RAMSEY HOTEL GROUP LLC

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

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF                            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, the \_\_\_\_\_ of Ramsey Hotel Group LLC, a Minnesota limited liability company, on behalf of said corporation.

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

Signature page for Assessment Agreement by and between the City of Ramsey, Minnesota, Ramsey Hotel Group LLC, and the Anoka County Assessor.

CERTIFICATION BY COUNTY ASSESSOR

The undersigned, having reviewed the plans and specifications for the improvements to be constructed and the market value assigned to the land upon which the improvements are to be constructed, and being of the opinion that the minimum market value contained in the foregoing Agreement appears reasonable, hereby certifies as follows: The undersigned Assessor, being legally responsible for the assessment of the above described property, hereby certifies that the market values assigned to such land and improvements are reasonable.

\_\_\_\_\_  
County Assessor for Anoka County

STATE OF MINNESOTA    )  
  ) ss.  
COUNTY OF ANOKA        )

This instrument was acknowledged before me on \_\_\_\_\_, 2020, by \_\_\_\_\_, the County Assessor of Anoka County.

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

Signature page for Assessment Agreement by and between the City of Ramsey, Minnesota, Ramsey Hotel Group LLC, and the Anoka County Assessor.

CONSENT TO ASSESSMENT AGREEMENT

\_\_\_\_\_, \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ (the "Bank"), does hereby consent to all terms, conditions and provisions of the foregoing Assessment Agreement and agrees that, in the event it purchases the Development Property at a foreclosure sale or acquires the Development Property through a deed in lieu of foreclosure or otherwise in satisfaction of the indebtedness owed by the Developer, it and its respective successors and assigns, shall be bound by all terms and conditions of the Assessment Agreement, including but not limited to the provision which requires that the minimum market value of the Development Property and the Project shall be not less than the amounts set forth in the Assessment Agreement.

IN WITNESS WHEREOF, we have caused this Consent to Assessment Agreement to be executed in its name and on its behalf as of this \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, the \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_ banking corporation on behalf of the corporation.

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

EXHIBIT A TO ASSESSMENT AGREEMENT  
LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY