

**CITY OF RAMSEY
DEVELOPMENT AGREEMENT FOR RIVERSTONE SOUTH THIRD ADDITION**

This Agreement (hereinafter the “Agreement”) is dated as of this 23rd day of May, 2023 and is by and between the **CITY OF RAMSEY**, a Minnesota municipal corporation (the “**CITY**”) and **RIVERSTONE DEVELOPMENT, LLC**, a Minnesota Corporation under the laws of Minnesota (the “**PERMITTEE**”).

Recitals

- A. The **PERMITTEE** is the owner of land legally described on the attached Exhibit A (the “Subject Property”).
- B. The **PERMITTEE** has received approval from the **CITY** to subdivide the Subject Property and plat the same as **RIVERSTONE SOUTH THIRD ADDITION** (the “Plat”).
- C. The Plat re-subdivides the Subject Property into:
 - Lots 1-6, Block 1(inclusive); and
 - Lots 1-5, Block 2 (inclusive); and
 - Outlot A (inclusive), Anoka County, Minnesota.
- D. The **PERMITTEE** has requested revisions to the Development Agreement to resolve typographical errors and implement a method to request reductions to their Letter of Credit as improvements are completed.

Agreement

- 1. Recitals. Recitals incorporated. The recitals stated above are hereby incorporated into this Agreement and are made part of this Agreement by reference.

2. Conditions of Approval. The **CITY** has approved the Plat subject to satisfaction of the following conditions subsequent:
 - a. The **PERMITTEE'S** Execution of this Agreement. That the **PERMITTEE** enter into this Agreement.
 - b. Marketable Title. That prior to recording the Plat, the **PERMITTEE** shall provide the **CITY** with proof of marketable title to the Subject Property either through a currently certified abstract, registered property abstract or title insurance commitment or policy.
3. The Plans. The term “Plans” as used in this Agreement means the Final Plat Plans prepared by Carlson McCain, Inc., dated April 11, 2023. The Plans remain subject to: (a) **CITY** Staff’s review and approval of the Plans to, among other things, confirm that the revisions requested in the **CITY** Staff’s review letter have been made; and (b) such further revisions as the **PERMITTEE** may propose and the **CITY** approves. The Plans shall not be attached to this Agreement, but are in the **CITY’S** files.
4. Stage I Improvements. The public improvements the **PERMITTEE** will construct or install are as follows:
 - a. Trunk and lateral sanitary sewer.
 - b. Trunk and lateral water main.
 - c. Storm drainage facilities (when specified).
 - d. Stormwater maintenance through 90 percent buildout.
 - e. Streets.
 - f. Concrete curb and gutter (urban).
 - g. Street traffic control signals.
 - h. Sidewalks.
 - i. Electricity (within one-fourth mile).
 - j. Phone (within one-fourth mile).
 - k. Natural gas (within one-fourth mile).
 - l. Boulevard sodding.
 - m. Water shut off boxes.

(the “Stage I Improvements”).

The **PERMITTEE** agrees to construct the Stage I Improvements according to the terms and conditions of this Agreement and in accordance with the Plans and the City Code. Per City Code Section 117-615, the **PERMITTEE** shall provide the **CITY** with a set of re-producible as-built plans in Computer Aided Drafting (CAD) format upon completion of the Stage I Improvements and acceptance by the **CITY**. As as-built plans are a required Stage I Improvement item per City Code Section 117-615, the **CITY** will not release in its entirety the required Stage I Improvement Financial Guaranty noted in Section 12 below until such as-built plans are received

by the **CITY**. Additionally, the **PERMITTEE** agrees to provide to the **CITY** the plans in CAD format prior to the commencement of construction of the Stage I Improvements.

5. Lot Corner Staking. The **PERMITTEE** must install lot corner stakes at all lot corners.
6. Installation of the Stage I Improvements. The **PERMITTEE** shall obtain all necessary permits from all governmental agencies before commencing construction of the Stage I Improvements. The **PERMITTEE** must provide the **CITY** with copies of all necessary permits from other governmental agencies prior to or when the **PERMITTEE** applies for a building permit to construct improvements on a lot within the Plat. Within thirty (30) days after the completion of the Stage I Improvements, the **PERMITTEE** shall provide the **CITY** with a complete set of reproducible "As Built" plans for the Stage I Improvements.
7. Time of Performance for the Stage I Improvements. The **PERMITTEE** must complete the Stage I Improvements within one (1) year after the recording of the Plat.
8. Ownership of the Stage I Improvements. The **PERMITTEE** owns the Stage I Improvements until the **CITY'S** acceptance of the Stage I Improvements. Title to the Stage I Improvements automatically passes to the **CITY** upon the **CITY'S** written acceptance of the Stage I Improvements. Except to the extent the **CITY** has accepted all or portions of the Stage I Improvements, in writing, prior to the lapse, expiration, or other termination of the **CITY'S** financial guaranty described in Section 11 and except to the extent the **CITY** and the **PERMITTEE** may agree, in writing, to defer the **CITY'S** acceptance of certain specified Stage I Improvements, the **CITY** is deemed to have accepted the Stage I Improvements when the **CITY** releases the financial guaranty described in Section 11 or allows such financial guaranty to lapse, expire or otherwise terminate.
9. Stage I Improvements License. The **PERMITTEE** hereby grants the **CITY** and the **CITY'S** agents, employees, officers, and contractors an irrevocable license to enter the Subject Property to perform all necessary work and/or inspections the **CITY** deems appropriate during the **PERMITTEE'S** installation of the Stage I Improvements. The license shall expire after the **CITY** accepts ownership of Stage I Improvements.
10. Stage II Improvements. The public improvements the **PERMITTEE** must construct or install are as follows:
 - a. Street striping (if required by Plans).
 - b. Street lights per agreement with Connexus Energy
 - c. Street and traffic control signs.
 - (i) **CITY** will provide and install Street Name and Traffic Control signs per the Plans, following payment by **PERMITTEE** pursuant to the

established rates and charges in effect and outlined in Exhibit B attached hereto.

d. Installation of survey monumentation.

(the “Stage II Improvements”). The **PERMITTEE** must complete the construction of the Stage II Improvements within one (1) year after the date upon which the Plat is recorded.

PERMITTEE must install the Stage II Improvements in accordance with the Plans, excluding the street and traffic control signs, which will be installed by the **CITY**.

11. Financial Guaranty for Stage I Improvements, and Stage II Improvements. The **PERMITTEE** shall provide a financial guaranty to the **CITY** guaranteeing the construction of the Stage I Improvements, and Stage II Improvements, as well as their timely completion. The **PERMITTEE** shall be responsible for a financial guarantee in the amount of **(\$434,202.00)**, which amount is 125% of the **CITY** Engineer's estimated cost of the Stage I and Stage II Improvements.
12. Inspection Escrow for the Stage I Improvements, Stage II Improvements. The **PERMITTEE** shall provide an inspection escrow to the **CITY** to inspect the Stage I Improvements, and Stage II Improvements. The **PERMITTEE** shall be responsible for an inspection escrow in the amount of **(\$17,368.00)**, which amount is 5% of the City Engineer’s estimated cost of the Stage I Improvements, and Stage II Improvements. The inspection escrow must be in the form of cash. The **PERMITTEE** may request a refund of the remaining balance in the escrow upon completion of the Stage I Improvements, and Stage II Improvements, after acceptance by the **CITY**.
13. Warranty for Stage I and Stage II Improvements. The **PERMITTEE** shall provide a one-year warranty in the amount of **\$86,840.00**, which is 25% of the cost of the Stage I and Stage II Improvements. Said warranty shall be in force for one year following the final acceptance of any required improvements and shall guarantee satisfactory performance of said improvements.
14. Letter of Credit. Prior to release of the Final Plat for recording, the **PERMITTEE** shall deposit with the **CITY** an irrevocable Letter of Credit (LOC) for the sureties and inspection fees outlined in Sections 11, 12, and 13. In lieu of an irrevocable LOC, the **PERMITTEE** may provide a cash escrow to the **CITY**. The **CITY** shall use the LOC proceeds to reimburse the **CITY** for its costs of Stage I and Stage II Improvements to be constructed to the extent practicable; if the City Engineer determines that the Stage I and Stage II Improvements have been constructed and after retaining 10% of the proceeds for later distribution pursuant to Section 15, the remaining proceeds shall be distributed to the **PERMITTEE**.

15. Reductions to the Letter of Credit. With **CITY** approval, the irrevocable LOC may be reduced from time to time as financial obligations are paid. The **PERMITTEE** may request that the LOC or cash deposits be reduced at the following intervals:
 - a. Pond cleaning portion of the LOC is retained until all homes within the development have been issued a full certificate of occupancy;
 - b. Three site improvement reductions at least two months apart;
 - c. Final streets is retained in full until completion of the final streets;
 - d. One landscape reduction of 50% upon complete installation required per the approved landscape plan.

16. Payment of Development Fees. The **PERMITTEE** must pay to the **CITY** the fees described on Exhibit B that are not addressed in Section 14, which may include, but are not limited to Trail Development Fees, Sanitary Sewer Connection (Trunk) Fees, Water Connection (Trunk) Fees, Sanitary Sewer Lateral Fees, Water Lateral Fees, Storm Management Fees, Street Signage Fees, and Street Light Operation and Maintenance Fees.Street Cleaning and Clean Up. After the street surfacing that is a part of the Stage I Improvements is installed, the **PERMITTEE** shall clear any soil, earth, or debris from the streets. From time to time, the **CITY** may remove accumulations of soil, earth, and debris from the streets resulting from the construction of the Stage I Improvements. It shall be the **PERMITTEE'S** responsibility to pay the costs associated with this necessary street cleaning. Invoices from the **CITY** to the **PERMITTEE** for such costs shall be paid within fifteen (15) days of the date of the invoice.

17. Requirements for Building and Occupancy Permits.
 - a. No building permit for any lot in the Plat shall be issued until the **PERMITTEE** has: (a) installed a Class 5 driving surface to within 300 feet of the structure; (b) provided the **CITY** Building Official with a Certificate of Survey; c.) the financial guaranty described in Section 12 to the **CITY**; and

 - b. No occupancy permit for any lot in the Plat shall be issued until the **PERMITTEE** has: (a) constructed vehicular access to the lot, including the installation of at least one layer of bituminous surfacing; (b) constructed all utilities and storm water facilities this Agreement requires to serve the lot and such utilities and storm water facilities are in place, operational and accepted by the **CITY**; (c) for lots that have a slope of less than 2%, provided the **CITY** with a certificate of grading, prepared by a licensed (State of Minnesota) professional land surveyor, certifying that the flattest grade on the lot is 1% or greater; and (d) installed and planted the sod and landscaping that are required as a part of the Stage I Improvements.

18. **PERMITTEE Defaults.** If the **PERMITTEE** defaults in the performance of one or more of the **PERMITTEE'S** obligations under this Agreement, i) the **CITY** gives the **PERMITTEE** thirty (30) days written notice of the default and ii) the **PERMITTEE** fails to cure the default within said thirty (30), then the **CITY** may pursue any and all remedies available at law or in equity including, but not limited to, the following:
- a. The **CITY** may, at its option, perform or engage one or more third parties to perform the **PERMITTEE'S** obligations. If, in the reasonable judgment of the **CITY'S** staff, the **PERMITTEE'S** default creates an immediate risk to public health or safety, the **CITY** may perform or engage one or more third parties to perform the work before the **CITY** provides the notice described in the initial paragraph of this Section, but the **CITY** must use commercially reasonable efforts to notify the **PERMITTEE** as promptly as possible that the **CITY** is undertaking to perform the **PERMITTEE'S** obligation or obligations. If the **CITY** performs one or more obligations of the **PERMITTEE**, the **PERMITTEE** must reimburse the **CITY** for any costs or expenses the **CITY** incurs, including costs and expenses for **CITY** staff time, to perform the work within 30 days after the **CITY** notifies the **PERMITTEE**, in writing, of the costs and expenses the **CITY** incurred to perform the work. If the **PERMITTEE** does not reimburse the **CITY** within said 30 day period, the **CITY** may pursue any remedies available to the **CITY** either at law or in equity or, in the alternative, the **CITY** may draw on the financial guaranty the **PERMITTEE** has provided to the **CITY** pursuant to this Agreement to reimburse itself for the expenses the **CITY** incurs to perform the work. This Agreement 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 **PERMITTEE** Property. As an alternative to seeking recovery from the **PERMITTEE** or the financial guaranty, the **CITY** may levy special assessments against the **PERMITTEE** Property in accordance with Minnesota Statutes Section 429, and the **PERMITTEE**, for itself and its successors in title, hereby expressly waives any and all substantive and procedural objections or defenses the **PERMITTEE** may have to such special assessments.
 - b. The **CITY** may commence an action in Anoka County District Court to pursue any remedy available to the **CITY** at law or in equity including, but not limited to, injunctive relief.
 - c. The **CITY** may refuse to grant building permits for improvements to be constructed on any lots within the Plat until the **PERMITTEE** has cured all of its defaults.

- d. The **CITY** may draw upon all or any portion of the financial guaranty the **PERMITTEE** has provided to the **CITY** pursuant to Section 12 and (i) use all or any portion of the proceeds from the financial guaranty to reimburse the **CITY** pursuant to subsection (a) above; (ii) use all or any portion of the proceeds from the financial guaranty to satisfy any judgment the **CITY** obtains against the **PERMITTEE** pursuant to subsection (b) above; (iii) use all or any portion of the proceeds to reimburse the **CITY** pursuant to Section 19 (j) below; and (iv) hold all or any portion of the proceeds for a reasonable time for the future application as described in subsections (i), (ii) and (iii) of this Section 18 (d).

19. Miscellaneous.

- a. Invalidity of Any Section. If any portion, section, subsection, sentence, clause, paragraph or phrase of this Agreement is for any reason invalid, such decision shall not affect the validity of the remaining portion of this Agreement.
- b. Written Amendments Only. The action or inaction of the **CITY** or the **PERMITTEE** shall not constitute a waiver or amendment to the provisions of this Agreement. To be binding, amendments or waivers shall be in writing, signed by the parties, and approved by a resolution of the **CITY** Council. The **CITY'S** or the **PERMITTEE'S** failure to promptly take legal action to enforce this Agreement shall not be a waiver or release.
- c. Compliance with Laws and Regulations. The **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 the **PERMITTEE** does comply. Upon the **CITY'S** demand **PERMITTEE** shall cease work until there is compliance.
- d. Mailbox Locations. If the **PERMITTEE** desires to construct mailboxes within the public right of way, the **PERMITTEE** agrees that the placement of mailboxes along public streets is subject to the approval by the **CITY**. Utility locates will be necessary.
- e. Boulevard and Wetland Restoration. The **PERMITTEE** shall be responsible for the cost of establishing seed in all boulevards within thirty (30) days of the completion of the street improvements, and restoring all

other areas disturbed by the development grading operation in accordance with the approved Grading and Erosion Control plan. The **PERMITTEE** shall be responsible for the cost of cleaning any soil, earth, or debris from the wetlands within and adjacent to this Plat resulting from grading performed in the development of the Plat.

- f. 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. The **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.

- g. Construction Site Maintenance. The **PERMITTEE** shall adhere to all of the **CITY** ordinances relating to, but not limited to, dumping of garbage, site development, construction debris, open burning, etc. The **CITY** reserves the right to withhold permits, inspections, or certificates of occupancy to correct violations relating to construction site maintenance.

- h. Estimated Cost. It is understood and agreed that cost amounts set forth in this Agreement as to Stage I, and Stage II Improvements, unless qualified as fixed amounts, are estimated. The **PERMITTEE** agrees to pay the entire cost of said improvements including interest, engineering and legal fees related thereto.

- i. Plat Approval Expenses. The **PERMITTEE** agrees that it will pay to **CITY** all **CITY** expenses incurred in the approval of the Plat, including, but not limited to, administration expenses, engineering and legal fees. Said expenses incurred after recording of the Final Plat shall also be paid within said fifteen (15) day billing period. Failure to pay the **CITY'S** expenses within the fifteen (15) day billing period will permit the **CITY** to draw upon any of the escrows required by this Agreement for payment.

- j. Reimbursement to the CITY. The **PERMITTEE** agrees to reimburse the **CITY** for all costs incurred by the **CITY** in defense or enforcement of this Agreement, or any portion thereof, including court costs and reasonable engineering and attorney's fees.

- k. Certificate of Occupancy. The term "Certificate of Occupancy" as used in this Agreement shall be defined as a document issued by the **CITY'S**

Building Official, which authorizes the structure to be used for its intended purposes.

1. Notices. Required notices shall be in writing, and shall be either hand delivered to the Parties, its employees or agents, or mailed to them by certified or registered mail at the following address:

TO PERMITTEE:

Riverstone Development, LLC
Attn: Stephen Bona, Vice President
14015 Sunfish Lake Blvd NW
Ramsey, MN 55303

TO THE CITY:

City of Ramsey
Attn: Community Administrator
7550 Sunwood Drive NW
Ramsey, MN 55303

[The remainder of this page is intentionally left blank.]

EXHIBIT A
Legal Description of the Subject Property

Outlot M, RIVERSTONE SOUTH, Anoka County, Minnesota.

Or Upon Recording:

Lots 1-6, Block 1(inclusive); and
Lots 1-5, Block 2 (inclusive); and
Outlot A (inclusive), Riverstone South Third Addition, Anoka County, Minnesota.

EXHIBIT B

Fees Payable to the City

	Units	Unit Type	Unit Price	Total	Notes
Park Dedication and Trail Development					
Park Dedication					
0-12 Units per acre; or		per unit	\$4,500	\$0	Fees satisfied in first addition for entire subdivision
Trail Development					
Residential	11	per unit	\$1,500	\$16,500	
Subtotal Park and Trail Development				\$16,500	
Water and Sewer Fees					
Water Trunk (Connection)	11	per unit	\$2,009	\$22,099	
Sanitary Sewer Trunk (Connection)	11	per unit	\$1,349	\$14,839	
Subtotal Water and Sewer Fees				\$36,938	
Stormwater Management Fees					
Stormwater Management	11	per unit	\$534	\$5,874	
Subtotal Stormwater Management				\$5,874	
Street Signs					
Street Signs	5	per sign	\$245	\$1,225	
Street Sign Subtotal				\$1,225	
GRAND TOTAL FOR DEVELOPMENT FEES				\$60,537	
Sureties and Inspection Fees					
Performance Surety (returned when complete)	\$347,361.45	cost of improvement	125%	\$434,202	Cash or Letter of Credit
Engineering Inspection Fee	\$347,361.45	cost of improvement	5%	\$17,368	Cash Escrow
Warranty for Stage I and II Improvements	\$347,361.45	cost of improvement	25%	\$86,840	Cash or Letter of Credit Reduction
Sewer Accessibility Charges (SAC) & Water Accessibility Charges (WAC) - Collected with Building Permit					
Accessibility Charge (WAC)		per SAC Unit	\$1,481	\$0	Collected with Building Permit
Accessibility Charge (SAC)		per SAC Unit	\$2,485	\$0	Collected with Building Permit
GRAND TOTAL FOR SAC & WAC				\$0	

1. Trail Development Fees. The **PERMITTEE** is responsible for satisfying applicable Trail Development Fee requirements. **PERMITTEE** must pay a Trail Development Fee of **\$16,500.00** (11 units x \$1,500.00 per unit). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.
2. Sanitary Sewer Connection (Trunk) Fees. The **PERMITTEE** is responsible for satisfying applicable Sanitary Sewer Trunk Fee requirements. **PERMITTEE** must pay a Sanitary Sewer Trunk Fee of **\$14,839.00** (11 units x \$1,349.00). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.
3. Water Connection (Trunk) Fees. The **PERMITTEE** is responsible for satisfying applicable Water Trunk Fee requirements. **PERMITTEE** must pay a Water Trunk Fee of **\$22,099.00** (11 units x \$2,009.00 per unit). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.

(continued on the next page)

4. Stormwater Management Fee. The **PERMITTEE** is responsible for satisfying applicable Stormwater Trunk Fee requirements. **PERMITTEE** must pay a Stormwater Management Fee of **\$5,874.00** (11 units x \$534.00 per unit). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.
5. Street Sign Fee. While the **CITY** provides and installs the street name and traffic control signage, the **PERMITTEE** is responsible for paying for them at a rate of **\$245** per sign. **PERMITTEE** must pay a Street Sign Fee of **\$1,225.00** (\$245 x 1 street name signs; \$245 x 3 no parking signs; \$245 x 1 stop signs).
6. Development Fees for the Outlots. The **PERMITTEE** acknowledges that development fees are not being collected for any Outlots. The **PERMITTEE** acknowledges that development fees will be due upon development of any of the Outlots. The rate in effect at the time said future plat(s) is recorded will be collected.