

**SODERHOLM & ASSOCIATES INC.
DEVELOPMENT AGREEMENT
CITY OF RAMSEY, ANOKA COUNTY, MINNESOTA**

This Agreement (hereinafter the “Agreement”) is dated as of this day [Click or tap here to enter text.](#) of [Click or tap here to enter text.](#), 2023, and is by and between the City of Ramsey, a Minnesota municipal corporation (the “**CITY**”) and Representative Investments, LLC, a Limited Liability Company (Domestic) under the laws of Minnesota, (the “**PERMITTEE**”).

Recitals

A. The **PERMITTEE** is the fee title owner of land generally known as 7150 143rd Avenue NW, Ramsey, MN 55303 and legally described as:

That part of the West 31 rods of the Southwest quarter of the Southwest quarter of Section 27, Township 32, Range 25, described as follows: Commencing at the Northwest corner thereof, then East along the North line thereof a distance of 511.5 feet to the East line of said West 31 rods, then South along the East line thereof a distance of 448.92 feet, then Northwesterly in a straight line to point on the West line thereof a distance of 335.51 feet South from the Northwest corner thereof as measured along said West line, then North along said West line a distance of 335.51 feet to the point of beginning (except that part platted as Gateway North Industrial Park) excluding road; subject to easements of record, Anoka County, Minnesota.

(the “Subject Property”)

B. That on March 8, 2023, the **CITY** received a Site Plan Application from Sharp & Associates, on behalf of their client, Soderholm & Associates Inc., a commercial business (the “Business”) operating on the **Subject Property**, for a 43,000 square foot building addition and associated site improvements (cumulatively, the “Building Addition”) on the **Subject Property**.

C. The **PERMITTEE** intends to cause the Required Improvements to the **Subject Property** to be constructed without financial participation by the **CITY**.

Agreement

**SECTION I
REQUIRED IMPROVEMENTS AND FINANCIAL RESPONSIBILITIES**

1. **City Code Compliance.** The **CITY** approves the site plan (the “Site Plan”) conditioned on the **PERMITTEE** developing the **Subject Property** in accordance with the applicable provisions of City Code.
2. **Conformance with the Plans.** The **Subject Property** shall be developed in accordance with the plans (the “Plans”) prepared by Hakanson Anderson, dated March 8, 2023 and revised April 18, 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**’s review 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.

3. **Incorporation of All City Code Requirements.** That the recitals above and the applicable provisions of the City Charter, Subdivision Code, Zoning Code and Public Improvement Code of the **CITY**, as amended to date hereof, are incorporated herein by reference.
4. **State Building Code Compliance.** The structure(s) shall be constructed in accordance with the requirements of the Building Code.
5. **Fire Lanes.** Fire lanes shall be maintained on the **Subject Property**. The exact locations of these items on the **Subject Property** shall be as directed by the Fire Chief. The **PERMITTEE** herein agrees to post "No Parking" signs along private streets in accordance with City Code requirements and in conjunction with the instructions of the Fire Chief.
6. **Required Improvements.** The **PERMITTEE** shall construct and install the following site improvements on the **Subject Property** in accordance with the specifications and location as shown on the **Plans**. The Required Improvements are as follows:
 - a. Storm drainage facilities
 - b. Stormwater maintenance
 - c. Sanitary sewer and water utilities
 - d. Parking/maneuvering area(s)
 - e. Concrete curb and gutter
 - f. Lot grading
 - g. Landscaping
 - h. Installation and removal of temporary erosion control measures.
 - i. Temporary and permanent erosion control.

("Required Improvements")

The **PERMITTEE** agrees to construct the **Required Improvements** according to the terms and conditions of this **Agreement**, in accordance with the **Plans**, and in compliance with Staff review comments.

7. **Required Improvements Completion Date.** The **Required Improvements** shall be completed within twelve (12) months from the date of Site Plan approval for the building addition.
8. **Required Improvements Financial Guaranty.** In order to ensure the installation of the **Required Improvements** in accordance with **CITY** specifications and in a timely manner, the **PERMITTEE** shall be required to deposit with the **CITY** a cash escrow or an irrevocable letter of credit, approved as to form by the **CITY**, in the amount of **Six Hundred Forty-One Thousand Three Hundred Twenty Dollars and No Cents (\$641,320.00)**, which is 125% of the **CITY's** estimated cost of the **Required Improvements**. Prior to the issuance of the building permit, the financial guaranty must be provided as required herein.

Upon completion of the construction of the **Required Improvements** and written acceptance by the **CITY**, the financial guaranty shall be returned to the **PERMITTEE** and the **PERMITTEE** shall be required to provide the landscaping maintenance guaranty described in Section III Paragraph 12 of this **Agreement**. The determination of completion of the construction of the **Required Improvements** shall be made by the **CITY**. In the event the **PERMITTEE** fails to construct and install the **Required Improvements** as required herein, the City Council may order the completion of the **Required Improvements** with **CITY** day labor and/or by letting contracts for said completion and draw upon the escrow for payment. Only the City Council shall have the

authority to direct completion of the **Required Improvements** and withdraw from the escrow account. The **PERMITTEE** hereby grants permission and a license to the **CITY** and/or its contractors and assigns to enter upon the **Subject Property** for the purpose of completing the construction and installation of the **Required Improvements** in the event of the **PERMITTEE's** default.

9. **Inspection Fees.** The **PERMITTEE** shall be responsible for all inspection costs incurred by the **CITY** related to the installation of **Required Improvements**. The **PERMITTEE** shall make a cash deposit into the appropriate escrow account at the **CITY** and the **CITY** shall have the authority to draw upon these funds for the purpose of compensating for inspection services. The amount of the deposit shall be equal to five percent (5%) of the estimated cost of the **Required Improvements**, which equates to **Twenty-Five Thousand Six Hundred Fifty Three Dollars and No Cents (\$25,653.00)** (5% x \$513,056.00). Upon completion of the **Required Improvements** to the satisfaction of the **CITY**, any surplus balance remaining in the **CITY's** escrow account shall be refunded to the **PERMITTEE**.
10. Payment of Development Fees. The **PERMITTEE** must pay to the **CITY** a fee of \$4,000 to comply with the Tree Preservation Ordinance. This fee will be deposited into the **CITY's** Community Forestry Fund and will be utilized to reforest the community in strategic locations.

SECTION II PERMITS AND OCCUPANCY

11. Requirements for Building Permit.

- a. No building permit 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.) submitted the financial guaranty described in Section I Paragraph 8 to the **CITY**; d.) obtained all necessary permits from the Lower Rum River Watershed Management Organization and has provided a copy of such permit to the **CITY**; and
- b. No occupancy permit 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.

SECTION III LANDSCAPING

12. **Maintenance Guaranty for Landscaping.** It is herein agreed that the **PERMITTEE** shall provide a maintenance guaranty to ensure the survival of the plantings. Said maintenance guaranty shall consist of cash or an irrevocable letter of credit, approved as to form by the **CITY**, in the amount of Four Thousand Five Dollars and No Cents (**\$4,005.00**) [# plantings (32 trees and 50 shrubs) x cost/planting (\$300/tree and \$75/shrub) x 30% average non-survival rate], which shall be in effect for a two (2) year period commencing on the date of the **CITY's** written acceptance of said plantings as part of the **Required Improvements**.

At the end of the two (2) year period, the **PERMITTEE** shall contact the **CITY** to schedule a final inspection of the landscaping. The determination that all plantings that have been planted in accordance with the **Plans** have either survived or have been replaced shall be made by the **CITY**. Upon approval of the final landscape inspection by the **CITY**, the maintenance guaranty shall be returned to the **PERMITTEE**. In the event the **PERMITTEE** fails to maintain the required plantings for a two (2) year period, the City Council may order the replacement of plantings with **CITY** day labor and/or by letting contracts and draw upon the escrow for payment. Only the City Council shall have the authority to direct replacement of the plantings and withdraw from the escrow account. The **PERMITTEE** hereby grants permission and a license to the **CITY** and/or its contractors and assigns to enter upon the **Subject Property** for the purpose of replacing plantings in the event of the **PERMITTEE** default.

SECTION IV GENERAL

13. **Boulevard and Area Restoration.** The **PERMITTEE** shall be responsible for restoring all areas disturbed by the development grading operation in accordance with the approved erosion and sediment control plan. The **PERMITTEE** shall also be responsible for the cost of cleaning any soil, earth or debris from the wetlands within and adjacent to the **Subject Property** resulting from grading performed in the development of the land.
14. **Construction Site Maintenance.** The **PERMITTEE** shall adhere to all **CITY** ordinances relating to, but not limited to, dumping of garbage, site development, construction debris, open burning, etc.
15. **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.
16. **Estimated Cost.** It is understood and agreed that cost amounts set forth in this **Agreement** as **Required Improvements**, unless specified as fixed amounts, are estimated. The **PERMITTEE** agrees to pay the entire cost of said improvements including interest, engineering and legal charges.
17. **Site Plan Approval Expenses.** The **PERMITTEE** agrees that it will pay to the **CITY** all **CITY** expenses incurred in the approval of the **Site Plan**, including, but not limited to administration expenses, engineering and legal fees. Said expenses shall be paid within fifteen (15) days of billing by the **CITY** and outstanding billings shall be paid prior to issuance of the building permit. Any expenses incurred after the release of the building permit 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 contract for payment.
18. **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.
19. **Invalidity of Any Section.** If any portion, section, subsection, sentence, clause, paragraph or phrase of this **Agreement** is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect or void any of the other provisions of this **Agreement**.

20. **Proof of Authority.** When the **PERMITTEE** is a corporation, the **CITY** requires proof of authority by the corporation to execute this **Agreement**. This proof of authority may be satisfied by providing the **CITY** with a certified copy of minutes of the corporate Board of Directors granting such authority.
21. **Violation of This Permit.** If the **PERMITTEE** fails to perform any of the terms of this **Agreement** in the manner required by the **CITY**, the **CITY** shall be entitled to recover, from the **PERMITTEE** or the issuer of **PERMITTEE** financial guarantee, the full amount of any and all financial guarantees. Breach of any of the terms of this **Agreement** by the **PERMITTEE** shall also be grounds for denial of Building Permit or issuance of Certificate of Occupancy.
22. **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.
23. **Agreement Binding on Successors and Assigns.** The **PERMITTEE** agrees that this **Agreement** shall be binding upon its successors and assigns.
24. **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:

Representative Investments, LLC
Attn: Chris Soderholm
7150 143rd Avenue NW
Ramsey, MN 55303

TO THE CITY:

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

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THE PERMITTEE:

Representative Investments, LLC

By: _____, Chris Soderholm

Its: Manager

STATE OF MINNESOTA)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by Chris Soderholm, the Manager of Representative Investments, LLC, a Limited Liability Company (Domestic), under the laws of the State of Minnesota on behalf of the corporation.

Notary Public

