

**City of Ramsey
Agenda
Special City Council
Tuesday, September 3, 2024
5:00 pm**

Lake Itasca Room, 7550 Sunwood Drive NW

Remote Attendance available at www.cityoframsey.com/meetings.
Those joining remotely and requesting to speak are asked to use a webcam when speaking.

- 1. Call to Order**
- 2. Citizen Input**
- 3. Approve Agenda**
- 4. Consent Agenda**
- 5. Council Business**
 - 1. Consider Development Agreement Amendment #1 - Ramsey Properties, LLC (dba Home2Suites)**
- 6. Mayor/Council/Staff Input**
- 7. Adjournment**

CC Special Session

Meeting Date: 09/03/2024

Primary Strategic Plan Initiative: Promote economic growth and development.

Title:

Consider Development Agreement Amendment #1 - Ramsey Properties, LLC (dba Home2Suites)

Purpose/Background:

Hilton Home2Suites is currently being constructed, with a target open date of December 2024. To increase the likelihood of the project staying on schedule, the developer has requested work hours on Sundays for the remainder of the project. The City Code does not allow Sunday construction activities unless they are performed by the property owner, or with City Council approval. The developer has requested an amendment to the Development Agreement to allow construction activities to occur from 8 am - 8 pm on Sundays for the remainder of the project. The developer further stated most of the work that would be conducted on Sundays would not require heavy machinery, and consist of mostly inside work, reducing the impact on the community.

Notification:

A special meeting notice was posted of Friday, August 30, 2024 for this Special City Council meeting. No other notices were required.

Recommendation:

Staff supports this request.

Outcome/Action:

Motion to approve Ramsey Properties, LLC (dba Home2Suites) Development Agreement First Amendment.

Attachments

DA Amendment #1 - Home2Suites

Original DA - Home2Suites

Form Review

Inbox

Brian Hagen

Form Started By: Brian Hagen

Final Approval Date: 08/30/2024

Reviewed By

Brian Hagen

Date

08/30/2024 02:50 PM

Started On: 08/30/2024 02:19 PM

**RAMSEY PROPERTIES, LLC (dba Home2Suites)
DEVELOPMENT AGREEMENT
FIRST AMENDMENT
CITY OF RAMSEY, ANOKA COUNTY, MINNESOTA**

This Agreement (hereinafter the “Agreement”) is dated as of this ___ day of September, 2024, and is by and between the City of Ramsey, a Minnesota municipal corporation (the “CITY”) and **RAMSEY PROPERTIES, LLC**, a limited liability corporation under the laws of Minnesota, (the “PERMITTEE”) and amends the previous agreement dated July 11, 2023.

Recitals

- A. The **PERMITTEE** is the fee title owner of land generally known as 7895 Sunwood Drive Northwest, Ramsey, MN 55303 and legally described as:
- Lot 1, Block 1, Ramsey Properties Addition, Anoka County, Minnesota.
- (the “Subject Property”)
- B. That on March 12, 2023, the **CITY** received a Site Plan Application from Ramsey Properties LLC, proposing to construct a four-story extended-stay hotel to operate on the **Subject Property**, and associated site improvements (cumulatively, the “New Building”).
- C. That on May 10, 2023, the City Council approved the Site Plan for the proposed New Building.
- D. That on July 11, 2023, the **PERMITTEE** and **CITY** entered into a development agreement that has been recorded as Torrens document number 612593.006.
- E. That the **PERMITTEE** is requesting an amendment to the development agreement pertaining to the construction dates allowed in Section IV, Paragraph 21.

Amended Agreement

**SECTION IV
GENERAL**

21. **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., and Sunday 8:00 a.m. to 8:00 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.

[The rest of this page left intentionally blank]

THE PERMITTEE:

Ramsey Properties, LLC

By: _____
Emily Allegra

Its: President

STATE OF MINNESOTA)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of September, 2024, by Emily Allegra, the President of Ramsey Properties, LLC, a limited liability company,, under the laws of the State of Minnesota on behalf of the company.

Notary Public

**RAMSEY PROPERTIES, LLC (dba Home2Suites)
DEVELOPMENT AGREEMENT
CITY OF RAMSEY, ANOKA COUNTY, MINNESOTA**

This Agreement (hereinafter the “Agreement”) is dated as of this 11th day of July, 2023, and is by and between the City of Ramsey, a Minnesota municipal corporation (the “CITY”) and **RAMSEY PROPERTIES, LLC**, a limited liability corporation under the laws of Minnesota, (the “PERMITTEE”).

Recitals

- A. The **PERMITTEE** is the fee title owner of land generally known as 7895 Sunwood Drive Northwest, Ramsey, MN 55303 and legally described as:
- Lot 1, Block 1, Ramsey Properties Addition, Anoka County, Minnesota.
- (the “Subject Property”)
- B. That on March 12, 2023, the **CITY** received a Site Plan Application from Ramsey Properties LLC, proposing to construct a four-story extended-stay hotel to operate on the **Subject Property**, and associated site improvements (cumulatively, the “New Building”).
- C. That on May 10, 2023, the City Council approved the Site Plan for the proposed New Building.
- D. 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 Civil Site Group, dated April 10, 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 and the allocated costs therefor are as follows:

Required Improvement	Cost	125% of Cost Release Amount
a. Temporary and permanent erosion control.	\$17,000.00	\$21,250.00
b. Lot grading	\$135,000.00	\$168,750.00
c. Storm drainage facilities	\$60,000.00	\$75,000.00
d. Sanitary sewer service	\$60,000.00	\$75,000.00
e. Water services	\$35,000.00	\$43,750.00
f. Parking lot and driveway bituminous pavement	\$125,000.00	\$156,250.00
g. Concrete walkways, curb, and gutter	\$60,000.00	\$75,000.00
h. Landscaping, including Sunwood Drive NW boulevard streetscape plantings	\$50,000.00	\$62,500.00
i. Installation and removal of temporary erosion control measures.	\$0	\$0
j. Restriping of Sunwood Drive into a left turn lane north of the driveway	\$8,000.00	\$10,000.00
TOTAL	\$550,000.00	\$687,500.00

("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 twenty-four (24) months from the date of Site Plan approval for the New Building, subject to Unavoidable Delays. For the purposes of this Agreement, Unavoidable Delays means delays, outside the control of the party claiming its occurrence, which are the result of strikes, other labor troubles, unusually severe or prolonged bad weather, acts of God, global pandemic (including the current pandemic known as COVID-19), epidemic, 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, results in delays, or acts of any federal, state or local governmental unit other than the **CITY**.
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 Eighty-Seven Thousand Five Hundred Dollars and No Cents (\$687,500.00)**, 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.

At the request of **PERMITTEE**, the **CITY** shall, not more frequently than once monthly, release that part of the Financial Guaranty for any completed portion of the **Required Improvements** in the amount set forth in Section 6 that have been accepted in writing by the **CITY**. Upon completion of the construction of all or any remaining 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 11 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. **Site Inspection Fees.** The **PERMITTEE** shall be responsible for all site 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-Seven Thousand Five Hundred Dollars and No Cents (\$27,500.00)** (5% x \$550,600.00). 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. **Storm Water Regional Basin Contribution.** In lieu of constructing on-site storm water management basins, the **PERMITTEE** shall contribute an equal amount as the cost of constructing

on-site basins to the **CITY** for use of the regional storm water basin in the amount of **Eighteen Thousand Five Hundred Ten Dollars and No Cents (\$18,510.00)**.

11. **Storm Water Management Fee.** The **PERMITTEE** is responsible for satisfying applicable Storm Water Management Fee requirements for the plat of Ramsey Properties Addition. **PERMITTEE** must pay a Storm Water Management Fee of **\$14,968.00** (2.813 acres x \$5,321.00 per acre). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.
12. **Park Dedication.** The **PERMITTEE** is responsible for satisfying applicable Park Dedication requirements with the plat of Ramsey Properties Addition. **PERMITTEE** must pay **\$14,346** (park dedication) and **\$3,657** (trail development). These amounts are based off 2.813 acres at \$5,100 per acre (park dedication) and \$1,300 per acre (trail development).
13. **Sanitary Sewer Connection (Trunk) Fees.** The **PERMITTEE** is responsible for satisfying applicable Sanitary Sewer Trunk Fee requirements for the plat of Ramsey Properties Addition. **PERMITTEE** must pay a Sanitary Sewer Trunk Fee of **\$11,429.00** (2.813 acres x \$4,063.00 per acre). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.
14. **Water Connection (Trunk) Fees.** The **PERMITTEE** is responsible for satisfying applicable Water Trunk Fee requirements with the plat of Ramsey Properties Addition. **PERMITTEE** must pay a Water Trunk Fee of **\$20,656.00** (2.813 acres x \$7,343.00 per acre). The **PERMITTEE** acknowledges that these fees are estimates. The rate in effect when the Plat is recorded will be collected.

SECTION II PERMITS AND OCCUPANCY

15. **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) the financial guaranty described in Section I Paragraph 8 to the **CITY**; (d) provided the costs for the Zeolite Street Boulevard Trees to the **CITY**, as required pursuant to Section 18; and (e) obtained all necessary permits from the Lower Rum River Watershed Management Organization and has provided a copy of such permit to the **CITY**, if applicable; 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; and (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**.

SECTION III ON-SITE LANDSCAPING

16. **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 **Eight Thousand Two Hundred Eighty Dollars and No Cents (\$8,280.00)** [# plantings

(26 trees and 264 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

17. **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.
18. **Zeolite Street Boulevard Trees.** Zeolite Street will be reconstructed as a **CITY** project in 2024. In lieu of the **PERMITTEE** planting trees ahead of the road project being complete, the **PERMITTEE** will pay **\$7,800.00** to cover the cost of installing twelve (12) boulevard trees and sod based on 440 feet of lot frontage along Zeolite Street with trees spaced at 35 feet on center with a typical cost of \$650.00 per tree (installed).
19. **Parking Lot Grading.** It is acknowledged that the design and grade of the parking lot and storm sewer are dependent upon the final design and elevation of Zeolite Street. The **PERMITTEE** shall provide updated site plans for review once the roadway design is finalized.
20. **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.
21. **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.
22. **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.
23. **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.

24. **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.
25. **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**.
26. **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.
27. **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.
28. **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.
29. **Agreement Binding on Successors and Assigns.** The PERMITTEE agrees that this **Agreement** shall be binding upon its successors and assigns.
30. **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:

Ramsey Properties, LLC
Attn: Emily Allegra
8445 Bunker Lake Boulevard NW
Ramsey, MN 55303

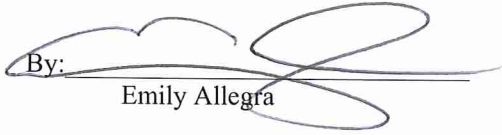
TO THE CITY:

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

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THE PERMITTEE:

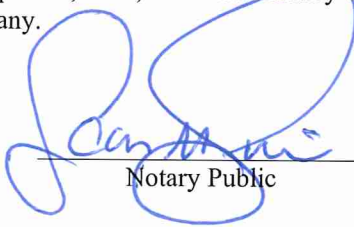
Ramsey Properties, LLC

By: 
Emily Allegra

Its: President

STATE OF MINNESOTA)
)ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this 1st day of AUGUST, 2023, by Emily Allegra, the President of Ramsey Properties, LLC, a limited liability company,, under the laws of the State of Minnesota on behalf of the company.



Notary Public



THE CITY:

CITY OF RAMSEY

By: Mark E. Kuzma
Mark E. Kuzma
Its: Mayor

By: Brian Hagen
Brian Hagen
Its: City Administrator

STATE OF MINNESOTA)
)ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me on this 2nd. day of August 2023, by Mark E. Kuzma and Brian Hagen, the Mayor and the City Administrator of the City of Ramsey, a charter city and municipal corporation organized under the laws of the state of Minnesota on behalf of the City.



Kathleen Schmitz
Notary Public

This document drafted by:

City of Ramsey
7550 Sunwood Drive NW
Ramsey, MN 55303

This document reviewed by:

HKB Law, P.A.
413 Wacouta Street, Suite 550
St. Paul, MN 55101