

**DIAMOND GRAPHICS DEVELOPMENT AGREEMENT
CITY OF RAMSEY, ANOKA COUNTY, MINNESOTA**

This Agreement (hereinafter the “**Agreement**”) is dated as of this _____ of _____, 2024, and is by and between the City of Ramsey, a Minnesota municipal corporation (the “**CITY**”) and DG Properties LLC, a Limited Liability Company (Foreign) under the laws of Minnesota, (the “**PERMITTEE**”).

Recitals

A. The **PERMITTEE** is the fee title owner of land generally known as 14350 and 14280 Azurite Street NW, Ramsey, MN 55303 and legally described as:

Lots 1 & 2, Block 1 Sunfish Lake Business Park Fourth Addition, Anoka County, Minnesota

-or upon recording of the approved plat-

Lot 1, Block 1 Sunfish Lake Business Park Fifth Addition

(the “**Subject Property**”)

B. The **PERMITTEE** is the owner of the **Subject Property**.

C. The **PERMITTEE** has received approval from the **CITY** to subdivide the **Subject Property** and plat the same as Sunfish Lake Business Park Fifth Addition (the “**Plat**”).

D. That on August 6, 2024, the **CITY** received a Site Plan and Building Permit Application from Sharp & Associates, on behalf of the **PERMITTEE**, for a 68,600 square foot building addition and associated site improvements (cumulatively, the “**Building Addition**”) on the **Subject Property**.

E. The **PERMITTEE** intends to cause the **Building Addition** 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 June 3, 2024, and revised **XXXXXX**, 2024, and by Lampert Architects, dated August 21, 2024, and revised **XXXXXX**. 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.
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. Grading, drainage and erosion control
 - b. Storm drainage facilities
 - c. Stormwater maintenance
 - d. Site utilities (sanitary sewer and water)
 - e. Parking/maneuvering area(s), curbing, and walkways
 - f. Concrete curb and gutter
 - g. Landscaping
 - h. Removal of temporary erosion control measures.
 - i. Permanent erosion control.

(the "**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 **Seven Hundred Eighty One Thousand Two Hundred Fifty Dollars and No Cents (\$781,250.00)**, 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 the **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, after acceptance by the **CITY**. The **PERMITTEE** shall provide an updated Engineer's Estimate supporting each request for a reduction of the Financial Guaranty. Upon completion of the construction of all the **Required Improvements**, including the removal of "temporary" erosion control measures as identified in the **Plans**, and acceptance by the **CITY**, supported by appropriate lien waivers, 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. **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 **Thirty One Thousand Two Hundred Fifty Dollars and No Cents (\$31,250.00)** (5% x \$625,000.00). 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**.

SECTION II PERMITS AND OCCUPANCY

10. 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 **Subject Property** 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

11. **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 **Three Thousand Four Hundred Twenty Dollars and No Cents (\$3,420.00)** [# plantings (38 trees and 0 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

12. **Boulevard and Area Restoration.** The **PERMITTEE** shall be responsible for restoring all areas disturbed by the development grading operation in accordance with the **Plans**. 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.
13. **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.
14. **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.
15. **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.
16. **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.

17. **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.
18. **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**.
19. **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.
20. **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 the **PERMITTEE**'s financial guaranty, the full amount of any and all financial guaranties. Breach of any of the terms of this **Agreement** by the **PERMITTEE** shall also be grounds for denial of a Building Permit or issuance of a Certificate of Occupancy.
21. **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.
22. **Agreement Binding on Successors and Assigns.** The **PERMITTEE** agrees that this **Agreement** shall be binding upon its successors and assigns.
23. **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:

DG Properties LLC
Attn: Jeff Banks
14350 Azurite Street NW
Ramsey, MN 55303

TO THE CITY:

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

THE PERMITTEE:

DG Properties LLC

By: _____, Jeff Banks

Its: Manager

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2024, by Jeff Banks, the Manager of DG Properties LLC, a Limited Liability Company (Foreign), under the laws of the State of Minnesota on behalf of the corporation.

Notary Public

THE CITY:

CITY OF RAMSEY

By: _____
Its: Mayor

By: _____
Its: City Administrator

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

The forgoing instrument was acknowledged before me on this _____ day of _____ 2024, 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.

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