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ASSESSMENT AGREEMENT

THIS ASSESSMENT AGREEMENT (this “Agreement”) is made this ___ day of _____, 2026, by and between the **City of Ramsey**, a Minnesota municipal corporation (“City”), and **BLIP III LLC**, a Minnesota limited liability company (“BLIP III”) (BLIP III shall be referred to as “Owner”).

RECITALS

WHEREAS, the Owner is the fee title owner of certain real property with a street address of 14799 Jackal Street NW, Ramsey, Minnesota, legally described as follows:

[Lot 1, Block 1, Bunker Lake Industrial Park 2nd Addition]

PID 29-32-25-12-0008 (the “Subject Property”); and

WHEREAS, the Owner desires to have certain public improvements constructed to serve the Subject Property as described in Exhibit A (the “Improvement Project”). Construction ready plans and specifications for the Improvement Project are completed; and

WHEREAS, the Owner desires to have the City construct the Improvement Project without notice of hearing or hearing on the special assessments levied to finance the Improvement Project, and to levy up to \$49,620.36 against the Subject Property as described in Exhibit B (the “Estimated Assessment for BLIP III”); and

WHEREAS, the City is willing to construct the Improvement Project without certain notices or hearings, provided that assurances and covenants hereinafter stated are made by the Owner to ensure that the City will have valid and collectable special assessments as they relate to the Subject Property; and

WHEREAS, were it not for the assurances and covenants hereinafter provided, the City would not construct the Improvement Project without such notices and hearings and is doing so solely at the behest, and for the benefit of, the Owner.

NOW, THEREFORE, in consideration of the mutual promises and covenants of each to the other contained in this Agreement and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto do covenant and agree as follows:

1. The Owner hereby petitions the City to finance and construct the Improvement Project. The Owner acknowledges and agrees that this Agreement constitutes a petition pursuant to Minn. Stat. § 429.035 for the construction of the Improvement Project.
2. The Owner represents and warrants that they are the owner of 100 percent of the Subject Property, that they have full legal power and authority to encumber the Subject Property as herein provided, shall obtain consent from any parties that are mortgagees, easement holders, or holders of any rights in the Subject Property that might be superior to this Agreement, and that as of the date hereof, they have fee simple absolute title in the Subject Property.
3. The Owner requests that 100% of the cost of the assessment fees associated with the Improvement Project be assessed against the Subject Property. The parties agree and understand that the principal amount to be assessed for the assessment fees associated with the Improvement Project will not exceed \$49,620.36.
4. The Owner waives notice of hearing and hearing pursuant to Minn. Stat. § 429.031 on the Improvement Project, notice of hearing and hearing on the special assessments levied to finance the Improvement Project pursuant to Minn. Stat. § 429.061, and specifically requests that the Improvement Project be constructed and special assessments be levied against the Subject Property without hearings.
5. The Owner waives the right to appeal the levy of the special assessments in accordance with this Agreement pursuant to Minn. Stat. § 429.081, or reapportionment thereof upon land division pursuant to Minn. Stat. § 429.071, subd. 3, or otherwise, and further specifically agrees with respect to such special assessments against the Subject Property or reapportionment that:
 - a. Any requirements of Minn. Stat. Ch. 429 with which the City does not comply are hereby waived by the Owner;
 - b. The increase in fair market value of the Subject Property resulting from the Improvement Project will be at least equal to the amount specified in paragraph 3, and that such increase in fair market value is special benefit to the Subject Property; and
 - c. Assessment of the above-specified cost of the Improvement Project against the Subject Property is reasonable, fair and equitable and there are no other properties against which such cost should be assessed.
6. The City shall provide for the payment of such special assessments in installments over a period of **10 years** bearing an interest rate of **6.83 percent**. Owner agrees to pay the assessment amount with the payment of property taxes. The City agrees the Owner may prepay some or all of

the assessment amount against the Subject Property for the Improvement Project with no penalty pursuant to Minn. Stat. §429.061.

7. The Owner represents and warrants that the Subject Property is not so classified for tax purposes as to result in deferral of the obligation to pay special assessments; and Owner agrees that it will take no action to secure such tax status for the Subject Property during the term of this Agreement.

8. The covenants, waivers and agreements contained in this Agreement shall bind the successors and assigns of the Owner and shall run with the Subject Property and bind all successors in interest thereof. It is the intent of the parties hereto that this Agreement be in a form that is recordable among the land records of Anoka County, Minnesota; and they agree to make any changes in this Agreement which may be necessary to affect the recording and filing of this Agreement against the title of the Subject Property. The City will record this Agreement against the Subject Property.

9. This Agreement shall terminate upon the final payment of all special assessments levied against the Subject Property regarding the Improvement Project, and the City shall thereupon execute and deliver such documents, in recordable form, as are necessary to extinguish its rights hereunder.

10. If the Owner materially defaults in the due and timely performance of any of its covenants or agreements hereunder, the City may give notice of default of this Agreement. The notice shall specify with particularity the default or defaults on which the notice is based. The notice shall specify a ten (10) day cure period within which the specified default or defaults must be cured. If the specified defaults are not cured within the cure period, the City may pursue all remedies and sanctions available at law and in equity, including specific performance.

11. This Agreement, which includes the recitals and exhibits which are fully incorporated herein, shall constitute the entire agreement between the parties and shall supersede all prior oral or written negotiations. This Agreement may be amended or any of its terms modified or changed only by a written amendment authorized and executed by the City and the Owner. In any event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

(Left blank intentionally; signature pages and appendix to follow)

EXHIBIT A

Improvement Project

Updated February of 2026. As-Bid estimated costs displayed. Information contained in Exhibit A, including estimated project costs, is updated upon receiving bids for the Improvement Project.

| <u>Improvement Type</u> | <u>Cost</u> |
|---|-----------------------|
| Roadway | \$1,029,987.86 |
| Storm Sewer | \$174,946.64 |
| Water | \$106,716.43 |
| Total Cost | \$1,311,650.93 |
| Total Cost less Public Utilities | \$1,204,934.50 |

The above costs include 23% project development costs. Project development costs include administrative, engineering, legal, and financing related costs.

EXHIBIT B

Estimated Assessment for BLIP III

TABLE A: Engineers Estimated Costs

| | |
|-----------------------------------|----------------|
| Total Costs | \$1,311,650.93 |
| Total Costs Less Public Utilities | \$1,204,934.50 |

TABLE B: Cost Share

| | | |
|-----------------------|-----|-----------------|
| City | 60% | \$722,960.70 |
| Developers | 40% | \$481,973.80 |
| Total Benefiting Area | | 2,429,114.61 SF |
| Assessment Cost / SF | | \$0.1984154218 |

TABLE C: BLIP III Preliminary Assessment Detail

| | |
|------------------------------|-----------------|
| Total Benefiting Area | 2,429,114.61 SF |
| Total Assessment Cost | \$481,973.80 |
| Assessment Cost / SF | \$0.1984154218 |
| BLIP III Area | 250,083.19 SF |
| BLIP III Estimate Assessment | \$49,620.36 |

Note: Costs are based the actual bids received for these improvements.