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Office of County Recorder/Registrar
RICE COUNTY, MN

I hereby certify that this document was
filed in this office and duly recorded on

REC'G PROCESS COMPL FUND: \$11.00
RECORDER TECHNOLOGY FUND: \$10.00
STATE TREASURY GEN'L FUND: \$10.50
GENERAL ABSTRACT: \$14.50

July 06, 2022 8:30 AM

Michael Fangman, Recorder

\$46.00

Pages: 83

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SCHMITZ OPHAUG BLUMHOEFER & YAHNKE
220 DIVISION ST S
NORTHFIELD, MN 55057

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148

CITY OF NORTHFIELD, MN
CITY COUNCIL RESOLUTION 2022-050

APPROVING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF
NORTHFIELD AND SUMAC PROPERTIES, INC. RELATED TO THE KRAEWOOD FINAL
PLAT

WHEREAS, Sumac Properties, Inc. (the "Developer") with the consent of Rebound Group, LLC (the "Buyer"), is seeking approval of a Development Agreement (the "Development Agreement") related to and as a condition of the Kraewood Final Plat, City of Northfield Resolution 2022-049 (the "Final Plat"), for the development of that certain property legally described in the Development Agreement (the "Development Property") for which the Buyer has entered into a purchase agreement with the current owners; and

WHEREAS, the Final Plat has not yet been recorded and the Buyer has not yet taken fee ownership of the Development Property, however recording of the Final Plat and Developer's subsequent closing on its purchase of the Development Property are imminent; and

WHEREAS, execution and compliance with all terms and conditions of the above-referenced Development Agreement, which is attached hereto as Exhibit A, by the Developer and the City of Northfield, is a prerequisite to construction activities on the Development Property; and

WHEREAS, the Developer proposes to undertake certain activities associated with the development on the Development Property included within the Final Plat, including but not limited to, the installation of improvements and the construction of residential structures as stated in the Development Agreement; and

WHEREAS, the Developer, as a condition of Final Plat approval and as provided in the attached Development Agreement, will provide financial security in the form of a Letter of Credit, which form is attached hereto as part of the Development Agreement in Exhibit A, ensuring the installation of the required public improvements and is agreeing to pay to the City the required fees and charges contained in the Development Agreement associated with the Kraewood Final

Plat.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THAT: The Development Agreement between the City of Northfield and Sumac Properties, Inc., with the consent of Rebound Group, LLC, is hereby approved as to form as attached hereto as Exhibit A.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL THAT: The Mayor and City Clerk of the City of Northfield, respectively, are authorized to sign the Development Agreement substantially in the form attached hereto, allowing for any minor or technical changes as necessary to complete the documents substantially in the form hereby approved, provided that first: the above-referenced Final Plat has been recorded with the Rice County Recorder; Rebound Group, LLC has closed on its fee title purchase of the Development Property; and Sumac Properties, Inc., with the consent of Rebound Group, LLC, has properly executed the Development Agreement, recorded, and provided the required financing and security, and obtained all consents as applicable for execution of the Development Agreement from mortgagee's and property owners of the Development Property, as applicable, or as otherwise deemed necessary by the City Engineer or otherwise.

PASSED by the City Council of the City of Northfield on this 19th day of April, 2022.

ATTEST


City Clerk


Mayor

VOTE: Y POWNELL Y GRABAU Y NAKASIAN Abstain NESS
 Y PETERSON WHITE Y REISTER N ZUCCOLOTTO

CITY OF NORTHFIELD

TRANSCRIPT OF PROCEEDINGS

I, the undersigned, being the duly qualified City Clerk of the City of Northfield, Minnesota, hereby certify as follows:

1. The attached copy of:

CITY COUNCIL RESOLUTION #2022-050 APPROVING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF NORTHFIELD AND SUMAC PROPERTIES, INC. RELATED TO THE KRAEWOOD FINAL PLAT

Is a true and exact copy of the original file in my office.



**Lynette R. Peterson
City Clerk**

5/10/2022
Date



EXHIBIT A

DEVELOPMENT AGREEMENT

(reserved for recording information)

DEVELOPMENT AGREEMENT

(Developer Installed Improvements)

KRAEWOOD

AGREEMENT (the "Agreement") dated April 19, 2022, by and between the CITY OF NORTHFIELD, a municipal corporation under the laws of the State of Minnesota, with its principal office located at 801 Washington Street, Northfield, MN 55057-2565 (the "City"); and Sumac Properties, Inc., a corporation under the laws of the State of Minnesota, with its principal office located at 1325 Armstrong Road, Northfield, MN 55057 (the "Developer"); (collectively the "parties").

RECITALS

WHEREAS, Rebound Group, LLC, a limited liability company under the laws of the State of Minnesota, 527 Professional Drive, Northfield, MN 55057 ("Rebound") is the fee owner of certain real property located in the City of Northfield, Rice County, Minnesota, known as Kraewood, which is legally described in Exhibit A, which is attached hereto and incorporated herein by reference (the "Development Property"); and

WHEREAS, Rebound and the previous owners of the Development Property ("Paulson") have jointly requested and received approval by the City of a Final Plat for Kraewood (referred to herein as the "plat"); and

WHEREAS, the Developer will serve as the developer for Rebound of a proposed project consisting of 135 residential units (106 units in the proposed apartment complex, 1 tri-plex, 2 twin-homes and 22 single-family homes) and associated public improvements on the Development Property, including

but not limited to street improvements, sanitary sewer, water main, stormwater management facilities, sidewalk and trails, grading and erosion control facilities and other improvements (the “Project”); and

WHEREAS, the Developer and the City, desire to enter into this Agreement in satisfaction of applicable City requirements and to set out the undertakings and obligations of each party from this point forward with respect to the Project and with respect to the City Approval Process, all as required by the City’s Code of Ordinances (the “Code”).

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each does hereby covenant and agree with the other as follows:

1. **REQUEST FOR PLAT APPROVAL.** Rebound has sought and received Final Plat approval for Kraewood (referred to in this Agreement as the “plat”). The platted land is situated in the County of Rice, State of Minnesota. The Developer is seeking to develop all of the plat, the Development Property, for the purpose stated above.
2. **CONDITIONS OF PLAT APPROVAL.** The City has approved the plat on the condition that the Developer enter into this Agreement, furnishes the security required by it, records the plat with the County Recorder or Registrar of Titles within 60 days after the City Council approves the Final Plat, and submits evidence of recording the plat to the City within 60 days after the date of recording.
3. **RIGHT TO PROCEED/CONDITIONS PRECEDENT.** Unless separate written approval has been given by the City, within the Development Property, the Developer may not grade or otherwise disturb the earth, remove trees, construct sewer lines, water lines, streets, utilities, public or private improvements, or any buildings within the Development Property until all of the following conditions have been satisfied:
 - a. This Agreement has been fully executed by all parties and filed with the City Clerk. This Agreement shall be recorded by the Developer within 60 days following execution hereof;
 - b. The necessary security has been received by the City;
 - c. Rebound has closed on the purchase of the Development Property from Paulson and recorded the deeds with the County Recorder’s Office;

- d. The plat has been recorded with the County Recorder's Office;
 - e. The site plan for the project on the Development Property and the plans and specifications for the Improvements related thereto have been approved and signed by the City Engineer with such conditions as required by the City Code;
 - f. The construction plans and other such plans as required by the City have been approved and signed by the City Engineer;
 - g. The Declaration of Protective Covenants by Rebound designating certain portions of the Lots in the plat for preservation of trees and other vegetation, as attached hereto and incorporated herein by reference as Exhibit B, has been fully executed and recorded with a copy filed with the City Clerk;
 - h. The general warranty deed for Outlot A, Outlot C and Outlot D of the plat granted from Rebound to the City as attached hereto and incorporated herein by reference as Exhibit C, has been fully executed and recorded with a copy filed with the City Clerk;
 - i. The permanent public easement from Rebound to the City as attached hereto and incorporated herein by reference as Exhibit E, has been fully executed and recorded with a copy filed with the City Clerk;
 - j. A certificate of public liability and property damage insurance as described in this Agreement has been filed with the City Clerk; and
 - k. The City Engineer has issued a letter that all conditions have been satisfied and that the Developer may proceed.
4. **FURTHER SUBDIVISION.** The City may refuse to approve further subdivision within the plat if the Developer has breached this Agreement and the breach has not been remedied. If the plat is a phase of a multi-phased preliminary plat, the City may refuse to approve final plats of subsequent phases if the Developer has breached this Agreement and the breach has not been remedied.

Development of subsequent phases may not proceed until Development Agreements for such phases are approved by the City and executed by the parties. Sanitary sewer and water area charges referred to in this Agreement are not being imposed on outlots, if any, in the plat that are designated in an approved preliminary plat for future subdivision into lots and blocks. Such charges will be calculated and imposed when the outlots are final platted into lots and blocks.

5. **PRELIMINARY PLAT STATUS.** If the plat is a phase of a multi-phased preliminary plat, the preliminary plat approval for all phases not final platted shall lapse and be void unless final platted into lots and blocks, not outlots, within five (5) years after preliminary plat approval.
6. **CHANGES IN OFFICIAL CONTROLS.** For two (2) years from the date of this Agreement, no amendments to the City's Comprehensive Plan or official controls shall apply to or affect the use, development density, lot size, lot layout or dedications of the approved final plat unless required by state or federal law or agreed to in writing by the City and the Developer. Thereafter, notwithstanding anything in this Agreement to the contrary, to the full extent permitted by state law, the City may require that any future development of the Development Property comply with any amendments to the City's Comprehensive Plan, official controls, platting or dedication requirements enacted after the date of this Agreement.
7. **DEVELOPMENT PLANS.** The plat shall be developed in accordance with the following plans where applicable. The plans shall not be attached to this Agreement. If the plans vary from the written terms of this Agreement, the written terms of this Agreement shall control. The plans are:
 - a. Plan A - Plat
 - b. Plan B - Final Grading, Drainage and Erosion Control Plan
 - c. Plan C - Final Construction Plans and Specifications for Public Improvements
 - d. Plan D - Traffic Signing and Control Plan (for construction and final development)
 - e. Plan E - Stormwater Pollution Prevention Plan
 - f. Plan F - Wetland mitigation plan (if applicable)
 - g. Plan G - Landscape Plan

h. Plan H - Utility Plan

The foregoing plans and specifications shall be prepared by a competent registered professional engineer engaged by the Developer and shall be subject to the City's review and approval. The required Improvements below shall be installed in accordance with the City approved plans for such improvements and the policies, rules, regulations, standards and ordinances of the City. No work shall commence on the Project or the required Improvements until the Developer obtains a building permit for the Project and the Improvements and pays all costs and fees required in connection with the procurement of the building permit.

8. IMPROVEMENTS.

a. The Developer shall construct and install, at its sole cost and expense and subject to the terms and conditions contained herein, the following public or private improvements (the "public improvements" or "Improvements") in compliance with City approved plans and specifications prepared in accordance with all policies, rules, regulations, standards, specifications and ordinances of the City and as shown on the final construction plans and summarized below:

- i. Streets
- ii. Sanitary Sewer
- iii. Watermain
- iv. Surface Water Facilities (pipe, ponds, rain gardens, and similar improvements)
- v. Grading, Drainage and Erosion Control
- vi. Sidewalks/Trails
- vii. Street Lighting
- viii. Utilities (gas, electric, cable, telephone, etc.)
- ix. Street Signs and Traffic Control Signs
- x. Landscaping Required by the Zoning Ordinance (Street trees and tree preservation)
- xi. Wetland Mitigation and Buffers

- xii. Surveying and Monuments Required by Minnesota Statutes
 - xiii. Miscellaneous Facilities or other elements defined by the guiding documents.
- b. The Improvements shall be constructed and installed in accordance with the latest versions in place at the time of this Agreement of the City Code, zoning ordinance and subdivision regulations, City standard specifications for utilities and street construction, and the City's engineering guidelines and standard detail plates, as applicable. The Developer shall submit plans and specifications that have been prepared by a competent registered professional engineer to the City for approval by the City Engineer. The City will provide field inspection and soil testing personnel, at the Developers expense, to assure an acceptable level of quality control for the construction of all public improvements and certify that the construction work meets the City's requirements, specifications, standards and approved plans. In addition, the Developer's engineer will be required to certify that the construction work meets the approved City requirements, specifications, and standards as a condition of City acceptance and provide record drawings for all Improvements. The Developer, its contractors and subcontractors, shall follow all instructions received from the City's inspectors and City Engineer to the extent applicable to comply with the approved plans and specifications, or applicable City Code or statutes for which the City inspectors have jurisdiction. The Developer's engineer shall provide for on-site project management. The Developer's engineer is responsible for design changes and contract administration between the Developer and the Developer's contractor. As required by the City, the Developer or its engineer shall schedule a pre-construction meeting at a mutually agreeable time at City Hall, or another location acceptable to the City, with all parties concerned, including the City staff, to review the program for the construction work.
- c. All labor and work shall be done and performed in the best and most workmanlike manner and in strict conformance with the approved plans and specifications. No deviations from the approved plans and specifications will be permitted unless approved in writing by the

City Engineer, which approval shall not be unreasonably withheld. The Developer agrees to furnish to the City a list of contractors being considered for retention by the Developer for the performance of the work required by this Agreement. If applicable, the contractor(s) shall have experience in the installation of municipal water and sanitary sewer mains; shall demonstrate the successful completion of at least three such installations and municipal acceptance thereof; and shall be able to obtain the requisite performance and payment bonds for the purchase and installation of the minimum Improvements required hereby. The Developer shall not do any work or furnish any materials not covered by the plans and specifications and special conditions of this Agreement, for which reimbursement is expected from the City, unless such work is first ordered in writing by the City Engineer as provided in the plans and specifications.

- d. The Developer shall replace or repair any damage or destruction to any property or improvements located on County or City land or in County or City streets, boulevards and rights-of-way, or adjacent private property not owned by Developer, caused by Developer, or its contractors and subcontractors, during the construction of the required Improvements and the Project. Any contaminated soils encountered during the construction of the Improvements and development on the Development Property shall be addressed as set forth in a Response Action Plan to be approved by the Minnesota Pollution Control Agency (MPCA) or other applicable agency having jurisdiction.
- e. The Developer shall be solely responsible for the costs of constructing the required Improvements. The costs of constructing the Improvements shall include the actual construction costs, the actual engineering, administration and any legal costs related thereto, and all other costs relating to the construction of the Improvements. The engineering, administration and legal costs shall include the actual outside construction engineering assistance costs and the legal costs.

f. If this Agreement is terminated for any reason the City shall have no obligation to construct the Project or Improvements.

9. CITY ENGINEERING ADMINISTRATION AND CONSTRUCTION OBSERVATION.

The Developer shall pay a fee for in-house engineering administration. City engineering administration will include monitoring of construction observation, consultation with Developer and the Developer's engineer on status or problems regarding the Project, coordination for final inspection and acceptance, Project monitoring during the warranty period, and processing of requests for reduction in security. Fees for administration services shall be:

ESTIMATED COST OF PROPOSED IMPROVEMENTS	CITY ADMINISTRATIVE COST
Up to \$150,000	3.0 percent (Minimum \$500.00)
\$150,000 to \$300,000	2.5 percent
Over \$300,000	2.0 percent

The Developer shall also deposit seven percent (7%) of the estimated construction cost to pay for construction observation and geotechnical testing performed by the City's in-house engineering staff or consulting engineer. This deposit is estimated to be \$34,665.00. If the City's costs exceed the deposit, the Developer agrees to reimburse the City within 30 days of billing. Should the costs be less than the amount of the deposit, upon completion of the Improvements, the amount of the remaining deposit shall be returned to the Developer. The Developer shall deposit the full construction observation fees with the City prior to the final plat being recorded. No construction of public improvements will be authorized until the construction observation fees have been paid to the City. Throughout the duration of the Project, the City shall provide the Developer with a monthly accounting of the costs and expenses of the City staff and the City's consultants which are part of the fees set forth in this Section 9, provided however that costs and expenses have been incurred by the City in the immediately preceding month.

10. CONTRACTORS/SUBCONTRACTORS. City Council members, City employees, and City Planning Commission members, and corporations, partnerships, and other entities in which such

individuals have greater than a 25% ownership interest or in which they are an officer or director may not act as contractors or subcontractors for the public improvements identified in this Agreement.

11. **PERMITS.** The Developer shall obtain or require its contractors and subcontractors to obtain all necessary and required permits for the Project from the Minnesota Pollution Control Agency (MPCA), Minnesota Department of Health (MDOH), and all other agencies and governmental authorities with jurisdiction over the Project and the Improvements before proceeding with construction of the Project and the Improvements. Copies of these permits shall be provided to the City Engineer, and may include but are not limited to the following:

- Minnesota Department of Health for Watermains
- MN/DOT for State Highway Access
- County Road Access and Work in County Road Right-of-Way
- NPDES Permit for Stormwater Management
- MPCA for Sanitary Sewer Extensions/Connections and Hazardous Material Removal and Disposal
- Wetlands permits as applicable
- DNR for Dewatering
- City of Northfield for Building Permits

The Developer or its engineer shall schedule a pre-construction meeting for the required Improvements with all the parties concerned, including City staff, to review the program for the construction work.

12. **TIME OF PERFORMANCE.** Except as otherwise provided in this Agreement, the Developer shall install all required improvements and other work required by this Agreement by October 15, 2022, with the exception of the final wear course of asphalt on streets. The final wear course on streets shall be installed between May 15th and October 1st the first summer after the base layer of asphalt has been in place one freeze thaw cycle. Any deficiencies in the base, asphalt, curb or other improvements in the judgment of the City Engineer must be repaired by the Developer at its own cost prior to final paving. The Developer may, however, request an extension of time from the City. If an extension is granted, it shall be conditioned upon updating the security posted by the Developer to

reflect cost increases and the extended completion date. Final wear course placement outside of this time frame must have the written approval of the City Engineer.

13. **LICENSE.** The Developer hereby grants the City, its agents, employees, officers and contractors a license to enter the Property to perform all work and inspections deemed appropriate by the City in conjunction with this Agreement, the Project and Improvements and plat development, as applicable. The license shall expire upon the acceptance by the City of the Improvements. The City shall thereafter have the right to enter the Property to perform inspections as authorized by City Code.
14. **CONSTRUCTION ACCESS.** Construction traffic access and egress for grading, public utility construction, and street construction is restricted to access the subdivision via Lincoln Parkway and Greenvale Avenue. No construction traffic is permitted on the adjacent local streets other than identified herein.
15. **GRADING PLAN.** The Development Property shall be graded in accordance with the approved grading development and erosion control plan. The plan shall conform to City of Northfield requirements and specifications, City Code and applicable law. Within thirty (30) days after completion of the grading, the Developer shall provide the City with a certificate of survey/"record" grading plan certified by a registered land surveyor or engineer that all ponds, swales, and ditches have been constructed on public easements or land owned by the City. The certificate of survey/"record" plan shall include field verified elevations of the following: a) cross sections of ponds; b) location and elevations along all swales, wetlands, wetland mitigation areas if any, ditches, locations and dimensions of borrow areas/stockpiles; c) lot corner elevations and building/house pads, d) top and bottom of retaining walls, and e) all lots with house footings placed on fill have been monitored and constructed to meet or exceed FHA/HUD 79G specifications. The Developer shall furnish the City Engineer satisfactory proof of payment for the site grading work and shall submit a certificate of survey (as constructed survey) of the Development Property after site grading is complete. Final lot grades shall be shown on the as constructed survey. Final grading shall substantially comply with the approved grading plan.

16. EROSION AND SEDIMENT CONTROL. Prior to initiating site grading, the erosion and sediment control plan shall be implemented by the Developer and inspected and approved by the City Engineer. The Erosion Control Plan and Storm Water Pollution Prevention Plan (SWPPP) shall be implemented by the Developer and inspected and approved by the City Engineer. Erosion and sediment control practices must comply with the Minnesota Pollution Control Agency's (MPCA) Best Management Practices and applicable MPCA NPDES permit requirements for construction activities and the Developer's SWPPP. The City may impose additional erosion and sediment control requirements if they would be beneficial in the City's judgment. All areas disturbed by the excavation and backfilling operations shall be reseeded within 48 hours after the completion of the work or in an area that is inactive for more than fourteen (14) days unless authorized and approved by the City Engineer. Except as otherwise provided in the erosion and sediment control plan, seed shall be in accordance with the City's current seeding specifications, if any, which may include certified oat seed to provide a temporary ground cover as rapidly as possible. All seeded areas shall be fertilized, mulched, and disc anchored, and watered as necessary for seed retention. The parties recognize that time is of the essence in controlling erosion. If the Developer does not comply with the erosion control plan and schedule or supplementary instructions received from the City Engineer, the City may take such action as it deems appropriate to control erosion. The City will endeavor to notify the Developer in advance of any proposed action, but failure of the City to do so will not affect the Developer's and City's rights or obligations hereunder. If the Developer does not reimburse the City for any cost the City incurred for such work, the City may draw down the letter of credit or any other security required herein to pay any costs. No development, utility or street construction will be allowed and no building permits will be issued unless the plat and Project plans for the Development Property, as applicable, are in full compliance with the approved erosion control plan.

17. STREET MAINTENANCE DURING CONSTRUCTION AND SIDEWALKS. The Developer shall be responsible for all street maintenance until the streets are accepted by the City. Warning signs shall be placed when hazards develop in streets to prevent the public from

traveling on same and directing attention to detours. If and when streets become impassable, such streets shall be barricaded and closed. In the event residences are occupied prior to completing streets, the Developer shall maintain a smooth surface and provide proper surface drainage. The Developer shall be responsible for keeping streets within and without the subdivision swept clean of dirt and debris that may spill or wash onto the street from Developer's operation. The Developer may request, in writing, that the City keep the streets open during the winter months by plowing snow from the streets prior to final acceptance of said streets. The City shall not be responsible for repairing the streets because of snow plowing operations. Providing snow plowing service does not constitute final acceptance of the streets by the City. Any sidewalk damaged (severely cracked, broken or spalled) shall be replaced by the Developer at no cost to the City. City staff shall identify those sections of sidewalk to be replaced.

18. OWNERSHIP OF IMPROVEMENTS.

- a. Upon completion of the work and construction required by this Agreement and acceptance of Improvements by the City, the Improvements lying within public easements and public rights-of-way shall become City property without further notice or action upon completion and City acceptance thereof. Prior to acceptance of the Improvements by the City, the Developer must furnish the following affidavits:

- i. Contractor's Certificate;
- ii. Engineer's Certificate;
- iii. Land Surveyor's Certificate; and
- iv. Developer's Certificate;

certifying that all construction has been completed in accordance with the terms of this Agreement. The requisite forms will be furnished by the City of Northfield and are attached hereto as Exhibit D. Upon receipt of the required affidavits, the City Engineer will accept the completed public improvements. Within thirty (30) days after the completion of the Improvements, the Developer shall supply the City with a complete set of reproducible

"record" plans, an electronic file of the "record" plans in a format acceptable to the City Engineer (e.g., AutoCAD format, DWG or a .DXF file), and two complete sets of hard copy "record" plans, all prepared in accordance with City standards. Upon receipt of these documents, and the warranty documents specified in this Agreement, the City Engineer will certify acceptance of the completed public improvements.

19. **PARK DEDICATION.** Rebound shall dedicate 0.56 acres in satisfaction of the City's park dedication requirements. The land dedication is calculated as follows:

Park Dedication Kraewood	
Park Dedication 2022 City Code Land Dedication	Percent of Net Land Dedicated
Dwelling Unit Per Net Acre	
0 to 3.9	12
4 to 7.9	9
8 or more	6
Kraewood (135 Units)	135 Units
Gross Project Area (Acres)	12.89 Acres
(Net Area = gross area minus area required for public streets, trails, and stormwater ponding) of the land to be subdivided which could be developed for residential, commercial, industrial or other purposes	
ROW Dedicataion (Acres)	2.53
Storm Pond (Acres)	1.11
Net Area	9.25
Density Units/Acre	15
Park Dedication Requirements	
8 or More Units Per Net Acre = 6% Land Dedication	0.56 Acres

Rebound shall dedicate Outlot C in the plat to the City, which has a gross area of 0.58 Acres to satisfy the land dedication requirements above. Rebound shall grant and record a general warranty deed, in the form provided in Exhibit C, in favor of the City of Northfield for such land dedication

and shall do so commensurate with recording the plat. The signed deed shall be accompanied by a mortgagee's consent in the event the Development Property is encumbered by a mortgage.

20. **SANITARY SEWER AND WATER TRUNK UTILITY CHARGES.** The Developer is subject to sanitary sewer and water access/availability area charges for the Development Property. The sanitary sewer and water access/availability area charges are as follows:

- a. Sanitary Sewer Availability Charge: The Developer shall pay a sanitary sewer availability charge of \$250,841.50. The area charge is based on the number of units in the final plat (less the four single-family lots abutting Greenvale Avenue for which the sanitary sewer availability charges have already been satisfied) and is calculated as follows: 88 units/acres x \$2,086.00/unit/acre = \$183,568.00 plus 43 affordable house units/acres x \$1,564.50/unit/acre = \$67,273.50.
- b. Water Availability Charge: The Developer shall pay a watermain availability charge of \$109,668.00. The access charge is based on the number of units in the final plat (less the four single-family lots abutting Greenvale Avenue for which the water availability charges have already been satisfied) and is calculated as follows: 88 units/acres x \$912.00/unit/acre = \$80,256.00 plus 43 affordable housing units/acre x \$684.00/unit/acre = \$29,412.00.

The Developer shall pay sanitary sewer charges in the amount of \$52,150.00 and water availability charges in the amount of \$22,800.00 at the time of final plat approval. This represents the sanitary sewer charges and water availability charges for 25 units, none of which are considered affordable housing units for the purpose of calculating these charges. These 25 units are for the tri-plex, the two twin-homes, and all of the single-family home lots on the plat (except for the four lots abutting Greenvale Avenue). The remaining balance of the sanitary sewer charges and water availability charges shall be paid by the Developer at the time of building permit issuance for the proposed apartment complex, it being understood that a building permit shall not be issued by the City until such charges are paid in full.

21. **SANITARY SEWER, STORM SEWER AND WATERMAIN.** The Developer shall install or contract for the installation of all public improvements in the Project related to sanitary sewer, storm sewer and watermains, as required by the City in accordance with those plans approved by the City Engineer.
22. **TRAFFIC CONTROL AND STREET NAME SIGNS.** Any street name signs, stop signs, or other directional and safety signs required by the City shall be purchased and installed by the Developer per City standards at the Developer's expense.
23. **WETLAND MITIGATION.** No wetland mitigation is planned for the site. The Developer is responsible for any undisclosed mitigation on the land, and will be required to submit any necessary security should subsequent wetlands be identified.
24. **BUILDING PERMITS/CERTIFICATES OF OCCUPANCY.**
- a. Grading, curb and gutter, sidewalk and one lift of asphalt shall be installed on all public and private streets and drives prior to issuance of any building permits, adjacent to these lots. No Certificate of Occupancy will be issued until the grading, curbing, sidewalk and one lift of asphalt is installed in accordance with approved plans on all public streets and private drives. In addition, no Certificates of Occupancy shall be issued for any buildings until the sewer and water has been installed and tested to the satisfaction of the City Engineer, which shall not constitute final acceptance of the sewer and water utilities.
 - i. In lieu of the foregoing provision, if the proposed public improvements are under construction but not yet completed and accepted by the City, the Developer shall provide a cross section depicting the entire right-of-way of Kraewood Drive extending through the first floor elevation of the building for which a building permit is requested. This first floor elevation shall be considered official for building construction purposes. Any deviation from this elevation shall first be reviewed and approved by the Building Official and the City Engineer prior to commencing construction of applied building permit.

- b. Breach of the terms of this Agreement by the Developer, including nonpayment of billings from the City within 30 days of the date of an invoice from the City to the Developer, shall be grounds for denial of building permits, including lots sold to third parties, and the halting of all work in the plat or on the Development Property.
- c. If building permits are issued prior to the acceptance of public improvements, the Developer assumes all liability and costs resulting in delays in completion of public improvements and damage to public improvements caused by the City, Developer, their contractors, subcontractors, materialmen, employees, agents, or third parties. No certificates of occupancy and no sewer and water connection permits may be issued and no one may occupy a building for which a building permit is issued on either a temporary or permanent basis until the streets and sidewalks needed for access have been paved with a bituminous surface and the utilities are accepted by the City Engineer.

25. **UNDERGROUND UTILITIES – PRIVATE.** This section covers those smaller private utilities such as gas, electric, phone, cable, etc.

- a. The Developer is responsible for the cost of installing all private utilities of any nature or kind whatsoever.
- b. The Developer shall contact the utility companies to coordinate the installation of the utilities. Private utilities shall not be installed until the curb and gutter are completed and backfilled, as applicable. All utilities shall be installed underground or as otherwise approved in writing by the City Engineer.
- c. The City Engineer must approve of the final location for all private utilities. Joint trenching of the utilities is strongly encouraged. All utilities must be located in public rights-of-way or within drainage and utility easements.
- d. If any conditions set forth in this Agreement conflict with the City's utility franchise agreements, the franchise agreements shall in all cases prevail.

26. **RESPONSIBILITY FOR COSTS.**

- a. Except as otherwise specified herein, the Developer shall pay all costs incurred by it and the City in conjunction with this Agreement, the approval of the Plat, the grading and development of the Development Property and the construction of the Improvements required by this Agreement, including but not limited to, all costs of persons and entities doing work or furnishing skills, tools, machinery, equipment and materials; insurance premiums; legal, planning and engineering fees; the preparation and recording of this Agreement and all easements and other documents relating to the Plat and the Development Property, as applicable; all Response Action Plans, traffic studies, environmental assessments and/or engineering and other studies and reports; all permits and approvals; and all City's costs incurred pertaining to the inspection and monitoring of the work performed in connection with approval and acceptance of the plat, the Project and the construction of the Improvements and the other work done and improvements constructed on the Development Property or otherwise related to the Project.
- b. Except as otherwise specified herein, the City shall not be obligated to pay Developer or any of its agents or contractors for any costs incurred in connection with the construction of the Improvements or the development of the Development Property. Developer agrees to defend, indemnify, and hold the City and its mayor, council members, employees, agents and contractors harmless from any and all claims of whatever kind or nature and for all costs, damages or expenses which the City may pay or incur in consequence of such claims, including reasonable attorneys' fees, which may arise as a result of the Project, this Agreement, the construction of the Improvements (except for governmental approval pertaining to the Project and except for the negligence or intentional misconduct of the City with respect to the construction of the Improvements), the development of the Development Property or the acts of Developer, and its employees, agents, contractors or subcontractors, in relationship thereto.

- c. The Developer hereby covenants and agrees that Developer will not permit or allow any mechanic's or materialman's liens to be placed on the City's interest in any property that is the subject of the Project or this Agreement during the term hereof. Notwithstanding the previous sentence, however, in the event any such lien shall be so placed on the City's interest, the Developer shall take all steps necessary to see that it is removed within thirty (30) business days of its being filed; provided, however, that the Developer may contest any such lien provided the Developer first posts a surety bond, in favor of and insuring the City, in an amount equal to 125% of the amount of any such lien.
- d. The Developer shall reimburse the City for reasonable costs incurred in the enforcement of this Agreement, including engineering and attorneys' fees.
- e. The Developer shall pay, or cause to be paid when due, and in any event before any penalty is attached, all special assessments referred to in this Agreement. This is a personal obligation of the Developer and shall continue in full force and effect even if the Developer sells one or more lots, the entire plat, or any part of it.
- f. The Developer shall pay in full all bills submitted to it by the City for obligations incurred under this Agreement within 30 days of the date of the City's invoice to Developer. If Developer fails to pay a required bill, then after providing the Developer with at least fifteen (15) days prior written notice, the City may draw on the Security or alternatively declare the same an event of default, and the City may thereafter assess and certify such unpaid charges to the County Auditor for collection in like manner with property taxes on the Development Property, or the City may take any other actions as may be available under this Agreement, at law, or in equity. Bills not paid within sixty (60) days shall accrue interest at the rate of eight percent (8%) per year.
- g. In addition to the charges and special assessments referred to herein, other charges and special assessments may be imposed such as but not limited to sewer availability charges ("SAC"), City water connection ("WAC") charges, City sewer connection charges, City

storm water connection charges, building permit fees and plat review fees, which shall be paid by Developer.

27. **SPECIAL PROVISIONS.** The following special provisions shall apply:

- a. Implementation of any other recommendations listed by the City Council or City Engineer as follows:
 - i. The Developer shall have all required MPCA stormwater permits approved prior to beginning any installation of public improvements.
 - ii. The Developer, at the Developer's expense, shall construct a 25 foot wide emergency vehicle and pedestrian access from Ivanhoe Drive to Kraewood Drive. The material shall be approved by the City Engineer and Fire Chief. Rebound shall dedicate an ingress/egress and pedestrian easement to the City in the form which is attached and incorporated herein as Exhibit E. Following final completion of the above improvement to the satisfaction of the City Engineer, the City shall reimburse the Developer for the cost of the same based on the Developer's submission of itemized invoices to the City in an amount not to exceed \$30,000.00, unless approved in writing by the City Engineer by the Developer submitting itemized invoices for the costs. Reimbursement shall occur within 30 days of final completion or within 30 days of January 1, 2023, whichever occurs later.
 - iii. The Developer, at the Developer's expense, shall construct a 6-foot sidewalk on the south side of Lincoln Parkway from Green Meadow Court to Linden Street North as shown in the Final Plat. The material shall be approved by the City Engineer. Following completion of the above improvement to the satisfaction of the City Engineer, the City shall reimburse the Developer for the cost of the same based on the Developer's submission of itemized invoices to the City in an amount not to exceed \$40,000.00. Reimbursement shall occur within 30 days of final completion or within 30 days of January 1, 2023, whichever occurs later.

- iv. Crosswalk curb shall be installed by the Developer as directed by the City Engineer across Lincoln Parkway on the west side of Kraewood Drive, to align with the west side of the parking lot leading into Greenvale Park Elementary School.
- v. Pursuant to Chapter 34, Article 3 of the Land Development Code, section 3.5.6, Tree and Woodland Preservation, the Developer intends to remove protected trees during the development of the project, and shall replace the trees removed in compliance with the requirement contained in the Land Development Code in accordance with Table 3.5-2, as follows:

Table 3.5-2: Replacement Tree Requirements

Caliper of Original Tree	Replacement Trees Required
12 to 17 inches DBH	One replacement tree for each protected tree removed
18 to 23 inches DBH	Three replacement trees for each protected tree removed
24 to 35 inches DBH	Six replacement trees for each protected tree removed
36 to 47 inches DBH	Ten replacement trees for each protected tree removed
48+ inches DBH	Twelve replacement trees for each protected tree removed

The Developer shall plant the 633 (135 landscape and boulevard trees, 498 replacement trees) trees specified by species and location in the Landscape Plan, Plan G, in compliance with City Code and the same will be planted by the Developer, at the Developer’s cost and expense, at the completion of the various phases of home construction on Block 1 Lots 1-3, Block 2 Lots 1-9, Block 3 Lot 1, Block 4 Lots 1-6, Block 5 Lots 2-11. The Developer has indicated that the homes on the foregoing lots may be built in the next 1-10 years. Replacement trees shall be planted by the Developer within 90 days of completion of a home on each respective lot through the entirety of construction of homes throughout the plat. To guarantee compliance with the terms of this section, the letter of credit to be provided by the Developer to the City pursuant to Section 31 below shall include a separate amount of \$124,500.00 for tree replacements required by this section. This amount is calculated as follows: 498 trees to be planted x \$250 per tree =

\$124,500.00. There is an additional amount for 135 tree replacement as part of the “Landscape and BLVD Trees” line item in Section 31. Notwithstanding any provision of this Agreement and due to the time it may take for the Developer to fully meet its obligation to replace trees based on the time between different construction phases, the letter of credit or other security in the form of cash escrow or performance bond(s) shall be in effect at each phase of construction to guarantee the replacement of the required number of trees for trees removed during each respective construction phase to ensure full compliance with tree replacement requirements throughout the Development Property. Should the Developer fail to timely plant required replacement trees as subsequent phases of construction are completed, the City may draw upon the letter of credit, cash escrow or performance bond, as applicable. The City shall be the sole beneficiary of the letter of credit, cash escrow or performance bond and shall have sole power to draw upon funds from the same in accordance with the terms of this Agreement. Nothing herein shall relieve the Developer from the obligation to pay any additional costs, if actual costs exceed the above-stated cost. Nothing herein shall relieve the Developer from the obligation to pay any additional costs, if actual costs exceed the amount retained in the letter of credit, cash escrow or the performance bond, after the time of completion. As further security to guarantee compliance with the terms of this section, building permits shall not be issued until the security is provided for each phase and a final certificate of occupancy shall not be issued until the requirements herein have been complied with for each construction phase. The letter of credit, cash escrow or performance bond, as applicable, will be drawn down and returned to the Developer as the trees are planted meeting the requirements herein and provided in City Code. The Developer shall notify the City after the trees have been planted for each construction phase, and the City, within 60 days, shall refund

the cash escrow or release the letter of credit or performance bond to the Developer for the trees planted in compliance herewith. Each construction phase shall require the replenishment of a letter of credit, cash escrow or a performance bond in the amount as calculated above for the number of trees to be removed during the applicable construction phase. The applicable construction phase shall not begin until the letter of credit is provided , cash escrow has been paid or the performance bond is provided to the City in the applicable amount..

- b. The Developer shall post a \$6,000.00 security for the final placement of interior subdivision iron monuments at property corners. The security was calculated as follows: 30 lots at \$200.00 per lot. The security will be held by the City until the Developer's land surveyor certifies that all irons have been set following site grading and utility and street construction. In addition, the certificate of survey must also include a certification that all irons for a specific lot have either been found or set prior to the issuance of a building permit for that lot.
- c. The Developer shall be responsible for the cost of street light installation consistent with a street lighting plan approved by the City Engineer. The estimated amount for this street light installation is \$5000.00 and consists of six street lights.
- d. The Developer must obtain a sign permit from the City Planner prior to installation of any subdivision identification signs.
- e. Individual homes must comply with the overall grading plan for the site. Each individual building permit will be reviewed for compliance with the overall grading plan and is subject to review and approval of the City Engineer.
- f. Utility hook-ups are subject to review and approval by the City Engineer.
- g. The Developer must obtain approval of a Site Plan as provided by current City Code and complete the required plan review and approval thereof, as applicable.

- h. The Developer, at the Developer's expense, shall construct an extension of the water line from Green Meadow Court to Highland Avenue, as shown and described on the utility plans being submitted with the plat to the City. Following final completion of the above improvement to the satisfaction of the City Engineer, the City shall reimburse the Developer for the cost of the same based on the Developer's submission of itemized invoices to the City in an amount not to exceed \$29,200.00, unless approved in writing by the City Engineer by the Developer submitting itemized invoices for the costs. Reimbursement shall occur within 30 days of final completion or within 30 days of January 1, 2023, whichever occurs later.
- i. The Developer, at the Developer's expense, shall construct an extension of Highland Avenue from Kraewood Drive easterly to a location that is approximately 20 feet west of the easterly boundary of the Development Property, as shown on the construction plans being submitted with the plat to the City.

28. MISCELLANEOUS.

- a. The Developer may not assign this Agreement without the written permission of the City Council. The Developer's obligation hereunder shall continue in full force and effect even if the Developer sells one or more lots, the entire plat, or any part of the Development Property.
- b. As applicable, in compliance with the Response Action Plan approved by the MPCA for the Development Property, the Developer shall remove and properly dispose of any environmental contamination within the Development Property.
- c. Retaining walls that require a building permit shall be constructed in accordance with plans and specifications prepared by a structural or geotechnical engineer licensed by the State of Minnesota. Following construction, a certification signed by the design engineer shall be filed with the City Engineer evidencing that the retaining wall was constructed in accordance with the approved plans and specifications. All retaining walls identified on the

development plans or by special conditions referred to in this Agreement shall be constructed before any other building permit is issued for a lot on which a retaining wall is required to be built.

- d. Appropriate legal documents regarding Homeowner Association documents, covenants and restrictions, as applicable, shall be filed with the City Clerk with the Final Plat.
- e. Developer shall take out and maintain or cause to be taken out and maintained until six (6) months after the Project is completed and the City has accepted the public improvements, liability and property damage insurance covering bodily injury, including death, and claims for property damage which may arise out of Developer's work or the work of its subcontractors or by one directly or indirectly employed by any of them. Limits for bodily injury and death shall be not less than \$500,000 for one person and \$1,500,000 for each occurrence; limits for property damage shall be not less than \$1,000,000 for each occurrence. The City shall be named as an additional insured on the policy, and the Developer shall file with the City a certificate evidencing coverage prior to the City authorizing the commencement of work on the public and private improvements specified in this Agreement. The certificate shall provide that the City must be given thirty (30) days advance written notice of the cancellation of the insurance.
- f. Third parties shall have no recourse against the City or Developer under this Agreement.
- g. If any portion, section, subsection, sentence, clause, paragraph, or phrase of this Agreement is for any reason held invalid, such decision shall not affect the validity of the remaining portion of this Agreement.
- h. The action or inaction of the City 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 written resolution of the City Council. The City's failure to promptly take legal action to enforce this Agreement shall not be a waiver or release.

- i. This Agreement shall run with the land and shall be binding upon Developer and its successors and assigns.
- j. This Agreement will be recorded against the title to the Development Property within 60 days following execution hereof.
- k. The Developer covenants with the City, its successors and assigns, that the Developer is well seized in fee title of the Development Property and/or has obtained consents to this Agreement, in the form attached hereto, from all parties who have an interest in the Development Property; that there are no unrecorded interests in the Development Property; and that the Developer will indemnify and hold the City harmless for any breach of the foregoing covenants.
- l. Each right, power or remedy herein conferred upon the City is cumulative and in addition to every other right, power or remedy, express or implied, now or hereafter arising, available to City, at law or in equity, or under any other agreement, and each and every right, power and remedy herein set forth or otherwise so existing may be exercised from time to time as often and in such order as may be deemed expedient by the City and shall not be a waiver of the right to exercise at any time thereafter any other right, power or remedy.
- m. The Developer agrees to comply with all local, state and federal laws, ordinances and regulations applicable to the development of the Development Property and Improvements.
- n. The City's approval of the final plat or this Agreement does not include approval of building permits for any structures to be constructed within the Development Property. The Developer must submit and the City approve building plans prior to the issuance of building permits for structures within the Development Property.

29. **DEVELOPER'S DEFAULT.** In the event of default by the Developer as to any of the work to be performed by it hereunder or the failure to comply with all terms and conditions of this Agreement, the City may, at its option, take one or more of the following actions:

- a. Perform the work and the Developer shall promptly reimburse the City for any expense incurred by the City, provided the Developer, except in an emergency as determined by the City, is first given notice of the work in default, not less than forty-eight (48) hours in advance. When the City does any such work, the City may, in addition to its other remedies, assess the cost in whole or in part for collection with the property taxes on the Development Property;
- b. Obtain an order from a court of competent jurisdiction requiring Developer to perform its obligations pursuant to the terms and provisions of this Agreement;
- c. Obtain an order from a court of competent jurisdiction enjoining the continuation of an event of default;
- d. Halt all development work and construction of improvements until such time as the event of default is cured;
- e. Withhold the issuance of a building permit or permits or certificates of occupancy and/or prohibit the occupancy of any structure(s) for which permits have been issued until the event of default has been cured;
- f. Draw upon and utilize the Security to cover the City's costs to correct the default, the costs to complete any unfinished Project Improvements and/or the costs to enforce this Agreement; or
- g. Exercise any other remedies which may be available to it at law or in equity.

In addition to the remedies and amounts payable set forth or permitted above, upon the occurrence of an event of default by Developer, the Developer shall pay to the City all fees and expenses, including reasonable attorneys fees, incurred by the City as a result of the event of default, whether or not a lawsuit or other action is formally taken.

30. **WARRANTY.** The Developer warrants all Improvements required to be constructed by it pursuant to this Agreement against poor material and faulty workmanship. The warranty period for streets and utilities is two (2) years and shall commence following completion and final written acceptance of

the work by the City Engineer. The required warranty period for sod, trees, and landscaping is two growing seasons following installation. The Developer shall post a security in the form of either a) a warranty/maintenance bond for 100% of the cost of the Improvements, or b) a letter of credit or cash escrow for 25% of the amount of the original cost of the Improvements as warranty for the Improvements prior to the City authorizing the commencement of work on the public and private Improvements specified in this Agreement. The retainage from the Project securities identified in this Agreement may also be used to pay for warranty work. The City standard specifications for utilities and street construction identify the procedures for final acceptance of streets and utilities.

31. SUMMARY OF SECURITY REQUIREMENTS. To guarantee compliance with the terms of this Agreement, payment of special assessments, payment of the costs of all public improvements, and construction of all public improvements, the Developer shall furnish the City, at the time of final plat approval or approval of this Development Agreement, as applicable, with either a letter of credit or cash escrow or a combination of cash escrow and a letter of credit, as determined by the City, for 125% of the estimated Improvement costs, in the form attached hereto as Exhibits F and G, as applicable, or a City approved alternate form, from a bank (the "Security") for \$2,322,176.00. The amount of the Security was calculated as follows:

CONSTRUCTION COSTS:

Streets	\$311,000.00
Sanitary Sewer	\$193,281.00
Watermain	\$253,522.00
Surface Water Facilities (ponds, filtration basins)	\$99,130.00
Storm Sewer	\$396,495.00
Grading, Erosion Control	\$187,951.00
Sidewalks	\$184,962.00
Street Lighting	\$5,000.00
Street Signs and Traffic Control	\$7,500.00
Landscape & BLVD Trees	\$88,600.00
Monuments	\$5,800.00

Tree Replacement	\$124,500.00
TOTAL ESTIMATED CONSTRUCTION COST	\$1,857,741.00
SECURITY ADD-ON	x 125%
TOTAL PROJECT SECURITIES REQUIRED:	\$2,322,176.00

This breakdown is for historical reference; it is not a restriction on the use of the Security. The bank shall be subject to the approval of the City Administrator. The Security may be in the form of annually renewable letters of credit. Individual Security instruments may be for shorter terms provided they are replaced at least thirty (30) days prior to their expiration. The City may draw down the Security, without notice, for any violation of the terms of this Agreement or if the Security is allowed to lapse prior to the end of the required term by presenting the bank/escrow agent with a written demand or an affidavit signed by the City Administrator or the City Administrator's designee attesting to the City's right to draw down and receive funds under the Security. If the required Improvements are not completed at least thirty (30) days prior to the expiration of the Security, the City may also draw the Security down. If the Security is drawn down, the proceeds shall be used to cure the default. Upon receipt of proof satisfactory to the City Engineer that work has been completed and financial obligations to the City have been satisfied, with City Engineer approval, the Security may be reduced from time to time by ninety percent (90%) of the financial obligations that have been satisfied. Ten percent (10%) of the amounts certified by the Developer's engineer shall be retained as Security until: a) all Improvements have been completed, b) iron monuments for lot corners have been installed, c) all financial obligations to the City have been satisfied, d) the required "record" plans have been received by the City, e) a warranty security is provided as specified herein above, f) the public improvements are accepted by the City Engineer, and g) if required by the City Administrator or Code, a title insurance policy indicating that the improvements are free and clear of any and all liens and encumbrances. The City standard specifications for utilities and street construction outline procedures for Security reductions, and

reductions in the Letter of Credit, cash escrow or a combination thereof, shall be considered only after underground utilities are tested and found to be satisfactory and again after the base bituminous layer has been placed.

32. **SUMMARY OF CASH REQUIREMENTS.** The following is a summary of the cash requirements under this Agreement which must be furnished at the time of final plat approval or approval of this Agreement, as applicable. The Developer shall not proceed with any Improvements until these cash requirements have been paid to the City:

Street Light Operating Fee	\$2,615.00
City Engineering Construction Observation (7%)	\$130,041.87
City Engineering Administration (2%)	\$37,154.82
City Legal Expenses (0.5%)	\$9,288.71
Sanitary Sewer Availability Charge	\$52,150.00
Water Availability Charge	\$22,800.00
TOTAL CASH REQUIREMENTS	\$254,050.40

As described in Section 20 above, the balance of the sanitary sewer availability and water availability charges for the Development Property shall be paid by the Developer at the time of building permit issuance for the proposed apartment complex, it being understood that a building permit shall not be issued by the City until such charges are paid in full.

33. **NOTICES.** Required notices to the Developer shall be in writing, and shall be either hand delivered to the Developer, its employees or agents, or mailed to the Developer by certified mail at the following address: 1325 Armstrong Road, Northfield, MN 55057. Notices to the City shall be in writing and shall be either hand delivered to the City Administrator, or mailed to the City by certified mail in care of the City Administrator at the following address: Northfield City Hall, 801 Washington Street, Northfield, MN 55057-2565.

34. **CONSTRUCTION MANAGEMENT.** During construction of the Improvements and the Project, the Developer and its contractors and subcontractors shall minimize impacts from construction on the surrounding neighborhood, as follows:

- a. Definition of Construction Area. The limits of the Project Area shall be as shown in the City approved Grading, Drainage and Erosion Control Plan and shall be demarcated with construction fencing approved by the City Engineer. Any grading, construction or other work outside this area requires approval by the City Engineer and the affected property owner.
- b. Parking and Storage of Materials. Adequate on-site parking for construction vehicles and workers must be provided or provisions must be made to have workers park off site and be shuttled to the Project Area. No fill, excavating material or construction materials shall be stored in the public right-of-way.
- c. Hours of Construction. Hours of construction, including moving of equipment shall be limited to the hours between 7 a.m. and 9 p.m. on weekdays and 9 a.m. and 9 p.m. on weekends or as otherwise provided in City Code.
- d. Site Maintenance. Developer shall ensure that its contractor maintains a clean work site. Measures shall be taken to prevent debris, refuse or other materials from leaving the site. Construction debris and other refuse generated from the Project shall be removed from the site in a timely fashion and/or upon the request by the City Engineer. After Developer has received at least forty-eight (48) hour verbal notice, the City may complete or contract to complete the site maintenance work at Developer's expense.
- e. Project Identification Signage. Project identification signs shall comply with City Code.

35. **EXPIRATION OF AGREEMENT.** This Agreement shall remain in effect until such time as the Developer shall have fully performed all of its duties and obligations under this Agreement. Upon the written request of the Developer and upon the adoption of a resolution by the City Council finding that the Developer has fully complied with all the terms of this Agreement and finding that the Developer has completed performance of all Developer's duties mandated by this Agreement, the City shall issue to the Developer on behalf of the City an appropriate Certificate of Compliance/Completion. Upon issuance of the Certificate of Compliance/Completion by the City, this Agreement shall terminate.

36. TERMINATION; CONDITIONS PRECEDENT.

- a. If Rebound fails to: a) acquire fee simple title to all of the Development Property, and b) record this Agreement and the Plat in the office of the Rice County Recorder, as applicable and as provided herein, within one (1) year after approval of the Final Plat or this Agreement, as applicable, by the City Council, this Agreement shall terminate and the approval of the Plat shall be null and void, subject to the following:
 - i. All costs, fees and other amounts previously paid to the City in connection with the Plat, the Project Improvements, this Agreement and the Project shall belong to and be retained by the City;
 - ii. The obligations of the Developer for costs incurred shall survive such termination and continue with respect to unpaid costs, fees and expenses incurred prior to such termination;
 - iii. The indemnifications of Developer shall survive and continue after such termination; and
 - iv. The parties shall be released from all other obligations and liabilities under this Agreement not specified above.
- b. The City shall have no obligation to construct the Improvements and Developer shall have no right to construct the Improvements or construct the Project on the Development Property unless Rebound acquires fee simple title to the Development Property and records this Agreement and the Plat in the office of the Rice County Recorder as required herein within one (1) year after approval of the final Plat by the City Council.
- c. Building permits may be issued, subject to Developer providing evidence satisfactory to the City that the Plat and this Development Agreement have been duly recorded with the Rice County Recorder and that Rebound has acquired fee simple title to the Development Property.

- d. In the event of the termination of this Agreement, the parties agree, if requested by the other party, to execute and deliver to the other party a written termination acknowledgment in a form reasonably satisfactory to both parties.
- e. Developer's right to construct the Improvements is contingent upon its (i) successful Closing by Rebound on its purchase of Development Property, and (ii) obtaining a building permit from the City following submission of a complete and valid application for same. Nothing contained in this Agreement shall be construed to contain a covenant, either express or implied, for Rebound to close on its purchase of the Development Property, or for Developer to commence the development of the Development Property as set forth herein, or for Rebound and/or Developer to sell or lease homes constructed and located on the Development Property.

37. **ADOPTED BY REFERENCE.** The provisions of the City's Code, Chapter 34 are hereby adopted by reference in their entirety, unless specifically excepted, modified, or varied by the terms of this Agreement, or by the final plat as approved by the City, as applicable. In the event that a provision of this Agreement is inconsistent with or in conflict with the City's Code, the City Code shall govern.

[Remainder of page left intentionally blank.]

CITY OF NORTHFIELD

BY: Rhonda Pownell
Rhonda Pownell, Its Mayor

AND Lynette Peterson
Lynette Peterson, Its City Clerk

(SEAL)

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this 5th day of May, 2022, by Rhonda Pownell and by Lynette Peterson, the Mayor and City Clerk of the City of Northfield, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by its City Council.

Mikayla R. Schmidt
NOTARY PUBLIC

THIS INSTRUMENT WAS DRAFTED BY:

City of Northfield
Community Development Department
Northfield City Hall
801 Washington Street
Northfield, MN 55057
507-645-8833



**FEE OWNER CONSENT - REBOUND
TO
DEVELOPMENT AGREEMENT**

Rebound Group, LLC, fee owner of all of the subject Development Property, the development of which is governed by the foregoing Development Agreement, affirms and consents to the provisions thereof and agrees to be bound by the provisions as the same may apply to that portion of the subject Development Property owned by them.

Dated this 5th day of July, 2022.

Rebound Group, LLC

By: _____

Brett D. Reese, its President

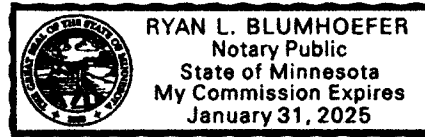
STATE OF MINNESOTA)
) ss.
COUNTY OF Rice)

The foregoing instrument was acknowledged before me this 5th day of July, 2022, by Brett D. Reese, the President of Rebound Group, LLC, a Minnesota limited liability company, on behalf of the company.

NOTARY PUBLIC

THIS INSTRUMENT WAS DRAFTED BY:

City of Northfield
Community Development Department
Northfield City Hall
801 Washington Street
Northfield, MN 55057
507-645-8833



**MORTGAGEE CONSENT
TO
DEVELOPMENT AGREEMENT**

Community Resource Bank, which holds a mortgage on the subject Development Property, the development of which is governed by the foregoing Development Agreement, agrees that the Development Agreement shall remain in full force and effect even if it forecloses on its mortgage.

Dated this 5th day of July, 2022.

Community Resource Bank
By: Marty Benson
Marty Benson, Senior Vice President

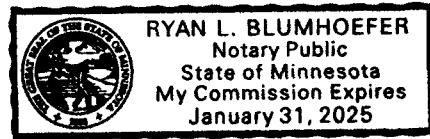
STATE OF MINNESOTA)
) ss.
COUNTY OF Rice)

The foregoing instrument was acknowledged before me this 5th day of July, 2022, by Marty Benson, the Senior Vice President of Community Resource Bank, on behalf of the Bank.

[Signature]
NOTARY PUBLIC

THIS INSTRUMENT WAS DRAFTED BY:

City of Northfield
Community Development Department
Northfield City Hall
801 Washington Street
Northfield, MN 55057
507-645-8833



**EXHIBIT A
TO
DEVELOPMENT AGREEMENT**

**Legal Description of Development Property Being Final Platted as
Kraewood**

The North 370 feet of the West One-half (W1/2) of Lot 4, in the State Subdivision of the Northeast Quarter (NE 1/4) of Section 36, Township 112 North, Range 20 West of the Fifth Principal Meridian in the City of Northfield, Rice County, Minnesota;

AND

The East One-Half (E1/2) of Lot 5 in the State Subdivision of the Northeast Quarter (NE 1/4) of Section 36, Township 112 North, Range 20 West of the Fifth Principal Meridian in the City of Northfield, Rice County, Minnesota

Except the South 43 feet thereof

And also except the North 23.00 feet of the South 66.00 feet of the E1/2 of Lot 5 in the State Subdivision of the NE1/4 of Section 36, Township 112 North, Range 20 West of the 5th P.M., Rice County, Minnesota;

AND

Outlot B, in Greenvale School Plat, in the City of Northfield, Rice County, Minnesota; except that part of said Outlot B lying within the Plat of Green Meadows, in the City of Northfield, Rice County, Minnesota.

**EXHIBIT B
TO
DEVELOPMENT AGREEMENT**

DECLARATION OF PROTECTIVE COVENANTS BY REBOUND

(Top 3 inches reserved for recording data)

**DECLARATION OF
PROTECTIVE COVENANTS**

This is to certify that Rebound Group, LLC, a Minnesota limited liability company (hereinafter referred to as the "Declarant"), is the owner of the real property legally described on the attached Exhibit A.

Said property has been divided by the Declarant into twenty-six (26) separate residential lots legally described in Section 1.10 below (hereinafter "Lots" or a "Lot"), for the purpose of sale of the Lots to other individuals or entities for residential development.

Certain portions of the Lots contain trees and other vegetation which the Declarant desires to be preserved.

The Declarant intends to convey the Lots subject to restrictions and covenants on the part of the purchasers to the end that the restrictions and covenants herein imposed shall inure to the benefit of each and all of the purchasers of such Lots, and their respective successors, heirs and assigns.

Therefore, the Declarant does hereby declare and establish the following conditions, restrictions, reservations and covenants, which are hereby placed upon each Lot described above for the benefit of all the Lots and their present and future owners and the same are hereby declared to be covenants running with the land and shall be binding upon said Lots and upon all the owners and purchasers thereof, and their heirs, successors, assigns and transferees.

1. DEFINITIONS.

The following words, when used in this Declaration (unless the context shall prohibit) shall have the following meanings:

- 1.1 "Articles" mean the articles of incorporation of the Association.
- 1.2 "Association" means the Kraewood Homeowners Association and its successors and assigns.

1.3 "Board" means the board of directors of the Association, which is the governing body of the Association.

1.4 "Bylaws" mean the bylaws of the Association as they may be amended from time to time.

1.5 "City" means the City of Northfield, Rice County, Minnesota.

1.6 "Declarant" means Rebound Group, LLC, or its successors and assigns who take title to any portion of the Property for the purposes of development and sale and are designated as a successor Declarant in an instrument executed and filed for record by the immediately preceding Declarant.

1.7 "Declaration" means this instrument, and all exhibits hereto, as the same may be amended or supplemented from time to time.

1.8 "Dwelling" means any structure on a Lot intended for use as a single family residence.

1.9 "Individual Lot Assessments" mean assessments levied under Section 6.3.

1.10 "Lot" means any one of the twenty-six (26) lots legally described as follows:

- Lots 1 through 9, Block 2;
- Lot 1, Block 3;
- Lots 1 through 6, Block 4; and
- Lots 2 through 11, Block 5

all in Kraewood, Rice County, Minnesota

1.11 "Member" means each Owner entitled to membership in the Association pursuant to the provisions of Section 4.1.

1.12 "Mortgage" means a mortgage, contract for deed, or other security instrument granting, creating or conveying a lien upon or a security interest in any portion of the Property, or any interest therein.

1.13 "Mortgagee" means any entity or person named as a mortgagee in any Mortgage on a Lot.

1.14 "Owner" means the record owner or contract for deed purchaser of the fee title to any Lot, and excludes contract for deed sellers, Mortgagees or any others having such interest merely as security for the performance of an obligation.

1.15 "Property" means the property legally described on Exhibit A, which is attached hereto and incorporated herein by reference. Notwithstanding any provision contained herein,

Property does not mean nor include Outlot A, Outlot C or Outlot D of Kraewood, and this instrument shall not apply to nor bind in any manner whatsoever Outlot A, Outlot C or Outlot D.

1.16 "Standard Assessments" mean assessments levied on all Lots under Section 6.2.

1.17 "Tree Preservation Area" means that certain area(s) within the Lots depicted as "Tree Preservation" on the sketch attached hereto and incorporated herein by reference as Exhibit B.

2. RESTRICTIONS.

2.1 Construction within Tree Preservation Area. No Dwelling or other structure shall be erected, placed or permitted to remain within the Tree Preservation Area.

2.2 Removal of Trees and Other Vegetation. No trees, shrubs, plants, flowers or other vegetation shall be cut down, trimmed or removed from the Tree Preservation Area except as follows:

- (a) tree(s) may be cut down or trimmed, as reasonably necessary, if all or a portion of the tree(s) have been broken by an act of God or are diseased;
- (b) tree(s) may be cut down or trimmed, as reasonably necessary, if a tree is causing a reasonable hazard to an allowable structure or utilities use on a Lot;
- (c) tree(s) may be cut down or trimmed, as reasonably necessary, if their removal or trimming would be in the best interest of other surrounding trees and/or vegetation as determined in the reasonable discretion of the Board in consultation with an arborist;
- (d) tree(s) may be trimmed, as reasonably necessary, so that their branches do not extend beyond the boundaries of the Tree Preservation Area, provided that such trimming does not reasonably compromise the health of the tree(s);
- (e) tree(s) may cut down or trimmed, as reasonably necessary and upon written notice from the City of Northfield, at the Owner's cost or expense, to comply with applicable law and/or City of Northfield City Code;
- (f) tree(s) may be cut down if an equivalent number of replacement tree(s) are planted in the Tree Preservation Area within the applicable Lot; and
- (g) Noxious weeds or other noxious vegetation may be removed at any time.

2.3 Abatement. The Declarant or the Association shall have the right to order an Owner to remove or alter any structure within the Tree Preservation Area which was erected in violation

of the terms of this Declaration and to employ appropriate judicial proceedings to compel the alteration or demolition of any nonconforming construction or other violation. Any cost incurred shall be the personal obligation of the Owner and a lien against the Lot which may be enforced as an Individual Lot Assessment under Section 6.3 below. In the event the Association or the Declarant requests injunctive or similar equitable relief, it shall not be required to post any bond.

2.4 Variances. Reasonable variances to the restrictions described in this Section 2 may be granted by the Board after review, in order to overcome practical difficulties or to prevent unnecessary hardship. A variance may only be granted if it is not detrimental to other property and shall not defeat the purpose of this Declaration. No variance shall apply other than to the specific Lot and the specific Board action on the particular issue, and shall have no effect as precedent in any other Board proceeding.

3. MAINTENANCE OF TREE PRESERVATION AREA.

Except as specifically described in this Declaration as a responsibility of the Association, each Owner, at each Owner's cost and expense, is responsible for: (a) all of the maintenance of any trees, shrubs, grass, plants, flowers and other vegetation located within the Tree Preservation Area on his or her Lot; and (b) the removal or trimming of any trees and noxious weeds or noxious vegetation in the Tree Preservation Area on his or her Lot which is authorized under Section 2.2 above.

4. MEMBERSHIP AND VOTING RIGHTS.

4.1 Membership. Each Owner of a Lot is a Member of the Association. Membership shall be appurtenant to and may not be separated from such ownership.

4.2 Voting Rights. The Association shall have one class of voting. Each Lot shall be entitled to one vote on any Association matter.

4.3 Suspension of Voting Rights. The right of any Member to vote shall be suspended during any period in which such Member shall be delinquent in the payment of any assessment levied by the Association.

5. DUTIES AND POWERS OF ASSOCIATION.

5.1 Removal of Diseased or Broken Down Trees. Notwithstanding the maintenance obligations of the Owners under Section 3 above, upon approval of more than 50% of the total votes in the Association, the Association shall have the authority to remove diseased and/or broken down trees from the Tree Preservation Area and plant replacement trees. Following such approval, the Association shall have the authority to levy assessments to pay for the cost of such removal and replanting. Any such assessment shall be deemed to be a Standard Assessment and levied in accordance with Section 6.2 below.

5.2 Enforcement of Covenants. The Association shall be responsible for the enforcement of the covenants and restrictions in this Declaration.

6. ASSESSMENTS.

6.1 Creation of Assessments. Except for any assessment described herein which specifically requires approval by Members of the Association, the Board shall have the authority on behalf of the Association to levy assessments. The Association is hereby authorized to levy assessments for Association expenses as the Board may specifically authorize from time to time. There shall be two types of assessments: (a) Standard Assessments to fund common expenses for the general benefit of all Lots; and (b) Individual Lot Assessments as described in Section 6.3 below. Each Owner, by accepting a deed or entering into a contract for deed for any Lot, is deemed to covenant and agree to pay these assessments. Each assessment, together with interest, costs and reasonable attorneys' fees, shall be a continuing lien upon each Lot against which the assessment is made until paid, and the personal obligation of the Owner of such Lot at the time of the assessment, and his or her grantee shall be jointly and severally liable for the portion thereof due and payable at the time of conveyance, except no first Mortgagee who obtains title to a Lot pursuant to the remedies provided in the Mortgage shall be liable for unpaid assessments which accrued prior to the acquisition of title. Assessments shall be paid in the manner and on the dates fixed by the Board and may include, without limitation, acceleration of assessments for delinquencies.

The Association shall, upon demand at any time, furnish to any Owner liable for any type of assessment a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

6.2 Levy of Standard Assessments. The Standard Assessments shall be levied equally against all Lots. The Standard Assessments shall be due and payable in full within thirty (30) days after the date the assessment is approved by the Board (or approved by the Members, if applicable), provided however that the Board shall have authority to authorize the payment of assessments in such installments as deemed reasonable by the Board. Written notice of any Standard Assessment shall be provided to each Owner.

6.3 Individual Lot Assessments. The Association may levy assessments under this Section 6.3 against one or more of the Lots for the following purpose: In the event that any Owner violates any covenant or fails to perform any term, covenant or condition contained in this Declaration, the Association may perform the act, remove the defect or correct the violation upon 30 days written notice to the Owner and may levy an assessment to pay the cost thereof against such Owner's Lot.

6.4 Effect of Nonpayment of Assessment; Remedies of Association. The Standard Assessments and Individual Lot Assessments shall be levied as provided in this Declaration. Each assessment not paid when due shall be delinquent and shall, together with interest at the rate of 8 percent per annum, any cost of collection and any attorneys' fees, be a continuing lien upon each applicable Lot and the personal obligation of the Owner of such Lot at the time of assessment. The lien may be enforced and foreclosed by action or advertisement in the manner in which mortgages may be foreclosed in Minnesota. Each Owner, by accepting a deed or entering into a contract for

deed for any Lot, shall be deemed to give full and complete power of sale to the Association and to consent to a foreclosure of the lien by advertisement. The Association may also bring an action at law against the Owner personally obligated to pay the assessment.

6.5 Subordination of Lien to First Mortgages. The lien of assessments provided for herein shall be subordinate to the lien of any first Mortgage, and the sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to the foreclosure of a first Mortgage, or pursuant to any other proceeding or arrangement in lieu of such foreclosure, shall extinguish the lien of such assessments as to installments which became due prior to the effective date of such sale, transfer or acquisition by the Mortgagee to the end that no assessment liability shall accrue to an acquiring Mortgagee except with respect to installments of assessments becoming due after possession has passed to such acquiring Mortgagee, whether such possession has passed at the termination of any period of redemption or otherwise. In the event of the extinguishment of such assessment lien as aforesaid, the entire amount of such unpaid assessment shall be reallocated and assessed against, and shall be payable by the Owners of all Lots including such mortgaged Lot. No such sale, transfer or acquisition of possession shall relieve an Owner of a Lot from liability for any assessments thereafter becoming due or from the lien thereof, or shall relieve the person personally obligated to pay the assessments which were levied prior to the transfer of such property from the personal obligation to pay the same.

6.6 Exempt Property. Any property dedicated to and accepted by any governmental authority or public and utility shall be exempt from Standard Assessments and Individual Lot Assessments.

7. GENERAL PROVISIONS.

7.1 Association Easement. The Association shall have a nonexclusive easement to enter upon any Lot in order to perform any obligations or duties of the Association hereunder, or to exercise any right or remedy of the Association hereunder.

7.2 Enforcement. In the event any Owner fails to comply with the provisions of this Declaration, the Articles or the Bylaws, or with the decisions of the Association which are made pursuant thereto, such failure will give rise to a cause of action on the part of the Association, or any aggrieved Owner for the recovery of damages or injunctive relief, or both. Owners shall have a similar right of action against the Association. Enforcement of these covenants and restrictions may be by any proceeding at law or in equity. Any cost incurred by the Association in such an action shall be the personal obligation of the defaulting Owner and a lien against his or her Lot, which may be enforced as an Individual Lot Assessment under Section 6.3 below. In the event the Association requests injunctive or similar equitable relief, it shall not be required to post any bond.

7.3 Abatement/Enforcement by City of Northfield. Nothing herein shall prevent or limit the City of Northfield from undertaking any enforcement or abatement action authorized by applicable law and/or City of Northfield City Code. In the event of a conflict or inconsistency between this Declaration and Northfield City Code, Northfield City Code shall govern. In the event that the City of Northfield incurs costs and expenses related to any abatement or enforcement

action, the applicable Owner, or the Association if the Owner fails to timely pay as provided herein, shall reimburse the City of Northfield within thirty (30) days after receipt of an invoice from the City for any and all costs incurred by the City in connection such abatement or enforcement. If the Owner does not timely reimburse the City, the City may either: (a) invoice the Association for the same, which the Association shall pay within thirty (30) days, and the Association may thereafter assess such costs to the Owner as provided herein; or (b) recover its costs by levying a special assessment against the applicable Lot of the respective Owner certifying the same to the Rice County Auditor for collection in the same manner as property taxes upon such Lot. The applicable Owner, on behalf of itself and its successors and assigns, hereby acknowledges the benefit to the respective Lot and hereby expressly waives any rights to hearings, notice of hearings, objections or appeal relating to the levying of any City assessments, the right to contest the City levied assessments under Minnesota Statutes § 429.081 or the certification of such levied assessments to the Rice County Auditor for collection with property taxes upon the respective Lot. Notwithstanding the foregoing, the City shall have no obligation or duty to undertake abatement or enforcement of the provisions of this Declaration as the same is the primary responsibility of the Association, but the City reserves such rights in the event that the Association fails or refuses to abide by the terms and conditions hereof. The City shall have the right to enter the Property to Code compliance, inspection, abatement and enforcement purposes.

7.4 Gender and Grammar. The singular wherever used herein, shall be construed to mean the plural when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

7.5 Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

7.6 Amendment. Except with respect to paragraph 7.3, which shall not be amended without the express written consent of the City of Northfield as well as meeting the requirements herein, this Declaration may be amended by the affirmative vote or written consent, or any combination thereof, of 75 percent of the total votes of the Association. Any amendment shall be effective when filed for record with the Rice County Recorder's Office. No amendment may remove, revoke or modify any right or privilege of the Declarant without the written consent of the Declarant or the assignee of such right or privilege.

7.7 Duration of Covenants and Easements. The covenants, restrictions, and easements of this Declaration shall run with and bind the land and shall inure to the benefit of and be enforceable by the Association or the Owner of any Lot subject to this Declaration, or their respective representatives, heirs, successors and assigns. The covenants, easements, restrictions, conditions and reservations imposed and created by this Declaration shall be perpetual, and exempt from the 30-year durational limit set forth in Minnesota Statutes, Section 500.20, subdivision 2a.

7.8 Recitals. The recitals hereto are made a part hereof by reference.

7.9 Cumulative Rights/Waiver. Except as otherwise expressly stated herein, no right or remedy herein conferred on or reserved to the Association or City of Northfield is intended to be exclusive of any other right or remedy hereby provided by law, but each shall be cumulative in, and in addition to, every other right or remedy given herein or hereafter existing at law, in equity,

or by statute. Any failure in any one or more instances to insist upon strict performance of any of the terms and conditions of this Declaration or to exercise any right herein conferred shall not be construed as a waiver or relinquishment of that right or of that Association's, Owner's or City of Northfield's right to assert or rely upon the terms and conditions of this Declaration.

7.10. Compliance With Laws. Association and Owner shall abide by all Federal, State and local laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to this Declaration.

7.11. Governing Law. This Declaration shall be deemed to have been made and accepted in Rice County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of the Agreement without regard to its choice of law or conflict of laws principles.

7.12. Recording. This Declaration shall be recorded by the Declarant at the expense of the Declarant commensurate with recording the plat of the Property.

Dated: _____

DECLARANT:

REBOUND GROUP, LLC

By: _____
Brett D. Reese, its President

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this _____ day of _____
202__, by Brett D. Reese, President of Rebound Group, LLC, a Minnesota limited liability
company, on behalf of the company.

Notary Public

This instrument drafted by:
Ryan L. Blumhoefer (#391033)
SCHMITZ, OPHAUG, BLUMHOFER & YAHNKE, LLP
220 Division St. S.
Northfield, MN 55057
507-645-9541

EXHIBIT A TO DECLARATION OF PROTECTIVE COVENANTS

LEGAL DESCRIPTION OF PROPERTY

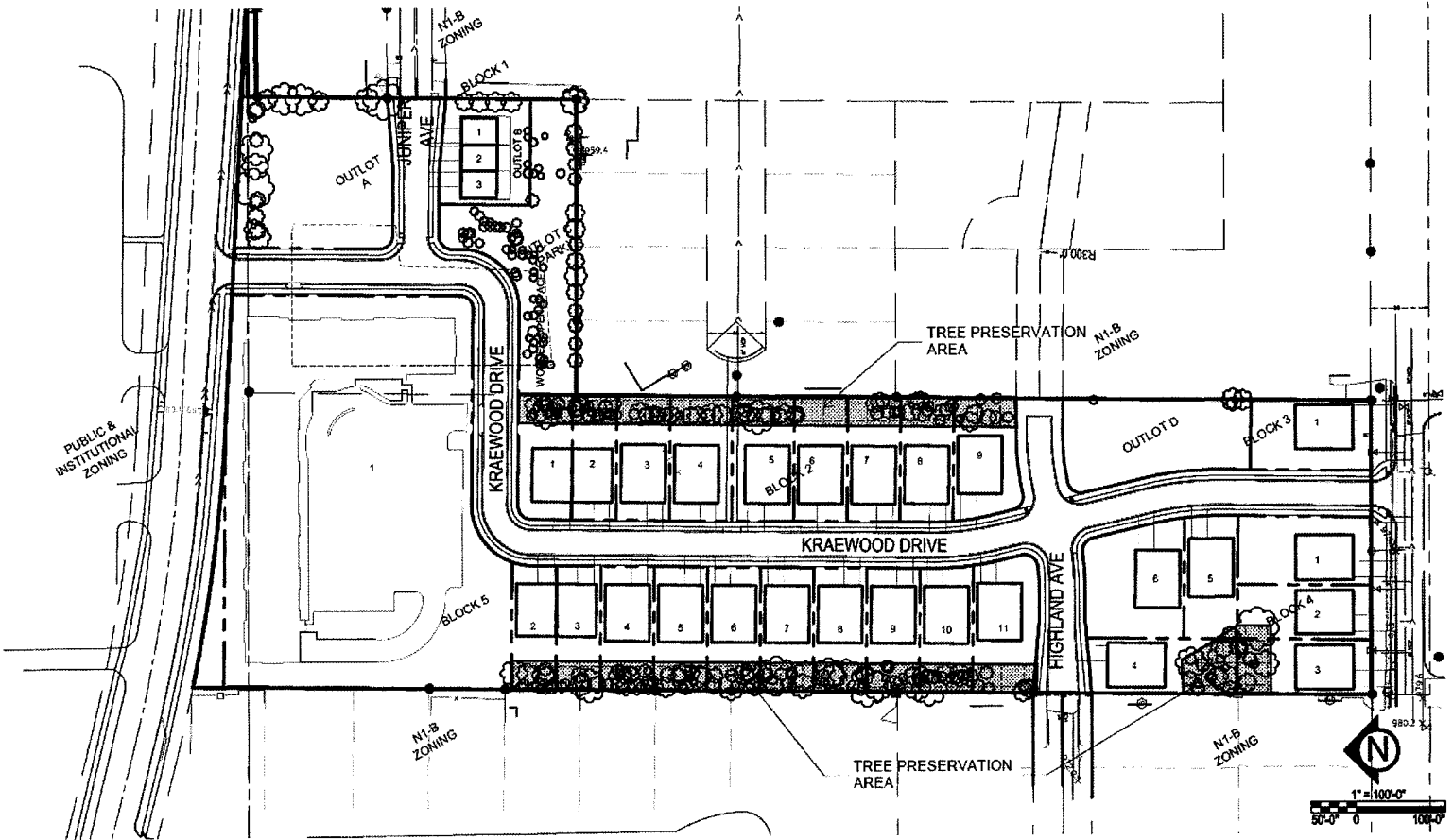
Lots 1 through 9, Block 2;
Lot 1, Block 3;
Lots 1 through 6, Block 4; and
Lots 2 through 11, Block 5;

all in Kraewood, Rice County, Minnesota

EXHIBIT B TO DECLARATION OF PROTECTIVE COVENANTS

DEPICTION OF TREE PRESERVATION AREA

[see attached sketch]



CivilSite GROUP	8000 KRAEWOOD AVE. DICKSON VALLEY, MN 55422 Office: 612.818.0290 www.CivilSiteGroup.com	EXHIBIT 'B'		NORTHFIELD, MN	
				Project Number: 18171.01	Revision Number:
		Issue Date: 3/18/2022	Revision Date:		

**EXHIBIT C
TO
DEVELOPMENT AGREEMENT**

**WARRANTY DEED FORM FOR
OUTLOT A, OUTLOT C AND OUTLOT D**

(Top 3 inches reserved for recording data)

WARRANTY DEED

Business Entity to Business Entity

eCRV number: _____

DEED TAX DUE: \$ _____

DATE: _____, 20__

FOR VALUABLE CONSIDERATION, Rebound Group, LLC, a limited liability company under the laws of the State of Minnesota ("Grantor"), hereby conveys and warrants to the City of Northfield, a municipal corporation under the laws of the State of Minnesota ("Grantee"), real property in Rice County, Minnesota, legally described as follows:

See Exhibit A attached hereto

Check here if all or part of the described real property is Registered (Torrens)

together with all hereditaments and appurtenances belonging thereto, subject to the following exceptions:

None.

The total consideration for this transfer is \$500.00 or less.

The Seller certifies that the Seller does not know of any wells on the described real property.

Grantor

Rebound Group, LLC

By: _____

Brett D. Reese, Its: President

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 20____, by Brett D. Reese, as President, of Rebound Group, LLC, Grantor.

(Stamp)

(signature of notarial officer)

Title (and Rank): _____

My commission expires: _____
(month/day/year)

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103-2122
651-225-8840

TAX STATEMENTS FOR THE REAL PROPERTY DESCRIBED IN
THIS INSTRUMENT SHOULD BE SENT TO:

Finance Director
City of Northfield
Northfield City Hall
801 Washington Street
Northfield, MN 55057

EXHIBIT A TO WARRANTY DEED

LEGAL DESCRIPTION

Outlot A;
Outlot C; and
Outlot D;

all in Kraewood, Rice County, Minnesota

**EXHIBIT D
TO
DEVELOPMENT AGREEMENT**

AFFADAVITS

Pursuant to the Development Agreement, prior to acceptance of the improvements by the City, the Developer must complete and furnish the following affidavits:

- Contractor's Certificate;
- Engineer's Certificate;
- Land Surveyor's Certificate; and
- Developer's Certificate;

in substantially the form provided herein, certifying that all construction has been completed in accordance with the terms of the Development Agreement.

DEVELOPER'S CERTIFICATE OF COMPLIANCE

Project: Kraewood

I/we, the undersigned, certify that the construction of those certain improvements (the "Project") required to be made by _____ (the "Developer") pursuant to that certain Development Agreement (the "Agreement") dated _____, 20____, by and between the City of Northfield (the "City") and the Developer, are complete and have been completed all in accordance with the provisions of the Agreement, that the Developer has complied to date with all requirements set forth in the Agreement, and that the work under the above named Project including all appurtenances thereto has been completed in accordance with the City Code (Chapter ____), City standard specifications for utilities and street construction, and the City's engineering standard specifications.

I/we further certify that all charges or bills for labor or services performed or materials furnished, and other charges by the subcontractors for the required Project improvements have been paid in full and in accordance with the terms of that/those contract(s).

I/we further certify that the required Project improvements are free and clear of any and all liens and encumbrances; that no notice of intention to claim liens is outstanding, and that no suits are pending by reason of the Project.

I/we finally certify that the required improvements are free from all defects in material and workmanship from the date of acceptance thereof by the City, that the Developer agrees to remedy all defects arising within the warranty period at the Developer's expense, and that the Developer is now and will remain in compliance with the Warranty/Maintenance Guarantee required by Northfield City Code, Chapter ____, section ____ for the required periods stated therein.

This affidavit is made for the purpose of inducing City of Northfield to accept the Project improvements made as part of the Project for public ownership thereof in accordance with the Agreement.

DEVELOPER:

BY: _____, Its _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, the _____ of _____, a Minnesota _____, on behalf of _____.

Notary Public

**EXHIBIT E
TO
DEVELOPMENT AGREEMENT**

PERMANENT PUBLIC EASEMENT

(Do not write in the space above. Reserved for recording/transfer data)

PERMANENT PUBLIC EASEMENT

This Agreement is made this ____ day of _____, 2021, by and between Rebound Group, LLC, a limited liability company under the laws of the State of Minnesota, 527 Professional Drive, Northfield, MN 55057, referred to hereinafter as “Grantor,” and the City of Northfield, Minnesota, a municipal corporation under the laws of the State of Minnesota, 801 Washington Street, Northfield, Minnesota 55057, referred to hereinafter as “Grantee”; (collectively referred to herein as the “parties”).

AGREEMENT

That for and in consideration of the sum of One Dollar and 00/100ths Dollars (\$1.00) and other good and valuable consideration, paid this date by Grantee to Grantor, the receipt and sufficiency of which is hereby acknowledged, the Grantor and Grantee do hereby agree as follows:

1. The undersigned Grantor hereby grants and conveys to the Grantee a Permanent Easement, 25 feet in width, for public ingress and egress purposes, including but not limited to for emergency vehicles and pedestrians (the “Permanent Easement”), over, under and across that part of the tract of land legally described on Exhibit A, which is attached hereto and incorporated herein by reference, in the City of Northfield, Rice County, Minnesota, which Permanent Easement is legally described on Exhibit B, which is attached hereto and incorporated by reference (the “Permanent Easement Area”).
2. The Permanent Easement Area described above is depicted on the easement sketch, Exhibit C, which is attached hereto and incorporated herein by reference.
3. The Grantor states and hereby covenants that the Grantor is the lawful owner of the above-described real property, is lawfully seized and possessed of said real property, and that the Grantor has good and lawful right to grant the Permanent Easement described herein, subject to all matters of public record.
4. The Grantee shall have the right to construct, excavate, grade, inspect, install, remove, demolish, operate, maintain, place, replace, reconstruct, improve, enlarge and repair, as it may find reasonably necessary and convenient, facilities and improvements, and such other improvements appurtenant thereto (e.g., emergency vehicle access, pedestrian

ingress/egress, bike paths, sidewalks, trails, etc.), in the Permanent Easement Area described herein.

5. The Grantee and its employees, agents, contractors, permittees and licensees shall have the right of ingress and egress to and from the Permanent Easement Area at all times and without notice to Grantor by such route, in the judgment of the Grantee, as shall occasion the least practical damage and inconvenience to the Grantor.
6. The Grantee shall have the right to trim, remove and keep the Permanent Easement Area clear of all buildings, structures, roots, shrubbery, trees, bushes, undergrowth and all other obstructions that may interfere with or endanger the Grantee's exercise of any of the rights pursuant to this Permanent Easement.
7. The Grantor shall not erect, construct or locate in the Permanent Easement Area any new structure or object that was not in existence on the date of this Permanent Easement, which would prevent the Grantee's reasonable access to the Permanent Easement Area or prevent the public's full enjoyment of the rights granted hereunder, without the written consent of the Grantee.
8. Following construction or other work authorized hereby in the Permanent Easement Area, the Grantee shall restore any and all disturbed areas within the Permanent Easement Area back to as close to original condition as, in Grantee's judgment, is reasonably practicable given the rights granted hereunder.
9. The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.
10. This Permanent Easement shall be recorded as soon as practicable following its execution with the understanding that the Grantee has complete and absolute sole ownership, use and control of any Grantee improvements, and such other improvements appurtenant thereto, constructed in the Permanent Easement area in accordance with the grant of rights conveyed herein.
11. Grantor and Grantee agree to correct any legal descriptions contained herein if there is a mistake discovered, including any mistakes or discrepancies revealed by an accurate survey of the property identified herein.

[Remainder of page intentionally left blank.]

GRANTEE:

CITY OF NORTHFIELD, MINNESOTA

By: Rhonda Pownell
Rhonda Pownell, Its Mayor

ATTEST:

By: Lynette Peterson
Lynette Peterson, Its City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this 5th day of May, 2022, by Rhonda Pownell, as Mayor, and Lynette Peterson, as City Clerk, on behalf of the City of Northfield, a municipal corporation under the laws of the State of Minnesota, Grantee.

Mikayla R. Schmidt
Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A.,
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

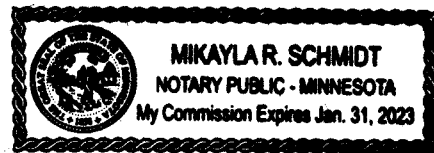


EXHIBIT A

TO PERMANENT PUBLIC EASEMENT

LEGAL DESCRIPTION OF REAL PROPERTY

The real property referenced in this Permanent Easement is legally described as follows:

LEGAL DESCRIPTION:

Lots 4 and 5, all in Block 2, KRAEWOOD, according to the recorded plat thereof, Rice County, Minnesota

EXHIBIT B

TO PERMANENT PUBLIC EASEMENT

LEGAL DESCRIPTION OF PERMANENT EASEMENT

LEGAL DESCRIPTION:

An easement for emergency vehicle and pedestrian access purposes over and across the south 12.50 feet of Lot 4 and the north 12.50 feet of Lot 5, all in Block 2, KRAEWOOD, according to the recorded plat thereof, Rice County, Minnesota

EXHIBIT C
TO PERMANENT PUBLIC EASEMENT
DEPICTION OF PERMANENT EASEMENT

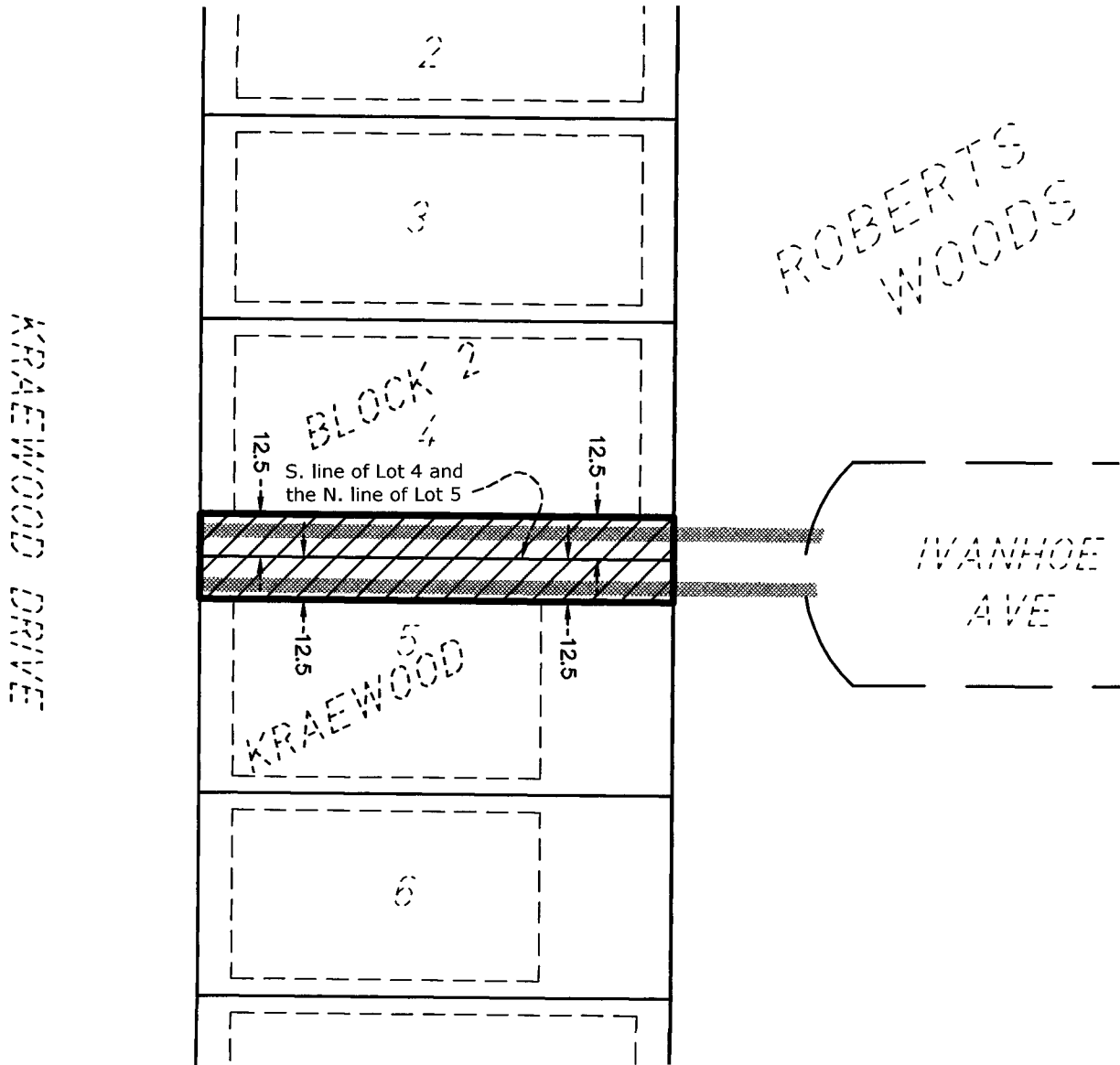
EMERGENCY VEHICLE AND PEDESTRIAN ACCESS EASEMENT EXHIBIT

Lots 4 and 5, Block 2, Kraewood

City of Northfield, Rice County, Minnesota

DESCRIPTION

An easement for emergency vehicle and pedestrian access purposes over and across the south 12.50 feet of Lot 4 and the north 12.50 feet of Lot 5, all in Block 2, KRAEWOOD, according to the recorded plat thereof, Rice County, Minnesota.



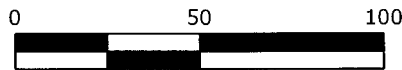
MINNESOTA CERTIFICATION

I hereby certify that this survey, plan or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Dated this 21st day of April, 2022

Rory L. Synsteliem

Minnesota License No. 44565



SCALE IN FEET

CivilSite
GROUP

5000 GLENWOOD AVENUE
GOLDEN VALLEY, MN 55422
CivilSiteGroup.com

Drawn By: TH

Project No. 18171.01

SHEET 1 OF 1

(Do not write in the space above. Reserved for recording/transfer data)

MORTGAGEE'S CONSENT TO EASEMENT

STATE OF _____)
) ss.
COUNTY OF _____)

_____, being first duly sworn on oath, deposes and states:

1. S/He is _____ of _____ [Bank], mortgagee.
2. _____ [Insert legal name of business], a _____ [e.g., corporation, limited liability company, limited liability limited partnership, etc.] under the laws of the State of _____ [e.g., Minnesota, mortgagor, executed a mortgage to mortgagee dated _____, _____ and recorded in the Office of the County Recorder of _____ County, _____ [Minnesota], on _____, _____ as Document Number _____, which mortgage covered the following described real property:

See Exhibit A, which is attached hereto and incorporated herein by reference.

3. Mortgagee is aware that mortgagor intends to grant a Permanent Public Easement over, under and across the above-described property and consents to the creation of said easement.

Executed this _____ day of _____, 20_____.

MORTGAGEE

By: _____,
_____, Its: _____

Subscribed and sworn to before me this ____ day of _____, 20____.

(seal)

Notary Public

THIS INSTRUMENT WAS DRAFTED BY:

FLAHERTY & HOOD, P.A,
525 Park Street, Suite 470
St. Paul, MN 55103
(651) 225-8840

EXHIBIT A

TO MORTGAGEE'S CONSENT TO EASEMENT

LEGAL DESCRIPTION OF REAL PROPERTY

The real property legally described in this Consent of Mortgagee to Easement is described and shown below, which is incorporated herein by reference.

LEGAL DESCRIPTION:

EXHIBIT F
TO
DEVELOPMENT AGREEMENT
IRREVOCABLE LETTER OF CREDIT

No. _____
Date: _____

TO: City of Northfield
801 Washington Street
Northfield, MN 55057

Dear Sir or Madam:

We hereby issue, for the account of Sumac Properties, Inc. and in your favor, our Irrevocable Letter of Credit in the amount of \$ _____, available to you by your draft drawn on sight on the undersigned bank.

The draft must:

- a) Bear the clause, "Drawn under Letter of Credit No. _____, dated _____, 2_____, of (Name of Bank) _____";
- b) Be signed by the Mayor or City Administrator of the City of Northfield.
- c) Be presented for payment at _____ (Address of Bank) _____, on or before 4:00 p.m. on November 30, 2_____.

This Letter of Credit shall automatically renew for successive one-year terms unless, at least forty-five (45) days prior to the next annual renewal date (which shall be November 30 of each year), the Bank delivers written notice to the Northfield City Administrator that it intends to modify the terms of, or cancel, this Letter of Credit. Written notice is effective if sent by certified mail, postage prepaid, and deposited in the U.S. Mail, at least forty-five (45) days prior to the next annual renewal date addressed as follows: Northfield City Administrator, Northfield City Hall, 3400 Northfield Boulevard, Northfield, MN 55447, and is actually received by the City Administrator at least thirty (30) days prior to the renewal date.

This Letter of Credit sets forth in full our understanding which shall not in any way be modified, amended, amplified, or limited by reference to any document, instrument, or agreement, whether or not referred to herein.

This Letter of Credit is not assignable. This is not a Notation Letter of Credit. More than one draw may be made under this Letter of Credit.

This Letter of Credit shall be governed by the most recent revision of the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 600.

We hereby agree that a draft drawn under and in compliance with this Letter of Credit shall be duly honored upon presentation.

BY: _____

_____ Its _____

**EXHIBIT G
TO
DEVELOPMENT AGREEMENT**

ESCROW AGREEMENT

This Escrow Agreement ("Escrow Agreement") is made and entered into this _____ day of _____, 20____, by and between the CITY OF NORTHFIELD, a Minnesota municipal corporation (the "City"), whose address is 801 Washington Street, Northfield, MN 55057; _____ [Insert name of Developer], a _____ [Insert Type of Company; corporation, LLC, etc.] under the laws of the State of [Minnesota] (the "Developer"), whose address is _____ [Insert Full Address, City, State, Zip Code]; and _____ [Insert Name of the Bank] (the "Bank" or "Escrow Agent"), as Escrow Agent in connection with the development of a _____ [Insert Type of Development] known as _____ [Insert Name of the Project] (the "Project") located at _____ [Insert Full Address of Project], Northfield, Rice County, Minnesota.

RECITALS

WHEREAS, the Developer has received final plat approval from the City for the development of the Project as set forth on the final plat entitled "_____", dated _____, 20____, (the "Final Plat"); and

WHEREAS, as a condition of Final Plat approval, the Developer and City have also entered into that certain Development Agreement, dated _____, 20____, (the "Development Agreement"); and

WHEREAS, the Developer pursuant to Northfield City Code, the Development Agreement, Final Plat and other City approvals, at its own expense, is required to complete the construction of certain public improvements (the "Improvements" or "work") as part of the Project; and

WHEREAS the Parties to this Escrow Agreement wish to establish a mechanism to secure the obligations of the Developer for the work as set forth above and to provide the City a financial guarantee to assure the satisfactory completion of the required Improvements; and

WHEREAS, pursuant to Northfield City Code and the Development Agreement, the Developer must provide security for construction of the required Improvements and an Escrow Account is a permissible form of security; and

WHEREAS, the Developer desires to provide the required Improvements and has established an Escrow Account with the Bank for such purpose; and

WHEREAS, the Bank executes this Escrow Agreement solely in the capacity of Escrow Agent.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the Parties contained herein, each does hereby covenant and agree with the others as follows:

1. Incorporation of Recitals and Documents. The recitals set forth above are acknowledged by the Parties to be true and correct and are hereby incorporated herein by reference. The following documents referred to in this Escrow Agreement are hereby made a part hereof by reference:

- a. Development Agreement;
 - b. Final Plat; and
 - c. Northfield City Code, Chapter 34.
2. Escrow Account/Funds Amount. To guarantee compliance with the terms of the Development Agreement, the Developer has established an Escrow Account with the Bank and agrees to deposit cash escrow funds in U.S. Dollars into the established Escrow Account with the Bank in that amount required by the Development Agreement, which is \$ _____ (the "security"). The security shall be deposited into the established Escrow Account prior to or at the time of Final Plat approval. The Developer shall obtain a letter from the Bank addressed to the City acknowledging Developer's creation of the required Escrow Account in the name of the City as surety deposit for the Project and verifying that the Developer has deposited the cash escrow funds in the amount of the security required in the Development Agreement. The Developer shall submit the Bank's letter to the City prior to or at the time of Final Plat Approval.
3. Disbursements from Escrow Account.
- a. The City agrees that the Escrow Account funds on deposit with the Bank shall be deposited in an interest bearing account and shall only be disbursed and used as payment for the required Improvements pursuant to the process and requirements contained in the Development Agreement and this Escrow Agreement. All interest shall accrue to the Developer at such times as the Bank pays interest, but shall remain in Trust with the Bank.
 - b. The deposit of the Escrow Account funds by the Developer will be made to ensure that Developer funds are available to the City for withdrawal by the City in the event it becomes necessary for the City, in the City's judgment, to withdraw the funds in order to complete satisfactory construction of the required Improvements in accordance with the Development Agreement.
 - c. The Escrow Account funds shall not be used or pledged by the Developer for any other purpose during the period the Escrow Account is in effect. Upon satisfactory completion of the required public Improvements, as shall be determined by the City Engineer or his designee in writing, money in the Escrow Account, plus any accrued interest, shall be released to the Developer in accordance with the requirements contained in the Development Agreement taking into consideration the required warranty period.
 - d. In the judgment of the City, in the event the Developer defaults as the same is defined in the Development Agreement, or otherwise fails to comply with the terms of the Development Agreement, or otherwise fails to complete the required public Improvements to the satisfaction of the City Engineer in accordance with the terms of the Development Agreement and City approved plans and specifications, upon notice by the City to the Bank, the Escrow Account Funds shall be immediately, without further action, paid over to the City, in the amount requisitioned by the City, for use by the City in completion of the required public Improvements and/or to reimburse the City for any costs or expenses incurred by the City therefore.
 - e. The City will also promptly submit to the Developer a copy of such notice as it files with the Bank. The consent of the Developer to payments by the Bank to the City shall not be required or solicited. The Bank shall incur no liability to the Developer on account of making such payment to the City, nor shall the Bank be required to inquire into the propriety of any claim by the City of default on the part of the Developer or into the use of such funds by the City in completing such Improvements. The Bank shall not refuse or delay to make such payments to the City when requested by the City by an

appropriate notice, and the Developer will not interfere with, object to or otherwise hinder such payments by the Bank to the City.

- f. Any work to be performed by the City pursuant hereto shall be let on a contractual basis as required by governing law, or on a time and material basis or shall be performed by the City with its own personnel and equipment or shall be accomplished in such a manner as in the judgment of the City shall accomplish the work expeditiously and economically.
- g. The City shall be the sole beneficiary of the Escrow Account and shall have sole power to draw upon funds from the Escrow Account in accordance with the terms of the Development Agreement and this Escrow Agreement.
- h. Nothing herein shall relieve the Developer from the obligation to pay any additional costs, if actual costs exceed the above-stated cost. Nothing herein shall relieve the Developer from the obligation to pay any additional costs, if actual costs exceed the amount retained in the Escrow Account, after the time of completion.
- i. All disbursements under this Escrow Agreement from the Escrow Account shall be made by and through the Escrow Agent in accordance with the terms of the Development Agreement and this Escrow Agreement.
- j. If monies are released by the Bank to the City pursuant to this Escrow Agreement and it shall later develop that a portion of the released monies are surplus to the City's needs, any such surplus shall be returned by the City to the Bank to be held and distributed by the Bank pursuant to the terms of the Development Agreement and this Escrow Agreement.
- k. In the event that the Developer furnishes the City with an Irrevocable Letter of Credit, in a form and substance satisfactory to the City, as replacement security for the funds escrowed hereunder, and the City concludes that it is beneficial to the City to do so, the City may release all or a portion of the funds escrowed by this Escrow Agreement and accept the Irrevocable Letter of Credit, provided the Bank reconfirms, in writing its commitment to the terms and conditions contained herein.

4. Bank as Escrow Agent.

- a. As Escrow Agent hereunder, the Bank, acting in such capacity, shall have no duties or responsibilities except for those expressly set forth herein.
- b. The Parties agree that the Escrow Agent shall be a financial institution or title company licensed and registered to operate in the State of Minnesota and shall be acceptable to the City.
- c. The Developer shall indemnify and hold harmless the Bank against any loss, damage or liability, including, without limitation, attorney's fees which may be incurred by the Bank in connection with this Escrow Agreement, except any such loss, damage or liability incurred by reason of the negligence or willful misconduct of the Bank. It is further understood by the Developer that if, as the result of any disagreement between it and any other party or adverse demands and claims being made by it or anyone else upon the Bank, or if the Bank otherwise shall become involved in litigation with respect to this Escrow Agreement, the Developer agrees that it shall reimburse the Bank on demand for all costs and expenses, including, without limitation, attorney's fees, the Bank shall incur or be compelled to pay by reason of such dispute or litigation, including reasonable compensation for time expended in connection with any such dispute or litigation.

- d. The Developer shall indemnify and hold harmless the City against any claim, loss, damage or liability, including, without limitation, attorney's fees, which may be incurred by or brought against the City in connection with this Escrow Agreement, except any such loss, damage or liability incurred by reason of the negligence or willful misconduct of the City.
 - e. All indemnification obligations shall survive termination, expiration or cancellation of this Escrow Agreement.
 - f. The Bank, acting as such, shall not be liable to anyone by reason of an error or judgment, a mistake of law or fact, or for any act done or step taken or omitted in good faith, and this provision shall survive the termination of this Escrow Agreement.
 - g. At the time the last of the escrowed funds are released and disbursed by the Bank in accordance with this Escrow Agreement, the Bank shall be discharged from any obligation under this Escrow Agreement.
 - h. In accordance with the provisions above, the Bank may rely upon and shall be protected in acting upon any statement, instrument, opinion, notice, request, order, approval or document believed by the Bank to be genuine and to have been signed or presented by the proper party or parties.
 - i. The Escrow Agent shall keep records of all requests and transactions made from the Escrow Account, which records may be inspected by the Developer and the City Engineer, respectively, immediately upon request by either Party to the Escrow Agent.
 - j. The Developer is responsible for all costs and fees payable to the Escrow Agent for service rendered by the Bank in accordance with this Escrow Agreement.
5. Substitution or Resignation of Bank. The Bank reserves the right to withdraw from this Escrow Agreement and cease serving as Escrow Agent hereunder at any time by giving thirty (30) days written notice thereof to the Developer and City. Upon notice of resignation by the Bank, the Developer agrees to find within ten (10) days of such notice a replacement Escrow Agent acceptable to the City. The Bank agrees to deliver the escrowed funds then held by the Bank to such replacement escrow holder and notify all parties hereto. The Bank shall thereupon be released from any and all responsibility or liability to the Parties hereto. If the Developer fails to appoint a replacement escrow agent within such ten (10) day period, the Bank shall petition any court having jurisdiction for the appointment of a successor escrow agent or for instructions as to the disposition of the documents and moneys held by it under this Escrow Agreement. In any event such court appoints a successor escrow agent, the Bank shall deliver the escrowed funds then held pursuant to this Escrow Agreement, and all records and other documents held by it under this Escrow Agreement, upon payment of all fees and expense reimbursements due to the Bank, to such successor escrow agent and the Bank shall thereby be released from any and all responsibility or liability to the Parties hereto. Pending such appointment or instructions, the Bank shall continue to be bound by the terms of this Escrow Agreement.
6. Notices. Any notice provided for or permitted under this Escrow Agreement, unless otherwise provided herein, will be treated as having been received (a) when delivered personally, (b) when sent by confirmed facsimile or (c) three (3) days following when sent by certified mail, to the party to be notified, at the address set forth below, or at such other place of which the other party has been notified in accordance with the provisions of this paragraph (except that the Escrow Agent shall not be bound by or required to act upon any notice unless and until actually received by it).

a. If to the Developer, at:

b. If to the City, at:

c. If to the Escrow Agent, at:

Such notice will be treated as having been received upon actual receipt if actual receipt occurs earlier than as provided in clauses (a) through (c) hereof. Notwithstanding the foregoing, no notice to the Escrow Agent shall be deemed given to or received by the Escrow Agent unless delivered to an officer of the Escrow Agent having responsibility under this Agreement.

7. Termination. This Escrow Agreement shall terminate and be of no force or effect upon the completion of the terms and conditions contained herein and completion of the retained security requirements (retainage) contained in the Development Agreement; provided however, that the security requirements for the warranty period required in the Development Agreement are otherwise provided for in a manner acceptable to the City and in accordance with the Development Agreement. Subject to the retainage requirements contained in the Development Agreement, in the event that the security requirements for the warranty period required in the Development Agreement are not otherwise provided for in an alternate manner acceptable to the City, this Escrow Agreement shall not terminate until the expiration of the required warranty period, except that the amount of the security remaining in the Escrow Account for the warranty period shall be as provided in the Development Agreement.

8. General Terms.

a. Voluntary and Knowing Action. The parties, by executing this Agreement, state that they have carefully read this Escrow Agreement and understand fully the contents thereof; that in executing this Escrow Agreement they voluntarily accept all terms described in this Escrow Agreement without duress, coercion, undue influence, or otherwise, and that they intend to be legally bound thereby.

b. Authorized Signatories. The parties each represent and warrant to the other that (1) the persons signing this Escrow Agreement are authorized signatories for the entities represented, and (2) no further approvals, actions or ratifications are needed for the full enforceability of this Escrow Agreement against it; each party indemnifies and holds the other harmless against any breach of the foregoing representation and warranty.

- c. Successors and Assigns. This Escrow Agreement may not be assigned by the Developer or Bank without the prior written consent of the City. This Escrow Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No other person has any rights, interest, or claims hereunder or is entitled to any benefits under or on account of this Escrow Agreement as a third-party beneficiary or otherwise.
- d. Modifications/Amendment. Any alterations, variations, modifications, amendments or waivers of the provisions of this Agreement shall only be valid when they have been reduced to writing, and signed by authorized representative of the parties.
- e. Governing Law. This Escrow Agreement shall be deemed to have been made and accepted in Rice County, Minnesota, and the laws of the State of Minnesota shall govern any interpretations or constructions of this Escrow Agreement without regard to its choice of law or conflict of laws principles.
- f. Data Practices. The parties acknowledge that this Escrow Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 et seq.
- g. No Waiver. Nothing in this Escrow Agreement shall be construed to waive any immunities or limitations to which the City is entitled under Minn. Stat. Chapter 466 or otherwise. No waiver by any party to this Escrow Agreement of any condition or of any breach of any provision of this Escrow Agreement will be effective unless in writing. No waiver by any party of any such condition or breach, in any one instance, will be deemed to be a further or continuing waiver of any such condition or breach or a waiver of any other condition or breach of any other provision contained in this Escrow Agreement.
- h. Entire Agreement. These terms and conditions constitute the entire agreement between the parties regarding the subject matter hereof. All discussions and negotiations are deemed merged in this Escrow Agreement.
- i. Headings and Captions. Headings and captions contained in this Escrow Agreement are for convenience only and are not intended to alter any of the provisions of this agreement and shall not be used for the interpretation of the validity of the agreement or any provision hereof.
- j. Cooperation. The parties hereto agree to cooperate with one another in the performance of their respective obligations and responsibilities set forth in this Escrow Agreement. The parties further agree to execute and deliver such other and additional documents and instruments as may be reasonably necessary to accomplish the purposes of this Escrow Agreement.
- k. No joint venture or partnership. The parties hereto agree that they will be independent contractors in performing their respective obligations under this Escrow Agreement. This Escrow Agreement is not intended to create nor does it create, a relationship of partners or joint ventures between the parties hereto.
- l. Severability. The invalidity or unenforceability of any provision of this Escrow Agreement shall not affect the validity or enforceability of any other provision. Any invalid or unenforceable provision shall be deemed severed from this Agreement to the extent of its invalidity or unenforceability, and this Escrow Agreement shall be construed and enforced as if the agreement did not contain that particular provision to the extent of its invalidity or unenforceability.

- m. Force Majeure. Escrow Agent shall not be liable to the undersigned for any loss or damage arising out of any acts of God, strikes, equipment, or transmission failure, war, terrorism, or any other act or circumstance beyond the reasonable control of Escrow Agent.
- n. Compliance with Laws. The parties hereto shall abide by all Federal, State and local laws, statutes, ordinances, rules and regulations now in effect or hereinafter adopted pertaining to the subject matter hereof.
- o. Non-Discrimination. The provisions of any applicable law or ordinance relating to civil rights and discrimination shall be considered part of this Agreement as if fully set forth herein.
- p. Execution. This Escrow Agreement may be executed simultaneously in two or more counterparts that, when taken together, shall be deemed an original and constitute one and the same document. The signature of any party to the counterpart shall be deemed a signature to the Agreement, and may be appended to, any other counterpart, facsimile and email transmissions of executed signature pages shall be deemed as originals and sufficient to bind the executing party.

(Remainder of page left intentionally blank.)

ACKNOWLEDGMENT OF CITY

STATE OF MINNESOTA)
) ss.
COUNTY OF RICE)

The foregoing instrument was acknowledged before me this 5th day of May, 2022 by Rhonda Pownell and by Lynette R. Peterson, the Mayor and City Clerk of the City of Northfield, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by its City Council.

Mikylah R. Schmidt
NOTARY PUBLIC

ACKNOWLEDGMENT OF BANK

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____ the _____ of _____, a _____ [e.g., corporation, limited liability company, limited liability partnership] under the laws of the State of _____ [Minnesota], on behalf of the _____ and pursuant to the authority granted by its _____ [e.g., board of directors].

NOTARY PUBLIC