

DEMOLITION AND DEVELOPMENT AGREEMENT

This Demolition and Development Agreement (this "Agreement") is dated _____, 2021 and entered into between the City of Northfield, Minnesota (the "City") and Manawa, L.L.C., a Minnesota limited liability company (the "Owner").

RECITALS

WHEREAS, the Owner is the owner of certain property located at 212 Division Street in City consisting of PID#s 22.31.3.50.024 and 22.31.3.50.025 on which the Archer House is located (the "Property"), which Property is included in the "Report of Inspection Procedures and Results for Determining Qualifications of a Tax Increment Financing District as a Redevelopment District - Archer House Redevelopment TIF District - Northfield, Minnesota," dated March 2, 2021, prepared by LHB, Inc., Minneapolis, Minnesota (the "Report"); and

WHEREAS, the Property consists of two parcels containing one substandard building; and

WHEREAS, the Owner intends to submit an application to the City for tax increment assistance in connection with a proposed development to be constructed by the Owner or its successors or assigns on the Property, which application will request that the City include the Property in one or more redevelopment tax increment financing districts within the meaning of Minnesota Statutes, Section 469.174, subd. 10 (the "TIF District") and file the request for certification of such TIF District with the applicable County auditor within 3 years after the date of demolition of building and other improvements on the Property; and

WHEREAS, the building currently located on the Property has been found by the City to be substandard within the meaning of Minnesota Statutes, Section 469.174, Subd. 10, on the basis of the Report (the "Substandard Building"); and

WHEREAS, for public safety and redevelopment reasons, the Owner wishes to demolish the Substandard Building in connection with the redevelopment of the Property prior to the creation of the TIF District, and the City and the Owner wish to enter into this Agreement to provide for the demolition of such Substandard Building; and

WHEREAS, this Agreement is a "development agreement" for purposes of Minnesota Statutes, Section 469.174, Subd. 10(d)(2).

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner and the City hereby agree as follows:

1. Demolition. The Owner hereby agrees that, in order to prepare for the redevelopment of the Property, at its own expense, it will demolish the Substandard Building, and will remove all demolition debris from the Property.

2. Tax Increment District. The Owner acknowledges that establishment of a TIF District including the Property is subject to satisfying all the conditions required by law including, without limitation, holding a public hearing thereon. The execution of this Agreement by the City shall not be construed to be a commitment, legal, equitable or otherwise, by the City to provide tax increment or any other public assistance to the Owner with respect to the Property.

3. Counterparts. This Agreement may be executed in multiple counterparts all of which taken together shall constitute one in the same agreement, and the signature page of any counterpart may be removed therefrom and attached to any other counterpart.

4. Electronic Signatures. The electronic signature of the authorized officers or either party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party hereto. An electronically signed copy of this Agreement shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. For purposes hereof, (i) "electronic signature" means (a) a manually signed original signature that is then transmitted by electronic means or (b) a signature obtained through DocuSign, Adobe or a similarly digitally auditable signature gathering process; and (ii) "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a portable document format ("pdf") or other replicating image attached to an electronic mail or internet message.

5. Indemnification.

(1) The Owner releases from and covenants and agrees that the City, its governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "Indemnified Parties") shall not be liable for and agree to indemnify and hold harmless the Indemnified Parties against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Property or the improvements thereon to the extent not attributable to the willful misconduct of the Indemnified Parties.

(2) Except for any willful misrepresentation or any willful or wanton misconduct of the Indemnified Parties, the Owner agrees to protect and defend the Indemnified Parties, now and forever, and further agree to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of the Owner (or if other persons acting on its behalf or under its direction or control) under this Agreement, or the transactions contemplated hereby or the acquisition, demolition, construction, installation, ownership, and operation of the Property, including without limitation any relocation payments due under state or federal law.

(3) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City, as the case may be. Nothing in this Agreement shall be construed as a limitation of or waiver by the City of any immunities, defenses, or other limitations on liability to

which the City is entitled by law, including but not limited to the maximum monetary limits on liability established by Minnesota Statutes, Chapters 466 or 604.

(4) This indemnity shall be continuing and shall survive the performance, termination, or cancellation of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties the day and date first above written.

CITY OF NORTHFIELD, MINNESOTA

By _____
Mayor

By _____
City Clerk

MANAWA, L.L.C.

By: _____

Its: _____