

2M. Consideration to adopt Resolution 2023-64, approving assignment/transfer of the Haven Ridge 2nd Addition Plat and PUD approvals and Development Contract and Planned Unit Development Agreement for Haven Ridge 2nd Addition to Tamarack Land – Haven Ridge, LLC, including updates to the Development Contract and Planned Unit Development Agreement

Prepared by: Community Development Director	Meeting Date: 7/10/23	<input checked="" type="checkbox"/> Consent Agenda Item <input type="checkbox"/> Regular Agenda Item
Reviewed by: City Attorney, Finance Director	Approved by: City Administrator	

ACTION REQUESTED

Motion to adopt Resolution 2023-64, approving assignment/transfer of the Haven Ridge 2nd Addition plat and PUD approvals and corresponding Development Contract and Planned Unit Development Agreement to Tamarack Land – Haven Ridge, LLC, including updates to the Development Contract and Planned Unit Development, contingent on the conditions of Exhibit Z of this report, and further authorizing the Mayor and City Administrator to negotiate and specify final changes or amendments to the Development Contract and Planned Unit Development necessary to more fully execute the intention of the City Council with respect to the Haven Ridge 2nd Addition plat and PUD, including direction by the City Attorney as related to the required consents.

PREVIOUS COUNCIL ACTION

- January 13, 2020:** Approved the plat of Haven Ridge and related Development Agreement
- April 26, 2021:** Approved the plat of Haven Ridge 2nd Addition and related Development Agreement
- July 25, 2022:** Approved Final Stage Planned Unit Development, Final Plat and Development Agreement, and Rezoning to Planned Unit Development for Haven Ridge 2nd, amending the prior 2nd Addition plat from 47 units to 59 units

REFERENCE AND BACKGROUND

Property: PID: 155259000040 (Outlot D, Haven Ridge), including grading on City outlots in conformance with approved plans for stormwater and wetland management

Planning Case Number: 2023-29

Deadline for Decision: N/A

Land Use Designation: Low-Density Residential

Zoning Designation: Haven Ridge 2nd Addition Planned Unit Development District

Overlays/Environmental Regulations Applicable: Wetland Permitting

Project Description: 59-unit single-family residential plat and PUD

ANALYSIS

The Haven Ridge 2nd Addition Final Plat and PUD were approved under an application submitted by Marc Schulte/Haven Ridge, LLC. The most recent approvals in June and July of 2022 were granted for a replat of a portion of the Haven Ridge from 47 lots to 59 lots, a final plat for this area (which is the 2nd Addition) and corresponding planned unit development for the 59-lot 2nd Addition. Haven Ridge, LLC has not yet executed and recorded the plat or development contract. The prior approval allowed up to 365 days to record the plat and contract.

A new development entity, Tamarack Land – Haven Ridge, LLC, is seeking to have the land use approvals and development contract for the Haven Ridge 2nd Addition plat and PUD transferred to them for development of the site. Tamarack Land – Haven Ridge, LLC submitted a letter of request for the transfer.

In transferring the development contract and entitlements for the plat and PUD approvals, Tamarack Land – Haven Ridge, LLC will be required to meet all prior conditions and comments of the Haven Ridge 2nd Addition plat and PUD approvals and the terms and conditions of the approved development contract. This consideration also includes application of those conditions established by the plat extension request submitted for Council consideration as part of the July 10, 2023, agenda.

As the 2nd Addition Development Contract and Planned Unit Development Agreement were not yet executed, the contract presented for Council consideration is updated to reflect the transfer for development of the site to Tamarack Land – Haven Ridge, LLC as the developer entity.

The contract also includes updates to reflect 2023 construction cost estimates for purposes of security calculation, updated security amounts, and prevailing rates for trunk utility charges. Tamarack Land – Haven Ridge, LLC has provided the updated construction cost estimates. Finally, the City Attorney's office recommended additional language should the developer choose to have the trunk area charges and park dedication assessed and the necessary property interest consents.

It should also be noted that the ownership signatures on the plat will need to reflect accurate property ownership at the time of plat.

Tamarack Land – Haven Ridge, LLC indicated an intent to grade the site in late July or early September. With this assignment/transfer, the new developer is accepting the plat and PUD of Haven Ridge 2nd Addition as previously approved. Tamarack Land – Haven Ridge, LLC has reviewed the design standards associated with the Haven Ridge 2nd Addition and understands that an amendment to the approved PUD is required for flexibility from these standards. Any amendment is a separate, future consideration of the Council. Tamarack Land – Haven Ridge, LLC submitted an application for some modification to these standards for consideration by the City in August of 2023.

- I. **Budget Impact:** Costs for the consideration will be billed to the project deposits associated with the plat, which are specified in the development contract.
- II. **Staff Workload Impact:** Approximately 5 hours were spent in the review and preparation of this report, including time on the part of the City Attorney's office.
- III. **Comprehensive Plan Impact:** The Monticello 2040 Plan guides the site for low density residential uses. The proposed consideration will not impact the site's compliance per PUD with the 2040 Plan's guidance.

STAFF RECOMMENDED ACTION

City staff recommend approval of transfer of the Haven Ridge 2nd Addition plat and PUD approvals and corresponding development contract to Tamarack Land – Haven Ridge, LLC. Staff's recommendation is contingent on the application of all previously assigned terms and conditions for the Haven Ridge 2nd Addition, those established by the plat extension per Resolution 2023-64 and those in Exhibit Z of this report.

SUPPORTING DATA

- A. Resolution 2022-64
- B. Letter of Request
- C. Development Contract and Planned Unit Development Agreement, Updated
- D. Finance Plan, Updated
- E. July 25, 2022 City Council Agenda:
ci.monticello.mn.us/AgendaCenter/ViewFile/Item/436?fileID=5028

EXHIBIT Z

**ASSIGNMENT/TRANSFER OF THE HAVEN RIDGE 2ND ADDITION PLAT AND PUD
AND DEVELOPMENT CONTRACT AND PLANNED UNIT DEVELOPMENT AGREEMENT FOR
HAVEN RIDGE 2ND ADDITION TO TAMARACK LAND – HAVEN RIDGE, LLC**

1. Compliance with the conditions listed in Resolutions 2022-085 for approval of the Final Plat and Development Agreement for Haven Ridge 2nd Addition and Resolution 2022-086 for approval of the Final Stage PUD for Haven Ridge 2nd Addition, both approved on July 25, 2022.
2. The Developer shall execute and record the plat and updated Development Agreement and Planned Unit Development Contract for the proposed Haven Ridge 2nd Addition plat, including updates to estimated construction costs, required securities, trunk area charges based on prevailing 2023 rates, and any necessary consents. Such updates and consents shall be subject to the comments of the City Attorney.
3. The Developer shall comply with required and approved wetland permits as related to the proposed plat, and with those comments of the City Engineer related to wetland mitigation, buffers, and restoration, with any substantive changes or alterations resulting from compliance requiring a plat amendment.
4. The Developer shall supply the required securities as detailed within the development agreement for wetland review, inspection and management.
5. For lots impacted by wetland buffers, at the time of building permit, applicants shall submit a lot survey that shows the buffer in addition to the conservation easements.
6. The Developer shall provide legal descriptions, exhibits and legal descriptions for all conservation easements and wetland buffers, which shall be recorded against all applicable lots and marked with posts within the development.
7. The applicant is required to address any remaining comments of the EAW which are applicable as on-going conditions.
8. Compliance with issues related to grading, drainage and utilities are subject to comment and recommendation by the City Engineer, according to the Engineer's letter dated August 11, 2022 including subsequent review comments corresponding to plan changes.
9. Consideration of comments of other City Staff.

**CITY OF MONTICELLO
WRIGHT COUNTY, MINNESOTA
RESOLUTION NO. 2023-64**

**RESOLUTION APPROVING ASSIGNMENT OF PLAT AND PUD AND DEVELOPMENT
CONTRACT AND PLANNED UNIT DEVELOPMENT AGREEMENT FOR HAVEN RIDGE 2nd
ADDITION**

WHEREAS, the City approved the Final Plat and Planned Unit Development of Haven Ridge 2nd Addition, with companion Development Contract and Planned Unit Development Agreement for Haven Ridge 2nd Addition providing for the specific terms and conditions for plat development and public improvements; and

WHEREAS, the City of Monticello, Minnesota (the “City”) and Haven Ridge, LLC, a Minnesota limited liability company (the “Developer”), have previously entered into a Development Contract and Planned Unit Development Agreement (“the Contract and Agreement”) for Haven Ridge 2nd Addition; and

WHEREAS, pursuant to the terms of the Development Contract and Planned Unit Development Agreement, the Developer has requested that the City assess payment of certain per lot fees in the plat of Haven Ridge 2nd;

WHEREAS, the City approved the Developer’s request and the parties have agreed to assess payment of the per lot fees and assess those fees pursuant to the terms of the Development Contract and Planned Unit Development Agreement;

WHEREAS, (Developer) requested the City consent to the assignment of the Contract and Agreement to Tamarack Land – Haven Ridge, LLC, a Minnesota limited liability company (the “Successor Developer”).

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Monticello, Minnesota hereby approves the requested Assignment, and authorizes the Mayor and Clerk to execute documents necessary to effectuate the Assignment upon submission by the Successor Developer of all escrows and financial securities required under the Contract and Agreement, subject to the following conditions:

1. Compliance with the conditions listed in Resolutions 2022-85 for approval of the Final Plat and Development Agreement for Haven Ridge 2nd Addition and Resolution 2022-86 for approval of the Final Stage PUD for Haven Ridge 2nd Addition, both approved on July 25, 2022.
2. The Developer shall execute and record the plat and updated Development Agreement and Planned Unit Development Contract for the proposed Haven Ridge 2nd Addition plat, including updates to estimated construction costs, required

**CITY OF MONTICELLO
WRIGHT COUNTY, MINNESOTA
RESOLUTION NO. 2023-64**

securities, trunk area charges based on prevailing 2023 rates, and any necessary consents. Such updates and consents shall be subject to the comments of the City Attorney.

3. The Developer shall comply with required and approved wetland permits as related to the proposed plat, and with those comments of the City Engineer related to wetland mitigation, buffers, and restoration, with any substantive changes or alterations resulting from compliance requiring a plat amendment.
4. The Developer shall supply the required securities as detailed within the development agreement for wetland review, inspection and management.
5. For lots impacted by wetland buffers, at the time of building permit, applicants shall submit a lot survey that shows the buffer in addition to the conservation easements.
6. The Developer shall provide legal descriptions, exhibits and legal descriptions for all conservation easements and wetland buffers, which shall be recorded against all applicable lots and marked with posts within the development.
7. The applicant is required to address any remaining comments of the EAW which are applicable as on-going conditions.
8. Compliance with issues related to grading, drainage and utilities are subject to comment and recommendation by the City Engineer, according to the Engineer's letter dated August 11, 2022 including subsequent review comments corresponding to plan changes.
9. Consideration of comments of other City Staff.

ADOPTED this 10th day of July 2023, by the City Council of the City of Monticello, Minnesota.

MONTICELLO CITY COUNCIL

By: _____
Lloyd Hilgart, Mayor

ATTEST:

Jennifer Schreiber, City Clerk

TAMARACK

LAND DEVELOPMENT



City of Monticello
505 Walnut Street
Suite 1
Monticello, MN 55362

July 6, 2023

To whom it may concern:

Tamarack Land – Haven Ridge, LLC is entering into an agreement with the owner and developer, Marc Schulte with Haven Ridge, L.L.C to purchase and develop the underlying property known as Outlot D, Haven Ridge. We would like to formally request the development rights and Development Agreement for Haven Ridge 2nd Addition be transferred and/or assigned to Tamarack Land – Haven Ridge, LLC.

Thank you for your cooperation in this assignment of rights.

Sincerely,



Brian Theis
Tamarack Land – Haven Ridge, LLC
Authorized Representative
952.215.2008
brian@tamarackland.com

(reserved for recording information)

**DEVELOPMENT CONTRACT
AND PLANNED UNIT DEVELOPMENT**
(Developer Installed Improvements)
HAVEN RIDGE 2ND ADDITION

This **DEVELOPMENT CONTRACT** (“Contract”) dated _____, 2023, by and between the **CITY OF MONTICELLO**, a Minnesota municipal corporation (“City”), and **TAMARACK LAND - HAVEN RIDGE, LLC**, a Minnesota limited liability company (the “Developer” and “Owner”).

1. REQUEST FOR PLAT APPROVAL. The Developer has asked the City to approve a plat and rezoning to planned unit development for ***HAVEN RIDGE 2ND ADDITION*** (referred to in this Contract as the "Plat" and the “Development”). The land is situated in the County of Wright, State of Minnesota, and is legally described on the attached Exhibit “A”. The Developer previously entered into a multi-phased Development Contract and Planned Unit Development for the plat of Haven Ridge. The plat of **Haven Ridge 2nd Addition** will be the second phase consisting of approximately 19 acres and will consist of 59 single family homes.

2. CONDITIONS OF PLAT APPROVAL. The City hereby approves the plat on condition that the Developer enter into this Contract, furnish the security required by it, and record the plat with the County Recorder within 365 days after the City Council approves the final plat or the execution of this Contract, whichever occurs later.

The City hereby grants approval to the Final Stage Planned Unit Development (“PUD”) provided the Development is consistent with the conditions of this Contract and the specific City conditions, requirements and PUD flexibility as set forth in City Resolution No. 2022-73 approving a preliminary plat adopted by the City Council on June 27, 2022; City Resolution No. 2022-74 approving a development stage PUD adopted by the City Council on June 27, 2022; City Resolution No. 2022-85 approving the final plat; City Resolution No. 2022-86 approving the Final Stage PUD; City Resolution No. 2022-087 approving the rezoning to PUD; Ordinance No. 781, and subject to the conditions listed in Exhibit Z, Conditions of Approval, in the staff report of the City Council Agenda dated June 27, 2022, July 25, 2022 and July 10, 2023.

3. RIGHT TO PROCEED. Within the plat or land to be platted, 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 until all the following conditions have been satisfied: 1) this Contract has been fully executed by both parties and filed with the City Clerk, 2) the necessary security has been received by the City, 3) the plat has been submitted to the Wright County Recorder/Registrar's Office, and 4) the City has issued a letter that all conditions have been satisfied and that the Developer may proceed.

4. PHASED DEVELOPMENT.

A. 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 Contract and the breach has not been

remedied. Development of subsequent phases may not proceed until Development Contracts for such phases are approved by the City.

B. Park dedication charges referred to in this Contract are not being imposed on outlots, if any, in the plat that are designated in the 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.

C Except as otherwise specifically provided herein, the Development Contract and Planned Unit Development for Haven Ridge recorded on September 24th, 2020 as Document #A1441549 shall remain in full force and effect and shall be binding on the parties, their heirs, successors and assigns.

5. PRELIMINARY PLAT STATUS. 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, consistent with the approved preliminary plat, within ten (10) years after preliminary plat approval.

6. CHANGES IN OFFICIAL CONTROLS. For five (5) years from the date of this Contract, 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 plat unless required by state or federal law or agreed to in writing by the City and the Developer. Thereafter, notwithstanding anything in this Contract to the contrary, to the full extent permitted by state law, the City may require compliance with any amendments to the City's Comprehensive Plan, official controls, platting or dedication requirements enacted after the date of this Contract.

7. ZONING. Except as otherwise provided herein, the subject plat shall be subject to the zoning regulations for the Planned Unit Development District and the requirements and standards of the

R-1, Single Family Residence. For Phase 2 of the Development, if there is a conflict among these regulations, the conflict shall be resolved in the order listed below with item number one being primary:

- (1) Development Contract and Planned Unit Development Agreement [this document].
- (2) Planned Unit Development Zoning District Regulations
- (3) R-1 Zoning District (Single Family Residential)

8. CONDITION FOR SUBSEQUENT APPROVALS.

A. No final plat for changes or amendments to this Contract shall be approved, nor shall construction commence for such additional land uses, until an amendment of the Agreement is processed and approved, subject to the requirements of the Monticello Zoning and Subdivision Ordinances, including the submission of site and building plans, final grading and drainage plans, final utility plans, and final landscaping plans.

9. DEVELOPMENT PLANS. The plat shall be developed in accordance with the following plans. The plans shall not be attached to this Contract. With the exception of Plans A and B, the plans may be prepared, subject to City approval, after entering the Contract, but before commencement of any work in the plat. If the plans vary from the written terms of this Contract, the written terms shall control.

The plans are:

Plan A - Plat

Plan B - Final Grading, Drainage and Erosion Control Plan

Plan C - Sanitary Sewer and Watermain Plan

Plan D – Street and Storm Sewer Plan

Plan E – Stormwater Management Plan

Plan F – Details Plan

Plan G – Site and Utility Plan

Plan H – Roadway / Transportation Plans

Plan I - Tree Preservation Plan: General site and individual unit landscaping plans

Plant J - Landscape Plans

Plan K - Trail Plan

Plan L – Sign Plan

Plan M – Street Lighting Plan

Plan N – Phasing Plan

10. IMPROVEMENTS. The Developer shall install and pay for the following:

- A. Sanitary Sewer System
- B. Water System
- C. Storm Sewer System
- D. Streets
- E. Concrete Curb and Gutter
- F. Street Lights, Street Signs, Traffic Control Signs
- G. Site Grading and Erosion Control
- H. Underground Utilities
- I. Setting of Iron Monuments
- J. Surveying and Staking
- K. Sidewalks and Trails
- L. Retaining Walls
- M. Conservation Easement and Wetland Buffer Posts
- N. Mailboxes: All developers must meet with the City of Monticello Street Superintendent and USPS to determine the type of mailboxes installed and the location of all mail boxes. Initial costs of the mailboxes and their installation are the responsibility of the developer. All residential developments must install locking cluster mailboxes.

The improvements shall be installed in accordance with the City subdivision ordinance; City standard specifications for utilities and street construction; and any other ordinances. The Developer shall submit plans and specifications which have been prepared by a competent registered professional engineer to the City for approval by the City Engineer. The City may, at the City's discretion and at the Developer's expense, have one or more City inspectors and a soil engineer inspect the work on a full or part-time basis. The Developer, its contractors and subcontractors, shall follow all instructions received from the City's inspectors. The Developer or its engineer shall schedule a pre-construction meeting at a mutually agreeable time at the City Council chambers with all parties concerned, including the City staff, to review the program for the construction work. Within thirty (30) days after the completion of the improvements and before the security is released, the Developer shall supply the City with a complete set of reproducible "as constructed" plans, an electronic file of the "as constructed" plans in an auto CAD.DWG file or a .DXF file, and two complete sets of blue line "as constructed" plans, all prepared in accordance with City standards.

Developer shall provide as-built CAD files that include GPS locations of all lot corners, right of way, public utility structures and castings, street lights, and utility service stubs. Developer shall pay for the cost of entering as-built information into the City GIS system. This cost will be billed at the hourly rates per City's adopted fee schedule under the City Engineering Administration escrow per Section 20 of this Agreement.

In accordance with Minnesota Statutes 505.021, the final placement of iron monuments for all lot corners must be completed before the applicable security is released. The Developer's surveyor shall also submit a written notice to the City certifying that the monuments have been installed.

11. DESIGN STANDARDS. The applicable Planned Unit Development Zoning District Regulations are equal to those set forth in the PUD Resolution, and the R-1 Zoning Regulations.

Developer shall also adhere to the specific design requirements for as outlined in the City Council Agenda dated June 27, 2022 and July 25, 2022 as follows:

- Adherence to the City’s T-N, Traditional Neighborhood zoning lot standards and setbacks, in the absence of a PUD design element addressing the other items in this list. Those standards include the following:
- 25 foot front setbacks, with 6 feet side yards and 20 feet rear yards.
- Building sizes of 1,050 finished, and 2,000 square feet finishable area.
- Garage square footage of at least 480 square feet
- Roof pitches of at least 5:12.
- Brick/Stone on front façade equal to at least 15% of all front-facing surfaces.
- Livable portions of the home exposed to the front street will achieve between 40-50% of the width of the structure, with designs to be approved through the PUD process.
- Usable front porches or similar features.
- Front entry doors no greater than 6 feet farther back from the garage doors.
- Additional large tree planting (including trees of at least 3” caliper planting size) in the front yards of the proposed lots to make a more immediate impact on the streetscape.
- Driveway standards per the R-1 District.

12. PERMITS. The Developer shall obtain or require its contractors and subcontractors to obtain all necessary permits, including but not limited to:

- Wright County for County Road Access and Work in County Rights-of-Way
- MnDot for State Highway Access
- Minnesota Department of Health for Watermains
- NPDES Permit for Stormwater
- MPCA for Sanitary Sewer and Hazardous Material Removal and Disposal
- DNR for Dewatering
- Wright County Soil Conservation District and Army Corp of Engineers for Wetlands
- City of Monticello for Building Permits
- City of Monticello for Grading Permits

13. DEWATERING. Due to the variable nature of groundwater levels and stormwater flows, it will be the Developer’s and the Developer’s contractors and subcontractors responsibility to satisfy themselves with regard to the elevation of groundwater in the area and the level of effort needed to perform dewatering and storm flow routing operations. All dewatering shall be in accordance with all

applicable county, state, and federal rules and regulations. DNR regulations regarding appropriations permits shall also be strictly followed.

14. TIME OF PERFORMANCE. The Developer shall install all required public improvements by August 30th of the year following the year of recording of the final plat with the exception of the final wear course of asphalt on streets. The final wear course on streets shall be installed by October 15th of the year following installation of improvements, at the direction and in the discretion of the City Engineer. 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.

15. LICENSE. The Developer hereby grants the City, its agents, employees, officers and contractors a license to enter the platted property to perform all work and inspections deemed appropriate by the City in conjunction with plat development.

16. EROSION CONTROL AND STORM WATER CONTROL. Prior to initiating site grading, the erosion control plan, Plan B, shall be implemented by the Developer and inspected and approved by the City. The City may impose additional erosion control and storm water requirements if they would be beneficial. All areas disturbed by the excavation and backfilling operations shall be restored as identified in the Construction Stormwater General Permit/SWPPP, unless authorized and approved by the City Engineer. Except as otherwise provided in the erosion control plan, seed shall be in accordance with the City's current seeding specification to provide a temporary ground cover as rapidly as possible. All seeded areas shall be fertilized, mulched, and disc anchored 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, 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 within ten (10) days, the City may draw down the letter of credit to pay any costs. No development, utility or street construction will be allowed and no building permits will be issued unless the plat is in full compliance with the approved erosion control plan and storm water control measures are in place.

17. GRADING PLAN AND CERTIFICATION. The plat shall be graded in accordance with the approved grading plan, stormwater control measures and erosion control plan as set forth in Plan B. The plan shall conform to City of Monticello specifications. Within thirty (30) days after completion of the grading and before the City approves individual building permits (except model homes as permitted by this Contract or the Building Official), the Developer shall provide the City with an "as constructed" 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. Additionally, the "as constructed" grading plan will include a certification that the grading following construction activities has been undisturbed or has been returned to the state required in the grading plan. The "as constructed" 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, and installed posts along ponds and wetland buffers; and c) lot corner elevations, and building pads. The City will withhold issuance of building permits until the approved certified grading plan is on file with the City and all erosion control measures are in place as determined by the City Engineer. The Developer certifies to the City that all lots with house/building footings placed on fill have been monitored and constructed to meet or exceed FHA/HUD 79G specifications.

18. CLEAN UP. The Developer shall clean dirt and debris from streets that has resulted from construction work by the Developer, home builders, subcontractors, their agents or assigns. Prior to any construction in the plat, the Developer shall identify in writing a responsible party and schedule for erosion control, street cleaning, and street sweeping. The Developer shall pay a penalty of \$100.00 a day for each calendar day that the streets are not cleaned in accordance with this paragraph. If the Developer repeatedly fails to clean streets in accordance with this paragraph, the City may, in its discretion, perform the work or contract to have the work completed and bill the costs to the Developer. 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 within ten (10) days from the date notice of the amount owed to the City is mailed, the City may draw down the Irrevocable Letter of Credit to pay any costs. No development, utility or street construction will be allowed and no building permits will be issued unless the plat is in full compliance with the requirements of this paragraph.

19. OWNERSHIP OF IMPROVEMENTS. Upon completion of the work and construction required by this Contract, the improvements lying within public easements shall become City property without further notice or action.

20. CITY ENGINEERING ADMINISTRATION AND CONSTRUCTION OBSERVATION.

A. The Developer shall pay a fee for the City's engineering administration as related to the Public Improvements. City engineering administration will include monitoring of construction observation related to Public Improvements, consultation with Developer and its 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 this service shall be at

standard hourly rates per the City's adopted fee schedule estimated to be four percent (4.0%), of the estimated construction cost of the Public Improvements, assuming normal construction and project scheduling. Developer will provide a **\$90,535.11** escrow, which is separate and in addition to any other escrow funds for this Development, to pay the fees owed to the City under this section. The Developer shall pay for construction observation performed by the City's consulting engineer. Construction observation shall include part or full-time inspection of proposed public utilities and will be billed on standard hourly rates per City's adopted fee schedule. The cost of the construction observation is included in the four (4%) estimate.

B. The Developer shall pay a fee for the City's engineering administration as related to grading and restoration of the subject property. City engineering administration will include monitoring of construction observation related to grading and restoration of the site, consultation with Developer and their engineer on status or problems regarding the project, coordination for final inspection and acceptance, and processing of requests for reduction in security. Fees for this service shall be at standard hourly rates per the City's adopted fee schedule estimated to be three percent (3.0%), of the estimated construction cost of the subject property grading and restoration cost, assuming normal construction and project scheduling. Developer will provide a **\$11,597.85** escrow, which is separate and in addition to any other escrow funds for this Development. The Developer shall pay for construction observation performed by the City's consulting engineer. Construction observation shall include part or full-time inspection of proposed public utilities and will be billed on standard hourly rates per City's adopted fee schedule.

C. The fees owed by the Developer to the City under this section shall be paid from the escrow amounts. Any amounts not utilized from the escrow account shall be returned to the Developer when all the Development has been completed in accordance with this Agreement. If additional escrow amounts are

required for such costs incurred beyond the escrow deposit, the Developer shall be billed directly for such costs and there shall be no issuance of occupancy permits until all such obligations have been fully paid.

21. CITY PLANNING, LEGAL AND ADMINISTRATION.

A. The Developer shall submit an escrow deposit for fees for City staff administration and planning-related expenses relating to processing of the Plat and associated administration. Fees for this service shall be at standard hourly rates per the City's adopted fee schedule estimated to be one percent (1.0%) of the estimated construction cost of the Public Improvements, assuming normal construction and project scheduling. Developer will provide a **\$22,633.78** escrow, which is separate and in addition to any other escrow funds for this Development. This amount is subject to reconciliation based on actual costs at the completion of the project.

B. The Developer shall submit an escrow deposit for fees relating to City legal-related expenses associated with the plat development. Fees for this service shall be at standard hourly rates per the City's adopted fee schedule estimated to be one percent (1.0%) of the estimated construction cost of the Public Improvements, assuming normal construction and project scheduling. Developer will provide a **\$22,633.78** escrow, which is separate and in addition to any other escrow funds for this Development. This amount is subject to reconciliation based on actual costs at the completion of the project.

D. The fees owed by the Developer to the City under this section shall be paid from the escrows amounts. Any amounts not utilized from the escrow account shall be returned to the Developer when all the Development has been completed in accordance with this Agreement. If additional escrow amounts are required for such costs incurred beyond the escrow deposit, the Developer shall be billed directly for such costs and there shall be no issuance of occupancy permits until all such obligations have been fully paid.

22. CLAIMS. In the event that the City receives claims from labor, materialmen, or others that work required by this Contract has been performed, the sums due them have not been paid, and the laborers, materialmen, or others are seeking payment from the City, the Developer hereby authorizes the

City to commence an Interpleader action pursuant to Rule 22, Minnesota Rules of Civil Procedure for the District Courts, to draw upon the letters of credit in an amount up to 125 percent of the claim(s) and deposit the funds in compliance with the Rule, and upon such deposit, the Developer shall release, discharge, and dismiss the City from any further proceedings as it pertains to the letters of credit deposited with the District Court, except that the Court shall retain jurisdiction to determine attorneys' fees pursuant to this Contract.

23. STORM SEWER TRUNK AREA CHARGE.

A. This Phase 2 of the Development is subject to a storm sewer area charge of **\$80,139.08**.

The area charge is paid at prevailing rate at the time of final plat and is based on the gross area of the final plat less any area credit for pond area, and is calculated as follows:

$$18.23 \text{ net acres} \times \$4,396.00 \text{ (Base Area Charge)} = \mathbf{\$80,139.08}$$

The storm sewer alternate ponding area charge is not applicable to this phase.

The total storm sewer area charge for the Development of **\$80,139.08** shall be assessed against the property if not paid by the Developer in cash at the time of final plat approval at developer's option. If assessed, the term shall be for 5 years and an interest rate of 1.5% over prime as published in the Wall Street Journal at the time of assessment per annum on the remaining principal balance each year shall apply.

B. Future phases of the Development shall be subject to a storm sewer area charge based on the prevailing rate at the time of final plat.

24. SANITARY SEWER TRUNK AREA CHARGE.

A. This Phase 2 of the Development is subject to a sanitary sewer area charge of **\$65,195.25**.

The area charge is paid at prevailing rate at the time of final plat and is based on the number of units in the plat and is calculated as follows:

$$59 \text{ units} \times \$1,641.00/\text{unit} = \$96,760 - \$31,623.75 \text{ (credit)} = \mathbf{\$65,195.25}$$

The Developer shall receive a credit against sanitary sewer trunk area charges for Phase 2 for connection to existing utilities at Hunters Crossing. The amount of the credit applicable to Phase 2 is **\$31,623.75**.

The Developer shall be assessed or shall pay the sanitary sewer trunk area charge in cash at the time of final plat approval at Developer's option. If assessed, the term shall be for 5 years and an interest rate of 1.5% over prime as published in the Wall Street Journal at the time of assessment per annum on the remaining principal balance each year shall apply.

B. Future phases of the Development shall be subject to a sanitary sewer trunk area charge based on the prevailing rate at the time of final plat.

C. A 36-inch dry gravity trunk main is to be constructed within future proposed Phase 3, 7 and 8, and as documented in the City's SouthEast Sewer Study. Credits to the sanitary sewer area charge for the design and construction of this main shall be applied at the time of Final Plat for each applicable Phase of Development and shall be detailed within the Agreement for each Phase. No credits are applicable for these improvements with Phase 2.

25. WATERMAIN TRUNK AREA CHARGE.

A. This Phase 2 of the Development is subject to a watermain trunk area charge of **\$38,053.65**. The area charge is paid at prevailing rate at the time of final plat and is based on the number of units in the plat and is calculated as follows:

$$59 \text{ units} \times \$1,182.00/\text{unit} = \$69,738.00 - \$31,684.35 \text{ (credit)} = \mathbf{\$38,053.65}$$

The Developer shall receive a credit against watermain trunk area charges for Phase 2 for connection to existing utilities at Hunters Crossing and for materials cost for watermain oversizing to a 24" main. The total amount of the credit is **\$31,684.35** -

The Developer shall be assessed or shall pay the watermain trunk area charge in cash at the time of final plat approval at Developer's option. If assessed, the term shall be for 5 years and an interest rate of 1.5% over prime as published in the Wall Street Journal at the time of assessment per annum on the remaining principal balance each year shall apply.

B. Future phases of the Development shall be subject to a watermain trunk area charge based on the prevailing rate at the time of final plat.

C. The development is subject to watermain oversizing credits to the water main area charge for the construction of 12-inch and 24-inch mains from an 8-inch main. Credits shall be applied at the time of Final Plat for each applicable Phase of Development and shall be detailed within the Agreement for each Phase. Oversizing costs will be based on pipe size, fittings weights and gate valve sizes. Credit for oversizing of a portion of 24" watermain is applicable to Phase 2.

26. CONSTRUCTION ACCESS. Construction traffic access and egress for grading, public utility construction, and public street construction is restricted to access from Fallon Avenue NE. No construction traffic is permitted on the adjacent local streets.

27. PARK AND PATHWAY DEDICATION.

A. The City's Ordinance specifically requires 11% of the land area, or an equal contribution based on the land value no later than at time of final plat approval. For Phase 2 of the Development, the total park dedication required is satisfied by the construction of the Fallon Avenue pathway along the 2nd Addition of the plat. The Developer shall receive a credit to Park Dedication in the amount of **\$37,939.00**, which shall be allocated against the other area charges within the plat. Park dedication was calculated as follows.

$$18.97 \text{ acres} \times 11\% = 2.09 \text{ Acres of Park Dedication Required}$$

$$2.09 \text{ Acres} \times \$17,308.00 \text{ (value of acreage at time of final plat)} = \$36,173.72$$

\$36,173.72 – \$37,939.00 (credit) = **-\$1,765.28 Park Dedication Credit**

B. In this Phase 2, the Developer shall construct the 10-foot wide bituminous pathway along Fallon Avenue NE within the right of way and shall receive a construction cost credit from the park dedication fee for the applicable phase of the development based on the Park Dedication requirements at that time. A portion of this pathway was credited with Phase 1 and is excluded from applicable length credit for Phase 2. The credit for Phase 2 totals \$37,939.00.

C. In compliance with Resolution 2022-85 and 2022-86, the developer will plat Outlot E of Haven Ridge in a future development phase. Trails constructed by the Developer located in Outlot E as shown on the approved preliminary plat shall receive credit from the park dedication fee pursuant to the City approved Trail plans at the time of construction. The park and trail requirements shall be approved by the Park and Recreation Commission. Credits for trail construction shall be applied at the time of final plat of the Development and shall be detailed within the Contract for the phase.

D. Internal sidewalks and pathways along new roadways are to be constructed by the Developer with no credit from the park dedication fee.

28. LANDSCAPING. The Developer shall plant, per the City's Zoning Ordinance requirements, at least two (2) trees per lot, as well as tree planting areas pursuant to the Landscaping Plans as reviewed and approved by the City. The Developer's Landscaping Plan shall meet the Zoning Ordinance requirements. The Developer shall provide a landscaping security deposit in the amount of **\$180,812.50** to ensure the placement of landscaping, wetland restoration and wetland buffer landscaping per approved plans per Section 32 of this Contract. The security shall be held for one full year of two growing seasons following installation and inspection. The wetland portion of the security shall be held in accordance with the required maintenance plan.

29. TREE PRESERVATION.

A. A Tree Preservation Plan has been submitted. The plan shows a total of 1 specimen tree to be protected within Phase 2 of the Development. Specimen trees shall be protected during development per Monticello Zoning Ordinance 4.2. The Developer shall provide a security deposit to ensure the protection of this specimen tree per Section 32 of this Contract. Should the Developer need to remove a “specimen tree” for the development of a lot, the Developer must replace the “specimen tree” with three or more replacement trees equaling or exceeding a total of eighteen (18) aggregate caliper inches, and the required replacement trees shall be planted within twelve (12) months of the removal or destruction of the specimen tree. A security of \$1,200.00 is required to guarantee compliance with this section.

B. Any lots within Phases 2 which impacts tree preservation areas shall require submission of tree preservation plans by lot prior to development within the plat.

30. WETLANDS.

A. The wetland impacts and mitigation are required to be permitted under the Wetland Conservation Act and the US Army Corps of Engineers Section 404 permits.

B. The project includes 0.8375 acres of wetland impact. The required replacement is 1.6751 acres per approved wetland permits. The Developer shall provide the final signed paperwork to the City and the SWCD for both applicable permitted wetland banks prior to starting any wetland impact work. The Developer is required to comply with the comments of the City Engineer’s wetland review per the letter dated April 21, 2021 and per the Notice of Decision dated X.

C. Developer is required to establish wetland buffers around the wetlands per City Zoning Ordinance 3.7(D). The wetland buffers will be natural, native vegetation strips of land above the wetland boundaries and may include trail ways. The buffers are required to be placed within an outlot or easement and the Developer is required to maintain the wetland buffers until vegetation standards are met.

D. In compliance with the approved wetland permit, the Developer is required to complete restoration for Wetland 10 as part of Phase 2 per applicable plan and wetland permit.

E. The Developer shall provide a deposit for the establishment of the wetland buffer and restoration of Wetland 10 per approved wetland permit and applicable buffer plan and grading plan. The amount of security for this purpose is included within the landscaping security. The security will be held by the City until the Developer's wetland consultant certifies that the restoration and establishment has been installed in accordance with the plans and permit.

F. During the first five (5) years after initial planting, the developer shall submit to the City an annual report documenting the progress for establishment of the buffer and restoration of Wetland 10. The report shall comply with the requirements in the buffer ordinance and is due by December 31 of each year. To guarantee compliance with this requirement, the developer shall submit a **\$7,000** deposit which shall be based on the estimated review of annual reporting and the management plan for the wetland buffers and Wetland 10 restoration within Phase 2.

G. The City will complete review and inspection of wetland buffers and Wetland 10 during the 5 year management period, the costs for which will be charged against the 3% grading and restoration escrow per Section 20(B) of this agreement.

H. Prior to the City issuing a building permit, the developer shall record a notice of the wetland buffer requirement against the title to the lot with the office of the Wright County Recorder or Registrar of Titles.

I. The Developer shall provide a deposit of **\$11,800.00** for the placement of wetland buffer and conservation easement posts per applicable wetland buffer plan and grading plan. The security will be held by the City until the Developer's land surveyor certifies that all posts have been set following site

grading and utility and street construction prior to the issuance of a building permit for that lot. The deposit is calculated as follows:

$$\text{\$300 /post} \times 59 \text{ posts} = \text{\$11,800.00}$$

J. Lot surveys for individual lots shall include the wetland buffer area and dimensions, in addition to the conservation easements.

K. The Developer shall show all delineated wetlands on the preliminary plat and all wetland buffers on the grading plan.

L. Contemporaneously with this agreement, the City grants a right of entry to the Developer and their agents to Outlot B of Haven Ridge for the restoration and management of Wetland 10 lying within the outlot.

31. SPECIAL PROVISIONS. The following special provisions shall apply to plat development:

A. Implementation of the recommendations listed in the June 2, 2022 letter signed by James Stremel, PE, Senior Project Manager for WSB, along with subsequent review comments based on plan revisions, including comment letter dated August 11, 2022.

B. Implementation of the recommendations listed in the July 16, 2019 letter signed by Sara Buermann, PE, Traffic Engineer from Wright County to Matthew Leonard at the City of Monticello.

C. Implementation of the recommendations of Resolution No.2022-073 and 2022-74, including the City Staff recommendation listed in Exhibit Z.

D. Implementation of the recommendations of Resolution No. 2022-2085, for approval of the Final Plat, including Exhibit Z conditions.

E. Prior to City Council approval of the final plat, the Developer shall furnish a boundary survey of the proposed property to be platted with all property corner monumentation in place

and marked with lath and a flag. Any encroachments on or adjacent to the property shall be noted on the survey. The Developer shall post an **\$17,700.00** security for the final placement of interior subdivision iron monuments at property corners. The security was calculated as follows: 59 units at \$300.00 per unit. 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.

F. The Developer shall be responsible for the cost of street light installation, street sign installation and mailboxes consistent with the ordinance, Design Manual and Standard Specifications of the City.

G. Pursuant to a traffic study completed for the Haven Ridge project, the Developer is required to improve adjacent roadways fronting the Development (i.e. Fallon Avenue and 85th Street) with safety improvements. The improvements for Phase 2 include adding 4-foot bituminous shoulders and pathways to along Fallon Avenue.

H Also included in the Development is the realigning and provision for the future extension of 85th Street as an east-west collector road in accordance with the City's Transportation Plan and Wright County's Transportation Plan. This includes the extension of Fallon Avenue/Eisele Avenue and a roundabout intersecting with the re-aligned 85th Street within the Development. Credits will be provided for the oversized street width for 85th Street from a 36-foot to a 44-foot wide street width at the time of Final Plat for each applicable Phase of Development and shall be detailed within the Agreement for each Phase. The oversizing credit amount will be based on unit prices for excavation, granular borrow, class 5 aggregate and bituminous surface at the time of the improvement. No credits are applicable to this Phase of Development.

I. Burying of existing overhead powerlines along adjacent roadways and corridors are subject to the review and recommendation of the City Engineer based on project feasibility, cost and ordinance requirements. Per city ordinance, all utilities within or serving new development shall be placed underground.

J. Right of way dedication shall occur as a part of each Phase of Development with the Final Plat, consistent with the approved Preliminary Plat. Future right of way shall be as approved on the Preliminary Plat and placed in outlots until the time of Final Plat for each Phase.

K. Right of way vacation as is not applicable to Phase 2 of the Development.

L. The Development is subject to an assessment for City Projects 14C003 and 12C001 for public street improvements for Fallon Avenue and 85th Street. The amount of assessment applicable to this phase is **\$7,261.72** and shall be assessed per Section 35(D). The balance of the assessment will be apportioned at the time of future phases.

M. The developer shall install conduit, fiber, and other facilities for the city owned fiber network in the joint trench per city standards. The city will provide plans and details for the installation and the contractor shall submit to the city a cost estimate for approval prior to construction. Upon approval and completion, the city will reimburse the Developer for the cost of the installation of the fiber network.

N. The existing home and structures within the plat shall be demolished in a future phase. The developer will be required to submit a security for the demolition of the structures at the time of the corresponding phase of development. The home and all structures within the plat are required to comply with ordinance requirements for continued operation and use.

32. SUMMARY OF SECURITY REQUIREMENTS.

A. To guarantee compliance with the terms of this Contract, payment of real estate taxes including interest and penalties, payment of special assessments, payment of the costs of all public improvements, and construction of all public improvements, the Developer shall furnish the City with a letter of credit, in the form attached hereto, from a bank ("security") for **\$2,851,347.24**, plus a cash fee of **\$147,400.52** for City engineering, expenses and administration. The amount of the security was calculated as follows:

CONSTRUCTION COSTS:

Sanitary Sewer	\$ 436,055.19
Watermain	\$ 356,287.13
Storm Sewer/Draintile/Infiltration Basin	\$ 539,647.47
Streets, Driveways and Sidewalks/Trails	\$ 913,138.00
Lighting, Street Signage, Mailboxes	\$ 18,250.00

CONSTRUCTION SUB-TOTAL (ESTIMATED) \$2,263,377.79

OTHER COSTS:

Lot Corners/Iron Monuments	<u>\$ 17,700.00</u>
----------------------------	---------------------

TOTAL COSTS \$2,281,077.79

TOTAL CONSTRUCTION SECURITIES: Total Costs X 125% \$2,851,347.24

OTHER REQUIRED SECURITIES

Wetland & Conservation Easement Posts	\$ 11,800.00
Wetland Restoration Management	\$ 7,000.00
Landscaping	\$ 180,812.50
Tree Preservation	\$ 1,200.00
Fence Removal	\$ 17,700.00

Grading, Erosion Control & Restoration	\$ 87,570.00
TOTAL OTHER REQUIRED SECURITIES	\$ 306,082.50

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 shall be for a term ending when maintenance bond is posted. Individual security instruments may be for shorter terms provided they are automatically renewed on an annual basis until expiration. The City may draw down the security with 30 days written notice to Developer, for any violation of the terms of this Contract or if the security is allowed to lapse prior to the end of the required term. If the required public improvements are not completed at least thirty (30) days prior to the renewal of the security, the City may also draw it down. If the security is drawn down, the proceeds shall be used to cure the default. Upon receipt of proof satisfactory to the City that work has been completed and financial obligations to the City have been satisfied, with City 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 all improvements have been completed, all financial obligations to the City satisfied, the required "as constructed" plans have been received by the City, a warranty security is provided, and the public improvements are accepted by the City Council. The City standard specifications for utilities and street construction outline procedures for security reductions.

B. To guarantee the completion of subject property landscaping improvements in compliance with approved Plan J, the Developer shall furnish the City with a letter of credit, in the form attached hereto, from a bank ("security") for **\$180,812.50**. Individual securities will be required by lot if the required landscaping has not been installed at the time of certificate of occupancy for each. The security shall be held for two complete growing seasons after installation of landscaping materials to guarantee compliance with City landscaping standards.

C. The Developer shall furnish the City with Security in the amount of \$ **87,570.00** to guarantee grading and restoration of the subject property in compliance with approved Plan B. This amount is calculated based on a security of \$3,000 per acre. Plan B illustrates the grading of 29.19 acres within the plat.

33. SUMMARY OF CASH REQUIREMENTS. The following is a summary of the cash requirements under this Contract which must be furnished to the City prior to the time of final plat approval:

Administrative & Planning (1%)	\$ 22,633.78*
Legal (1%)	\$ 22,633.78*
Engineering and Inspection (7% total)	
Grading/Restoration and Erosion & Sediment Control Inspection Fee (3% of grading)	\$ 11,597.85*
Streets and Utilities Review & Inspection (4%)	\$90,535.11*

Total Cash Requirements **\$147,400.52**

* Fees and final amounts reconciled to actual expenses at close of project.

34. WARRANTY. The Developer warrants all improvements required to be constructed by it pursuant to this Contract against poor material and faulty workmanship. The warranty period for public improvements is two years and shall commence following completion and acceptance by City Council. The Developer or its Contractors shall post maintenance bonds in the amount of twenty-five percent (25%) of final certified construction costs to secure the warranties. Maintenance Bonds of the prime contractor may be accepted subject to City approval. The City shall retain ten percent (10%) of the security posted by the Developer until the maintenance bonds are furnished to the City or until the warranty period expires, whichever first occurs. The retainage may be used to pay for warranty work. The City standard specifications for utilities construction identify the procedures for final acceptance of utilities.

35. RESPONSIBILITY FOR COSTS.

A. Except as otherwise specified herein, the Developer shall pay all actual costs incurred by it or the City in conjunction with the development of the plat, including but not limited to Soil and Water Conservation District charges, legal, planning, engineering and inspection expenses incurred in connection with approval and acceptance of the plat, the preparation of this Contract, review of construction plans and documents, and all costs and expenses incurred by the City in monitoring and inspecting development of the plat. The Developer shall deposit with the City the amount set forth in Section 33 to be used for the payment of these fees and enforcement fees. If the amount in the deposit account drops below 15% of the initial amount, the Developer will make additional deposits in amounts set by the City. At the completion of the project and following payment of all expenses related to the project, the City shall return the remaining deposit funds to the Developer.

B. The Developer shall hold the City and its officers, employees, and agents harmless from claims made by it and third parties for damages sustained or costs incurred resulting from plat approval and development. The Developer shall indemnify the City and its officers, employees, and agents for all costs, damages, or expenses which the City may pay or incur in consequence of such claims, including attorneys' fees.

C. The Developer shall reimburse the City for costs incurred in the enforcement of this Contract, including engineering and attorneys' fees.

D. 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 Contract. The Developer hereby waives all assessment notice and hearing requirements. If the Developer elects to have the charges set forth in this contract assessed to the properties herein, the assessment shall be payable in equal installments over a ten-year period, plus interest of 2.0% over prime as published in the Wall Street Journal at the time of

assessment per annum on the remaining principal balance each year. Interest will begin to accrue on the principal balance commencing on the date of final plat approval by the City of Monticello. Assessments shall be allocated on a per lot basis over 59 units. The assessments may be paid in full with interest payable prior to November 1st of the year prior to levying of assessment.

E. The Developer shall pay in full all bills submitted to it by the City for obligations incurred under this Contract within thirty (30) days after receipt. If the bills are not paid on time, the City may halt plat development and construction until the bills are paid in full. Bills not paid within thirty (30) days shall accrue interest at the rate of eighteen percent (18%) per year.

F. 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"), water availability charges ("WAC"), City water connection charges, City sewer connection charges, and building permit fees.

G. If the Developer is dedicating property to the City to satisfy Park Dedication requirements, separate legal descriptions shall be developed for these properties and quitclaim deeds shall be executed for each of the transactions. The Developer agrees to pay all real estate taxes due or payable on outlots transferred to the City for the period up to the time the outlots become tax exempt.

36. ASSESSMENTS FOR TRUNK AREA CHARGES AND PARK DEDICATION.

A. Upon entering into this Agreement, Developer understands and agrees that all trunk area charges, reconstruction charges for Fallon Avenue and 85th Street and park dedication fees associated with the development of the Property are due as of the date the Development Contract and Plat are recorded upon the Property.

B. In the event said trunk area and street reconstruction charges and park dedication fees are not paid in full by said date, the City may certify as a valid assessment against each Property any

and all outstanding trunk area charges that may be due at that time. Notwithstanding the foregoing, until all the trunk area charges and park dedication fees associated with the development of the Property are collected by the City, the total amount of said trunk area charges and park dedication fees shall constitute a valid assessment against the Property, which City may record against the Property as such.

C. Developer hereby expressly waives any and all rights to object, dispute, contest, or appeal said assessments against the Property, and does hereby waive any and all statutory or constitutional rights to object or appeal from any such assessments. The amount of the assessment levied against each lot, not including interest per this Agreement, totals \$ 3,201.43.

D. Upon certification of the assessments against the Property, said assessments may be paid by Developer over a five (5) year period at an interest rate of 1.5% over prime as published in the Wall Street Journal, calculated at the date of agreement per annum on the remaining principal balance each year.

E. In the event Developer breaches any terms or conditions contained in this Agreement, including the failure to pay any amounts due and owing as required under this Section, or in the event the City believes that title to any Property is or may become transferred to another individual or entity, the City may immediately certify the assessments identified herein against the Property.

F. No portion of any outstanding trunk area charges or park dedication fees may be assigned to outlots, if any, within the Development.

37. DEVELOPER'S DEFAULT. In the event of default by the Developer as to any of the work to be performed by it hereunder, the City may, at its option, 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. This Contract is a license for the City to act, and it shall not be necessary for

the City to seek a Court order for permission to enter the land. When the City does any such work, the City may, in addition to its other remedies, assess the cost in whole or in part.

38. MISCELLANEOUS.

A. The Developer represents to the City that the plat complies with all city, county, metropolitan, state, and federal laws and regulations, including but not limited to: subdivision ordinances, zoning ordinances, and environmental regulations. If the plat ceases to comply with county, metropolitan state, and federal laws and regulations, the City may, at its option, refuse to allow construction or development work in the plat until the Developer does comply. Upon the City's demand, the Developer shall cease work until there is compliance.

B. Third parties shall have no recourse against the City under this Contract.

C. Breach of the terms of this Contract by the Developer shall be grounds for denial of building permits, including lots sold to third parties.

D. If any portion, section, subsection, sentence, clause, paragraph, or phrase of this Contract is for any reason held invalid, such decision shall not affect the validity of the remaining portion of this Contract.

E. Grading, curbing, and one lift of asphalt shall be installed on all public streets prior to issuance of building permits, with the exception of two single family model home structures. The exception is contingent upon the submission and approval of complete as-built grading plan and development plans for the plat, and placement of lot corners for the permitted lots. Release of the building permits is subject to the review and approval of the City Engineer and Building Official. No certificate of occupancy for the permitted structure may occur until streets needed for access have been paved with a bituminous surface and the utilities are accepted by the City Engineer.

F. 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, its contractors, subcontractors, material men, employees, agents, or third parties. 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 needed for access have been paved with a bituminous surface and the utilities are accepted by the City Engineer.

G. The action or inaction of the City shall not constitute a waiver or amendment to the provisions of this Contract. 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 Contract shall not be a waiver or release.

H. This Contract shall run with the land and may be recorded against the title to the property. The Developer covenants with the City, its successors and assigns, that the Developer is well seized in fee title of the property being final platted and/or has obtained consents to this Contract, in the form attached hereto, from all parties who have an interest in the property; that there are no unrecorded interests in the property being final platted; and that the Developer will indemnify and hold the City harmless for any breach of the foregoing covenants.

I. Developer, or its prime contractor, shall take out and maintain or cause to be taken out and maintained until six (6) months after the City has accepted the public improvements, public liability and property damage insurance covering personal 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 \$1,000,000 for each occurrence; limits for property damage shall be not less than

\$200,000 for each occurrence; or a combination single limit policy of \$1,000,000 or more. 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 signing the plat or when any construction commences, whichever later occurs. The certificate shall provide that the City must be given ten (10) days advance written notice of the cancellation of the insurance.

J. To the fullest extent permitted by law, Developer agrees to defend, indemnify and hold harmless the City, and its employees, officials, and agents from and against all claims, actions, damages, losses and expenses, including reasonable attorney fees, arising out of Developer's negligence or its performance or failure to perform its obligations under this Contract. Developer's indemnification obligation shall apply to Developer's general contractor, subcontractor(s), or anyone directly or indirectly employed or hired by Developer, or anyone for whose acts Developer may be liable. Developer agrees this indemnity obligation shall survive the completion or termination of this Contract.

K. 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.

L. The Developer may not assign this Contract 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 a part or parts of the platted land.

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

38. 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: Tamarack Land - Haven Ridge, LLC., attention: Nate Herman, 712 Vista Boulevard, Waconia, MN 55387.

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: Monticello City Hall, 505 Walnut Street, Monticello, MN 55362.

*[The remainder of page intentionally left blank.
Signature pages follow.]*

CITY OF MONTICELLO

By: _____
Lloyd Hilgart, Mayor

And _____
Rachel Leonard, City Administrator

(SEAL)

STATE OF MINNESOTA)
 (ss.
COUNTY OF WRIGHT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2022, by **Lloyd Hilgart** and **Rachel Leonard**, respectively the Mayor and City Administrator of the **City of Monticello**, a Minnesota municipal corporation, on behalf of the corporation and pursuant to the authority granted by its City Council.

Notary Public

EXHIBIT "A"
TO
DEVELOPMENT CONTRACT AND
PLANNED UNIT DEVELOPMENT

Legal Description of Property Being Final Platted as
HAVEN RIDGE 2ND ADDITION

Outlot D, HAVEN RIDGE, according to the recorded plat thereof, Wright County, Minnesota.

**MORTGAGE HOLDER CONSENT
TO
DEVELOPMENT CONTRACT AND PUD
(Haven Ridge 2nd Addition)**

_____, which holds a mortgage on the subject property, the development of which is governed by the foregoing Development Contract, which mortgage is dated _____ and recorded _____ with the Wright County Recorder/Registrar of Titles as document number _____, agrees that the Development Contract shall remain in full force and effect even if it forecloses on its mortgage.

Dated this _____ day of _____, 2022.

By _____

_____ [print name]

Its _____ [title]

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023, by _____ the _____ of _____, a _____, on behalf of the _____.

Notary Public

DRAFTED BY:
CAMPBELL, KNUTSON
Professional Association
Grand Oak Office Center I
860 Blue Gentian Road, Suite 290
Eagan, Minnesota 55121
Telephone: (651) 452-5000
JJJ

FEE OWNER CONSENT
TO
DEVELOPMENT CONTRACT AND PUD
(Haven Ridge 2nd Addition)

_____, fee owners of all or part of the Subject Property, the development of which is governed by the foregoing Development Contract and PUD, affirm and consent to the provisions thereof and agree to be bound by the provisions as the same may apply to that portion of the Subject Property owned by them. Fee Owners further consent to the recording of the Development Contract and PUD against the Subject Property.

Dated this ____ day of _____, 20___.

[NAME]

By _____

_____ [print name]

Its _____ [title]

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2023, by _____ the _____ of _____, a _____, on behalf of the _____.

Notary Public

DRAFTED BY:
CAMPBELL, KNUTSON
Professional Association
Grand Oak Office Center I
860 Blue Gentian Road, Suite 290
Eagan, Minnesota 55121
Telephone: (651) 452-5000
SMM/AKLS

**LIEN HOLDER CONSENT
TO
DEVELOPMENT CONTRACT AND PUD
(Haven Ridge 2nd Addition)**

_____, which is the holder of a valid lien on all or part of the Subject Property, the development of which is governed by the foregoing Development Contract and PUD, which lien is dated _____, 2023, and is of record with the Wright County Recorder/Registrar of Titles as Document No. _____ 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 Property owned by Lien Holder. Lien Holder further consents to the recording of the Development Contract and PUD against the Subject Property.

Dated this _____ day of _____, 20____.

[NAME]

By _____
 _____ [print name]
 Its _____ [title]

STATE OF _____)
) ss.
 COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023, by _____ the _____ of _____, a _____, on behalf of the _____.

 Notary Public

DRAFTED BY:
CAMPBELL, KNUTSON
Professional Association
 Grand Oak Office Center I
 860 Blue Gentian Road, Suite 290
 Eagan, Minnesota 55121
 Telephone: (651) 452-5000
 SMM/AKLS

IRREVOCABLE LETTER OF CREDIT

No. _____

Date: _____

TO: City of Monticello
505 Walnut Street
Monticello, Minnesota 55362

Dear Sir or Madam:

We hereby issue, for the account of (Name of Developer) 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 Monticello.
- c) Be presented for payment at (Address of Bank) , on or before 4:00 p.m. on November 30, 2007.

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 Monticello 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: Monticello City Administrator, Monticello City Hall, 505 Walnut Street, Monticello, MN 55362, 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 _____

CERTIFICATE OF INSURANCE

PROJECT:

CERTIFICATE HOLDER: City of Monticello
505 Walnut Street
Monticello, Minnesota 55362

INSURED:

ADDITIONAL INSURED: City of Monticello

AGENT:

WORKERS' COMPENSATION:

Policy No. _____

Effective Date: _____ **Expiration Date:** _____

Insurance Company:

COVERAGE - Workers' Compensation, Statutory.

GENERAL LIABILITY:

Policy No. _____

Effective Date: _____ **Expiration Date:** _____

Insurance Company:

() Claims Made () Occurrence

LIMITS: [Minimum]

Bodily Injury and Death:
\$500,000 for one person \$1,000,000 for each occurrence

Property Damage:
\$200,000 for each occurrence

-OR-

Combination Single Limit Policy \$1,000,000 or more

COVERAGE PROVIDED:

Operations of Contractor: YES

Operations of Sub-Contractor (Contingent): YES
Does Personal Injury Include Claims Related to Employment? YES
Completed Operations/Products: YES
Contractual Liability (Broad Form): YES
Governmental Immunity is Waived: YES

Property Damage Liability Includes:
Damage Due to Blasting YES
Damage Due to Collapse YES
Damage Due to Underground Facilities YES
Broad Form Property Damage YES

AUTOMOBILE LIABILITY:

Policy No. _____

Effective Date: _____

Expiration Date: _____

Insurance Company:

(X) Any Auto

LIMITS: [Minimum]

Bodily Injury:
\$500,000 each person \$1,000,000 each occurrence

Property Damage:
\$500,000 each occurrence

-OR-

Combined Single Limit Policy: \$1,000,000 each occurrence

ARE ANY DEDUCTIBLES APPLICABLE TO BODILY INJURY OR PROPERTY DAMAGE ON ANY OF THE ABOVE COVERAGES:

If so, list: Amount: \$ _____
[Not to exceed \$1,000.00]

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL TEN (10) DAYS WRITTEN NOTICE TO THE PARTIES TO WHOM THIS CERTIFICATE IS ISSUED.

Dated at _____

On _____

BY: _____
Authorized Insurance Representative

SUMMARY OF EXPENSES/FINANCE PLAN

Phase II
v4, July 6, 2023

Total Acres in Development	213.92 gross	120.03 net
Total Acres in Phase	18.97 gross	18.23 net
Total Units in Development	265 Single Family 73 Townhome Multi-Family	
Total Units in Phase	59 Single Family 0 Townhome 0 Multi-Family	

The storm sewer trunk fee is charged by the net acre which is defined as developable property minus pond acreage (at high water level) and wetlands at the delineation line, rounded to the nearest tenth (1/10th) of an acre."

Trunk Area Charges & Park Dedication

	Acreage Charge	Acres or Units	Credits	Net Assessment	Notes
Park & Pathway Dedication					
Park Dedication Provided					
Park Dedication Required (11%)	\$17,308.00	2.09	(\$37,939.00)	-\$1,765.28	18.97 x 11% = 2.09 AC
Total Park Dedication Required					
Special Assessments					
Reconstruction	\$158.98	18.97		\$3,015.85	Fallon Ave Improvements CP12C001/Total of \$34,008.88
Reconstruction	\$223.82	18.97		\$4,245.87	Fallon & 85th Improvements CP14C003/Total of \$47,880.12
Sanitary Sewer (unit)	\$1,641	59	(\$31,623.75)	\$65,195.25	Credit for sanitary sewer connection
Watermain (unit)	\$1,182	59	(\$31,684.35)	\$38,053.65	Credit for watermain connection (19497.75) and oversizing (12,186.60)
Storm Sewer Base (net acres)	\$4,396	18.23		\$80,139.08	
Storm Sewer Alternate	\$4,374	18.23		NA	
Total amount to Assess				\$188,884.42	
Per Lot Assessment based on (#) units		59		\$3,201.00	Pay at final plat or assessed by lot

City Review & Inspection Escrows

					Notes
City Escrow (General Admin & Planning)	1.00%			\$22,633.78	Escrows based on public improvement costs \$2,000 minimum; Actual; cost reconciled at project completion
Legal	1.00%			\$22,633.78	
Engineering and Inspection					
Grading, Restoration & Erosion & Sediment Control Inspection	3.00%			\$11,597.85	
Streets and Utilities Review & Inspection	4.00%			\$90,535.11	
Wetland Review and Inspection					Included in Engineering and Inspection
Total City Fees				\$147,400.52	

Improvement Construction Costs (Used to Calculate City Fees/Escrows/Securities)

					Notes
Sanitary Sewer				\$436,055.19	
Watermain				\$356,287.13	
Storm Sewer				\$539,647.47	
Roads, Driveways and Sidewalks/Trails				\$913,138.00	
Lighting, Street Signage, Mailboxes				\$18,250.00	
Construction total (for purpose of calculating other fees)				\$2,263,377.79	
Lot Corners/Iron Monuments	\$300	59		\$17,700.00	
Total Construction Cost for the purpose of calculating LOC				\$2,281,077.79	
Letter of Credit Amount (Total cost X 125%)				\$2,851,347.24	
Maximum allowable reduction prior to acceptance and bond			90.00%	\$2,566,212.51	
Estimated site grading cost for calculation of LOC				\$386,595.00	

Additional Letters of Credit

					Notes
Landscaping	\$144,650	1.25		\$180,812.50	Verify
Conservation/Wetland Posts	\$200	59		\$11,800.00	
Wetland Management				\$7,000.00	\$3500/ac. = 0.3952 ac WL X \$2500 x 5 yrs = \$7000
Tree Preservation	\$200	6		\$1,200.00	12 CPI Significant tree = 200.00/2 CPI
Fence Removal				\$17,700.00	
Grading	\$3,000	29.19		\$87,570.00	Surety for grading to plan and restoration
Total Additional LOC				\$306,082.50	