

DEVELOPMENT AGREEMENT

(City Installed Improvements)

AGREEMENT dated this _____ day of _____, 20____
by and between the **CITY OF PRINCETON**, a Minnesota municipal corporation (CITY)
and _____, (the DEVELOPER).

A. Request for Plat Approval. The DEVELOPER has asked the CITY to approve a
plat for _____, (also referred to in this
Agreement as the "plat"). This land is legally described as: _____

B. Conditions of Plat Approval. The CITY hereby approves the plat on condition that
(1) the DEVELOPER enter into this Agreement, and (2) that the DEVELOPER pro-
vide the necessary security in accordance with the terms of this Agreement guaran-
teeing the payment of the first two years' special assessments, including interest
and principal, for public improvements and guaranteeing compliance with the terms
of this Agreement.

C. Compliance with Laws and Regulations. The DEVELOPER represents to the
CITY that the plat complies with all City, County, State, and Federal laws and regu-
lations, including, but not limited to: subdivision ordinances, zoning ordinances, and
environmental regulations. If the CITY determines that the plat does not comply, the
CITY may, at its option, refuse to allow any construction or development work in the
plat until the DEVELOPER does comply. Upon the CITY's demand, the DEVELOP-
ER shall cease work until there is compliance.

D. Development Exhibits. The DEVELOPER shall develop the plat in accordance
with the following plans. The plans may be prepared, subject to CITY approval, af-
ter entering the Agreement, but before commencement of any work in the plat. If
the plans vary from the written terms of this Agreement, the written terms shall con-
trol. These plans are:

- Plan A – Plat/Staging Plan
- Plan B – Soil Erosion and Grading Plan
- Plan C – Preliminary Engineering Report
- Plan D – Landscaping Requirements

- E. Phased Development.** The plat shall be developed in _____ phases in accordance with Plan A. No earth moving or other development shall be done in any phase until final plans have been filed in the County Recorder's office and the necessary security has been furnished to the CITY for those phases. For purposes of this requirement, outlots shall not be deemed to have been final platted. The CITY may refuse to approve final plats or subsequent phases until public improvements for all prior phases have been satisfactorily completed. Subject to the terms of this Agreement, this Development Agreement constitutes approval to develop Phase _____. Development of subsequent phases may not proceed until Development Agreements for such phases are approved by the CITY.
- F. Effect of Subdivision Approval.** For two (2) years from the date of this Agreement, no amendments to the CITY's Comprehensive Plan, except an amendment placing the plat in the current urban service area, or official controls shall apply to or affect the use, development density, lot size, lot layout, or dedications or platting required or permitted by the approved preliminary 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 compliance with any amendments to the CITY's Comprehensive Plan (including removing unplatted property from the urban service area), official controls, platting, or dedication requirements enacted after the date of this Agreement and may require submission of a new plat.
- G. Public Improvements.** The CITY shall design and construct the Phase _____ public improvements set for the in Exhibit C.
- H. Assessment of Costs.** The CITY shall assess the cost of the public improvements referred to in Paragraph G above, together with administrative, planning, engineering, capitalized interest, legal, and bonding costs against the land in Phase _____. The assessments shall be deemed adopted on the date this Agreement is signed by the CITY. The assessments shall be paid over a _____ year period without deferment, together with interest at a rate set by the CITY. Before the CITY issues a Certificate of Occupancy for a structure built on a lot, however, all the aforementioned assessments against the lot must be certified with the county.

The DEVELOPER waives any and all procedural and substantive objections to the installation of the public improvements and the assessments, including any claim that the assessments exceed the benefit to the property. The DEVELOPER waives any appeal rights otherwise available pursuant to MSA 429.081

I. **Security.** The DEVELOPER shall furnish the CITY with an irrevocable letter of credit for \$_____. The bank and form of the letter of credit shall be subject to the approval of the City Attorney. The letter of credit shall be for a term ending 90 days after the second half of the second year's special assessments are due and payable. The letter of credit shall secure compliance with the terms of this Agreement and payment of the first two years' special assessments, including principal and interest for all required public improvements. The CITY may draw down the letter of credit, without notice, for any violation of the terms of this Agreement. The amount of security was calculated as follows:

Spec. Asmt/Imp.	\$_____	Monuments	\$_____
Grading	\$_____	Street Signs	\$_____
Street Lights	\$_____	Erosion Control	\$_____
Special Asmt/Strm.Sew.Con.Chg.	\$_____		

J. **Storm Sewer.** The DEVELOPER shall pay a storm sewer connection charge for Phase _____ of \$_____ in lieu of the property paying a like assessment at a later date. The charge shall be assessed against the property in Phase _____ over a _____ year period with _____% interest on the unpaid principal. The assessment shall be deemed adopted on the date this Agreement is signed by the CITY. The assessments may be assumed or prepaid in full at any time. The DEVELOPER waives any and all procedural and substantive objections to the assessments including any claim that the assessments exceed the benefit to the property. The DEVELOPER waives any appeal rights otherwise available pursuant to MSA 429.081. Storm sewer charges for subsequent phases shall be calculated and paid based upon requirements in effect at the time the Development Agreements for those phases are entered into.

K. **Water Area.** The DEVELOPER shall pay a water area charge of \$_____ for Phase _____ in lieu of the property paying a like assessment at a later date. The charge shall be assessed against the property in Phase _____ over a _____ year period with _____% interest on the unpaid balance. The assessment shall be deemed adopted on the date this Agreement is signed by the CITY. The assessments may be assumed or prepaid in full at any time. The DEVELOPER waives any and all potential and substantive objections to the assessments including any claim that the assessments exceed the benefit to the property. The DEVELOPER waives any appeal rights otherwise available pursuant to MSA No. 429.081. Water area charges for subsequent phases shall be calculated and paid based upon requirements in effect at the time the Development Agreements for those phases are entered into.

- L. **Park Dedication**. The DEVELOPER shall pay a cash contribution of \$ _____ in satisfaction of the CITY's park dedication requirements for Phase _____. The contribution shall be paid upon the execution of the Agreement. Park dedication requirements for subsequent phases shall be calculated and paid based upon requirements in effect at the time Development Agreements are entered into for those phases.
- M. **Licenses**. The DEVELOPER hereby grants the CITY, its agents, employees, officers, and contractors a license to enter the plat to perform all necessary work and/or inspections deemed appropriate by the CITY during the installation of public improvements by the CITY. The license shall expire after the public improvements installed pursuant to the development contract have been installed and accepted by the CITY.
- N. **Developer Installed Improvements**. The DEVELOPER shall install to CITY standards. The design, placement, and construction scheduling shall be approved by the CITY.
- O. **Warranty**. The DEVELOPER warrants all work required to be performed by it against poor material and faulty workmanship for a period of one (1) year after its completion and acceptance by the CITY. All landscaping including, but not limited to, trees, bushes, shrubs, grass, and sod shall be warranted to be alive, of good quality, and disease free for twelve (12) months from the time of planting. Any replacements shall be warranted for twelve (12) months from the time of planting. The DEVELOPER shall post maintenance bonds or other security acceptable to the CITY to secure the warranties.
- P. **Grading Plan**. The plat shall be graded and drainage provided by the DEVELOPER in accordance with the plans attached hereto as Exhibit B.
- Q. **Landscaping**. The DEVELOPER shall landscape the plat in accordance with the plans attached hereto as Exhibit C. The landscaping shall be accomplished in accordance with a time scheduled approved by the CITY.
- R. **Ownership of Improvements**. Upon completion of the work and construction required by this Agreement, the improvements lying within public easements shall become CITY property without further notice or action.
- S. **Erosion Control**. After the site is rough graded, but before any utility construction is commenced or building permits are issued, the erosion control plan, Plan B, shall be implemented by the DEVELOPER and inspected and approved by the CITY. The CITY or County Soil and Water Conservation District may impose additional erosion control requirements if they would be beneficial. All areas disturbed by the excavation and backfilling operations shall be reseeded forthwith after the completion of the work in that area. Except as otherwise provided in the erosion control

plan, seed shall be oat seed. All seeded areas shall be fertilized, mulches, and disk 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 or the County Soil and Water Conservation District, 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 thirty (30) days, the CITY may draw down the letter of credit to pay any costs. No development will be allowed and no building permits will be issued unless the plat is in full compliance with the erosion control requirements.

T. Clean Up. The DEVELOPER shall promptly clear any soil, earth, or debris resulting from construction work by the DEVELOPER or its agents or assigns.

U. Responsibility for Costs.

1. Except as otherwise specified herein, the DEVELOPER shall pay all 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, preparation of this Agreement, and all reasonable costs and expenses incurred by the CITY in monitoring and inspecting development of the plat.
2. The DEVELOPER shall hold the CITY and its officers and employees harmless from claims made by itself and third parties for damages sustained or costs incurred resulting from plat approval and development. The DEVELOPER shall indemnify the CITY and its officers and employees for all costs, damages, or expenses which the CITY may pay or incur in consequence of such claims, including attorney's fees.
3. The DEVELOPER shall reimburse the CITY for costs incurred in the enforcement of this Agreement, including engineering and attorney's fees.
4. The DEVELOPER shall pay in full all bills submitted to it by the CITY within thirty (30) days after receipt. If the bills are not paid on time, the CITY may halt all plat development work until the bills are paid in full. Bill not paid within thirty (30) days shall accrue interest at the rate of _____% per year.

V. **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 is first given written notice of the work in default not less than 48 hours in advance. This Agreement 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.

W. **Miscellaneous.**

1. This Agreement shall be binding upon the parties, their heirs, successors, or assigns, as the case may be.
2. Breach of the terms of this Agreement by the DEVELOPER shall be grounds for denial of building permits.
3. 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.
4. 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.
5. 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.
6. The DEVELOPER represents to the CITY to the best of its knowledge that the plat is not of "metropolitan significance" and that an environmental impact statement is not required. However, if the CITY or another governmental entity or agency determines that such a review is needed, the DEVELOPER shall prepare it in compliance with legal requirements so issued from said agency. The DEVELOPER shall reimburse the CITY for all expenses, including staff time and attorney's fees, that the CITY incurs in assisting in the preparation of the review.
7. This Agreement shall run with the land and may be recorded against the title to the property. After the DEVELOPER has completed the work required of it under this Agreement at the DEVELOPER's request, the CITY will execute and deliver to the DEVELOPER a release.

Development Agreement (City Installed Improvements)

X. 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 or registered mail at the following address:

(Address)

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 or registered mail in care of the City Administrator at the following address:

City of Princeton
Attn: City Administrator
705 2nd Street North
Princeton MN 55371

DEVELOPER

By: _____
Its:

Date: _____

CITY OF PRINCETON

By: _____
Mayor

Date: _____

By: _____
City Administrator

Date: _____

By: _____
Finance Director

Date: _____

