



MAYOR AND COUNCIL COMMUNICATION

DATE: 12/1/15
CONSENT
ITEM #: 5

AGENDA ITEM: Addendum to Inwood
SUBMITTED BY: Clark Schroeder
THROUGH: Stephen Wensman
REVIEWED BY: Stephen Wensman/Jack Griffin/Dave Snyder

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item.....Staff
- Report/PresentationStaff
- Questions from Council to Staff..... Mayor Facilitates
- Public Input, if Appropriate..... Mayor Facilitates
- Call for Motion..... Mayor & City Council
- Discussion Mayor & City Council
- Action on Motion Mayor Facilitates

PUBLIC POLICY STATEMENT NONE

SUMMARY AND ACTION REQUESTED:

Inwood Second Addition was approved by city council. This is basically was an out lot of phase one which added an additional 21 lots to the sub-division. Because there is no public utility involved in this addition, a developer agreement is not required. This addendum to the phase one agreement is a way to memorialize the WAC/SAC charges due and to allow for building to take place.

RECOMMENDATION:

If removed from consent:

“Approve Inwood contract addendum”

ATTACHMENT(S): *Inwood contract addendum*

(reserved for recording information)

DEVELOPMENT CONTRACT ADDENDUM

(Public sewer and water)

Inwood Addition

AGREEMENT dated _____, 2015, by and between the **CITY OF LAKE ELMO** a Minnesota municipal corporation ("City"), and Hans Hagen Homes, Inc., a Minnesota corporation (the "Developer").

1. REQUEST FOR PLAT APPROVAL. The Developer has asked the City to approve the plat for Inwood 2nd Addition (referred to in this Addendum as the "plat"). The land is situated in the County of Washington, State of Minnesota, and is legally described as:

Outlot E, INWOOD, according to the recorded plat hereof, Washington County.

2. CONDITIONS OF PLAT APPROVAL. The City hereby approves the plat on condition that the Developer enter into this Addendum to the Inwood Developer Contract, and record the plat with the County Recorder or Registrar of Titles within (180) days after the City Council approves the final plat.

3. RIGHT TO PROCEED. The approvals related to the development (Plat of Inwood, 2nd addition) are subject to, and conditioned upon, compliance with all requirements and conditions of approval for related developments by the developer including Plat of Inwood 1st Addition and its development agreement dated June 9, 2015. Failure to comply with any requirement related thereto

shall be a breach of this agreement.

4. DEVELOPMENT PLANS. The plat shall be developed in accordance with the following plans and at the Developer's sole expense. The plans shall not be attached to this Contract. If the plans vary from the written terms of this Contract, the written terms shall control. The plans are:

Plan A – Final Plat

5. SANITARY SEWER AND WATER UTILITY AVAILABILITY CHARGES (SAC AND WAC). The Developer shall be responsible for the payment of all sewer availability charges (SAC) and all water availability charges (WAC) with respect to the Improvements required by the City and any state or metropolitan government agency.

The sewer availability charge (SAC) in the amount of \$3,000.00 per REU shall be paid by the Developer prior to the City recording the final plat. The total amount to be paid by the Developer is \$63,000.00.

The water availability charge (WAC) in the amount of \$3,000.00 per REU shall be paid by the Developer prior to the City recording the final plat. The total amount to be paid by the Developer is \$63,000.00 .

In addition, a sewer connection charge in the current amount of \$1,000.00 per REU, a Met Council sewer availability charge in the current amount of \$2,485.00 per REU, and a water connection charge in the current amount of \$1,000.00 per REU will be collected by the City at the time the building permit is issued for each lot. These amounts are charged at the time of building permit in accordance with the latest city fee schedule.

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

A. The approvals related to the development (Plat of Inwood, 2nd addition) are subject to, and conditioned upon, compliance with all requirements and conditions of approval for related developments by the developer including Plat of Inwood 1st Addition and its development agreement

dated June 9, 2015. Failure to comply with any requirement related thereto shall be a breach of this agreement.

B. The Developer shall record a Declaration of Covenants, Conditions, Restrictions, and Easements (hereinafter "Declaration") along with the plat. The Declaration shall require the Inwood Homeowners Association to be responsible for maintenance of landscaping installed in areas outside of land dedicated as public park and open space on the final plat.

C. Retaining walls within rear yard utility easements shall be clearly documented and shall be owned and maintained by the Inwood Homeowners' Association. All costs associated with protection, replacement, or maintenance of retaining walls due to any work in easements by the City shall be the full responsibility of the Inwood Homeowners' Association.

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

| | |
|---------------------------------|------------------|
| Sewer Availability Charge (SAC) | \$63,000 |
| Water Availability Charge (WAC) | \$63,000 |
| Park Dedication | N/A |
| City Base Map Upgrading | \$525 |
| Total Cash Requirements | \$126,525 |

8. EVIDENCE OF TITLE. Developer shall furnish the City with evidence of its fee ownership of the property being platted by way of an attorney's title opinion or title insurance policy dated not earlier than thirty (30) days prior to the execution of the plat.

CITY OF LAKE ELMO

(SEAL)

BY: _____

, Mayor

AND _____

, City Clerk

DEVELOPER:

BY: _____

Its

**FEE OWNER CONSENT
TO
DEVELOPMENT CONTRACT**

_____, fee owners of all or part of the subject property, the development of which is governed by the foregoing Development Contract, 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.

Dated this _____ day of _____, 2_____.

STATE OF MINNESOTA)
 (ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2_____,
by _____.

NOTARY PUBLIC

DRAFTED BY:
City of Lake Elmo
3800 Laverne Avenue North
Lake Elmo, MN 55042
(651) 747-3901

**MORTGAGE CONSENT
TO
DEVELOPMENT CONTRACT**

_____, which holds a mortgage on the subject property, the development of which is governed by the foregoing Development Contract, agrees that the Development Contract shall remain in full force and effect even if it forecloses on its mortgage.

Dated this _____ day of _____, 2_____.

STATE OF MINNESOTA)
 (ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2_____, by _____.

NOTARY PUBLIC

DRAFTED BY:
City of Lake Elmo
3800 Laverne Avenue North
Lake Elmo, MN 55042
(651) 747-3901

IRREVOCABLE LETTER OF CREDIT

No. _____
Date: _____

TO: City of Lake Elmo

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 at its offices in Minnesota.

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 Lake Elmo.
- c) Be presented for payment at _____ (Address of Bank) _____, on or before 4:00 p.m. on November 30, 2 _____.

This Letter of Credit shall automatically renew for successive one-year terms unless, at least forty-five (45) days prior to the next annual renewal date (which shall be November 30 of each year), the Bank delivers written notice to the Lake Elmo 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: City Administrator, City Hall, 3800 Laverne Ave. N. Lake Elmo Minnesota 55042 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. 500.

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

BY: _____

Its _____