



## STAFF REPORT

DATE: January 5, 2021

### **CONSENT**

**AGENDA ITEM:** Accept Improvements and Approve Security Reductions for Legacy at Northstar 1<sup>st</sup> Addition.

**SUBMITTED BY:** Jack Griffin, City Engineer

**REVIEWED BY:** Kristina Handt, City Administrator  
Ken Roberts, Planning Director  
Marty Powers, Public Works Director  
Chad Isakson, Assistant City Engineer

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**ISSUE BEFORE COUNCIL:** Should the City Council accept the improvements and approve security reductions for Legacy at Northstar 1<sup>st</sup> Addition?

**PROPOSAL DETAILS/ANALYSIS:** Staff has received and processed a request to accept the improvements and to reduce the development security for Legacy at Northstar 1<sup>st</sup> Addition. This request has been reviewed and the following reduction is being recommended for approval, contingent on the developer being current with all other payments and obligations in accordance with the Development Agreement, including a positive escrow balance as required by the City:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Legacy at Northstar 1 <sup>st</sup> Addition	\$ 2,120,365	\$ 995,093

The Legacy at Northstar 1st Addition street and drainage improvements are now in the 1-year warranty period per the attached Certificate of Completion. Twenty-five percent (25%) of the original security amount will be retained until the warranty period has expired on January 5, 2022 for street and drainage improvements.

**FISCAL IMPACT:** It is the City's goal to retain at all times during the subdivision improvements a security amount that is adequate to ensure completion of all elements of the improvements as protection to the City tax payers against the potential of developer default.

**RECOMMENDATION:** Staff is recommending that the City Council, *as part of the Consent Agenda*, accept the improvements and approve the security reductions for the Legacy at Northstar 1st Addition as detailed in the respective worksheet, contingent on the developer being current with all other payments and obligations in accordance with the Development Agreement, including a positive escrow balance as required by the City. If removed from the consent agenda, the recommended motion for the action is as follows:

***“Move to accept the improvements and approve security reductions for the Legacy at Northstar 1<sup>st</sup> Addition as detailed in the attached Security Reduction Worksheet, for approval, contingent on the developer being current with all other payments and obligations in accordance with the Development Agreement, including a positive escrow balance as required by the City”.***

### **ATTACHMENTS:**

1. Certificate of Completion – Legacy at Northstar 1<sup>st</sup> Addition.
2. Security Reduction Worksheet – Legacy at Northstar 1<sup>st</sup> Addition.

## CERTIFICATE OF COMPLETION

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DATE OF ISSUANCE: JANUARY 5, 2021

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OWNER: CITY OF LAKE ELMO, MN  
DEVELOPER: GWSA LAND DEVELOPMENT, LLC  
SUBDIVISION  
NAME: LEGACY AT NORTHSTAR  
PROJECT NO.: 2017.149

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- ☐ This Certification of Completion applies to all work under the Development Agreement  
☒ This Certification of Completion applies to the following specified parts of the Development Agreement

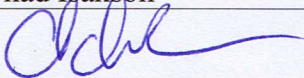
Section 35.A – Public sewer and watermain

Section 35.B – Public improvements including street construction, concrete curb and gutter, sidewalks and trails, materials and equipment.

I do hereby certify that the work to which this Certificate applies has been constructed in accordance with the Development Agreement dated September 14, 2018. The above-mentioned improvement is hereby declared to be complete and acceptance of this work is recommended.

DATE OF COMPLETION: January 5, 2021

Chad Isakson Reg. No. 49028



FOCUS Engineering, inc.

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Section 34.A Warranty Period Begins September 17, 2019 and ends September 17, 2021

Section 34.B Warranty Period Begins January 5, 2021 and ends January 5, 2022

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## LEGACY AT NORTH STAR 1ST ADDITION

Time of Performance: October 31, 2018

## DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	#1	#2	#3	#4	#5	#6	
Grading	\$247,500	\$247,500							
Sanitary Sewer	\$366,592	\$458,240 75%	\$229,120	\$114,560					
Watermain	\$306,735	\$383,419 75%	\$191,709	\$95,855					
Storm Sewer (w/pond structures)	\$458,365	\$572,956 75%			\$429,717				
Streets + Sidewalks	\$666,635	\$833,294 75%			\$624,970				
Bituminous Trails	\$75,670	\$94,588 75%			\$70,941				
Surface Water Facilities	NA	NA							
Street Lighting	\$36,000	\$45,000 75%			\$33,750				
Street Signs and Traffic Control Signs	\$8,150	\$10,188 75%			\$7,641				
Private Utilities (electricity, natural gas, telephone, and cable)									
Builder Landscaping	\$37,440	\$46,800							
Landscaping	\$36,800	\$46,000							
Tree Preservation and Restoration	NA	NA							
Wetland Mitigation and Buffers	NA	NA Included in Grading Security							
Monuments	\$5,900	\$7,375 75%			\$5,531				
Erosion Control	NA	NA Included in Grading Security							
Turn Lane + By-pass Lane	\$166,290	\$207,863 75%			\$155,897				
Record Drawings	\$5,000	\$6,250 75%			\$4,688				
TOTALS	\$2,417,077	\$2,959,471	RELEASED AMOUNTS:	\$420,829	\$210,415	\$1,333,134	\$0	\$0	\$0
	\$2,250,787	\$2,751,609	CUMMULATIVE AMOUNTS:	\$420,829	\$631,244	\$1,964,378			
			SECURITY AMOUNT REMAINING:	\$2,330,779	\$2,120,365	\$995,093			
			DATE:	1/15/2019	9/17/2019	1/5/2021			