

FIFTH AMENDMENT TO DEVELOPMENT AGREEMENT CROSSROADS EAST 1ST ADDITION

THIS FIFTH AMENDMENT TO DEVELOPMENT AGREEMENT (this “Fifth Amendment”) is entered into this _____ day of _____, 2025, by Airlake Development Inc., a Minnesota corporation and Crossroads East, LLC, a Minnesota limited liability company (collectively, the “Developer”) and the City of Lake Elmo, a Minnesota municipal corporation (the “City”).

R E C I T A L S

WHEREAS, the City and the Developer entered into that certain Development Agreement dated February 15th 2022 and recorded with Washington County on April 5th 2022 as Document No. 7368700 (the “Development Agreement”); and

WHEREAS, the Development Agreement relates to the subdivision located in Lake Elmo, Minnesota known as Crossroads East First Addition and the property is legally described on Exhibit 1 attached hereto (the “Property”); and

WHEREAS, the City and the Developer entered into a First Amendment to the Development Agreement on April 5th 2022 and recorded with Washington County on April 29th 2022 as Document No. 4368700 (the “First Amendment”); and

WHEREAS, the City and Developer entered into a Second Amendment to the Development Agreement on August 3rd 2022 and recorded with Washington County on August 22nd 2022 as Document No. 4382483 (the “Second Amendment”); and

WHEREAS, the City and Developer entered into a Third Amendment to the Development Agreement on August 11th 2022 and recorded with Washington County on August 22nd 2022 as Document No. 4382484 (the “Third Amendment”); and

WHEREAS, the City and Developer entered into a Fourth Amendment to the Development Agreement on October 18th 2022 and recorded with Washington County on _____ as Document No. _____ (the “Fourth Amendment”); and

WHEREAS, the Developer is requesting a Fifth Amendment to the Development Agreement to amend Section 32 of the Development Agreement so that the landscaping security reductions be changed to the City’s standard landscaping security reduction percentages; and

NOW, THEREFORE, in consideration of the above recitals, which are expressly incorporated herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Developer agree to this Fifth Amendment to the Development Agreement as follows:

1. Paragraph 32 of the Development Agreement is hereby amended to read as follows:

32. REDUCTION OF SECURITY. Upon written request by the Developer and upon receipt of proof satisfactory to the City Engineer that: 1) all Subdivision Improvements are Complete; 2) all of the storm sewer improvements have been installed by the Developer in accordance with the Corrected Storm Sewer Plan and deemed Complete by the City Engineer and the stormwater BMPs in the public right-of-way have been tested and deemed successful by the City and Valley Branch Watershed District; and 3) that all financial obligations to the City have been satisfied, the City Engineer may approve reduction in the Security up to 75 percent of the Security associated with the itemization on Exhibit C.

- (A) Twenty-five percent of the original Security amount, excluding grading and landscaping improvements shall be retained until the warranty period has expired.
- (B) The City may reduce the Security attributable to accepted Landscaping Improvements by up to 75 percent upon acceptance of the Landscaping Improvements into the warranty period by the City. The City will retain the remaining 25 percent of the Security attributable to accepted Landscaping Improvements until (1) all Landscaping Improvements have been fully completed and accepted by the City, including all corrective work and warranty punch list items being completed by the Developer; (2) all financial obligations to the City have been satisfied; and (3) the warranty period has expired.

3. Amendment Controls; Ratification and Affirmation. In the event that the terms of this Fifth Amendment and the Development Agreement and the various amendments to the Development Agreement are held to be inconsistent, the terms of this Fifth Amendment shall control. The parties each agree and warrant that, in all other respects, the Development Agreement and its various amendments are unmodified, in full force and effect, and each party hereby ratifies and affirms the Development Agreement, its various amendments, and any terms contained therein not otherwise modified by this Fifth Amendment.

4. Counterparts. This Fifth Amendment may be executed in counterparts, each of which shall be deemed an original but all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Fifth Amendment as of the date first written above.

DEVELOPER:

AIRLAKE DEVELOPMENT, INC.

By: _____
Dan Regan
Its: Vice President

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Dan Regan as Vice President of Airlake Development, Inc., a Minnesota corporation, on behalf of the corporation.

Notary Public

CROSSROADS EAST, LLC

By: _____

Amy Johnson
Its: President

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by Amy Johnson as President of Crossroads East, LLC., a Minnesota limited liability company, on behalf of the company.

Notary Public

CITY:

City of Lake Elmo

By: _____
Charles Cadenhead
Its: Mayor

By: _____
Julie Johnson
Its: City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me this 21st day of January 2025, by Charles Cadenhead and Julie Johnson, the Mayor and City Clerk, respectively, of the City of Lake Elmo, a Minnesota municipal corporation on behalf of the City.

Notary Public

This instrument was drafted by:

Kennedy & Graven, Chartered (SJS)
150 South Fifth Street, Suite 700
Minneapolis, MN 55402
(612) 337-9300

EXHIBIT 1 to Fifth Amendment

Legal Description of the Property

All lots and outlots located within the plat of Crossroads East First Addition, according to the recorded plat thereof, County of Washington, State of Minnesota