

DEVELOPMENT AGREEMENT

between

CITY OF DULUTH

and

DULUTH PARTNERS MN, LLC

Dated as of July_____, 2019

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- EXHIBIT A - Legal Description of Land
- EXHIBIT B - City Abatement Resolution
- EXHIBIT C - Estimate of Project Costs
- EXHIBIT D - Certificate of Completion
- EXHIBIT E - Memorandum of Development Agreement

DEVELOPMENT AGREEMENT

THIS AGREEMENT, effective as of the date of attestation hereof by the City Clerk, by and between the CITY OF DULUTH, a municipal corporation under the laws of the State of Minnesota, hereinafter referred to as "City", and Duluth Partners MN, LLC, a Minnesota limited liability company, hereinafter referred to as "Duluth Partners MN." WHEREAS, Duluth Partners MN proposes to create 35 units of Senior Care Facility (the hereinafter-described "Project") on the hereinafter-described Land; and

WHEREAS, the City is considering abatement of real estate taxes, as set forth on Exhibits B attached hereto to fill the gap in the available funding for the Project, making the Project financially feasible; and

WHEREAS, Duluth Partners MN is pursuing a commitment for financing and has agreed to make available sufficient equity monies that, when combined with the tax abatement, will be sufficient to complete the Project;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements hereinafter contained, the parties covenant and agree for themselves and their successors and assigns as follows:

ARTICLE I

Definitions

For the purposes of this Agreement, the following terms shall have the meanings hereinafter ascribed to them unless a different meaning clearly appears from the context:

Abatement Resolution means the City Abatement Resolution.

Agreement means this Development Agreement and its exhibits as may be amended, restated, supplemented or otherwise modified from time to time.

Alternative Care (AC) Program: a state-funded program that supports limited home and community-based services for people 65 years old and older who are not financially eligible for MA, but who meet AC financial and service eligibility requirements and require the level of care provided in a nursing home. People eligible for AC have low levels of income and assets but are not yet eligible for MA.

Architect means the firm of Damberg Scott Gerzina & Wagner Architects.

Assisted Living Care Units: Units that are designed to provide limited care for People aged 65 and older who need some assistance with daily activities but do not require care in a nursing home.

City Abatement Resolution means a resolution approved by the Duluth City Council, substantially in the form of that attached hereto as Exhibit B, authorizing the abatement of portion of the real property taxes on the Land and the Project paid to the City for a term of up to Ten (10) years which will commence with taxes payable in 2021 and provide for a total of up to \$125,000 of Tax Abatement to be paid to Duluth Partners MN as provided for in the City Abatement Resolution and this Agreement

Closing Date means a date agreed to in writing between the Director of Planning and Economic Development and Duluth Partners MN, currently estimated to be August 1, 2019.

Construction Account means the account maintained by Title to disburse funds for the Construction Costs.

Construction Costs means, without intending thereby to limit or restrict any proper definition of such costs under any applicable laws or sound accounting practices, the following costs for construction of the Project:

- A. Obligations incurred for labor and to contractors, builders and materialmen in connection with the acquisition, construction and installation of the Project;
- B. Site improvement and off-site improvement costs required for the construction of the Project;
- C. Fees and expenses of the Construction Manager/Contractor, the Architect, legal counsel and other professionals for surveys and estimates and other preliminary investigations, preparation of plans, drawings and specifications, assistance with bidding, and supervising construction, as well as for the performance of all other duties of the Construction Manager/Contractor, the Architect and other professionals in relation to the acquisition and betterment of the Project.

Construction Manager/Contractor means a contract with either a construction management firm or a general contractor to construct the Project in accordance with the Plans, Specifications and Elevations approved pursuant to Article III below.

Director means the City's Director of Planning and Economic Development or such other person as is designated to act on behalf of their with regard to this Agreement.

Disbursement Agreement means the disbursement agreement in a form approved by the Director between Duluth Partners MN, LLC, the lender, the City and Title for the disbursement of Project funds to pay all Construction Costs.

Documents means this Agreement, the Construction Plans, the Disbursement Agreement and any other documents given to the City to evidence, effect, secure or modify the Documents.

Elderly Waiver (EW) Program: a federal Medicaid waiver program that funds home and community-based services for people 65 years old and older who are eligible for Medical Assistance (MA), require the level of care provided in a nursing home, and choose to live in the community. EW recipients can receive waiver services and MA services funded through a managed care organization (MCO). This can be through Minnesota Senior Care Plus (MSC+) or Minnesota Senior Health Options (MSHO).

Event of Default means an event which, with notice or passage of time or both, would constitute an Event of Default under this Agreement.

Group Resident Housing (GRH) Rent: shall mean that rental rate established from time to time by the U.S. Department of Housing and Urban Development (HUD) establishing the maximum rental allowed to be charged to participants in the Elderly Waiver Program or the Alternative Care Program which rental amounts shall include the following services for Assisted Living Care Units and Memory Care Units: Assisted Living Care Units shall include utilities, basic cable and internet, three meals- plus snacks, personal care staff 24 hours a day, emergency call system, weekly housekeeping, laundry (2 loads per week), medication reminders, scheduled transportation, activities and programs and comfort/safety checks; the items described here are classified as the "minimal personal care package; Memory Care Units shall include all services in the minimal personal care package plus minimal assistance with activities of daily living.

Land means the real estate located in St. Louis County, Minnesota and described as

Outlot G, Plat of COFFEE CREEK (PID 010 0606 01200)

Living Wage Ordinance means Article XXV of Chapter 2 of the Duluth City Code, 1959, as amended.

Project means the construction of a Senior Care Facility on the Land having at least Thirty-Five (35) units, currently known as “The Bluffs of Duluth,” to be constructed in accordance with the Plans approved pursuant to Article III of this Agreement, consisting generally of Nineteen (19) Assisted Living Care units (thirteen (13) studios and six (6) one-bedroom units) and Sixteen (16) Memory Care units (fourteen (14) studio and two (2) one-bedroom units) together with all necessary utilities, driveways, sidewalks, and landscaping and having a Construction Cost of not less than Eight Million Dollars (\$8,000,000). A minimum of three (3) studio units and one (1) one-bedroom units for a total of four (4) Memory Care units and a total of one (1) studio unit and two (2) one-bedroom units for a total of three (3) Assisted Living units shall be made available to rent to persons receiving assistance under the Elderly Waiver Program or the Alternative Care Program or both at the City’s Group Residential Housing (GRH) Rent .

Project Costs means the total cost of constructing the Project that will consist of the Construction Costs.

Memory Care Units: Units that are designed to provide a special kind of care to persons aged 65 and older who have with varying degrees of dementia or Alzheimer's or other types of memory Care.

Repayments means any payments from Duluth Properties MN to the City required hereunder.

Senior Care Facility: A licensed care special-purpose facility which provides accommodation and other types of support, including assistance with day-to-day living, intensive forms of care and assistance towards independent living to people aged 65 and older.

Title means Commercial Partners Title, LLC of Duluth, Minnesota.

ARTICLE II

Preconditions to Project Construction

Prior to the commencement of construction of the Building and as a precondition to the commencement thereof, Duluth Partners MN shall provide to the City the following items:

A. Deed.

Evidence that the Land is owned by Duluth Partners MN in fee simple absolute and that an appropriate policy of title insurance has been issued in the name of Duluth Properties MN.

B. Approvals.

Approval of the Abatement Resolution and the Disbursement Agreement which shall be subject to the approval of the Director.

C. Construction Plans

Approved Plans, Specifications and Elevations for the construction of the Project as described above and in Article III below along with the Architect's certified estimate of the Project Costs.

D. Construction Contract.

A copy of the executed contract between Duluth Partners MN and the Construction Manager/Contractor necessary to complete the construction of the Project in accordance with the Plans, Specifications and Elevations, approved pursuant to Article III below. Such contract shall contain a guaranteed maximum price and shall provide that payments for the work thereunder are the sole obligation of Duluth Partners MN.

E. Financing.

Copies of financing commitments or capital commitments by Duluth Partners MN or a certification as to availability of funds acceptable to Director, which are utilized by Duluth Partners for the capital necessary so that the total of said commitments and certification are not less than the Project Costs.

F. Construction Cost Certification.

Evidence satisfactory to the Director that the Construction Cost of the Project will equal or exceed Eight Million Dollars (\$8,000,000).

G. Additional Documentation

Duluth Partners MN shall also deliver the following documents to the City:

1. Corporate Resolutions authorizing the Documents;
2. A certificate of Duluth Partners MN good standing;
3. An opinion of legal counsel addressed to the City stating that Duluth Properties MN is in compliance with its organizational documents and other agreements;
4. Marketing plan.
5. Insurance Certificates

I. Survey.

A survey of the Land prepared by a Registered Land Surveyor under the laws of the State of Minnesota.

ARTICLE III

Project Plans

A. Plans, Specifications and Elevations.

No less than 30 days prior to the commencement of construction of the Project by Duluth Partners MN, or such lesser time as approved by the Director, Duluth Partners MN shall submit working drawings, specifications and elevations for the Project together with detailed site grading, utility, storm water control and diversion facilities and landscaping plans and elevations to the Director for approval. All such plans, specifications and elevations shall be in conformance with this Agreement, with the schematic design which shall consist of drawings and other documents illustrating scale and relationship of various Project components, and with all applicable laws, ordinances, rules, regulations and requirements of the City, the State of Minnesota and the United States of America. The Director shall review such plans, specifications and elevations within 30 days of submission of same by Duluth Partners MN. The Director's approval shall be provided to Duluth

Partners MN in writing. If the Director rejects such plans, specifications and elevations in whole or in part as not being in compliance with the foregoing requirements, and upon notification to Duluth Partners MN of said rejection together with a detailed explanation of the reason or reasons therefor, Duluth Partners MN shall submit new or corrected plans, specifications and elevations meeting said objections within 15 days of said notice. The provisions of this Paragraph relating to approval, rejection and resubmission of corrected plans hereinafter provided for with respect to the originally submitted plans, specifications and elevations shall continue to apply until said plans, specifications and elevations have been approved in writing by the Director. The Director's approval of Duluth Partners MN's plans, specifications and elevations shall not constitute a waiver of building code or zoning ordinance or other applicable codes or ordinances imposed in the future upon Duluth Partners MN by law.

B. Changes After Initial Approval.

Any material or substantial changes made to plans by Duluth Partners MN after initial review by the Director shall be submitted to the Director for approval in the same manner provided for in Paragraph A above.

ARTICLE IV

Construction

A. Construction.

Upon the fulfillment of the preconditions to construction provided for in Article II and upon award of the construction of the Project and the deposit of any amounts required to be deposited into the Construction Account pursuant to this Agreement, or in the alternative, the provision of evidence reasonably satisfactory to the Director of the availability of all funds required to complete construction of the Project, the sufficiency of which evidence shall be approved by the Director in writing, Duluth Partners MN shall commence construction of the Project in conformance with the plans approved pursuant to Article III. Provided, however, that said construction work shall be commenced no later than November 1, 2019 and shall be completed not later than December 31, 2021. Notwithstanding the

above, the construction period may be extended upon the prior written approval of the Director.

B. Duluth Partners MN to Bear All Costs.

Duluth Partners MN specifically agrees to bear all costs related to the construction of the Project and any modifications thereto utilizing equity and its financing.

C. Prevailing Wage and PLA.

Duluth Partners MN shall cause the laborers, mechanics or apprentice-trainees directly employed in the construction of the Project to be paid the wage rates as provided in the federal Davis Bacon Act, as amended. Payroll for the construction trades must be submitted to the Director on a monthly basis. In addition, Duluth Partners MN will require that its contractor or contractors constructing the Project enter into a project labor agreement with Duluth Partners MN and the City meeting the requirements of Section 2-29 of the Duluth City Code, 1959, as amended, or, at the discretion of the Director, Duluth Partners MN shall enter into a community benefit agreement in a form approved by the Director which includes but is not limited to benefits to the City similar to those benefits to the City normally attendant to upon the execution of a project labor agreement.

D. Progress Reports.

Until construction of the entire Project has been completed, Duluth Partners MN shall make reports in such detail and at such times as may reasonably be requested by the Director as to the actual progress of Duluth Partners MN with respect to the Project. Additionally, upon reasonable notice, Duluth Partners MN also agrees that it will permit the City access to the Land and the Building to ascertain the progress of the Project.

ARTICLE V

Project Covenants

As an element of the consideration for the City to approve the Duluth Partners MN Project and to provide tax abatement assistance to it under the terms of this Agreement, Duluth Partners MN has committed that the Project will be operated in a

manner so as to provide not less than 35 units for a period of not less than fifteen (15) years meeting the State of Minnesota Housing Finance Agency's Affordability Guidelines and will otherwise operate in conformance with the description of the Project herein for the term of this Agreement. Any violation of this commitment with regard to the Project shall constitute a breach of this Agreement, without regard to the ownership or control of either the Project.

ARTICLE VI

Tax Abatement Payments

Upon issuance of the Certificate of Completion for the Project as provided for in Article VIII below, City agrees that it shall make tax abatement payments to Duluth Property MN to reimburse it for Construction Costs of the Project incurred and paid by Duluth Property MN as is provided for in the Abatement Resolution up to the maximum amount provided for therein only when, if and as property tax payments are received by City from the Project and only to reimburse for a portion of the costs of constructing the Project.

ARTICLE VII

Audits

The City and its representatives shall have the right at all reasonable times after reasonable notice to inspect, examine and copy all books and records of Duluth Partners MN relating to the Project. Additionally, Duluth Partners MN shall cause the Construction Manager/Contractor and the Architect to allow the City and its representatives at all reasonable times and after reasonable notice to inspect, examine and copy all books and records of the Construction Manager/Contractor and the Architect relating to the Project during the construction and for a period of six years after the recordation of the Certificate of Completion. Such records of Duluth Partners MN, the Construction Manager/Contractor and the Architect shall be kept and maintained by Duluth Partners MN for a period of six years following the recordation of the Certificate of Completion as provided for in Article VIII.

ARTICLE VIII

Certificate of Completion

Upon completion by Duluth Partners MN of the construction of the Project in accordance with this Agreement, through its Director, shall within 30 days of written request from Duluth Partners MN, furnish to Duluth Partners MN an appropriate certificate certifying completion of construction of the Project, (Certificate of Completion) substantially in the form of that attached hereto as Exhibit D. A Certificate of Completion shall not be issued until all elements of the Project have been completed. The Certificate of Completion shall constitute a conclusive determination of satisfaction of the construction of Duluth Partners MN undertaken pursuant to this Agreement. Immediately upon issuance of the Certificate of Completion, Duluth Partners MN agrees to record the Certificate of Completion in the office of the St. Louis County Recorder and/or Registrar of Titles and to pay all costs associated therewith. Upon recordation, Duluth Partners MN shall immediately submit to the City an executed original of the Certificate of Completion showing the date and document numbers of record, or a certified copy of the filed original. In the event the Director refuses or denies to provide a Certificate of Completion, the Director will, within said 30-day period, provide Duluth Partners MN a written statement indicating the reasons for such refusal or denial and what measures or actions are required in order to obtain a Certificate of Completion.

ARTICLE IX

Operating Covenants

Duluth Partners MN agrees that in its operations and use of the Project and the Land, in accordance with industry standards, Duluth Partners MN shall:

A. **Maintenance.**

At all times cause the Project and the Land to be operated and maintained in a neat, orderly condition, to maintain and preserve and keep in good repair, working order and condition said Project and Land and to perform all needed and proper repairs, renewals and replacements necessary to be made thereto. The maintenance of the Project and the Land shall include but not be limited to maintenance of all foundations, external walls, doors, windows, utility openings

and all roofing systems as well as outside maintenance including snow removal from all sidewalks, driveways and roadways, grass cutting and landscape maintenance, all necessary maintenance of storm water control and diversion facilities included in the Plans and all other exterior maintenance to the Project and the Land.

B. Utilities.

Unless disputed, pay or cause to be paid any and all charges for utilities furnished to the Project and the Land including but not limited to hook-up charges and assessments related to all utilities, including but not limited to steam, water, sewer, gas, telephone, cable or satellite TV, and electrical power.

C. Licenses and Permits.

Preserve the existence of all of its licenses, permits and consents to the extent necessary and desirable to the operation of its business and affairs relating to the Project and the Land and to be qualified to do business in the State of Minnesota.

D. Obey All Laws.

Conduct its affairs and carry on its business and operations with respect to the Building and the Land in such a manner as to comply with any and all applicable laws of the United States and the State of Minnesota including all laws related to unlawful discrimination and duly observe and conform to all valid orders, regulations and requirements of any governmental authority related to the conduct of its business and the ownership of the Project and the Land; provided that nothing herein contained shall require it to comply with, observe and conform to any such law or regulation or requirement so long as the validity thereof shall be contested in good faith through proper legal action provided that such protest shall in no way affect Duluth Partners MN's title to the Project and the Land.

E. Payment of Taxes.

Promptly pay or cause to be paid all lawful taxes and governmental charges, including real estate taxes and assessments at any time levied upon or against it or the Project and the Land, subject to the right to contest in good faith in accordance with Minnesota law.

F. Assessment Fees and Charges.

Pay or cause to be paid when due or payable all special assessments levied upon or with respect to the Project and/or the Land, or any part thereof, and to pay all fees, charges and rentals for utilities, service or extensions for the Project and the Land and all other charges lawfully made by any governmental body for public improvements.

G. Obligations and Claims.

Promptly to pay or otherwise satisfy and discharge all of the obligations and indebtedness and all demands and claims against the Project and the Land as and when the same become due and payable other than any thereof whose validity, amount or collect ability is being contested in good faith by appropriate proceedings.

H. Living Wage.

The construction of the Project shall be done in compliance with the Living Wage Ordinance of the City of Duluth.

ARTICLE X

Provision against Liens

A. Provision against Liens.

Except for encumbrances permitted pursuant to Paragraph B below, Duluth Partners MN shall not create or permit any mortgage, encumbrance or allow any mechanic's or materialmen's liens to be filed or established or to remain against the Project, the Land or any part thereof which would materially or adversely affect the City's interest in this Agreement during the term of this Agreement, provided that if Duluth Partners MN shall first notify the City of its intention to do so and post such security as the City reasonably deems necessary, Duluth Partners MN may, in good faith, contest any such mechanic's or other liens filed or established as long as the City does not deem its interest or rights in this Agreement to be subject to foreclosure by reason of such context.

B. Provision Against Assignments, Transfers or Change in Identity of Duluth Partners MN.

Duluth Partners MN recognizes that, in view of the importance of the development of the Project to the general welfare of the community and the fact that any act or transaction involving or resulting in a change in the identity of the parties in control of Duluth Partners MN is of particular concern to the community, the City is relying upon the qualifications and identity of Duluth Partners MN to build and operate the Building. Therefore, except for the purposes of obtaining financing or as otherwise allowed by this Agreement, Duluth Partners MN represents and agrees for itself, its successors and assigns that it has not made or created, and will not make or create or suffer to be made or created, any total or partial sale, assignment, conveyance, lease, trust, lien or power of attorney, and has not or will not otherwise transfer in any other way all or any portion of the Building, this Agreement or any other contract or agreement entered into in connection with carrying out its obligations hereunder; and except for the financing, Duluth Partners MN will not make or create or suffer to be made any such transfer of Duluth Partners MN's rights hereunder without the prior approval of the City until a Certificate of Completion has been obtained. Notwithstanding the above, Duluth Partners MN may sell or transfer its interest in the Project to a Related or Affiliated Entity or as part of an organizational acquisition or merger without the prior approval of the City. An entity acquiring or accepting an interest in the Project as part of an organizational acquisition or merger shall be required to execute a Guaranty. Duluth Partners MN shall give written notice of such sale or transfer and provide copies of the sale or transfer documentation, and well as any Guaranty required above to the Director within 30 days of the event of sale or transfer.

C. Conversion

In addition to the foregoing, Duluth Partners MN agrees and commits that the Land and Property shall be used solely as a Senior Housing Facility as herein defined for at least the duration of the Term of this Agreement as provided for in Article XV below.

ARTICLE XI

Indemnification

A. Generally.

Duluth Partners MN will to the fullest extent permitted by law, protect, indemnify and save the City and its officers, agents, servants, employees and any person who controls the City within the meaning of Securities Act of 1933, harmless from and against all liabilities, losses, damages, costs, expenses, including attorneys' fees and expenses, causes of action, suits, claims demands and judgments of any nature arising from any of the following, except to the extent that same result from the sole negligence by the City, its officers, agents or employees, in which case Duluth Partners MN indemnification and hold harmless shall not apply:

1. Any injury to or death of any person or damage to the Project or the Land, or growing out of or in connection with the use or non-use, condition or occupancy of the Project or the Land or any part thereof and also, without limitation, any and all acts or operations related to the construction or installation of the Project on any portion of the Land. The foregoing indemnification shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefits payable by or for the Duluth Partners MN 's customers, suppliers or affiliated organizations under any Workers' Compensation Act, Disability Benefit Acts or any other Employee Benefit Acts;
2. Any Breach of this Agreement by Duluth Partners MN;
3. Any violation of any contract, agreement or restriction related to Duluth Partners MN's use of the Project or the Land which shall have existed at the commencement of the term of this Agreement or shall have been approved by Duluth Partners MN;
4. Any violation, or alleged violation by Duluth Partners MN, or any employee or agent of Duluth Partners MN or any contractor of Duluth Partners MN, of state, federal or local law, rule or regulation affecting the Land or the Project or the ownership, occupancy or use thereof; and

5. Any mechanic's liens or similar liens.

B. Environmental Indemnification.

In addition to the generality of the foregoing, Duluth Partners MN hereby agrees that for itself, its successors and assigns that it will indemnify and save the City and its officers, agents, servants and employees and any person who controls the City within the meaning of the Securities Act of 1933 harmless from and against all liabilities, losses, damages, costs, expenses, including reasonable attorneys' fees and expenses, causes of action, suits, claims, demands and judgments arising out of any condition existing on the Project or the Land arising out of Duluth Partners MN's use and occupancy of the Land or the Project or both which constitutes a violation of any environmental law or laws with regard to pollutants or hazardous or dangerous substances promulgated by the government of the United States or of the State or of any such duly promulgated rules and regulations of the United States Environmental Protection Agency or the Minnesota Pollution Control Agency or the presence on the Land of any element, compound, pollutant, contaminant, or toxic or hazardous substance, material or waste, or any mixture thereof, which otherwise causes injury or death to persons or damage to the Project or the Land and that indemnification granted hereby shall include all costs of clean-up, remediation, together with the costs incurred in proceedings before any court of law or administrative agency, including attorneys' fees, expenses, the fees and expenses of persons providing technical expertise addressing such problems, including expert witnesses, the costs of preparing and securing approval of Response Action Plans, as defined by the foregoing agencies, as may be necessary to meet the requirements of said agencies and any other costs and expenses of any kind whatsoever arising out of conditions existing on the Project or the Land.

The indemnification set forth in this Article shall survive any termination of this Agreement, foreclosure or deed in lieu transfer of the Project or the Land.

C. Indemnification Procedures.

Promptly after receipt by Duluth Partners MN of notice of the commencement of any action with respect to which Duluth Partners MN is required

to indemnify such person under this Article, the City shall notify Duluth Partners MN in writing of the commencement thereof, and, subject to the provisions as hereinafter stated, Duluth Partners MN shall assume the defense of such action, including the employment of counsel satisfactory to the indemnitee and the payment of expenses. In so far as such action shall relate to any alleged liability of the City with respect to which indemnity may be sought against Duluth Partners MN, the City shall have the right to employ separate counsel in any such action and to participate in the defense thereof, and the fees and expenses of such separate counsel shall be at the expense of Duluth Partners MN.

ARTICLE XII

Insurance

Duluth Partners MN shall procure and continuously maintain insurance covering all risks of injury to or death of persons or damage to the Building or the Land arising in any way out of or as a result of Duluth Partners MN's occupancy of or use of the Project or the Land, carried in the name of Duluth Partners MN, any subtenant and the City as their respective interests may appear, as follows:

A. Insurance During Construction.

Duluth Partners MN, prior to entering on the Land for construction of the Project, shall procure or cause to be procured and maintain or require the Construction Manager/Contractor and all contractors to procure and maintain the following insurance at not less than the limits of coverage or liability indicated during the period of construction as follows:

1. Property Insurance.

"All Risk" builders' risk insurance on all work on the Project, including foundations, permanent fixtures and attachments, machinery and equipment included in or installed under the construction contract, debris removal, architects' and engineers' fees, temporary structures, materials, equipment and supplies of all kinds located on the Project, to the full replacement value thereof, except that such policy may provide for a deductible amount not to exceed \$20,000 per occurrence. Said insurance

shall be endorsed to provide consent for occupancy of the Project and shall be maintained in effect until permanent property coverage as provided for hereinafter is in force. Such insurance shall be written in the name of Duluth Partners MN and shall bear a payee clause in favor of the City with loss proceeds under any property policies made payable to the City, to the extent of its advance of funds. The Construction Manager/Contractor, contractors, all subcontractors, and suppliers and Duluth Partners MN shall waive all rights against the City for damages caused by fire or insured perils, except such rights as are set forth hereunder to the proceeds of such insurance payable in the event of such loss.

2. Public Liability Insurance.

Public Liability Insurance written on an "occurrence" basis in limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate for personal injury, bodily injury and death, and limits of \$1,000,000 for property damage liability. If per person limits are specified, they shall be for not less than \$1,000,000 per person and be for the same coverages. The City shall be named as additional insureds on the Comprehensive General Liability and Automobile Liability insurance policies against losses caused by the negligent act or omission of Duluth Partners MN. The Construction Manager/Contractor shall also require such liability coverage of its contractors and subcontractors unless they are insured under the Construction Manager/Contractor's policies. The Construction Manager/Contractor's, contractors' and subcontractors' liability coverages shall include:

- (a) Contractors' public liability--premises and operations;
- (b) Independent contractors' vicarious liability;
- (c) Personal injury;
- (d) Owned, non-owned, and hired vehicles;
- (e) Contractual liability covering customary construction contract and subcontract indemnify provisions; and

- (f) Workers' Compensation coverage in required statutory limits. Policy shall carry an "all states" endorsement. In addition, employer's liability coverage shall be maintained in limits of \$100,000 per employee.

B. Permanent Insurance.

1. Property Insurance.

Prior to the expiration of the builders' risk coverage specified above and during the entire term of this Agreement, the Project, including all fixtures, equipment and machinery, shall be insured to the full replacement value thereof against all risk of Direct Physical Loss, except that such insurance may provide for a deductible amount not to exceed \$20,000 per occurrence. For the purposes hereof, "all risk" means insurance equivalent in scope to protect against all risks of direct physical loss ordinarily insured against in the region. The insurance policy shall bear a payee clause in favor of the City with loss proceeds under any property policies made payable to the City, to the extent of its advance of funds. Duluth Partners MN hereby waives any and all claims or causes of action against the City for damages caused by an insured peril hereunder, except such rights hereinafter set forth to an interest in the insurance proceeds payable in the event of such loss.

2. Liability Insurance.

During the construction period (unless covered under the policies required previously) and permanently thereafter for the balance of the term of this Agreement, Duluth Partners MN shall procure and maintain continuously in force Public Liability Insurance written on an "occurrence" basis under a Comprehensive General Liability Form in limits of not less than \$1,000,000 per occurrence for personal bodily injury and death and limits of \$1,000,000 for property damage liability. If person limits are specified, they shall be for not less than \$1,000,000 per person and be for the same coverages. The City shall be named as additional insureds therein against losses caused by the negligent act or omissions of Duluth Partner MN. Insurance shall cover:

- (a) Public liability, including premises and operations coverage.
- (b) Independent contractors' vicarious liability;

- (c) Personal injury.
- (d) Owned, non-owned and hired vehicles.
- (e) Contractual liability covering the indemnity obligations set forth herein.
- (f) Products--completed operations.

D. Workers' Compensation.

Workers' Compensation Coverage in statutory amounts with "all states" endorsement. Employees' liability insurance shall be carried in limits of \$100,000 per employee as required by Minnesota law.

E. Requirements for All Insurance.

All insurance required in this Article shall be taken out and maintained in responsible insurance companies organized under the laws of the states of the United States and licensed to do business in the State of Minnesota.

F. Policies.

Duluth Partners MN shall be required to supply to the City certification of all policies required under this Agreement. In addition, each insurer providing such policies shall be required to provide evidence satisfactory to the Director that such policies will require the insurer to give the City 30 days' written notice prior to cancellation or modification of said insurance. In the event that an ACORD form of certification is used, the words, "endeavor to" shall be stricken from the notification provisions thereof.

G. Uninsured Loss.

In the event the Project or the Land or any portion thereof is destroyed by fire or other casualty covered by insurance, Duluth Partners MN shall forthwith repair, reconstruct, and restore the Project and the Land to substantially the same scale and condition, quality, and value as existed prior to the event causing such damage or destruction, and to the extent necessary to accomplish such repair, reconstruction, and restoration, Duluth Partners MN shall apply the proceeds of any insurance received by Duluth Partners MN to the payment or reimbursement of the costs thereof. Duluth Partners MN shall, however, complete the repair, reconstruction and restoration of the Project and the Land whether or not the

proceeds of any insurance received by Duluth Partners MN are sufficient to pay for such repair, restoration, and reconstruction. In the alternative, and only with the prior written consent of the City, Duluth Partners MN may construct a building of a new design having utility to the City equal to or greater than the Project, approved by the City as a replacement to the Building, at its own cost and at no cost to the City. In the event that the City approves construction of such a replacement building, said building shall be constructed in accordance with the terms hereof.

ARTICLE XIII

Defaults and Remedies Therefor

A. Events of Default.

The following shall be deemed to be Events of Default by Duluth Partners MN under the terms and conditions of this Agreement to which the remedies set forth in Paragraph B below shall be applicable as otherwise set forth in this Agreement. Except as otherwise specifically provided herein, following notice of a default, Duluth Partners MN shall have 30 days to cure such default and provide evidence of such cure to the City. The Director may grant extension of the opportunity to cure such a default if such default is not reasonably susceptible to being cured within thirty (30) days.

1. Duluth Partners MN fails to make any Repayments when due and such failure is not cured within 10 days after delivery of written notice by the City to Duluth Partners MN.
2. Duluth Partners MN shall permit any liens on the Project or the Land except as expressly provided for in the Documents.
3. Duluth Partners MN shall fail to complete construction of the Project in conformance with the requirements of this Agreement or shall fail to operate the Project in conformance with said requirements during the term hereof.
4. The Project shall fail to be operated in accordance with the requirements of Article V hereof during the term of this Agreement.

5. Any of the following shall occur: (i) Duluth Partners MN shall seek relief in bankruptcy, or make a general assignment for the benefit of creditors, or (ii) there is filed by or against Duluth Partners MN a petition in bankruptcy or for the appointment of a receiver, or (iii) any creditor commences under any bankruptcy or insolvency law proceedings for relief against Duluth Partners MN , or (iv) an action is sought for the composition, extension, arrangement or adjustment of Duluth Partners MN's obligations, or (v) Duluth Partners MN discontinues its business as a going concern, or (vi) Duluth Partners MN defaults on any other obligation to the City beyond any applicable notice and cure periods, or (vii) Duluth Partners MN's business is taken over or control is assumed by any government or governmental agency. Duluth Partners MN shall have 15 days to obtain dismissal of any action in Paragraph A. 3 (i), (ii), (iii), (iv) or (vii).
6. Any of the following shall occur:
 - i. Any warranty, representation or statement made by Duluth Partners MN any Document, is untrue or misleading in any material respect.
 - ii. Any financial information provided by or on behalf of Duluth Partners MN is untrue or misleading in any material respect.
 - iii. Any of the Documents ceases to be in full force and effect (including failure of a collateral document to create a valid and perfected security interest or lien) at any time and for any reason.
 - iv. Duluth Partners MN defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Duluth Partners MN's property or Duluth Partners MN's ability to make the Repayments or perform their respective obligations under any of the Documents.
 - v. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Duluth Partners MN or by any governmental agency against any collateral securing financing. However, this Event of

Default shall not apply if there is a good faith dispute by Duluth Partners MN as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Duluth Partners MN gives the City written notice of the creditor or forfeiture proceeding and deposits with the City monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by the City, in its sole discretion, as being an adequate reserve or bond for the dispute.

- vi. Duluth Partners MN fails to perform any other obligation required under the Documents and such failure is not cured within 30 days after delivery of written notice by the City to Duluth Partners MN describing the failure and the act required to cure the failure.
- vii. Duluth Partners MN converts or allows the Land and the Project to be used for any purpose other than the provision of Elderly Waiver Program during the Term of this Agreement.
- viii. Duluth Partners MN fails to pay when due any real estate tax payment or legally-imposed assessment with regard to the Land or the Project
- ix. Duluth Partners MN is in default of any other obligation of Duluth Property MN under the terms and conditions of this Agreement.

B. General Remedies

Except as otherwise set forth in this Agreement, the City shall have the following remedies in the case of an Event of Default by Duluth Partners MN:

- 1. Terminate this Agreement.
- 2. Suspend or terminate at its discretion payment of tax abatement proceeds to Duluth Partners MN otherwise payable hereunder.
- 3. Any of the various remedies provided in any of the Documents.
- 4. Seek and be entitled to monetary damages from Duluth Partners MN for any damages incurred by the City as a result of Duluth Partners MN's default.

5. Seek and be entitled to injunctive or declaratory relief as is necessary to prevent Duluth Partners MN's violation of the terms and conditions of this Agreement or to compel Duluth Partners MN's performance of its obligations hereunder.
6. Cumulatively to exercise all other rights, options and privileges provided by agreement, law or in equity.

C. Non-Waiver.

The waiver by the City of any Event of Default on the part of Duluth Partners MN or the failure of the City to declare default on the part of Duluth Partners MN of any of its obligations pursuant to this Agreement or the other Documents shall not be deemed to be a waiver of any subsequent Event of Default on the part of Duluth Partners MN of the same or of any other obligation of Duluth Partners MN under this Agreement or the other Documents. To be effective, any waiver of any Event of Default by Duluth Partners MN hereunder shall be in writing by the City.

D. Remedies Cumulative.

The remedies provided under this Agreement shall be deemed to be cumulative and non-exclusive and the election of one remedy shall not be deemed to be the waiver of any other remedy with regard to any occasion of an Event of Default hereunder.

ARTICLE XIV

Representations, Covenants and Warranties

A. Representations, Covenants and Warranties of the City.

The City represents, covenants and warrants as follows:

1. The City is a duly formed and validly existing municipal corporation and political subdivision of the State of Minnesota, governed by the Constitution and laws of the State of Minnesota and its home rule charter.
2. The officers of the City executing this Agreement have been duly authorized to execute and deliver this Agreement and perform its obligations hereunder pursuant to the terms and provisions of a resolution of the Council of the City.

3. This Agreement is binding and enforceable against the City in all respects.

B. Representations, Covenants and Warranties of Duluth Partners MN.

Duluth Partners MN represents, covenants and warrants as follows:

1. Duluth Partners MN is a duly formed and validly existing corporation under the laws of the State of Minnesota, is not in violation of its organizational documents, has power to enter into this Agreement and to perform its obligations hereunder, and has duly authorized the execution, delivery, and performance of this Agreement and the other Documents by proper corporate action.
2. Duluth Partners MN is not in violation of any provision of its organizational documents, or any indenture, mortgage, deed of trust, indebtedness, agreement, judgment, decree, order, statute, rule or regulation to which it is a party or by which it or its properties are bound or affected, other than violations and defaults which would not, individually or in the aggregate, have a material adverse effect on the financial position or results of operation of Duluth Partners MN.
3. The execution and delivery by Duluth Partners MN of this Agreement; compliance with the provisions thereof by Duluth Partners MN; and the performance by Duluth Partners MN of its agreements, covenants, and obligations under this Agreement, do not, in any material respect, constitute on the part of Duluth Partners MN a breach or violation of, or default under, its organizational documents, will not violate any law or regulation applicable to Duluth Partners MN, or result in the breach of, or constitute a default under, any indenture or loan, credit, or other agreement or instrument to which Duluth Partners MN is a party or by which it or its property is bound or affected.
4. There are no actions, suits or proceedings pending or, to the knowledge of Duluth Partners MN, threatened against Duluth Partners MN or any premises leased or owned by Duluth Partners MN in any court or before any Federal, State or municipal or other governmental agency which, if decided adversely to Duluth Partners MN, could have a material adverse

effect upon Duluth Partners MN, any premises leased or owned by, the Duluth Partners MN financial position of Duluth Partners MN, or the operation of Duluth Partners MN, and that Duluth Partners MN is not in default of any order of any court or governmental agency.

5. No consent, approval, or authorization of, or permit or license from, or registration with, or notice to any federal or state regulatory authority or any third party not already obtained is required in connection with the execution, delivery, and performance by Duluth Partners MN of this Agreement, or any document or instrument related thereto.
6. It is not in default of the payment of principal of or interest on any indebtedness for borrowed money or in default under any instrument or agreement pursuant to which the indebtedness has been incurred.
7. Duluth Partners MN shall promptly and at all times pay all reasonable fees and expenses incurred by the City in pursuing its rights hereunder or under the Documents, including attorney's, accountant's and other fees subsequent to the Closing Date.
8. Except as permitted in this Agreement or any other Document, Duluth Partners MN will not sell, encumber, transfer or otherwise pledge the Project or the Land to any other person for any purpose whatsoever except with the prior written consent of the City.
9. Duluth Partners MN will perform and comply, in a timely manner, with all terms, conditions, and provisions set forth in this Agreement, in the Documents, and in all other instruments and agreements between Duluth Partners MN and the City. Duluth Partners MN shall notify the City immediately in writing of any default in connection with this Agreement, any Document or in any other agreement between Duluth Partners MN and the City promptly upon Duluth Partners MN becoming aware of such default.
10. Except as otherwise permitted, Duluth Partners MN shall not, without written consent of the City, engage in any business activities substantially different than those in which Duluth Partners MN is presently engaged, or cease operations, liquidate, merge, transfer, acquire or consolidate with any other

entity, change ownership, dissolve or transfer or sell the Project or the Land out of the ordinary course of business.

11. Duluth Partners MN shall not enter into any agreement containing any provisions which would be violated or breached by the performance of Duluth Partners MN's obligations under this Agreement or in connection herewith.
12. Duluth Partners MN shall not subject the Building or the Land to any additional declaration, condition, restriction or easement without the prior written consent of the City.
13. Duluth Partners MN shall be responsible for constructing the Project in accordance with the terms of this Agreement and all local, state and federal laws and regulations (including, but not limited to, environmental, zoning, building code and public health laws and regulations, and federal Davis-Bacon). Duluth Partners MN shall obtain, in a timely manner, all required permits, licenses and approvals, and shall meet, in a timely manner, all requirements of all applicable local, state and federal laws and regulations which must be obtained or met before the Project may be lawfully constructed. Duluth Partners MN shall be responsible for obtaining all of the permits and licenses necessary for construction and operation of the Project.
14. The execution of this Agreement has been duly and fully authorized by Duluth Partners MN 's governing body or board, that the officer of Duluth Partners MN who executed this Agreement on its behalf is fully authorized to do so, and that this Agreement when thus executed by said officer on its behalf will constitute and be the binding obligation and agreement of Duluth Partners MN in accordance with the terms and conditions thereof.
15. This Agreement is binding and enforceable against Duluth Partners MN in all respects.

ARTICLE XV

Term

The term of this Agreement shall commence upon execution by the parties hereto and shall continue until all tax abatement payments provided for in the Abatement Resolution has been paid, unless this Agreement is terminated earlier as provided for herein. Duluth Partners MN agrees and commits to operate Project in conformance with the requirements listed in Article V for a Term of fifteen (15) years after the Certificate of Completion is issued.

ARTICLE XVI

Runs with the Land

This Agreement shall be deemed to run with the Land and shall ensure to the benefit of the parties hereto and to their successors and assigns.

ARTICLE XVII

Notices

Any notice, demand or other communication under this Agreement by either party to the other shall be deemed to be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid to:

In the case of the City: City of Duluth
Attn: Director of Planning & Economic Development
160 City Hall
West First Street
Duluth, MN 55802

In the case of Duluth Partners MN: Duluth Partners MN, LLC
ATTN: Devin Doyle
6800 France Ave S #555
Edina, MN 55435

ARTICLE XVI

Recordation

Immediately upon execution of this Agreement, Duluth Partners MN agrees to record a Memorandum of Development Agreement substantially in the form of that attached hereto as Exhibit D in the office of the St. Louis County Recorder and/or Registrar of Titles and to pay all costs associated therewith. Upon recordation, Duluth Partners MN shall immediately submit to the City an executed original of the Memorandum of Development Agreement showing the date and document numbers of record.

ARTICLE XIX

Disclaimer of Relationships

Duluth Partners MN acknowledges that nothing contained in this Agreement nor any act by the City or Duluth Partners MN shall be deemed or construed by Duluth Partners MN or by any third person to create any relationship of third-party beneficiary, principal and agent, limited or general partner, or joint venture between the City and Duluth Partners MN.

ARTICLE XX

Applicable Law

This Agreement together with all of its Articles, Paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota. All proceedings related to this Agreement shall be venued in Duluth, Minnesota.

ARTICLE XXI

Judicial Interpretation

Should any provision of this Agreement require judicial interpretation, the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party by reason of the rule of construction

that a document is to be construed more strictly against the party who itself or through its agent or attorney prepared the same, it being agreed that the agents and attorneys of both parties have participated in the preparation hereof.

ARTICLE XXII

Title of Articles

Any title, Articles and Paragraphs in this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

ARTICLE XIII

Severability

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provision shall continue in full force and effect and shall be binding upon the parties to this Agreement.

ARTICLE XIV

Unavoidable Delays

Neither party shall be held responsible for, and neither party shall be in considered in default of this Agreement as a result of, delay or default caused by fire, riot, acts of God, war, government actions, judicial actions by third parties, strikes or embargoes, or adverse weather conditions, except for delays caused by government and judicial actions which could have been avoided by compliance with publicly available laws, rules and regulations of which either party had knowledge or should have reasonably had knowledge.

ARTICLE XXV

Entire Agreement

It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. Any amendment to this Agreement shall

be in writing and shall be executed by the same parties who executed the original agreement or their successors in office.

ARTICLE XXVI

Counterparts

This Agreement may be executed, acknowledged and delivered in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

ARTICLE XXVII

Attorney's Fees

In the event that Duluth Partners MN is in default of any of the terms and conditions of this Agreement and the City shall successfully take legal action to enforce said rights herein, in addition to the foregoing, the City shall be entitled to reimbursement for its reasonable attorneys' fees and costs and otherwise for its costs and disbursements occasioned in enforcing its rights hereunder. In the event City is in default of any of the terms and conditions of this Agreement, and Duluth Partners MN shall successfully take legal action to enforce said rights herein, in addition to any other right or remedy, Duluth Partners MN shall be entitled to reimbursement for its reasonable attorney's fees and costs and otherwise for its costs and disbursements occasioned in enforcing its rights hereunder.

[Remainder of page left blank intentionally. Signature page follows.]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first shown above.

CITY OF DULUTH, a Minnesota
Municipal Corporation
company

DULUTH PARTNERS MN, LLC
a Minnesota limited liability

By _____
Emily Larson, Mayor

By _____
Managing Member

Attest:

By _____
Its City Clerk

(date)

Countersigned:

Its Auditor

Approved:

Its Assistant City Attorney

EXHIBIT B

City Abatement Resolution

EXHIBIT C
Estimate of Project Costs

<u>Project Costs</u>					
				Amount (\$)	Source of Funds
Purchase of Land				\$ 129,270	Private
Demolition Cost				\$ -	
Trout Stream added costs				\$ 20,000.00	Private
Balancing of site soils				\$ 150,000.00	Private
Existing Wetland associated costs				\$ 20,000.00	Private
Site Improvements				\$ 300,000	Private
Purchase of Existing Facility				\$ -	
Construction of New Building(s)				\$ 4,551,000	Private
Furniture, Fixtures, and Equipment				\$ 145,000	Private
Kitchen Equipment				\$ 155,000	
Architectural & Engineering Fees				\$ 211,000	Private
Legal & Other Professional Fees				\$ 55,000	Private
Contingency				\$ 400,000	Private
Working Capital				\$ 300,000	Private
Builders Overhead and fee				\$ 100,000	Private
Contractors/Builders Fee				\$ 100,000	Private
General Requirements				\$ 25,000	Private
Permits/fees (includes WAC, building permits and other fees)				\$ 25,000	Private
Appraisal				\$ 10,000	Private

Market Research	\$ 8,200	Private
Soils Tests	\$ 5,000	Private
Environmental Tests	\$ 5,000	Private
Survey	\$ 5,000	Private
Marketing	\$ 10,000	Private
Financing/Loan Origination Fee	\$ 54,000	Private
Construction Period Interest	\$ 90,000	Private
Mortgage Registration/Title and Recording	\$ 26,000	Private
Developer Fee	\$ 230,000	Private
Real Estate Taxes	\$ 6,000	Private
Management Startup or Working Capital	\$ 475,000	Private
Contingency Put in Hand and Soft Costs	\$ 15,000	Private
	\$ 7,625,470	
<u>Financing Sources</u>		
	Amount (\$)	Terms: Years/Interest
Tax Abatement	\$ 300,000	Contact Info Duluth
Equity	\$ 2,668,914	Wildamere
Loans from other sources (i.e. lending institutions)	\$ 4,656,555	Private Lender TBD
Total Project Cost	\$ 7,625,470	

EXHIBIT D

CERTIFICATE OF COMPLETION

RECITALS:

A. On _____, 20____, the City of Duluth, a home rule charter city and political subdivision of the State of Minnesota (the "City"), and Duluth Partners MN, LLC a Minnesota limited liability company ("Duluth Partners MN") , entered into a Development Agreement, a memorandum of which was recorded in the Office of the St. Louis County Recorder and/or Registrar of Titles on _____, 20____, as Document No. _____ (the "Memorandum of Development Agreement"), relating to property located in St. Louis County, Minnesota, and legally described as:

Outlot G, Coffee Creek Development; Parcel number 010-0606-01200.

B. Capitalized terms used in this Certificate of Completion but not defined herein shall have the meanings ascribed to them in the Development Agreement.

C. The Development Agreement requires Duluth Partners MN to complete construction of the Project no later than December 31, 2021.

D. Article VIII of the Development Agreement provides that a Certificate of Completion be issued by the City through its Director upon completion by Duluth Partners MN of the construction of the Project.

E. Duluth Partners MN has completed construction of the Project in a manner deemed sufficient by the City to permit execution and recording of this Certificate of Completion.

NOW, THEREFORE:

1. Construction of the Project, pursuant to the Development Agreement, has been completed and those requirements under the Development Agreement which relate solely to Project construction have been fulfilled, but all other conditions, provisions and restrictions contained in the Development Agreement shall remain in effect.

2. The Recorder and/or Registrar of Titles in and for St. Louis County, Minnesota, are hereby authorized to accept for recording and to record this instrument.

EXHIBIT E

MEMORANDUM OF DEVELOPMENT AGREEMENT

THIS MEMORANDUM OF DEVELOPMENT AGREEMENT is entered into by and between the CITY OF DULUTH, MINNESOTA, a municipal corporation under the laws of the State of Minnesota (the "City") and Duluth Partners MN, LLC a Minnesota limited liability company, ("Duluth Partners MN").

The purpose of this Memorandum of Development Agreement is to provide notice of the existence of a Development Agreement dated July ____, 2019, by and between the City and Duluth Partners MN. The Development Agreement affects the land located in St. Louis County, Minnesota and legally described as:

Outlot G, Coffee Creek Development; Parcel number 010-0606-01200

The terms, covenants and conditions of the Development Agreement are incorporated herein by reference with the same force and effect as though fully set forth herein.

It is understood this Memorandum of Development Agreement shall not change, modify or amend the aforesaid Development Agreement in any respect.

CITY OF DULUTH, MINNESOTA

By _____
Its Mayor

By _____
Its City Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF ST. LOUIS)

The foregoing instrument was acknowledged before me this _____ day of _____, 2019, by Emily Larson and Chelsea Helmer, the Mayor and City Clerk, respectively, of the City of Duluth, Minnesota, a municipal corporation under the laws of the State of Minnesota.

Notary Public

