

**DEVELOPMENT AGREEMENT
SECOND AMENDMENT
DULUTH ECONOMIC DEVELOPMENT AUTHORITY
PORTLAND LAND CO., LLC**

THIS SECOND AMENDMENT to DEVELOPMENT AGREEMENT (“Second Amendment”) is entered into by and between the DULUTH ECONOMIC DEVELOPMENT AUTHORITY, an economic development authority created and existing under Minnesota Statutes (1989) Chapter 469, whose address is 160 City Hall, 411 West First Street, Duluth, MN 558802 (hereinafter referred to as “DEDA”) and PORTLAND LAND CO., LLC, a Minnesota limited liability company, whose address is 202 East First Street, Duluth Minnesota 55802 (hereinafter referred to as “Developer”).

WHEREAS, on June 28, 2021, DEDA and Developer entered into a Development Agreement bearing DEDA Contract No. 21 860 113 (the “Agreement”) which was recorded in the St. Louis County Office of the Registrar of Titles on August 25, 2022 as Document No. 1060505; and

WHEREAS, on July 12, 2023, DEDA and Developer entered into that certain First Amendment to Development Agreement bearing DEDA Contract No. 21 860 113(1) (the “First Amendment”) to amend the Agreement, which was recorded in the St. Louis County Office of the Registrar of Titles on June 4, 2026 as Document No. 1102126; and

WHEREAS, the parties desire to further amend the Agreement, as amended by the First Amendment, to extend certain timelines contained therein and to update details of regarding Payment Obligation.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

1. Paragraph F of ARTICLE I is hereby amended as follows:

Project means the redevelopment by Developer of a multi-family residential development with approximately twenty-one (21) residential apartments, not less than ~~sixteen (16)~~ fifteen (15) of which will be maintained as long-term rental units which will be held for rent to households at 80% or less of area median income, together with related utilities and other amenities at a total project cost of approximately \$3,465,913,

all according to the plans approved by the Executive Director pursuant to Article III and pursuant to required City approvals.

2. Paragraph A of Article IV is hereby amended as follows:

Upon the fulfillment of the preconditions to construction provided for in Articles II and III above, but in no event later than June 30, 2022, Developer shall commence construction of the Project in conformance with the plans approved pursuant to Article III. Construction of the Project shall be completed, as evidenced by receipt of a Certificate of Completion as set forth in paragraph D below not later than ~~September 4, 2024~~September 30, 2026. Notwithstanding the above, the time for completion of Project construction in accordance with this Agreement may be extended for a period of up to six (6) months upon the prior written approval of the Executive Director, but only if the Executive Director is given sixty (60) days advance written notice of Developer's request for an extension.

3. ARTICLE V is hereby amended as follows:

Upon DEDA's issuance of the Certificate of Completion pursuant to Paragraph D of Article IV, DEDA agrees to reimburse Developer for the amount of the Eligible Costs as approved by the Executive Director up to the amount of One Hundred Twenty-six Thousand Dollars (\$126,000), payable from TIF District NO. ~~46~~24.

4. Paragraph I of ARTICLE VI is hereby amended as follows:

Continued use of the Project and the Property with not less than ~~sixteen (16)~~fifteen (15) residential apartments which will be maintained as long-term rental units, not less than 100% of which will be ~~occupied by~~held for rent to households at 80% or less of area median income, together with related utilities and other amenities, and provide reports evidencing the same.

5. Except as otherwise defined in this Second Amendment, terms defined in the Agreement used herein shall have the meaning assigned to them in the Agreement.

6. Except as specifically amended pursuant to this Second Amendment, the Agreement, as amended by the First Amendment, remains in full force and effect. In

the event of a conflict between the provisions of this Second Amendment and the provisions of the Agreement or First Amendment, the provisions of this Second Amendment shall govern.

7. This Second Amendment may be executed in any number of counterparts, each of which shall, when executed, be deemed to be an original and all of which shall be deemed to be one and the same instrument.

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