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**DEVELOPMENT AGREEMENT**  
**BY AND BETWEEN**  
**THE CITY OF HERMANTOWN, MINNESOTA**  
**AND**  
**HARMONY GROUP LLC**  
**\_\_\_\_\_ , 2026**

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## DEVELOPMENT AGREEMENT

This **DEVELOPMENT AGREEMENT** (“**Agreement**”) is entered into by the **CITY OF HERMANTOWN** (“**City**”), a municipal corporation in the State of Minnesota, and **HARMONY GROUP LLC** (“**Company**”), a Delaware limited liability company (each a “**Party**” and collectively the “**Parties**”). The effective date of this Agreement is \_\_\_\_\_, 2026 (the “**Effective Date**”).

### RECITALS

**WHEREAS**, the City desires to create employment opportunities for residents of the City and its vicinity, to enhance the City’s tax base, to create business opportunities for contractors and vendors in the City and its vicinity, and to support the long-term economic development of the City;

**WHEREAS**, the Company wishes to construct, own, and operate a data center technology campus, including ancillary buildings and infrastructure of up to approximately 1.2 million square feet of building space (the “**Project**”) on certain property within the City, which site is described in the attached **Exhibit A – Property Description** (the “**Property**”);

**WHEREAS**, the Project will consist of at least one (1) but up to four (4) component parts (“**Phases**”) on the Property, involving the construction of one or more buildings, including up to four (4) data center buildings, all as more particularly described in and subject to the terms of the Special Use Permit attached hereto as Exhibit D;

**WHEREAS**, in order to develop the Project, the Company will need to construct roadways, sewer line extensions, and water main extensions as outlined in **Exhibit I** and **Exhibit G**;

**WHEREAS**, the Project will allow for the construction of public infrastructure improvements that will otherwise be beneficial to the City, its residents, and the residents of the surrounding area;

**WHEREAS**, the Company, as part of the Project, will employ a workforce of employees and invest in substantial infrastructure;

**WHEREAS**, the first Phase of the Project will involve at least six hundred and fifty million dollars (\$650,000,000) of capital investment by the Company and its affiliates;

**WHEREAS**, the Company wishes for the City to provide domestic water and wastewater service for the Project;

**WHEREAS**, to the extent that any outside funds for public financing are available, and mutually agreed upon as suitable, the City will support the application for or make application directly for public funds available for utilities and infrastructure, subject to regular City approvals; and

WHEREAS, based on the obligations of the Parties set forth in this Agreement, the Company and City wish to proceed with the Project;

In consideration of the mutual agreements and covenants herein, the Parties agree as follows:

## Article 1 CITY PROCEDURES

1.1 **City Council Action.** The City Council has approved the Agreement by Resolution # \_\_\_\_\_, which was adopted by the City Council on \_\_\_\_\_.

1.2 **Incorporation of Recitals.** The Recitals are incorporated into and shall be construed as part of this Agreement.

## Article 2 APPROVALS AND ZONING

2.1 **Approvals to Develop.** The required Project approvals and timelines are set forth in **Exhibit B – Project Approvals**. City represents that **Exhibit B** is a complete list of all Project approvals required by the City. City further represents that no existing City laws or regulations prohibit the completion and occupancy of the Project, and that no Comprehensive Plan amendment is required for the Project following the adoption of the City’s 2045 Comprehensive Plan.

2.2 **Project Approval Timeframes.** The Parties agree that it is in their best interests for the development, design, engineering, construction, equipping and start-up of the Project to proceed within a timetable created by the Company and the City. The Parties confirm the reasonableness of the approvals schedule and timing set forth in **Exhibit B – Project Approvals**. City agrees that it will not arbitrarily withhold such approvals, provided that Company’s submittals are complete, accurate, timely, and in accord with this Agreement and applicable City ordinances, zoning code, and standard construction specifications (“**Applicable City Rules**”) as well as any other applicable laws, rules, requirements, and regulations that have been enacted, issued, or promulgated by any governmental authority (together with the Applicable City Rules, all “**Applicable Rules**”).

2.3 **Project Zoning.** City has zoned the Property for Business and Light Manufacturing (“**BLM**”) use, for which a data center can be an allowed use under a special use permit. The Project will use the Property for such allowed data center activity. The City agrees that the Property will not be subject to any new zoning restriction unreasonably limiting the use of the Property for the Project, and that City will not support subsequent zoning restriction of the Property intended to materially limit the operations of the Project. The Company agrees to comply with land use regulations, codes and laws affecting the use, improvement, and development of the Property, including applying for a Commercial Industrial Development Permit and Subdivision Application for each Phase of the Project, and nothing in this Agreement constitutes an exemption or grant of a departure from such applicable laws.

### 2.4 **Lot Reconfiguration.**

(a) The Company will submit in accordance with Chapter 505 of the Hermantown City Code and obtain the City’s approval for all preliminary and final plats for the Property or otherwise related to the Project. The City will undertake all reasonable

efforts to cooperate with such re-platting for the Project. Notwithstanding the foregoing, the City retains authority to review and approve all plat submissions in accordance with applicable law. The Company will pay all reasonable costs incurred by the City in connection with the review and consideration of the Plat. The Company will provide the City with copies of the final plat as is required under the City's subdivision platting regulations and an electronic copy of the plat consistent with St. Louis County survey datum.

(b) The Company will comply with the requirements of the Wetlands Conservation Act Chapter 8420 of the Minnesota Administrative Rules, and Chapter 21 of the City's zoning code. The Company will execute and deliver to the City for recording with the real estate records in the form of the one attached hereto as **Exhibit J - Declaration of Wetland Restrictions**. The Company will install permanent wetland markers delineating the wetlands on all lots within the plat. Neither the Company nor its successors or assigns shall modify or disturb the wetland areas or stormwater management facilities within the Plat without the prior written approval of the City. Wetlands must be associated with developed parcels and cannot be located on outlots. The owner of each lot within the Plat shall be responsible for the preservation and maintenance of the wetland areas located on such owner's lot. The Company, for itself and its heirs and assigns, grants the South St. Louis Soil & Water Conservation District access to the Property and every lot on the Plat for the purpose of determining compliance with this provision, subject to the Company's Access Protocols, as defined herein under Section 3.3.

**2.5 Project.** City covenants, to the extent legally permissible under applicable constitutional and statutory limitations, that it will not make changes to Applicable City Rules or City Fees that arbitrarily discriminate against or single out the Project.

**2.6 City Process and Review.** Company will submit a master plan to the City for the Project and seek from the City a Special Use Permit as a Communication Service Facility substantially in the form of **Exhibit D – Special Use Permit**. The City will promptly and expeditiously consider the submission as required by Minn. Stats. § 15.99, including any required consideration by the City Planning and Zoning Commission or the City Council. Both for this process and for all other interactions with the City in connection with the Project, the City will designate a member of City staff to serve as Company's single point of contact to assist the Company in facilitating interactions with the City for the Project. In this role, the City point of Contact will respond to reasonable requests of the Company to coordinate meetings between representatives of the Company and the City related to the City's roles, duties, and approvals for the Project.

**2.7 City Fees.** As of the Effective Date, the City fees set forth in **Exhibit C – City Fees**, which reflect the fees established in Section 270 of the City Code (Fee Schedule), are a complete and exhaustive list of applicable Section 270 fees and their amounts for the Project and for the operation of the Facility. Water and sewer availability charges will not be imposed, because the Company is paying for the Public Improvements described herein. City confirms that there are no other applicable fees as of the Effective Date of this Agreement; however, subject to statutory and constitutional limitations City retains the full authority to revise, increase, or establish

new fees after the Effective Date, and such changes shall apply to the Project unless expressly stated otherwise in this Agreement.

### **Article 3            UTILITIES AND EASEMENTS**

**3.1    Timing and Rate for Development.** The Parties intend that the Company will build certain public infrastructure, and the City will accept said public infrastructure to provide the water and sewer utility services for the Project as outlined in **Exhibit I – Project Utility Requirements and Infrastructure** and **Exhibit G - Road Improvements** (together, the “**Public Improvements**”). Construction of the Public Improvements shall commence within 5 years of execution of this Agreement. The Parties agree to collaborate in good faith on any additional future utility projects for the Project, as applicable. Company will provide adequate advance notice of any additional utility needs.

**3.2    Infrastructure Requirements.** The Company’s water and wastewater utility needs are accurately set forth in **Exhibit I**, including up to 50,000 gallons per day of potable water, up to 3,000 gallons per minute for fire flow demands, and sewer service for the same for the Project; provided however, that the Company anticipates temporary, atypical and non-recurring commissioning demands may require higher daily water volumes at times during construction that will be coordinated in advance with the City. Subject to the Company building and turning over the necessary Public Improvements to the City, the City will exercise all commercially reasonable efforts to provide the Project’s domestic water and wastewater needs as set forth in **Exhibit I – Project Utility Requirements and Infrastructure**.

**3.3    Rights of Access and Grant of Property Rights.**

(a) Company will provide City or the South St. Louis Soil & Water Conservation District, as applicable, with supervised access to the Property if required for utility work, stormwater pond maintenance and inspection, compliance with wetland restrictions, or other necessary circumstances, subject to Company’s secure access protocols (“**Access Protocols**”). Access shall be between 9 a.m. and 5 p.m., and with at least forty-eight (48) hours’ advance written notice to Company, except in an emergency. Access will be subject to compliance with Company’s sign-in, security, and applicable access control and safety rules and without unreasonably interfering with the activities of Company. Any representative of the City will check-in with the Company on-site at the security gate and will be accompanied by Company security escorts at all times. All such representatives of the City will carry proper identification, will ensure their own safety, will assume the risk of injury, and will not interfere with Project construction or operations.

(b) City will undertake all reasonably practicable efforts to grant to Company or other entities supporting the Project any reasonably necessary temporary construction easements or permanent easements for gas, electrical, landscaping, or other applicable utilities or services to support the Project.

**3.4    Removal of Easements.** Subject to the vacation process, the City will assist in relocating or releasing the Property from a cartway identified in **Exhibit E – Cartway**, if it has

not already done so. If any additional easements are identified, the City also will make reasonable efforts to cooperate to assist in their relocation and release, subject to the vacation process.

**3.5 Public Services.** City will provide public safety services to the Project on par with other similarly-situated properties within the City.

**3.6 Stormwater.** The Project will comply with the City's stormwater requirements. The Project's preliminary stormwater system is identified in **Exhibit F – Stormwater Management**. The Company will retain ownership for the Project stormwater system and will be responsible for the ongoing repair and maintenance. Stormwater systems must be associated with developed parcels and cannot be located on outlots.

#### **Article 4 WATER, SEWER, AND ROAD IMPROVEMENTS**

**4.1 Extension of Utility Lines and Road Improvements.** The Parties acknowledge that water and sanitary sewer infrastructure and supply and road improvements are needed for the successful development and operation of the Project. The road improvements also involve St. Louis County and the Minnesota Department of Transportation, which are separate governmental entities. The Parties agree to the construction and expansion of the City's water system and sanitary sewer system to meet the needs of the Project, as detailed in **Exhibit I – Project Utility Requirements and Infrastructure** and of the St. Louis County and the Minnesota Department of Transportation roadways as detailed **Exhibit G – Road Improvements**. Company agrees to cause, at its sole cost and expense, the construction, installation, and completion of the Public Improvements. Company shall bear the cost of Public Improvement maintenance until such time as the Public Improvements are formally accepted by the City.

**4.2 Costs.** The Company will bear the costs of the Public Improvements except as otherwise provided in this Agreement. The City may propose that the capacity of the Public Improvements be increased. If so, then the Company shall obtain an estimate for the incremental cost increase of the increased-capacity Public Improvements and the impact on Project timing. If such incremental cost increase is acceptable to the City, and provided that the Project is not delayed or that any delay is acceptable to the Company, then the Company will proceed with construction of the increased-capacity Public Improvements. The City will reimburse the Company for the incremental cost increase within thirty (30) days of the issuance of a Certificate of Final Completion for the Public Improvements. To the extent that any third-party grants or other funding are available and realized for the Public Improvements, such amounts will be subtracted from the total cost before dividing any remaining cost.

**4.3 Reasonable Cooperation.** The City will use all reasonable efforts to assist with the development of the Project Utility Requirements and Infrastructure and reasonably cooperate to assist with the development of the Road Improvements for the Project in a manner that (1) meets the agreed upon Project timelines, and (2) meets the Parties' design, specification and performance criteria.

**4.4 Plans.** Any Public Improvements constructed by the Company will be built in accordance with the approved Infrastructure Plans and Specifications, and all other applicable codes, regulations, laws, and statutes. The Company will prepare and submit for approval to the

City (and County where applicable) (i) a construction schedule, and (ii) appropriate schematic and design plans, specifications, engineering and together with an estimated construction budget for such work, and as may be updated from time to time based on mutual written agreement of the Parties.

**4.5 Permitting.** The Company will be principally responsible for obtaining any necessary permitting for the Public Improvements.

**4.6 Right-of-Way and Easement Acquisition.** The City will lead the right-of-way and utility easement acquisition for the Project and has engaged Kimley-Horn to do so. The Company shall deposit into an escrow account, managed by the City, all of the actual costs associated with acquiring such easements and rights-of-way. Subject to the Company's cost obligations under this Agreement, the City will use commercially reasonable efforts to ensure that such easements are located within County, City and State rights of way wherever possible.

**4.7 Review of Public Improvements Engineering Submissions.** Before commencing construction of the Public Improvements for the Project, the Company will present its engineering drawings, construction schedule, plans and cost estimates to the City (and County where applicable) for review. If the City (or County where applicable) requests a change to the design, engineering, schedule and/or plan, among others, the Company will submit a revised engineering submission to the City (or County where applicable). Review and approval of the engineering submission by the City (or County where applicable) will not be unreasonably conditioned, delayed or withheld. If revisions are required by the City, the City will provide a detailed list of required changes as soon as possible.

**4.8 Communication.** The Parties will provide each other with timely updates with respect to the construction progress of the Public Improvements.

**4.9 Construction.** The Company will construct the Public Improvements in a good and workmanlike manner, consistent with drawings, schedule, plans and cost estimates as reviewed in advance by the City, and each such system must have adequate pressure, capacity and quality necessary to meet the agreed upon specifications.

**4.10 Security.** The Company will provide the City with a letter of credit, Parent Company Guarantee, or other security, agreeable to the City and the City Attorney, in the amount equal to one hundred and twenty five percent (125%) of the estimated cost of the Public Improvements. The Security will be released upon the issuance of the Certificate of Final Completion. Upon final acceptance of the Public Improvements, such acceptance not to be unreasonably conditioned, withheld or delayed, Company shall assign to the City all assignable warranties from third-party contractors, which Company shall use commercially reasonable efforts to ensure extend for a duration of two (2) years following the date of acceptance.

**4.11 Certificates of Completion.** The City Engineer will execute and deliver the Certificate of Substantial Completion (Sewer Main, Water Main, and Public Roadway) in the form attached hereto as **Exhibit H** to the City only upon the substantial completion of the Public Improvements and the City Engineer will execute and deliver a Certificate of Final Completion in the form attached hereto as **Exhibit H** to the City only upon the final completion of the Public

Improvements required to be constructed by the Company. “**Date of Substantial Completion**” shall mean the date the City Engineer executes and delivers to the Company and the City a Certificate of Substantial Completion with respect to the Public Improvements. “**Date of Final Completion**” shall mean the date the City Engineer executes and delivers to the Company and the City a Certificate of Final Completion.

**4.12 Transfer of Public Improvements to City.** Upon issuance of a Certificate of Final Completion by the City, and its approval by Company, the City will become the sole owner of the Public Improvements, excepting any Road Improvements on rights-of-way of the Minnesota Department of Transportation or of the County. The Company acknowledges and agrees that, if one or more Certificates of Occupancy are issued for any construction within the Plat before the City Engineer executes the Certificate of Substantial Completion (Sewer Main, Water Main, Public Roadway) in form of the one attached hereto as **Exhibit H**, then the City may, if Company is not satisfactorily progressing said Public Improvements, proceed with such work reasonably needed for the Certificate of Substantial Completion to be issued, and the City may invoice the Company for such reasonable costs, which, if not paid by the Company within thirty (30) days, will be payable by the provider of the Parent Guarantee.

**4.13 Plans and Specifications.** The Company will present detailed plans and specifications for the construction of the Public Improvements to the City Engineer and Public Works Director. All construction work shall be completed strictly in accordance with the approved Infrastructure Plans and Specifications.

**4.14 Testing, Inspection.** The Company acknowledges that the City Engineer may require independent testing of the work done on the Public Improvements prior to determining that the work has been completed in accordance with the Infrastructure Plans and Specifications. The Company further understands and acknowledges that the Company will be responsible for paying the costs incurred in connection with such testing, provided that the City Engineer shall provide a cost estimate to Company, not to exceed \$10,000.00, for approval before commencing such testing and the Parties will meet and confer before the City Engineer incurs costs exceeding such cost estimate. The City Engineer may inspect the installation of the Infrastructure Improvements at any time the City Engineer deems reasonably necessary. The City Engineer will review all of the Company’s material testing results. The City Engineer will oversee the bacteria test, hydrostatic tests and continuity testing for all water and sewer improvements.

**4.15 “As Built” Plans.** The Company will provide construction record drawings (“as built” plans) for the Public Improvements constructed by it pursuant to this Agreement on paper and electronically in auto-cad format before a Certificate of Final Completion is issued for the Public Improvements. The City will not release the security provided to it hereunder until such “as built” plans have been provided to the City.

**4.16 Interpretation of Plans.** The City Engineer shall, after consultation with designated representatives of the Company, render the determination concerning any questions, ambiguities, or disagreements regarding the interpretation of the plans for the Public Improvements or whether the construction of the Public Improvements has been completed substantially in accordance with the plans.

**4.17 Alternative Water and Sewer Sources.** The Company may seek the implementation of alternative water sources (such as raw water, gray water, etc.) and alternative wastewater services (such as direct discharge) for the Project, provided that any such alternative surface water sources or alternative wastewater services must comply with all Applicable Rules. Any alternative water sources will be isolated from the City's water system.

**4.18 Water and Sewer Service Availability.** The City acknowledges that the availability of, and ability to deliver, water and wastewater service is essential to the uninterrupted operation of the Project due to the Project's critical operations ongoing every day at all times. The Company acknowledges that the City's water system is interconnected with the City of Duluth and its wastewater system is connected to WLSSD. The operation of the water and wastewater system is subject to other force majeure events.

(a) **Water and Sewer Service Shortages.** The City's water comes from Lake Superior. In the event of a water shortage, the City will prioritize maintaining water and wastewater services for healthcare facilities, public services, and residential areas. Without impairing the foregoing users, the City will use all reasonably practicable efforts to minimize curtailments affecting the Project.

(b) **Service Interruption.** The City will provide the Company with reasonable advance notice of planned maintenance activities or other service disruptions that may impact water and wastewater services. In the event of an unplanned service interruption or outage, the City will use reasonable efforts to notify the Company, will make reasonable efforts to identify the cause of such service interruption as soon as possible, and will diligently perform appropriate repair, restoration and maintenance measures to restore full water and wastewater operations and service.

**4.19 Future System Operations.** The Parties recognize that the water and wastewater needs of the Project will evolve, including the possible need for industrial water and wastewater service for the Project including wastewater metering. The Parties agree to work collaboratively and in good faith to address such needs as they arise, which may be addressed by amending this Agreement pursuant to Section 9.5, by entry into a supplemental Development Agreement, or by other means amenable to the Parties.

**4.20 Protection of Confidential Information.** The City understands and acknowledges that it, its agents, employees, independent contractors and others working under or on behalf of the City may have contact with and access to sensitive and confidential terms, including design and business information ("**Confidential Information**"), of the Company which the Company does not wish disclosed to others. Company believes that release of Confidential Information to the public may endanger its competitiveness. To the extent allowed by the Minnesota Data Practices Act and other state and federal data laws, the City agrees to take reasonable steps to avoid releasing such Confidential Information. The City will adhere to the procedures specified in Section 9.14 of this Agreement affording the Company with an opportunity to respond to requests for Confidential Information and protect the confidentiality thereof.

## **Article 5      LOCAL SUPPORT**

**5.1      Tax Abatement.** The Parties agree that the Project is not reasonably likely to occur absent tax abatements. The City will consider a Tax Abatement Agreement between the City and the Company.

## **Article 6      TERM**

**6.1      Term.** This Agreement will commence on the Effective Date and continue in effect until the termination of the Tax Abatement Agreement between the City and the Company, but under no circumstances longer than thirty-five (35) years.

**6.2      Conditions on Obligation.** This Agreement does not obligate the Company to proceed with the Project, and either Party may terminate the Agreement if Company does not commence construction of the Project within five (5) years of the Effective Date, in which case the Parties shall have no further obligations. Upon issuance of a building permit to commence vertical construction of the first data center building as defined in the CIDP and SUP for the Project, Company's failure to construct the Public Improvements shall be an Event of Default under this Agreement.

## **Article 7      THIRD PARTY TRANSACTIONS**

**7.1      Estoppel Certificates.** City will, upon not less than twenty (20) days prior written request from Company, execute, acknowledge and deliver to Company, in form reasonably satisfactory to Company, a written statement certifying (if true) (i) that this Agreement is unmodified and in full force and effect and a binding obligation of the Parties (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications); (ii) that there is no outstanding notice of an Event of Default hereunder and, to the best of such Party's knowledge, no event has occurred or condition exists which, with the giving of notice or the passage of time or both, would constitute an Event of Default hereunder, and (iii) such other accurate information as may be reasonably requested by the requesting Party. The City acknowledges that an estoppel certificate may be relied upon by transferees or successors in interest to the Company and by mortgagees holding an interest in the site or improvements thereon.

**7.2      No Third Party Beneficiaries.** This Agreement is made for the benefit of the Parties and their permitted assigns and successors in interest.

**7.3      Encumbrances on the Property.** Company is authorized to encumber the Property with one or more mortgages or other encumbrances. Such City permission of encumbrances accepted by the Company does not affect the City's authority to certify unpaid bills for collection as taxes pursuant to Minnesota Statutes § 444.075 or other applicable law.

## **Article 8      DEFAULT**

**8.1      Default.** The occurrence of any one or more of the following will constitute an "Event of Default" under this Agreement:

(a) If either Party should fail to perform any of its obligations under this Agreement as and when required, which failure continues for a period of thirty (30) calendar days after written notice of such failure by the non-defaulting Party. However, if the defaulting Party's failure to perform its obligations as described in this Section is of the nature that it cannot be cured within the thirty (30) day cure period after such written notice from the non-defaulting Party but reasonably could be cured within ninety (90) days, then the defaulting Party will have additional time as determined by the non-defaulting Party in the non-defaulting Party's reasonable discretion, in which to cure such default, provided that the defaulting Party has diligently commenced to cure such default during the initial thirty (30) day cure period and diligently pursues the cure of such default. However, no such notice or cure periods will apply in the case of any such failure which could, in the non-defaulting Party's judgment, absent immediate exercise by the non-defaulting Party of a right or remedy under this Agreement, result in irreparable harm to the non-defaulting Party or danger to the Project or third parties.

(b) If either Party fails to perform any of its obligations as and when required under any executed written agreements relating to the Project other than this Agreement, which failure continues beyond the applicable cure period, if any, specified in that written agreement, or, if no such period is specified, then in the period after written notice set forth in subparagraph (a) above.

**8.2 Remedies.** Upon an event of default that is not cured within the applicable cure period, if any, the non-defaulting Party may seek enforcement or termination of the Agreement.

(a) **Enforcement.** The non-defaulting Party may exercise any or all of rights and remedies provided by applicable law or equity, including, but not limited to, instituting claims for damages (for City default, subject to the Minnesota municipal liability limits), specific performance, and injunctive relief. Each right and remedy is distinct from all other rights or remedies under this Agreement or afforded by applicable law or equity, and each will be cumulative and may be exercised concurrently, independently or successively, in any order. The non-defaulting Party's exercise of any particular right or remedy will not in any way prevent the non-defaulting Party from exercising any other right or remedy available to it. The non-defaulting Party may exercise any such remedies from time to time and as often as it chooses. Among remedies, Company may pursue self-help regarding construction of improvements and obtaining easements and rights-of-way where City has failed to adequately do so.

(b) **Termination.** The non-defaulting Party may terminate the Agreement and seek damages from the defaulting Party.

## Article 9 MISCELLANEOUS

**9.1 General Representations of City.** City represents and warrants that it is a duly authorized municipal corporation of the State of Minnesota. To City's actual knowledge, City is not prohibited from consummating the transaction contemplated in this Agreement by any law, regulation, order, or judgment to which the City is bound. City represents that it has full power, legal capacity, and authority to enter into and execute this Agreement, and that the Agreement

does not conflict with any other obligations. After acceptance of the Public Improvements by the City, the Company shall have no further responsibility to operate or maintain the Public Improvements.

**9.2 General Representations and Warranties of Company.** The Company is in good standing, licensed and qualified to do business in Minnesota, all in accordance with Minnesota law, and will remain licensed, qualified, in good standing in accordance with Minnesota law throughout the Term. To Company's actual knowledge, Company is not prohibited from consummating the transaction contemplated in this Agreement by any law, regulation, order, or judgment to which the Company is bound. Company represents that it has full power, legal capacity, and authority to enter into and execute this Agreement, and that the Agreement does not conflict with any other obligations. The Company warrants that it will promptly pay or cause to be paid all real estate taxes at any time levied on the Project. The Company will construct the Public Improvements in accordance with the terms of this Agreement, and all Applicable Rules. The Company will fully cooperate with the City with respect to third-party litigation commenced with respect to the Project.

**9.3 Conflicts of Interest.** The Company represents and warrants to the City that, to the best of its knowledge, no member of the governing body or other official of the City has a financial interest, direct or indirect, in this Agreement, the Project, or any contract, agreement or other transaction contemplated to occur or be undertaken thereunder or with respect thereto, nor shall any such member of the governing body or other official participate in any decision relating to the Agreement that affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested. The Company represents that it has not provided any gift, payment, or financial inducement that would violate applicable conflict of interest laws or City ordinances. No member, official or employee of the City shall be personally liable to the City in the event of any default or breach by the Company or successor or on any obligation and no officer or director of the Company shall be personally liable to the City, under the terms of this Agreement.

**9.4 Force Majeure.** A Party may assert force majeure in the event of an act, cause or occurrence which: (i) delays or prevents a Party from timely performing its obligations under this Agreement; (ii) arises outside the control of the Party hereto who has the affected obligation; (iii) cannot be prevented by such Party's exercise of due care, prudence and diligence; and (iv) is not the result of the willful misconduct or negligent act or omission of such Party (or its subcontractors or agents). A Party asserting that the force majeure delays or prevents timely performance will have the duty to mitigate the effect of the force majeure. Such affected Party will provide prompt written notice of the occurrence of a force majeure event to the other Party and will have its time for performance extended only to the extent that, and only for so long as, the force majeure either: (i) actually delays or prevents timely performance, if such Party properly exercises its duty to mitigate; or (ii) would have delayed or prevented timely performance if such Party properly had exercised its duty to mitigate but failed to do so. Force majeure specifically excludes the following: (i) any failure, delay, default or bankruptcy by a contractor, subcontractor or other agent of a Party (unless such failure or delay, but not default or bankruptcy, is directly caused by a force majeure); (ii) any Party's failure to receive, or its delay in receiving, any financing, revenues or other sources of funds for any reason; and (iii) the City's failure to receive, or its delay in receiving, all necessary easements, rights of ways, fee simple titles, or other property

rights necessary for the construction and installation of the Public Improvements or road improvements, or any grants related thereto.

**9.5 Amendment.** This Agreement, including its Schedules and Exhibits, may be amended or modified only by a written instrument approved and executed by both Parties.

**9.6 Severability.** In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect and for any reason whatsoever, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby. In the event any such provision is held to be invalid, illegal or unenforceable, the Parties hereto will negotiate in good faith and reasonably cooperate to agree on a provision in substitution for such invalid, illegal or unenforceable provision that is as near in economic benefit as possible to the provision found to be invalid, illegal or unenforceable.

**9.7 Notices.** Any notices or other communications required or permitted under this Agreement shall be sufficiently given if sent by both (1) email and (2) physical copy transmitted by one of the following (a) delivered personally by courier, including overnight delivery service such as Federal Express; or (b) sent by registered or certified mail, postage prepaid, return receipt requested, and addressed as set forth below or to such other address as the Party concerned may substitute by written notice to the other. All notices shall be deemed received based on the date of receipt of the physical copy: (i) if delivered personally, the day of delivery, or (ii) if given by mail, within three days (excluding Saturdays, Sundays, and United States federal holidays) after being mailed.

To the City: City of Hermantown  
Attn: Chad Ronchetti, Economic Development Director  
5105 Maple Grove Rd  
Hermantown, MN 55811  
[cronchetti@hermantownmn.com](mailto:cronchetti@hermantownmn.com)

And with a copy to: City of Hermantown  
Attn: Gunnar Johnson, City Attorney  
Overom Law  
802 Garfield Avenue, Suite 101  
  
Duluth, MN 55802  
[gjohnson@overomlaw.com](mailto:gjohnson@overomlaw.com)

To the Company: Harmony Group LLC

And with a copy to: Kutak Rock LLP  
Attn. Margot Wickman  
60 South Sixth Street  
Minneapolis, MN 55402  
[margot.wickman@kutakrock.com](mailto:margot.wickman@kutakrock.com)

**9.8 Assignment.**

(a) The Company may, with the prior written consent of the City, not to be unreasonably withheld, assign all or part of its rights under this Agreement to subsequent owners of the Property.

(b) Upon commencement of construction of the Project as provided in Section 6.2 of this Agreement and until the Public Improvements are completed, Company will be prohibited from the transfer of property and assignment of this Agreement to subsequent owners of the Property without written approval from City or provision by the transferee of a performance bond satisfactory to assure completion of the Public Improvements. Notwithstanding the foregoing, the Company may assign the Agreement to an affiliate of the Company at any time, where “affiliate” means any entity that now or in the future, directly or indirectly controls, is controlled with or by or is under common control with Company.

(c) The City may not assign the Agreement.

**9.9 Recording of Memorandum.** Company may record a memorandum of this Agreement with Saint Louis County, Minnesota, Recorder’s Office, to give public notice of the existence of this Agreement. This memorandum will include any material terms of the Agreement necessary to reflect the Parties rights and obligations under this Agreement, without disclosing the full terms of the Agreement.

**9.10 Entire Agreement.** This Agreement, together with any other written agreements between the Parties that are in force and effect constitute the entire agreement and set forth all of the terms of the understanding between the Parties with respect to the Project. The provisions of this Agreement may be waived, changed or modified only by an instrument in writing signed by both Parties.

**9.11 Multiple Counterparts.** This Agreement may be executed in counterparts, and all such counterparts shall constitute the same Agreement.

**9.12 Effect on Other Vested Rights.** This Agreement does not impair any legal rights of either Party that are not addressed in this Agreement. This Agreement does not confer any rights upon third parties who are not signatories to this Agreement, and third parties shall have no recourse against either Party under this Agreement.

**9.13 Agreement Construction.** The Parties acknowledge and agree that each Party’s counsel has reviewed and revised this Agreement and that the normal rule of construction to the effect of resolving any ambiguities against the drafting Party will not apply.

**9.14 Confidential Information.** Both Parties acknowledge and agree that certain information contained in or to be provided pursuant to this Agreement, including, without limitation, information relating to utilization of water service and sewer service, may be Trade Secrets under Minnesota Statute § 13.37, subd. 2 or Municipal Utility Customer Data under Minnesota Statute § 13.685, and which the Company considers competitively sensitive under the Minnesota Government Data Practices Act (“MGDPA”). The Parties acknowledge that the City

is a governmental entity subject to the MGDPA. The Parties further acknowledge that, notwithstanding other provisions of this Agreement to the contrary, some or all of the information, materials, or documents provided to the City by the Company may be “government data” and, as such, may be subject to disclosure to, and copying by, the public unless otherwise specifically exempt by the MGDPA. Should any person request to examine or copy any portion of this Agreement or information provided under this Agreement or otherwise request Confidential Information regarding the Company, whether pursuant to the MGDPA, court order, government request, or other process, the City will notify the Company of that request, and the Company, within ten business days of receiving such notification, have the option to seek a court order or ruling from the Minnesota Department of Administration that the data is non-public and not subject to disclosure. The Company will hold harmless and indemnify the City for all expenses, costs, damages, and penalties of any kind whatsoever which may be incurred by the City or assessed or awarded against the City, and in favor of the person making such request, in regard to the City’s delay to permit disclosure or copying of such material. If litigation is filed in relation to such request and the Company is not initially named as a party, the company will promptly seek to intervene as a defendant in such litigation to defend its claim regarding the confidentiality of such material.

**9.15 Further Assurances.** Upon request, each Party agrees to do all things and take all actions reasonably required for the purpose of carrying out the intent of this Agreement, including without limitation the furnishing of additional information and the obtaining, negotiation, execution, and delivery of all necessary or desirable agreements, filings, consents, authorizations, approvals, licenses, or deeds.

**9.16 Choice of Law.** This Agreement will be construed in accordance with and governed by the laws of the State of Minnesota, without regard to its conflict of laws principles.

**9.17 Mandatory Choice of Forum.** All legal actions initiated by either Party with respect to or arising from any provision contained in this Agreement shall be initiated, filed, and venued in the United States District Court for the District of Minnesota or the appropriate Minnesota state court of competent jurisdiction.

**9.18 Headings.** The descriptive headings of the articles, sections, and subsections of this agreement are for convenience only and shall not be used in the construction of the terms of this Agreement.

**9.19 No Personal Liability.** In no event will any officer, agent, or employee of either Party be liable to the other Party for any damages arising out of or relating to this Agreement, including under all related agreements and instruments to be developed and entered into by the Parties pursuant to the terms of this Agreement.

**9.20 Waiver of Consequential Damages.** In no event a Party be liable to the other Party for any special, incidental, indirect or consequential damages, lost profits or comparable claims of any sort arising out of or relating to this Agreement, including under all related agreements and instruments to be developed and entered into by the Parties pursuant to the terms of this Agreement.

(signature pages follow)

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be signed by their duly authorized officers and their seals to be hereto affixed on the date of the acknowledgment shown below, to be effective as of the day and year first above written.

**CITY OF HERMANTOWN, MINNESOTA**

By: \_\_\_\_\_  
Its: Mayor

STATE OF MINNESOTA            )  
  )  
COUNTY OF \_\_\_\_\_        )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by \_\_\_\_\_, the \_\_\_\_\_ of the City of Hermantown, Minnesota, a \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

By: \_\_\_\_\_  
Its: City Clerk

**HARMONY GROUP LLC**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF MINNESOTA            )  
  )  
COUNTY OF \_\_\_\_\_        )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_,  
20\_\_\_, by \_\_\_\_\_, the \_\_\_\_\_ of Harmony Group LLC, a  
\_\_\_\_\_ limited liability company.

\_\_\_\_\_  
Notary Public

## EXHIBIT A

### PROPERTY DESCRIPTION

That part of Section 31, Township 50 North, Range 15 West, 4th Principal Meridian, St. Louis County, Minnesota, described as follows:

Beginning at the northeast corner of said Section 31; thence South 00 degrees 21 minutes 59 seconds East, assumed bearing, along the east line of the Northeast Quarter, a distance of 2652.09 feet to the east quarter corner of said Section 31; thence South 00 degrees 22 minutes 03 seconds East along the east line of the Southeast Quarter, a distance of 1326.39 feet to the southeast corner of the Northeast Quarter of the Southeast Quarter; thence South 89 degrees 53 minutes 58 seconds West along the south line of said Northeast Quarter of the Southeast Quarter, a distance of 33.00 feet; thence North 00 degrees 22 minutes 03 seconds West, a distance of 100.00 feet; thence South 89 degrees 53 minutes 58 seconds West, a distance of 100.00 feet; thence South 00 degrees 22 minutes 03 seconds East, a distance of 100.00 feet to said south line of the Northeast Quarter of the Southeast Quarter; thence South 89 degrees 53 minutes 58 seconds West along said south line of the Northeast Quarter of the Southeast Quarter and the south line of the Northwest Quarter of the Southeast Quarter, a distance of 2515.34 feet to the southwest corner of said Northwest Quarter of the Southeast Quarter; thence North 00 degrees 24 minutes 24 seconds West along the north-south quarter line of said Section 31, a distance of 2635.21 feet to the southeast corner of the East Half of the Northeast Quarter of the Northwest Quarter; thence South 89 degrees 39 minutes 57 seconds West along the south line of said East Half of the Northeast Quarter of the Northwest Quarter, a distance of 171.30 feet to the intersection with the west line of the East 171.30 feet of said East Half of the Northeast Quarter of the Northwest Quarter; thence North 00 degrees 24 minutes 24 seconds West along said west line of the East 171.30 feet of East Half of the Northeast Quarter of the Northwest Quarter, a distance of 1316.98 feet to the north line of said East Half of the Northeast Quarter of the Northwest Quarter; thence North 89 degrees 36 minutes 43 seconds East along said north line of the East Half of the Northeast Quarter of the Northwest Quarter, a distance of 171.30 feet to the north quarter corner of said Section 31; thence North 89 degrees 20 minutes 04 seconds East along the north line of said Northeast Quarter, a distance of 2651.11 feet to the northeast corner of said Section 31, also being the point of beginning.

Containing 10,722,710 square feet, or 246.15955 acres, more or less

**EXHIBIT B  
PROJECT APPROVALS**

<b>Project Approvals</b>		
<b>Permit Type</b>	<b>Review / Approval Timeline</b>	<b>Required Fees (2026)</b>
Preliminary Plat	60 days	\$350
Final Plat	60 days	\$300
Zoning Map Amendment	60 days	\$400
Commercial Industrial Development Permit	60 days	\$700 + Professional Fees
Special Use Permit	60 days	\$450
Land Alteration Permit	30 days	\$150 + \$500 refundable deposit
Building Permit(s)	30 days	Based on Valuation: \$7,135 for the first \$1,000,000 + \$3 for each additional \$1,000 or fraction thereof
Plan Review Fee	30 days	65% of Final Building Permit Fee
Erosion & Sediment Control Permit	30 days	\$275
Right-of-Way Temporary Access Permit	30 days	\$150

**EXHIBIT C  
CITY FEES**

<b>City Development Fees (2026)</b>		
<b>Fee Type</b>	<b>Rate</b>	<b>Notes</b>
Park	\$252,120	\$1,100 per acre at the time of platting. Rate depicted is for platting of the entire project. Project could be platted in Phases and rate would be adjusted per platted Phase.
Wetland Permit	\$750	Per Phase fee for industrial project.
Wetland Impact Fee	\$0.15	Per square foot times the mitigation ratio
Sewer Hookup Charge	\$2,200 + Permit (\$85) + Stool Fee (\$50/toilet)	Per Phase fee for industrial project.
Water Hookup Charge	\$1,400 (plus tax)	Per Phase fee for industrial project
Stormwater	\$450	Per Phase fee for industrial project
Commercial Industrial Development Permit	\$700 + Professional Fees	Fee rate for site with development agreement
Driveway Access	\$200	One-time fee per driveway
Water Rate	\$10.20 (up to 20,000 gallons) \$10.72 (between 20,001-50,000 gallons) \$11.78 (over 50,001 gallons)	Commercial rates per 1,000 gallons.
Sewer Rate	\$11.09 + \$3.54 monthly service charge	Commercial rate per 1,000 gallons.
Stormwater	\$8.57	Per Equivalent Rate Unit

\* Water and Sewer Availability Charges will not be imposed because the Company is paying for the Public Improvements described herein.

**EXHIBIT D**  
**SPECIAL USE PERMIT**

□



## Special Use Permit Application

See the SUP Application Guide for help. Attach additional sheets if necessary.

Do not hesitate to ask the City for any assistance.

1. Applicant Information	
Name:	
Address:	
Telephone #:	
Email Address:	
Application #: <i>To be assigned by City.</i>	
Signature:	
Date:	
Owner, if different from above:	
Address:	
Telephone #:	
Email Address:	
Signature (or attachment):	
If the applicant is not the owner, explain the applicant's relationship to the current owner:	

2. Property Information	
Street Address:	
Legal Description:	
Parcel #:	
Zoning District:	Shoreland Overlay Zone: No <input type="checkbox"/> General <input type="checkbox"/> Recreational <input type="checkbox"/> Environmental <input type="checkbox"/>
Airport Zoning Overlay: No <input type="checkbox"/> A zone <input type="checkbox"/> B zone <input type="checkbox"/> C zone <input type="checkbox"/>	
If in Airport Zone, list elevation above sea level:	
Floodplain: No <input type="checkbox"/> Yes <input type="checkbox"/> Zone/Area	
Use Requested:	
Property Size (Square Ft. or Acres):	
Legal Access:	
Is this a State <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> road?	

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218-729-3600

hermantownmn.com

4-6-2020

Page 1 of 5

### 3. Project Description

A. Describe the proposed project. Describe the type of business or activity, type and function of proposed or existing buildings, and other proposed uses of the property:

B. Describe adjacent and surrounding land uses.

C. Describe how storm water runoff will be collected and treated on-site.

D. Describe proposed alterations to the existing landscape. Describe the proposed landscaping of the site. Describe how existing vegetation will be preserved or removed:

E. Describe the quantity, type, and schedule of traffic that will be generated:

### 4. Other Services and Approvals

A. Will the proposed project require new or expanded public utility connections including water and sewer?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
B. Will the proposed project require a street extension or new drive-way access?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
C. Will the proposed project require a building permit?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
D. Will the proposed project include new signage?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
E. Will the proposed project require another land use approval from the City of Hermantown including, but not limited to a Special Use Permit, zoning amendment, platting, or a variance?	Yes <input type="checkbox"/> or No <input type="checkbox"/>

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4-6-2020

Page 2 of 5

If so, indicate which approval is needed:	
F. Does the proposed project require approval or review from another government agency? This includes, but is not limited to Minnesota Department of Transportation, Minnesota Department of Natural Resources, St. Louis County Highway Department, and the U.S. Army Corps of Engineers. If yes, indicate which agencies and if permits have been applied for or received:	Yes <input type="checkbox"/> or No <input type="checkbox"/>
G. Is an EAW required?	Yes <input type="checkbox"/> or No <input type="checkbox"/>

<b>5. Site plan</b>	
Make the drawing to scale. The scale that is used must be sufficient to show the project's necessary details. Attach the site plan. Please show:	
A. Dimensions of the property: Length, Width, Depth	
B. Location and size of existing and proposed structures (Please show the distance from the property lot lines to existing and proposed structures.)	
C. Size and location of parking areas- include how many vehicles can be accommodated	
D. Loading and unloading areas	
E. Landscaped areas, blacktopped or paved driving areas	
F. Access driveways	
G. Location of signs advertising the business	
H. Show how runoff from the site will be collected and treated	
I. Existing and proposed easements	

<b>6. Environmental Information</b>	
A. If the property is within a Shoreland Overlay Zone, will filling and grading occur within the zone?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
B. Has a wetland delineation been approved?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
C. Will there be wetland impacts?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
D. If yes to C., has a wetland replacement plan been approved?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
E. Will the project result in the creation, addition, or replacement of 5,000 square feet or more of impervious surface?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
F. If yes to E, has a stormwater management plan pre-application meeting been held?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
G. Is a stormwater management plan required? If so, attach the stormwater management concept plan.	Yes <input type="checkbox"/> or No <input type="checkbox"/>
H. Is a Stormwater Pollution Prevention Plan required? If so, attach the SWPPP.	Yes <input type="checkbox"/> or No <input type="checkbox"/>

<b>7. Zoning Dimensions: Fill in the required dimensional standards from Section 5 of the zoning code and the proposed dimensions. Be sure to use overlay standards where they are stricter.</b>	
Base Zone:	Overlay Zone(s):

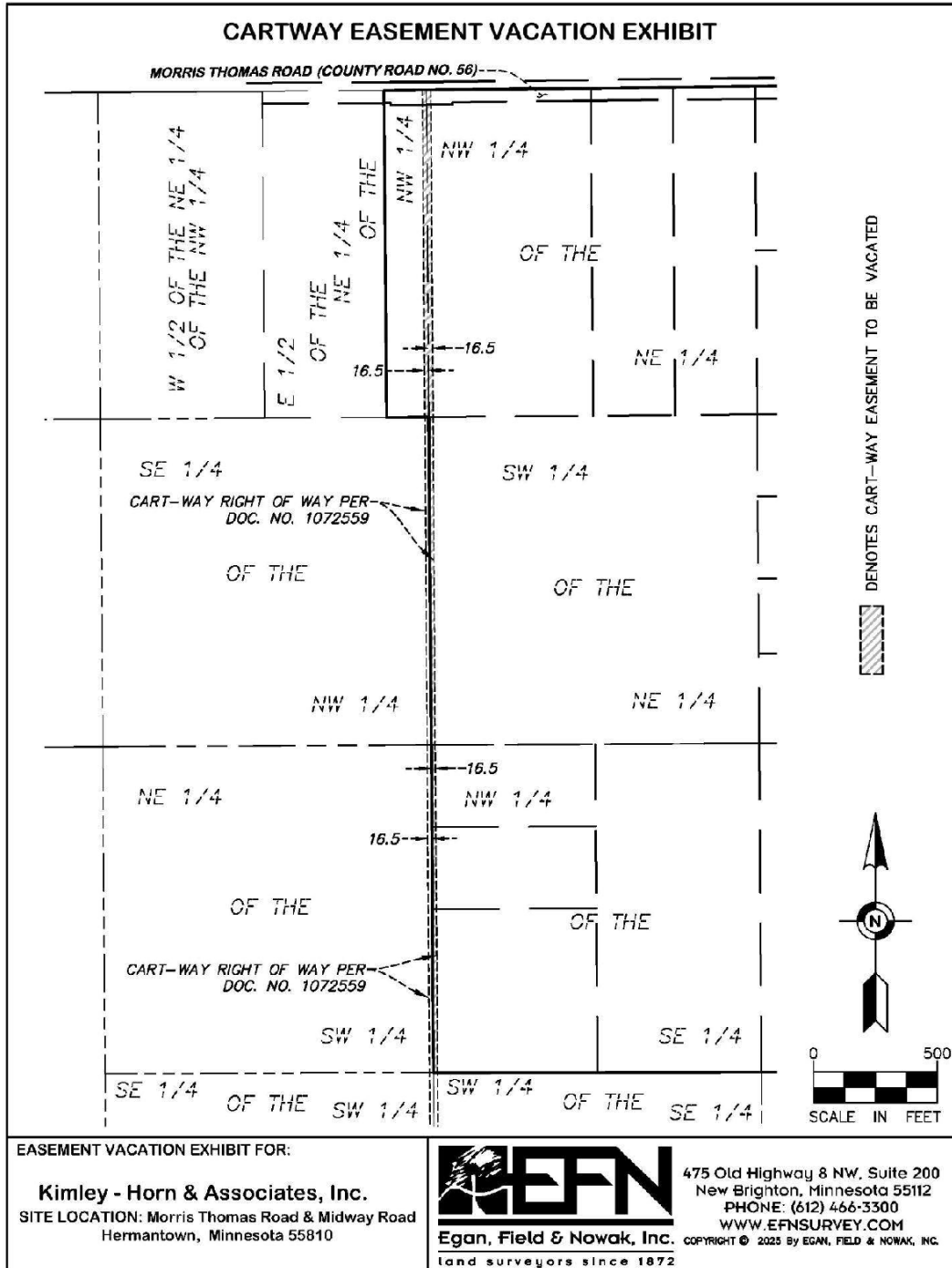
Dimension Type	Requirement	Proposed
Minimum Lot Area		
Minimum Lot Width		
Front Yard (From R.O.W)		
Corner Side Yard (From R.O.W.)		
Side Yard		
Rear Yard		
Lot Coverage		
Building Height		
Parking		

Fees	
<b>Ask the Community Development Staff to help determine the applicable fee based on the project description.</b>	
\$400.00	<input type="checkbox"/>
\$350.00 Renewal/Amendment	<input type="checkbox"/>
Are Park Dedication Fees required?	Yes <input type="checkbox"/> or No <input type="checkbox"/>
Park Dedication Fees (Ask Community Development Department for help calculating)	

City Use Only	
The SUP application is complete:	Yes <input type="checkbox"/> or No <input type="checkbox"/>
The application fee has been paid:	Yes <input type="checkbox"/> or No <input type="checkbox"/>
The SUP application requires the modifications listed below:	
The project is not a use permitted with a SUP:	<input type="checkbox"/>
Has notice of the public hearing been published in the Hermantown Star at least 10 days prior to the public hearing, and all property owners within 350' of the affected property been notified.	Yes <input type="checkbox"/> or No <input type="checkbox"/>
Signature of Zoning Administrator/Date:	

# EXHIBIT E

## CARTWAY EASEMENT



## CARTWAY EASEMENT VACATION EXHIBIT

### DESCRIPTION OF CART-WAY EASEMENT TO BE VACATED

That part of that certain right of way for cart-way purposes created by Road Order dated September 14, 1909 and refiled as Document No. 1072559 in the Office of the County Recorder in and for St. Louis County, Minnesota,  
Said part being located within the Northeast Quarter, the North Half of the Southeast Quarter and the East Half of the Northeast Quarter of the Northwest Quarter, all in Section 31, Township 50 North, Range 15 West of the 4th Principal Meridian, St. Louis County, Minnesota.

EASEMENT VACATION EXHIBIT FOR:

**Kimley - Horn & Associates, Inc.**  
SITE LOCATION: Morris Thomas Road & Midway Road  
Hermantown, Minnesota 55810



**Egan, Field & Nowak, Inc.**  
land surveyors since 1872

475 Old Highway 8 NW, Suite 200  
New Brighton, Minnesota 55112  
PHONE: (612) 466-3300  
WWW.EFNSURVEY.COM

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DRAWING NAME: 42281 Easement Vacation Exhibit.dwg

EXHIBIT E

**EXHIBIT F**  
**STORMWATER SYSTEM**

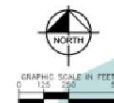
*Attached*

# HERMANTOWN INDUSTRIAL - STORMWATER MANAGEMENT MAINTENANCE EASEMENT EXHIBIT

HERMANTOWN, MN  
ST. LOUIS COUNTY



SITE LEGEND	
PROPERTY BOUNDARY	---
PROPERTY SETBACKS	---
PROPOSED DETENTION PONDS	-----
PROPOSED STORMWATER MANAGEMENT MAINTENANCE EASEMENT	-----



**Kimley»Horn**  
09.08.2025

EXHIBIT F

**EXHIBIT G**  
**ROAD IMPROVEMENTS**

*Attached*

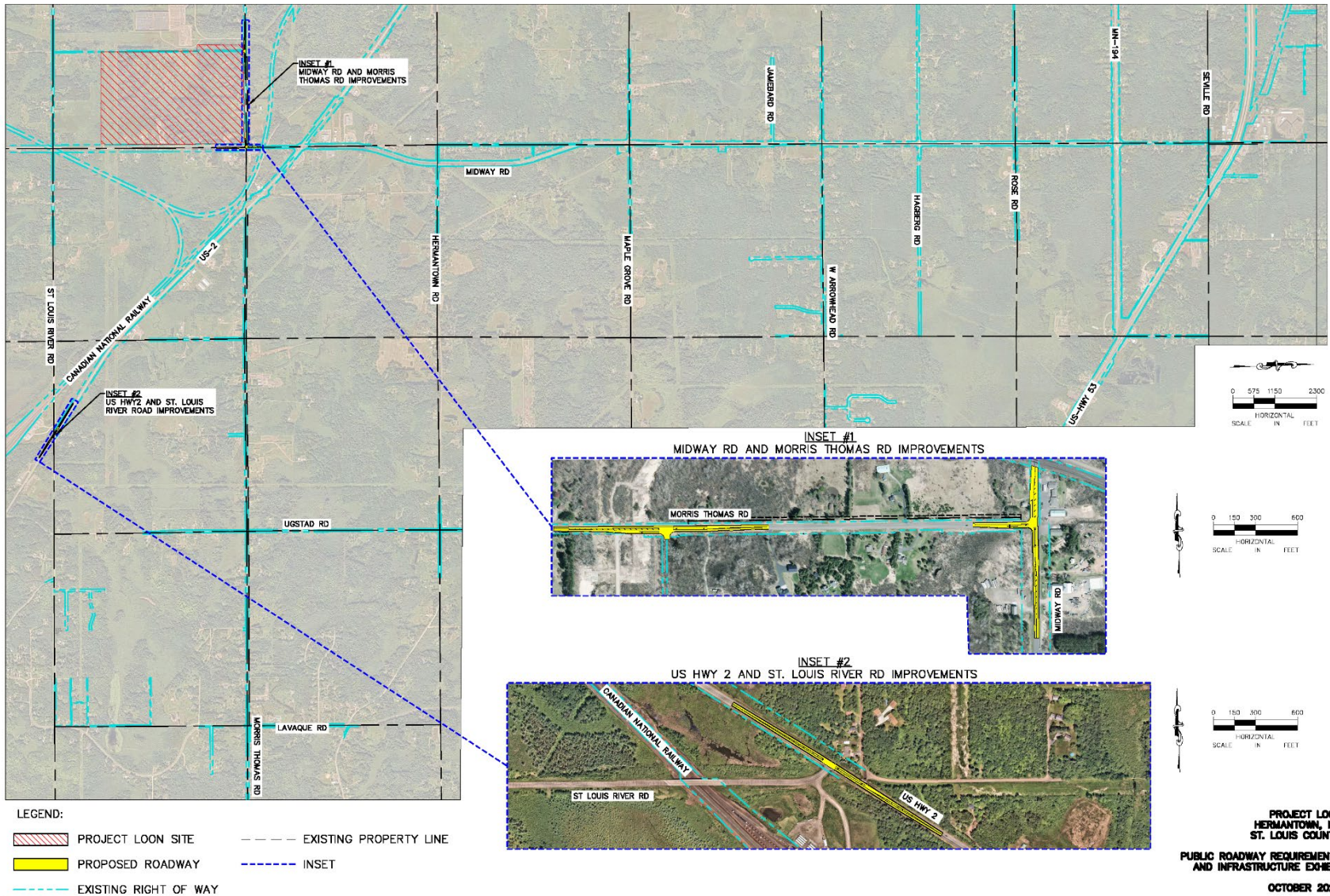


EXHIBIT G

**EXHIBIT H**

**CERTIFICATE OF SUBSTANTIAL COMPLETION**

**SEWER MAIN, WATER MAIN, AND PUBLIC ROADWAY**

Date of Issuance: \_\_\_\_\_, 20\_\_

This Certificate of Substantial Completion is made with reference to the following facts:

Harmony Group LLC, (hereinafter the “**Company**”) entered into a Development Agreement (hereinafter referred to as “**Development Agreement**”) with the City of Hermantown, a statutory city under the laws of the State of Minnesota, (hereinafter the “**City**”), with respect to a development to be constructed by Company in the City.

The undersigned hereby certifies that the following facts and representations are true and correct:

1. The construction of the Public Improvements as defined in the Development Agreement have been fully completed in accordance with the Plans and Specifications. The Date of Substantial Completion is hereby established as of \_\_\_\_\_.
2. All capitalized terms when used herein shall have the meaning given them in the Development Agreement.

**[Name of Company’s Contractor]**

By  
Its

The undersigned, the City Engineer, based on the foregoing Certificate and such other testing and inspections as it deemed necessary hereby certifies that the construction of the sewer main, water main, and roadway Public Improvements specified in the Development Agreement other than the items described on Addendum No. 1 attached hereto strictly in accordance with the Plans and Specifications as defined in the Development Agreement have been substantially completed in accordance with the Plans and Specification and the terms of the Development Agreement.

Dated \_\_\_\_\_

**Northland Consulting Engineers. L.L.P.**

By  
Its

## CERTIFICATE OF FINAL COMPLETION

Date of Issuance: \_\_\_\_\_, 202\_\_

This Certificate of Final Completion is made with reference to the following facts:

Harmony Group LLC (hereinafter the “**Company**”) entered into a Development Agreement (hereinafter referred to as “**Development Agreement**”) with the City of Hermantown, a statutory city under the laws of the State of Minnesota, (hereinafter the “**City**”), with respect to a development to be constructed by the Company in the City.

The undersigned parties hereby certify that the following facts and representations are true and correct:

1. The construction of the Public Improvements defined in the Development Agreement has been completed strictly in accordance with the Infrastructure Plans and Specifications and the terms of the Development Agreement. The Date of Final Completion is hereby established as of \_\_\_\_\_.

2. All capitalized terms when used herein shall have the meaning given them in the Development Agreement.

3. That the following have been satisfied:

3.1. Construction of the Public Improvements have been fully completed in accordance with the Plans and Specifications.

3.2. Stormwater Management has been completed in accordance with the MS4 Certificate of Compliance.

3.3. The provisions of Section 3.11 of this Agreement with respect to the payment of fees have been satisfied.

3.4. Company is not in default under this Agreement.

3.5. All wetland work has been completed in accordance with any permits or approvals for such work.

3.6. The Company has provided the City with a map/plan on paper and electronically in auto cad format showing the location of water service lines and sewer service lines.

3.7. The Company has installed a locating wire or equally effective means of marking the location of each non-conductive water service lines or sewer service lines.

3.8. The Company has provided record drawings for the Public Improvements constructed by it pursuant to this Agreement on paper and electronically in auto-cad format

EXHIBIT H

and PDF format. The Company has also provided City with an electronic copy of the recorded Plat.

3.9. The Company has provided the GPS data points for the wetland boundaries on all lots within the Plat and for the permanent wetland markers required to be installed by the Company pursuant to Section 2.4 of the Development Agreement.

3.10. The Company has provided City with a Declaration of Wetland Restrictions required by Section 2.4 of the Development Agreement acceptable to the City in recordable form.

3.11. The Company has complied with the provisions of Section 3.6 of the Development Agreement with regard to Stormwater Management.

**HARMONY GROUP LLC**

By  
Its

**Company's Engineer:**

By  
Its

The undersigned, the City Engineer, based on the foregoing Certificate and such other testing and inspections as it deemed necessary hereby certifies that the construction of Stormwater Management defined in the Development Agreement have been completed strictly in accordance with the Plans and Specification.

Dated: \_\_\_\_\_

**Northland Consulting Engineers, LLP**

By  
Its

**EXHIBIT I**

**PROJECT UTILITY REQUIREMENTS AND INFRASTRUCTURE**

*Attached*



**EXHIBIT J**

**DECLARATION OF WETLAND RESTRICTIONS**

**Harmony Group LLC**, a limited liability corporation organized under the laws of the State of Minnesota, (“**Company**”) hereby certifies and declares that Lot \_\_\_\_\_, Block \_\_\_\_\_ (“**Property**”) is subject to the restrictions contained within that certain Development Agreement between Company and the City of Hermantown dated \_\_\_\_\_, 202\_ and recorded the \_\_\_\_ day of \_\_\_\_\_, 202\_ as Document No. \_\_\_\_\_ with the \_\_\_\_\_ of St. Louis County, Minnesota. Such restrictions include, but are not limited to, the following:

1. The permanent wetland markers installed on the Property may not be removed or disturbed in any manner. The wetland areas on the Property may not be disturbed in any manner.
2. Subject to any secure access protocols required by the owner of the Property as further described in the Development Agreement, the South St. Louis Soil and Water Conservation District may enter upon the Property to monitor and inspect the wetland areas on the Property.
3. If the owner of the Property fails to maintain the wetland areas in violation of the Wetlands Conservation Act, Minnesota Administrative Rules Part 8420, or Chapter 21 of the City of Hermantown Zoning Code, as determined by the South St. Louis Soil and Water Conservation District, then the City may enter upon the Property in accordance with said secure access protocols to repair, maintain and correct such disturbance and may assess the reasonable cost of repairing or restoring the wetland areas against the Property pursuant to the provisions of Chapter 429 of the Minnesota Statutes.
4. This Declaration shall run with the land and be binding on Company and its successors and assigns.

**[SIGNATURE APPEARS ON NEXT PAGE]**

