



## **AGENDA**

**Port Authority Regular Meeting**

**Tuesday, June 20, 2023**

**6:00 PM**

**Council Chambers, City Hall**

- 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**
- 2. ADDITIONS OR CORRECTIONS TO AGENDA**
- 3. CONSENT AGENDA**
  - a. May 16, 2023 Regular Meeting Minutes
- 4. CHAIRPERSON'S REPORT**
- 5. REPORTS FROM PORT AUTHORITY COMMISSIONERS**
- 6. NEW BUSINESS**
  - a. Open to Business Update
  - b. Authorize Declaration and Site Development Agreement with Life Time Inc.
  - c. Authorize the Sale of Taxable General Obligation Bonds Subject to Certain Parameters
- 7. OLD BUSINESS**
  - a. Project Updates
- 8. DISCUSSION**
- 9. DIRECTOR'S REPORT**
- 10. COMMUNITY/AUDIENCE RECOGNITION**
- 11. ADJOURNMENT**

**ROSEMOUNT PORT AUTHORITY  
REGULAR MEETING PROCEEDINGS  
MAY 16, 2023**

**CALL TO ORDER/PLEDGE OF ALLEGIANCE**

Pursuant to due call and notice thereof a regular meeting of the Rosemount Port Authority meeting held on May 16, 2023, at 6:00 p.m. in the City Hall Council Chambers, 2875 145th Street West.

Chairperson Essler called the meeting to order with Port Authority Commissioners Weisensel, Ober, Freske, Beaudette, and Theisen in attendance. Staff present included Deputy Director Kienberger and Economic Development Coordinator Van Oss.

The Pledge of Allegiance was recited.

**ADDITIONS OR CORRECTIONS TO AGENDA**

None.

**Motion by** Essler **Second by** Freske.

Motion to adopt the Agenda.

Ayes: 6.

Nays: 0. Motion Carried.

**CONSENT AGENDA**

**Motion by** Klimpel. **Second by** Freske.

Motion to approve the consent agenda as submitted.

a. Minutes of April 18, 2023 Regular Meeting

**Ayes:** Essler, Weisensel, Ober, Freske, Beaudette, and Theisen.

**Nays:** 0. Motion Carried.

**CHAIRPERSON'S REPORT**

None.

**REPORTS FROM PORT AUTHORITY COMMISSIONERS**

Commissioner Theisen shared that he was impressed with and enjoyed the employee appreciation lunch held last week.

Commissioner Beaudette noted that he has been trying to contact various restaurants to get them in contact with City staff for the potential for a new business opportunity.

## **NEW BUSINESS**

### **a. Life Time Site Natural Foods Grocer Feasibility Discussion**

Economic Development Coordinator Van Oss introduced the representative from the Natural Grocery Store. The representative from the Natural Grocer presented an overview of the potential Store, characteristics of the grocery business, as well as the community partnerships and events hosted by Natural Grocery Store, in addition to the overlap of interest in the City of Rosemount.

Commissioner Weisensel asked about the other store sites in comparison to the size of what would potentially be proposed in Rosemount. The representative from the Natural Grocer noted there is 18,000 ft of retail space in Burnsville and the grocer is looking to construct roughly 17,000 for the total area in Rosemount.

Commissioner Beaudette asked if there would be space to expand the store. The representative from the Natural Grocery Store noted that yes, if it would be beneficial to do so.

Commissioner Beaudette asked what the closest competitor would be to the Natural Grocery Store.

Commissioner Beaudette asked if this would be the only feasible site for development of the potential grocery store, which Economic Development Coordinator Van Oss confirmed that the potential site was the only feasible area for the grocery business.

Commissioner Theisen noted good synergy with uses around the potential site for the grocery business. Commissioner Theisen asked if there would be any competition between this use and other uses in the area. The representative from the Natural Grocery Store stated there are no concerns about the potential uses of being in competition.

Commissioner Ober asked if they would continue the community garden aspect of the grocery business and the representative from the Natural Grocery Store noted that there have not been any decisions made regarding the specific uses of a potential store yet.

Commissioner Beaudette asked when Life Time would open, and staff noted Life Time would open in early 2024. Staff also noted the purpose of bringing this potential business to the Port Authority meeting ahead of any application was done

intentionally to obtain the pulse of the Port Authority and City Council members, as the City has a strong interest in successfully developing the Corner of Akron and County Road 42.

Commissioner Ober inquired again about the potential size of the grocery store to visualize the size of the space and what it may be able to hold.

Commissioner Essler inquired about the timeline and start-up costs for which the representative from the Natural Grocery Store noted the gaps that would likely occur within the short and medium term.

**b. Authorization to issue General Obligation Improvement and Utility Revenue Bonds**

City Administrator Martin gave an overview of the Authorization to issue General Obligation Improvement and Utility Revenue Bonds.

**Motion by** Theisen. **Second by** Freske.

**Motion to** recommend City Council approve the Authorization to issue General Obligation Improvement and Utility Revenue Bonds.

**OLD BUSINESS**

**a. Project Updates**

Commissioner Ober asked if there were any updates from the Speedway. Economic Development Coordinator Van Oss noted that staff is waiting on several pre-development aspects, including clean-up and remediation, to take place before the site moves forward.

Commissioner Theisen asked if there was any interest from other buyers. Economic Development Coordinator Van Oss noted it is not likely until City staff have a full understanding of what the pre-development findings will be.

Commissioner Weisensel asked what the costs associated would be. Deputy Director Kienberger noted there is a lengthy process to determine the full scope of costs.

Commissioner Essler asked if there was an opportunity for communication from the City about the status of the site. City staff noted communication on the site would be possible.

Commissioner Ober asked if it could have lawn maintenance done before Leprechaun Days, and staff noted that would be possible. In the meantime, the City will make sure to take care of the site from a blight and nuisance standpoint.

Van Oss gave an update on the restaurants in the area.

Essler gave an update on the Flower Shop and its closing and transitional use.

Freske gas station is on the corner of Akron and City staff noted there was nothing to note yet.

**DISCUSSION**

None.

**DIRECTOR'S REPORT**

None.

**COMMUNITY/AUDIENCE RECOGNITION**

None.

**ADJOURNMENT**

There being no further business to come before the Port Authority and upon motion by Essler and Second by Freske the meeting was unanimously adjourned at 6:49 pm.

Respectfully submitted,

Riley Rooney  
Community Development

Port Authority Regular Meeting: June 20, 2023

|                                                                    |                                        |
|--------------------------------------------------------------------|----------------------------------------|
| <b>AGENDA ITEM:</b> Open to Business Update                        | <b>AGENDA SECTION:</b><br>NEW BUSINESS |
| <b>PREPARED BY:</b> Eric Van Oss, Economic Development Coordinator | <b>AGENDA NO.</b> 6.a.                 |
| <b>ATTACHMENTS:</b>                                                | <b>APPROVED BY:</b> LJM                |
| <b>RECOMMENDED ACTION:</b> None, informational update only.        |                                        |

**BACKGROUND**

The City has participated in the Open to Business (OTB) program since 2013. The most recent contract was for a 2-year period (2022-2023). The Port budget takes into consideration the City's share of the program, which is currently \$5,200. Given the pace of activity in Rosemount and changes in the business community, staff felt an annual face-to-face update from OTB would be beneficial. The City is working with the Dakota CDA on a new 3 year OTB contract.

For this meeting, our Dakota County OTB representative Natalie Mouilso will provide a brief presentation of her OTB work in Rosemount. She has a strong read on the business climate and community and is available for any questions the Port may have.

**RECOMMENDATION**

None, informational update only.

Port Authority Regular Meeting: June 20, 2023

|                                                                                                                                                                                             |                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <b>AGENDA ITEM:</b> Authorize Declaration and Site Development Agreement with Life Time Inc.                                                                                                | <b>AGENDA SECTION:</b> NEW BUSINESS |
| <b>PREPARED BY:</b> Logan Martin, City Administrator                                                                                                                                        | <b>AGENDA NO.</b> 6.b.              |
| <b>ATTACHMENTS:</b> Resolution , Declaration Final 6.16.23, Rosemount Site Development Agreement Final                                                                                      | <b>APPROVED BY:</b> LJM             |
| <b>RECOMMENDED ACTION:</b> Staff recommends that the Port Authority authorize execution of the Declaration and Site Development Agreement between the City of Rosemount and Life Time, Inc. |                                     |

### **BACKGROUND**

Attached for the Port Authority's consideration is the Declaration of Easements and Covenants along with the Site Development Agreement between the City and Life Time. This is the final step in the transaction with Life Time. The Site Development Agreement is a critical component of the project as it establishes the scope of the improvements to be performed by either party. This document is directly connected to other previously authorized documents which establish each parties' duties in the deal, including the Lease and the Partial Assignment of property acquisition rights.

Life Time, acting as our construction manager, is responsible for the installation and construction of the internal roads, parking lots, and utilities across the entire site. The City is responsible for paying its pro rata share of infrastructure that is installed on the specific Life Time site, and Life Time will be paying for all infrastructure installed on the remaining developable sites. Of particular note is the future Aspen Avenue installation. The City and Life Time have agreed that Life Time will pay an assessment for the southern portion of Aspen Avenue up to the private "spine road", and the City will not be assessing itself for the property north of the spine road (where the Life Time Club sits).

Property owners on the east side of Aspen Avenue are also subject to assessments per the City's typical policy.

### **RECOMMENDATION**

Staff recommends the Port Authority adopt a resolution authorizing the execution of the Declaration and Site Development Agreement between the City and Life Time, Inc.

**ROSEMOUNT PORT AUTHORITY  
CITY OF ROSEMOUNT  
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION 2023-04**

**RESOLUTION AUTHORIZING THE EXECUTION OF VARIOUS AGREEMENTS  
(LIFE TIME PROJECT)**

**WHEREAS**, the City of Rosemount (the “City”), as buyer, and Akron 42, LLC, as seller, have executed that certain Purchase and Sale Agreement dated April 5, 2022, as amended and assigned (the “Purchase Agreement”), pursuant to which the City will acquire that certain tract of land with all easements, hereditaments and appurtenances belonging thereto, located at northwest corner of County Road 42 and Akron Avenue in Rosemount, Minnesota, consisting of approximately 21.75 net developable acres in the aggregate (the “Development Property”); and

**WHEREAS**, pursuant to a quit claim deed or the terms of a Partial Assignment of Purchase Agreement, to be entered into between the City and the Rosemount Port Authority, a Minnesota body corporate and politic (the “Port”), with the consent of Akron 42, LLC, as seller, (collectively, the “PA Assignment”), the Port proposes to acquire and become the fee owner of that portion of the Development Property containing approximately 10.9 net developable acres, to be legally described as Lot 1, Block 1, Prestwick Place 23rd Addition, according to the approved plat thereof (the “PA Property”); and

**WHEREAS**, the Port, as landlord, and LTF Lease Company, LLC (“LTF Tenant”), have entered into a Lease, dated as of April 7, 2023 (the “Lease”), pursuant to which a health and fitness facility with outdoor recreational uses will be developed and constructed by the Port, pursuant to a AIA Document C132 – 2019 Standard Form of Agreement Between Owner and Construction Manager as Adviser and a AIA Document A232 – 2019 General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, both dated as of April 7, 2023, (collectively, the “Construction Management Agreement”) between the Port and LTF Construction Company, LLC, an affiliate of LTF Tenant (the “Construction Manager”), and leased to and operated on the PA Property by LTF Tenant (the “Health Club Project”); and

**WHEREAS**, LTF Real Estate Company, Inc., a Minnesota corporation (“LT Owner”) as the initial owner of Outlots A and C, Prestwick Place 23rd Addition, of the Development Property (the “LT Owner Property”) plans to facilitate the development of an integrated retail/residential development on the LT Owner Property by developing and/or selling the outlots or lots comprising the LT Owner Property to third parties; and

**WHEREAS**, the Port, pursuant to the Construction Management Agreement, will cause the completion of certain site work, utility, roadway, and signage improvements (the “Improvements”) that will benefit the entire Development Property; and

**WHEREAS,** the Port and LT Owner, with the consent of the City, propose to enter into a Site Development Agreement (the “Site Development Agreement”), which describes the scope of the Improvements to be performed in connection with the development of the Development Property and the timing of completion of the Improvements and pursuant to which the costs and expenses associated with the completion of such Improvements will be paid for by the Port and LTF Owner pro rata based upon the relative net developable acres comprising each of the PA Property and the LT Owner Property; and

**WHEREAS,** the Port, LTF Tenant, LTF Owner, and the City, propose to enter into a Declaration of Easements and Covenants (the “Declaration”), which describes easement areas for the Improvements and imposes various other restrictions on the Development Property; and

**WHEREAS,** in furtherance of the objectives of the Port as detailed in the Laws of Minnesota 1991, Chapter 291, as codified in Minnesota Statutes, Section 469.0813, and a certain enabling resolution adopted by the City Council of the City (the “City Council”), on September 3, 1991 (the “Enabling Resolution”), the Commission of the Port Authority (the “Commission”) established the Connemara Industrial Development District (the “Development District”) and adopted a development plan for the Development District as set forth the document entitled “Development Plan for Connemara Industrial Development District” (the “Plan”), pursuant to Minnesota Statutes, Sections 469.048 to 469.068 and Section 469.0813 (the “Act”); and

**WHEREAS,** the Commission found that there is a need for development and redevelopment within the City and, in particular, within the Development District, and a need to provide an improved local tax base, to provide public facilities, to provide employment opportunities, and to improve the general economy of the City and the State. The Commission further found that the City lacks adequate community recreational facilities to serve the needs of the City’s population. Acquisition of land at the proposed site in the Development District will allow the Port to facilitate development of a recreational facility and to be leased to LTF Tenant. The proposed site in the Development District will provide adequate space to develop such recreational facility. The Development District will allow the Port to encourage commercial development within the Development District and stimulate future development of the City, including attraction of commercial development by providing access to public services, including without limitation recreational facilities and services, to the citizens of and visitors to the City. The recreational facility is a necessary public facility and the site will be acquired and developed at a cost reasonably related to the public purpose to be served without need of any residential clearance activities. The additional findings set forth in the Plan are incorporated herein by reference; and

**NOW THEREFORE, BE IT RESOLVED** by the Commission of the Rosemount Port Authority (the “Commission”) as follows:

**Section 1. Approval of Agreements.** The Commission hereby approves the Site Development Agreement and the Declaration in substantially the forms presented to the City Council, together with any related documents necessary in connection therewith or in

connection with the Site Development Agreement and the Declaration, including but not limited to any documents, exhibits, certifications or consents referenced in or attached thereto, as approved by legal counsel to the Port (collectively, the “Development Documents”), and hereby authorizes the Chair and Executive Director to negotiate the final terms thereof and, in their discretion and at such time, if any, as they may deem appropriate, the Chair and Executive Director are authorized to execute the same on behalf of the Port, and to carry out, on behalf of the Port, the Port’s obligations thereunder.

**Section 3.        Modifications.** The approval hereby given to the Development Documents includes approval of such additional details therein as may be necessary and appropriate and such modifications thereof, deletions therefrom and additions thereto as may be necessary and appropriate and approved by legal counsel to the Port, by the Executive Director and by the officers authorized herein to execute said documents prior to their execution; and said officers are hereby authorized to approve said changes on behalf of the Port. The execution of any instrument by the appropriate officers of the Port herein authorized shall be conclusive evidence of the approval of such document in accordance with the terms hereof. This Resolution shall not constitute an offer and the Development Documents shall not be effective until the date of execution thereof as provided herein.

**Section 4.        Absence of Authorized Officials.** In the event of absence or disability of the officers, any of the documents authorized by this Resolution to be executed may be executed without further act or authorization of the Commission by any duly designated acting official, or by such other officer or officers of the Commission as, in the opinion of the City Attorney, may act in their behalf. Upon execution and delivery of the Development Documents, the officers and employees of the Port are hereby authorized and directed to take or cause to be taken such actions as may be necessary on behalf of the Port to implement the Development Documents.

**Section 5.        Public Purpose.** The Commission hereby determines that the execution and performance of the Development Documents will help realize the public purposes of Laws of Minnesota 1991, Chapter 291, as codified in under the provisions of Minnesota Statutes, Sections 469.048 to 469.068 and in particular, Minnesota Statutes, Section 469.0813 (collectively, as amended from time to time, the “Act”).

**ADOPTED** this 20<sup>th</sup> day of June, 2023.

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Paul Essler, Chair

**ATTEST:**

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Logan Martin, Executive Director

# **DECLARATION OF EASEMENTS AND COVENANTS**

**BY**

**ROSEMOUNT PORT AUTHORITY, CITY OF  
ROSEMOUNT**

**AND**

**LTF REAL ESTATE COMPANY, INC.,**

This document drafted by (and after  
recording should be returned to):

LTF Real Estate Company, Inc.  
2900 Corporate Place  
Chanhassen, MN 55317  
Attn: Kari L. Broyles

**June \_\_\_\_, 2023**

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## DECLARATION OF EASEMENTS AND COVENANTS

This Declaration of Easements and Covenants (“**Declaration**”) is made this \_\_\_\_ day of June, 2023, by and among the City of Rosemount, Minnesota, a Minnesota municipal corporation (the “**City**”), the Rosemount Port Authority, a Minnesota body corporate and politic (“**Rosemount**”) and LTF Real Estate Company, Inc., a Minnesota corporation (“**LT Owner**”) (collectively, the City, Rosemount and LT Owner are referred to herein as the “**Declarant**”).

### RECITALS

A. Capitalized terms used in these recitals and not otherwise defined in these recitals are defined in Article 1, below.

B. Rosemount is the fee owner of the property legally described on **Exhibit A** attached hereto and hereinafter referred to as the “**Health Club Parcel**”; and

C. LT Owner is the fee owner of the property legally described on **Exhibit B** attached hereto and hereinafter referred to collectively as the “**Remainder Parcels**”; and

D. The City is the fee owner of the property legally described on **Exhibit C** attached hereto and hereinafter referred to as the “**City Parcel**”; and

E. Access to the City Parcel, the Health Club Parcel and the Remainder Parcels will occur over private internal streets; and

F. Declarant desires to create and impose certain easements, restrictions and covenants that will benefit and burden the City Parcel, the Health Club Parcel and the Remainder Parcels.

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter set forth, Declarant hereby agrees and declares as follows:

1. **Definitions.** As used in this Declaration, the following terms shall have the following meanings:

1.1. **Allocable Share.** “**Allocable Share**” means a Party’s allocable share of expenses associated with (i) the Cross Access and Utility Easement, (ii) the Monument Sign 1 Easement, (iii) the Monument Sign 2 Easement, and (iv) the Monument Sign 3 Easement as provided in Section 5.2 below.

1.2. **Alter or Alteration.** “**Alter**” or “**Alteration**” means Restoration and any other work under Section 7.1, construction, reconstruction, replacement, repairs, renewals, alterations, changes, additions, improvements and demolitions of or to any Improvements and all excavations at any time made or to be made in, on or about the City Parcel, Health

Club Parcel or the Remainder Parcels, all of which are subject to other applicable provisions of this Declaration.

1.3. Cross Access and Utility Easement. **“Cross Access and Utility Easement”** collectively means perpetual, non-exclusive and reciprocal easements over, under, through and across those portions of the City Parcel, the Health Club Parcel and the Remainder Parcels as depicted and legally described on **Exhibit D** attached hereto and necessary for (i) the installation, maintenance, repair and replacement of private utilities, including without limitation fiber optic lines and related utilities, and (ii) vehicular and pedestrian ingress and egress to and from public streets or highways to and from the City Parcel, the Health Club Parcel and the Remainder Parcels.

1.4. Declaration. **“Declaration”** means this Declaration, including the following exhibits attached hereto and made a part hereof:

|                   |                                   |
|-------------------|-----------------------------------|
| <u>Exhibit A:</u> | Health Club Parcel                |
| <u>Exhibit B:</u> | Remainder Parcels                 |
| <u>Exhibit C:</u> | City Parcel                       |
| <u>Exhibit D:</u> | Cross Access and Utility Easement |
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| <u>Exhibit H:</u> | Life Time Signage Easement        |
| <u>Exhibit I:</u> | Prohibited Uses and Purposes      |

1.5. Governmental Authorities. **“Governmental Authorities”** means all federal, state, county, municipal and local governments, and all departments, commissions, boards, bureaus and officers thereof.

1.6. Improvements. **“Improvements”** means, collectively, with respect to each Parcel, any and all buildings, structures, and other improvements and installations from time to time located on and within such Parcel.

1.7. Interest Rate. **“Interest Rate”** means the simple per annum interest rate equal to the lesser of (a) the prime rate, plus 4% and (b) the maximum lawful rate of interest. As used herein, the **“prime rate”** means the rate of interest published from time to time as the “Prime Rate” in the Wall Street Journal under the heading Money Rates; provided, however, that (i) if more than one such rate is published therein the prime rate shall be the highest such rate, and (ii) if such rate is no longer published in the Wall Street Journal or is otherwise unavailable, the prime rate shall be a substantially comparable index of short term loan interest rates charged by banks to corporate borrowers selected by the Operator.

1.8. Legal Requirements. **“Legal Requirements”** means all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, directions and

requirements of all Governmental Authorities, foreseen and unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to or required in connection with any Improvements or any part thereof, or any of the adjoining sidewalks, or any use or condition of any Improvements or any part thereof, or any construction required or permitted by this Declaration.

1.9. Life Time Signage Easement. **“Life Time Signage Easement”** means perpetual and non-exclusive easements over that portion of the Health Club Parcel, the City Parcel, and the Remainder Parcels as depicted and legally described on Exhibit H attached hereto and necessary for (i) the illumination, construction and placement of a monument sign, and (ii) accessing said monument sign for the purpose of maintaining, replacing and repairing the monument sign and any panels affixed thereto, if any.

1.10. Monument Sign 1 Easement. **“Monument Sign 1 Easement”** means perpetual and non-exclusive easements over that portion of the Remainder Parcels as depicted and legally described on Exhibit E attached hereto and necessary for (i) the illumination, construction and placement of a multi-tenant monument sign, and (ii) accessing said multi-tenant monument sign for the purpose of maintaining, replacing and repairing the multi-tenant monument sign and any panels affixed thereto.

1.11. Monument Sign 2 Easement. **“Monument Sign 2 Easement”** means perpetual and non-exclusive easements over that portion of the City Parcel as depicted and legally described on Exhibit F attached hereto and necessary for (i) the illumination, construction and placement of a multi-tenant monument sign, and (ii) accessing said multi-tenant monument sign for the purpose of maintaining, replacing and repairing the multi-tenant monument sign and any panels affixed thereto.

1.12. Monument Sign 3 Easement. **“Monument Sign 3 Easement”** means perpetual and non-exclusive easements over that portion of the Remainder Parcels as depicted and legally described on Exhibit G attached hereto and necessary for (i) the illumination, construction and placement of a multi-tenant monument sign, and (ii) accessing said multi-tenant monument sign for the purpose of maintaining, replacing and repairing the multi-tenant monument sign and any panels affixed thereto.

1.13. Occupant. **“Occupant”** means any person from time to time entitled to the use and occupancy of any portion of the Health Club Parcel or the Remainder Parcels under an ownership right or under any lease, sublease, license, concession, or other similar agreement.

1.14. Operator. **“Operator”** means the person or entity designated from time to time by the Owner of the Health Club Parcel to manage and maintain (i) the Cross Access and Utility Easement and the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement and the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement and the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement and the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement and

the Life Time Signage Easement Area. The person or entity designated as Operator shall serve in such capacity until such Operator resigns or is removed by the Owner of the Health Club Parcel. LTF Lease Company, LLC, a Delaware limited liability company (“LT”), the current Occupant of the Health Club Parcel, shall be the initial Operator, pursuant to the terms and conditions of that certain lease dated April 7, 2023 (as amended, revised or modified, the “LT Lease”). Notwithstanding anything to the contrary contained in this Declaration, LT or its permitted assigns under the LT Lease shall be the Operator until the expiration or termination of the LT Lease.

1.15. Parcel. “**Parcel**” means any of the four (4) real estate parcels referenced on Exhibit A, Exhibit B and Exhibit C attached hereto consisting of the City Parcel, the Health Club Parcel and the Remainder Parcels, as the context indicates, and the subsequent subdivision(s) of any of such Parcels.

1.16. Party or Owner. “**Party**” or “**Owner**” (or, as applicable, “**Parties**” or “**Owners**”) means the owner of a Parcel and the Occupant of the Health Club Parcel, if appropriate, as the context indicates.

1.17. Permittee. “**Permittee**” means all Occupants and the officers, directors, employees, agents, contractors, customers, vendors, suppliers, visitors, guests, and invitees of Occupants to the extent their activities relate to the intended development, use and occupancy of the Health Club Parcel or the Remainder Parcels as limited by this Declaration. Subject to Article 3, persons engaged in civic, public or political activities within the Health Club Parcel or the Remainder Parcels, including the following activities set forth below, shall not be Permittees: (a) exhibiting any placard, sign, or notice; (b) distribution of any circular, handbill, placard, or booklet; (c) soliciting memberships or contributions for private, civic, public or charitable purposes; (d) parading, picketing, or demonstrating; and (e) failing to follow the provisions of this Declaration relating to the use of the Health Club Parcel or the Remainder Parcels or any part thereof.

1.18. Restore or Restoration. “**Restore**” or “**Restoration**” means the repair, restoration or rebuilding of any Improvement or any part thereof following any Taking, damage to or destruction of the same, to as nearly as possible to its size, type and character as existed immediately prior to such Taking, damage or destruction, in accordance with all Legal Requirements, together with any temporary repairs and property protection pending completion of the work and with any Alterations permitted by (including by consent obtained pursuant to) this Declaration.

1.19. Taking. “**Taking**” means a taking of all or any part of the City Parcel, the Health Club Parcel or the Remainder Parcels, or any interest therein or right accruing thereto, including, without limitation, any right of access thereto existing on the date of this Declaration, pursuant to exercise of the right of condemnation or eminent domain. The Taking shall be deemed to occur on the date that the condemning authority takes possession.

2. Easements.

2.1. Cross Access and Utility Easement. Declarant hereby declares and grants for the benefit of each of the Parties, as an appurtenance to their respective Parcels, perpetual, non-exclusive and reciprocal easements over, under, through and across those portions of the City Parcel, the Health Club Parcel and the Remainder Parcels as depicted and legally described as the Cross Access and Utility Easement and as located on **Exhibit D** attached hereto (the “**Cross Access and Utility Easement Areas**”) for (i) the installation, maintenance, repair and replacement of private utilities, including without limitation fiber optic lines and related utilities, and (ii) vehicular and pedestrian ingress and egress to and from public streets or highways to and from the City Parcel, the Health Club Parcel and the Remainder Parcels.

2.2. Monument Sign 1 Easement. Declarant hereby declares and grants for the benefit of the Owner of the Health Club Parcel and the Owner of the Remainder Parcels, as an appurtenance to their respective Parcels, perpetual and non-exclusive easements over that portion of Outlot A of the Remainder Parcels as depicted and legally described as the Monument Sign 1 Easement and as located on **Exhibit E** attached hereto (the “**Monument Sign 1 Easement Area**”) for (i) the illumination, construction and placement of multi-tenant monument sign, and (ii) accessing said multi-tenant monument sign for the purpose of maintaining, replacing and repairing the multi-tenant monument sign and any panels affixed thereto.

2.3. Monument Sign 2 Easement. Declarant hereby declares and grants for the benefit of the Owner of the Health Club Parcel and the Owner of the Remainder Parcels, as an appurtenance to their respective Parcels, perpetual and non-exclusive easements over that portion of the City Parcel as depicted and legally described as the Monument Sign 2 Easement and as located on **Exhibit F** attached hereto (the “**Monument Sign 2 Easement Area**”) for (i) the illumination, construction and placement of a multi-tenant monument sign, and (ii) accessing said multi-tenant monument sign for the purpose of maintaining, replacing and repairing the multi-tenant monument sign and any panels affixed thereto.

2.4. Monument Sign 3 Easement. Declarant hereby declares and grants for the benefit of the Owner of the Health Club Parcel and the Owner of the Remainder Parcels, as an appurtenance to their respective Parcels, perpetual and non-exclusive easements over that portion of Outlot C of the Remainder Parcels as depicted and legally described as the Monument Sign 3 Easement and as located on **Exhibit G** attached hereto (the “**Monument Sign 3 Easement Area**”) for (i) the illumination, construction and placement of a multi-tenant monument sign, and (ii) accessing said multi-tenant monument sign for the purpose of maintaining, replacing and repairing the multi-tenant monument sign and any panels affixed thereto.

2.5. Life Time Signage Easement. Declarant hereby declares and grants for the benefit of the Owner of the Health Club Parcel and LT, as an appurtenance to the Health

Club Parcel, a perpetual and non-exclusive easement over those portions of the Health Club Parcel, the City Parcel and the Remainder Parcels as depicted and legally described as the Life Time Signage Easement and as located on **Exhibit H** attached hereto (the “**Life Time Signage Easement Area**”) for (i) the illumination, construction and placement of a monument sign, and (ii) accessing said monument sign for the purpose of maintaining, replacing and repairing the monument sign and any panels affixed thereto, if any.

2.6. Operator. Each Party hereby grants to Operator, and as applicable, Operator’s employees, contractors, service providers and consultants, the right and easement to enter upon the Parcels as may be reasonably necessary from time to time to perform Operator’s obligations under this Declaration.

2.7. No Dedication. Nothing in this Article 2 shall be deemed to be a gift or dedication of any portion of the Health Club Parcel or the Remainder Parcels to the general public, and the grantor of an easement or license shall be entitled to make such temporary closures as may be reasonably necessary to avoid creation of any public rights.

2.8. Temporary Construction Easements; Perpetual Easement to Operator. Declarant hereby grants and declares for the benefit of the Operator, the Owner of the City Parcel, the Owner of the Health Club Parcel and the Owner of the Remainder Parcels, as an appurtenance to each Parcel, temporary, non-exclusive and reciprocal easements for the purpose of constructing the initial improvements, betterments and/or facilities located within (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement Area to the extent such improvements, betterments and/or facilities do not already exist as of the date hereof, which easements shall automatically expire upon the completion of said improvements, betterments and/or facilities or such earlier time as may be designated by the Owner of the Health Club Parcel. Notwithstanding the foregoing, if not sooner terminated, the easements granted pursuant to this Section 2.5 shall automatically terminate and be of no further force or effect as of January 1, 2026. Each Owner shall indemnify, defend and hold harmless the Owner and the Occupants of the other Parcel from any claims, causes of action, damages, and injuries arising from construction activities performed by or on behalf of such Owner and shall not permit any mechanics liens to accrue against the other Parcel. In addition, Declarant hereby declares a perpetual easement in gross to the Operator (and Operator’s employees, contractors, service providers and consultants) to operate, maintain, repair, reconstruct, and replace the improvements, betterments and/or facilities located and constructed within (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement Area, and the Operator shall indemnify, defend and hold harmless the Parties’ Parcels from any claims, causes of action, damages, and injuries arising from such activities and shall not permit any mechanics liens to accrue against either Parcel.

### 3. Restrictions and Covenants.

3.1. Prohibited Uses. Except with the prior written consent of (i) LT Owner so long as LT Owner owns any portion of the Remainder Parcels, and (ii) the Occupant of the Health Club Parcel, no portion of the Remainder Parcels may be used for any of the uses or purposes set forth in **Exhibit I** attached hereto.

3.2. Maintenance of Improvements on each Parcel. Except for the construction and maintenance of the improvements, betterments and facilities within (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement Area, which shall be maintained by the Operator, each Owner shall, at its sole cost and expense, maintain all Improvements, betterments and facilities on such Owner's Parcel including but not limited to, stormwater ponds, sidewalks, parking areas, lighting, and landscaping located on such Owner's Parcel in good order, condition, and repair. Each Parcel shall have parking that is in compliance with applicable Legal Requirements, without variance. Parcels shall not share any parking.

3.3. Hazardous Materials. No Party or Occupant shall use, or permit the use of Hazardous Materials in, on, or about its Parcel, except in the ordinary course of its usual business operations conducted thereon, and any such use shall at all times be in compliance with all Legal Requirements (including Environmental Laws). Each Party and Occupant agrees to defend, protect, indemnify and hold harmless each other from and against all claims or demands, including any action or proceeding brought thereon, and all costs, losses, expenses and liabilities of any kind relating thereto, including, without limitation, costs of investigation, remedial response, and reasonable attorneys' fees and costs of suit, arising out of or resulting from any Hazardous Materials used or permitted to be used by such indemnifying Party or Occupant, whether or not in the ordinary course of business, including (without limitation) Hazardous Materials used or permitted to be used. Without limiting the foregoing, for the purpose of this Section 3.3, the term (a) "**Hazardous Materials**" shall mean: petroleum products, asbestos, polychlorinated biphenyls, radioactive materials and all other dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials or substances listed or identified in, or regulated by, any Environmental Law, and (b) "**Environmental Laws**" shall mean: all federal, state, county, municipal, local and other statutes, laws, ordinances and regulations that relate to or deal with human health or the environment, all as may be amended from time to time.

3.4. Prohibited Activities. Except with the prior written consent of the Occupant of the Health Club Parcel and the Owner of the Remainder Parcels, the following is prohibited in any part of the Health Club Parcel or the Remainder Parcels: civic, public or political activities, including without limitation, (a) exhibiting any placard, sign, or notice, (b) distribution of any circular, handbill, placard, or booklet, (c) soliciting memberships or contributions for private, civic, public or charitable purposes, and (d) parading, picketing, or demonstrating. No portion of the Parcels may be used for outdoor storage of any kind nor for the storage or disposal of garbage, refuse or debris (other than in trash enclosures and receptacles intended for such purposes). No freestanding

broadcasting towers nor telecommunication antennas shall be erected on any part of the Parcels; provided, however, that this restriction shall not prohibit the installation of concealed or interior rooftop antennas or antennas otherwise integrated into the design of the Health Club Parcel or the Remainder Parcels, wiring, metal or carbon fiber elements, and satellite dishes used to receive radio, television, or electromagnetic waves.

3.5. City Parcel. Notwithstanding anything to the contrary contained in this Declaration, the City Parcel shall only be used and maintained as a stormwater pond with related infrastructure and improvements to serve the development platted as Prestwick Place 23<sup>rd</sup> Addition, Dakota County, Minnesota and other properties for which the City Engineer determines there is sufficient capacity.

4. Construction, Maintenance and Repair.

4.1. Improvements and Parcels. Each Party shall, at its sole cost, take good care of the Improvements located on its Parcel(s) and its Parcel(s) and shall at all times keep the same in good order and condition, ordinary wear and tear excepted, make all necessary repairs thereto, exterior and structural, and keep the same in compliance with all Legal Requirements. While it is acknowledged and agreed that pursuant to the terms of this Declaration, no Party shall have an obligation to commence construction of any building on its Parcel, each Party agrees that once it has commenced construction of a building, such building will be accomplished and completed within a reasonable time. Upon commencement of construction, each Party covenants and agrees to diligently pursue completion of the construction. With respect to each building constructed on the Remainder Parcels, (a) each building shall have a parapet which fully screens any roof-top units so that such roof-top units are not visible from the second story of the building to be located on the Health Club Parcel and which is flush with the exterior wall elevation, (b) the rear of any building shall not face the Health Club Parcel; (c) trash enclosures shall be architecturally screened with materials matching the building and service doors to such enclosures shall not face the Health Club Parcel; (d) each building elevation shall have an exterior consisting of a combination of at least any three (3) of the following: brick, stone, Exterior Insulation Finishing Systems (EIFS), or glass, provided that no building elevation shall contain more than thirty percent (30%) EIFS; (e) no dock doors shall be permitted on any building, and roll-up doors shall not face the Health Club Parcel; (f) without limiting the foregoing, no buildings, structures, or improvements of any kind shall be constructed, installed, or erected without the prior written approval of LT Owner, for so long as it is a fee title Owner of any portion of the Remainder Parcels and/or the Occupant of the Health Club Parcel, of the site plan, landscape plan, building architecture, building elevations, and signage plan (which shall be generally consistent with the theme and architecture of the building elevations), which approval shall not be unreasonably withheld, and (g) until building construction commences on any portion of the Remainder Parcels, such Parcels shall be seeded with grass and shall be mowed and maintained to a height no greater than 6".

4.2. Maintenance of Cross Access and Utility Easement, Monument Sign 1 Easement, Monument Sign 2 Easement, Monument Sign 3 Easement and Life Time Signage Easement. Maintenance of any improvements, betterments and/or facilities constructed within or upon (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement Area shall be in compliance with all Legal Requirements and in accordance with Section 2 and Section 5 of this Declaration.

4.3. Repair; Standards. The term “repairs” as used in this Article 4 shall include, but not be limited to, all replacements and renewals and all necessary or appropriate alterations, additions and betterments, necessary or appropriate to put and keep the Improvements in good order, condition, and repair. The necessity for and adequacy of the repairs to any Improvements made or required to be made pursuant to this Article 4 shall be measured by the requirements of buildings of similar construction and age containing similar facilities that are prudently managed and operated with due regard for the value of the Health Club Parcel or the Remainder Parcels.

4.4 No changes. No Party may close, alter, amend, modify or change the City Parcel, (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement Area except in accordance with Section 9.4.

5. Cross Access and Utility Easement, Monument Sign 1 Easement, Monument Sign 2 Easement, Monument Sign 3 Easement, and Life Time Signage Easement; Maintenance Obligations.

5.1. Operator. Except as set forth in Section 5.3 below, Operator shall operate, manage, maintain, repair and replace the improvements, betterments and/or facilities constructed within or upon (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement Area in good condition in accordance with the terms and conditions of this Declaration. Operator will initially pay for the costs incurred pursuant to this Section 5.1, subject to reimbursement by the Owner of the Health Club Parcel and the Owner of the Remainder Parcels, as provided herein. Notwithstanding the foregoing, if the Operator is the Occupant of the Health Club Parcel under the LT Lease, such reimbursement from the Owner of the Health Club Parcel shall be allocated pursuant to the terms of the LT Lease.

5.2. Allocable Share; Payments. For purposes of reimbursement to the Operator for the costs, fees and expenses associated with maintaining, managing, repairing and replacing the improvements, betterments and/or facilities constructed within or upon (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, and (iv) the Monument Sign 3 Easement Area,

or associated with (i) the Cross Access and Utility Easement, (ii) the Monument Sign 1 Easement, (iii) the Monument Sign 2 Easement, and (iv) the Monument Sign 3 Easement, the Owner of the Health Club Parcel shall be allocated and assessed 50% of these costs and the Owner of the Remainder Parcels shall be allocated and assessed the remaining 50% of these costs (collectively, the “**Allocable Shares**”). The Owner of the Health Club Parcel and the Owner of the Remainder Parcels shall pay their respective Allocable Share to the Operator within thirty (30) days of receipt of invoices for such expenses noting the Allocable Shares. Further, upon the conveyance of each of the Remainder Parcels (or any portion thereof), each applicable successor-in-interest to all or any portion of a Remainder Parcel shall assume the obligation to pay its proportionate share of the Allocable Share for the Remainder Parcels based upon the relative land area that such successor’s parcel bears to the total area of the Remainder Parcels.

5.3. City Parcel. Notwithstanding anything to the contrary contained in this Declaration, the City shall, at its sole cost and expense, operate, manage, maintain, repair and replace the improvements, betterments and/or facilities constructed within or upon the City Parcel, including without limitation the storm water pond(s) and related infrastructure and improvements, in good condition and repair and as soon as the need therefor arises.

5.4. Life Time Signage Easement; Payments. For purposes of reimbursement to the Operator for the costs, fees and expenses associated with maintaining, managing, repairing and replacing the improvements, betterments and/or facilities constructed within or upon the Life Time Signage Easement Area or associated with the Life Time Signage Easement, the Owner of the Health Club Parcel shall be allocated and assessed 100% of these costs (the “**Life Time Signage Costs**”). The Owner of the Health Club Parcel shall pay the Life Time Signage Costs to the Operator within thirty (30) days of receipt of invoices for such expenses noting the Life Time Signage Costs. Notwithstanding the foregoing, if the Operator is the Occupant of the Health Club Parcel under the LT Lease, such reimbursement from the Owner of the Health Club Parcel shall be allocated pursuant to the terms of the LT Lease.

6. Taxes and Assessments. Each Party shall pay, or cause to be paid prior to delinquency, all taxes and assessments with respect to its Parcel and Improvements, and any personal property owned or leased by such Party, provided that if the taxes or assessments or any part thereof may be paid in installments, such Party may pay each such installment as and when the same becomes due and payable. Nothing contained in this Article 6 shall prevent any Party from contesting at its cost and expense any such taxes and assessments with respect to its property in any manner such Party elects, so long as such contest is maintained with reasonable diligence and in good faith. At the time as such contest is concluded (allowing for appeal to the highest appellate court) or earlier if required by law, the contesting Party shall pay all such taxes and assessments determined to be owing, together with all interest, penalties and costs thereon.

7. Casualty; Taking.

7.1 Damage or Destruction; Taking.

7.1.1 Damage/Taking to Parcels Generally. In the event of any loss or damage from a casualty to all or any part of the Health Club Parcel or the Remainder Parcels (including in the event of a Taking), other than (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement Area, each Party shall, within one hundred twenty (120) days of the date of such damage, determine whether to Restore its Improvements (with insurance proceeds and/or at its own expense to the extent that the replacement cost of such damage is not sufficiently insured), and notify the other Parties of its decision. If no notice electing to Restore is given to the other Parties within such one hundred twenty (120) day period, the Party failing to send such notice shall be deemed to have elected not to Restore its Improvements. If any Party elects to Restore its Improvements, such Party shall proceed with diligence to Restore its Improvements. If any Party elects not to Restore its Improvements, it shall nevertheless promptly clean up the affected Improvements, remove debris, and remove or repair any damaged building frameworks and outer shells therefrom and make such framework and outer shells compatible with those portions of the Improvements remaining undamaged or which will be Restored.

7.1.2 Damage to Easement Areas. In the event of any loss or damage from a casualty to all or any part of (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement Area, the (a) the Cross Access and Utility Easement, (b) the Monument Sign 1 Easement, (c) the Monument Sign 2 Easement, (d) the Monument Sign 3 Easement, and (e) the Life Time Signage Easement, and improvements, betterments and facilities therein shall be fully restored by the applicable Owner(s) of the Parcel(s) on which the damaged easement area(s) are located, and the cost of such restoration shall be paid by such Owner's insurance proceeds and/or at its own expense to the extent that the replacement cost is not sufficiently insured.

7.1.3 Taking of Easement Areas. In the event of a Taking of all or any part of the (i) the Cross Access and Utility Easement Areas, (ii) the Monument Sign 1 Easement Area, (iii) the Monument Sign 2 Easement Area, (iv) the Monument Sign 3 Easement Area, and (v) the Life Time Signage Easement Area, unless otherwise agreed to by the Owner of the Health Club Parcel and the Owner of the Remainder Parcels, the Owner of the Health Club Parcel and the Owner of the Remainder Parcels shall use any compensation received for the Taking of such easement area(s) in accordance with their Allocable Shares

to restore, and as necessary, relocate such easement area(s) so that such easements can be operated for their intended purpose.

7.2 Effect on Allocable Share. The Allocable Share of a Party shall not be affected by any loss or damage to its Improvements, whether or not Restored.

7.3 City Parcel.

7.3.1 Damage to City Parcel. Notwithstanding anything to the contrary set forth in this Declaration, in the event of any loss or damage to all or any part of the City Parcel, the City shall promptly Restore all improvements, betterments and facilities within the City Parcel at the City's sole cost and expense.

7.3.2 Taking of City Parcel. In the event of a Taking of all or any part of the City Parcel, unless otherwise agreed to by the City, the Owner of the Health Club Parcel and the Owner of the Remainder Parcels, the City shall use any compensation received for the Taking of such area(s) to restore such area(s) so that such area(s) can be operated for their intended purpose, or if restoration is not feasible, as determined by the City, the Owner of the Health Club Parcel and the Owner of the Remainder Parcels, the foregoing Parties shall cooperate to relocate the stormwater pond with related infrastructure and improvements to serve the development platted as Prestwick Place 23<sup>rd</sup> Addition, Dakota County, Minnesota.

8. Default.

8.1. Event of Default. The occurrence of any one or more of the following events shall constitute an **"Event of Default"** by the non-performing Party (the **"Defaulting Party"**):

8.1.1 The failure to make any payment required to be made hereunder within fifteen (15) days after receipt of written notice that a payment was not paid when due, or

8.1.2. The failure to observe or perform any of the covenants, conditions or obligations of this Declaration within thirty (30) days after notice by the Operator or Owner of the Health Club Parcel or the Owner of the Remainder Parcels specifying the nature of the default claimed (unless the claimed default cannot reasonably be cured within such 30-day period, in which event no default shall have occurred so long as such Party commences such cure within such 30-day period and thereafter diligently pursues such cure to completion).

8.2. Self-Help. With respect to any Event of Default, the Operator or Owner of the Health Club Parcel or Owner of the Remainder Parcels shall have the right, but not the

obligation, to cure such default by the payment of money or the performance of some other action for the account of and at the expense of the Defaulting Party; provided, however, that in the event the default shall constitute an emergency condition, the Operator or Owner of the Health Club Parcel or Owner of the Remainder Parcels, acting in good faith, shall have the right to cure such default upon such advance notice as is reasonably possible under the circumstances or, if necessary in the case of emergency, without advance notice, so long as notice is given as soon as possible thereafter. To effectuate any such cure, the Operator or Owner of the Health Club Parcel or Owner of the Remainder Parcels shall have the right to enter upon the Parcel and Improvements of the Defaulting Party to perform any necessary work or furnish any necessary materials or services to cure the default of the Defaulting Party. Each Party shall be responsible for the default of its Occupants. In the event the Operator or Owner of the Health Club Parcel or the Owner of the Remainder Parcels shall cure a default, the Defaulting Party shall reimburse the non-defaulting Party for all out-of-pocket costs and expenses incurred in connection with such curative action, plus (a) ten percent (10%) thereof as compensation for administration, overhead and other non-out-of-pocket costs, and (b) interest at the Interest Rate as provided herein, within thirty (30) days of receipt of an invoice therefor together with reasonable documentation supporting the expenditures made.

8.3. Lien. After failure to timely pay any Allocable Share and/or interest accruing pursuant to Section 8.2, such amounts shall constitute a lien against the Defaulting Party's Parcel and Improvements. The lien shall attach and take effect only upon, and have priority from and after, recordation of a claim of lien against the Parcel in question in the office of the County Recorder for Dakota County, Minnesota by the Operator or Owner of the Health Club Parcel or the Owner of the Remainder Parcels making the claim. The claim of lien shall include the following:

- (a) The name of the lien claimant;
- (b) A statement concerning the basis for the claim of lien and identifying the lien claimant;
- (c) An identification of the Party or reputed Party for the Parcel and Improvements against which the lien is claimed;
- (d) A description of the Parcel against which the lien is claimed;
- (e) A description of the work performed which has given rise to the claim of lien and a statement itemizing the amount thereof; and
- (f) A statement that the lien is claimed pursuant to the provisions of this Declaration, reciting the document number and date of recording of this Declaration. The notice shall be duly verified, acknowledged and contain a certificate that a copy thereof has been served upon the Party against whom the lien is claimed, by personal service or by mailing pursuant to the notice provisions

hereof. The lien so claimed shall attach from the date of recording solely in the amount claimed thereby and may be enforced in any judicial proceeding allowed by law, including, without limitation, suit in the nature of a suit to foreclose a mortgage or mechanic's lien under the applicable provisions of the law of the State of Minnesota.

8.4. Enforcement. The Operator or Owner of the Health Club Parcel or Owner of the Remainder Parcels shall have the right to prosecute any proceedings at law or in equity against any Defaulting Party violating or attempting to violate or defaulting upon any of the provisions contained in this Declaration, and to recover damages for any such violation or default. Such proceeding shall include the right to restrain by injunction, without the necessity of posting any bond or other security any violation or threatened violation by another of any of the terms, covenants, or conditions of this Declaration, or to obtain a decree to compel performance of any such terms, covenants, or conditions, it being agreed that the remedy at law for a breach of any such term, covenant, or condition (except those, if any, requiring the payment of a liquidated sum) is not adequate. All of the remedies permitted or available to any Party under this Declaration or at law or in equity shall be cumulative and not alternative, and invocation of any such right or remedy shall not constitute a waiver or election of remedies with respect to any other permitted or available right or remedy.

8.5. Interest. If at any time a Party shall fail to pay any sum payable hereunder to another within five days (5) after the due date, such delinquent Party shall pay interest on such amount from the due date to and including the date such payment is received by the party entitled thereto, at the Interest Rate.

9. Miscellaneous.

9.1. Relationship of Parties. No provision of this Declaration and no action taken pursuant hereto shall create any relationship between the Parties other than as specifically set forth herein.

9.2. Headings; Interpretation. The language in this Declaration shall be construed simply according to its generally understood meaning, and not strictly for or against any Party and no interpretation shall be affected by which party drafted any part of this Declaration. Whether or not expressly provided where such term appears in this Declaration, the term "include" (and any variation thereof) is not limiting and instead means "including but not limited to" and the term "sole" or "absolute" discretion means a party's sole, unqualified and absolute discretion. The headings to the Articles and Sections of this Declaration are incorporated for convenience only and shall have no effect upon the construction or interpretation of this Declaration.

9.3. Time. Time is of the essence of this Declaration and each and all of its provisions.

9.4. Amendment or Modification. This Declaration and any of the rights, licenses and easements created hereby may be terminated or amended by an instrument duly executed by the Owner of each Parcel, the current Occupant of the Health Club Parcel and the holder of any mortgage on the fee title of each Parcel and the holder of any certificate of sale arising from foreclosure of any such mortgage, and no other party need join in or consent to any such termination or amendment to make the same effective, and all such parties shall be bound by any amendment duly adopted hereunder provided that said amendment is duly recorded with in the Real Property Records of Dakota County, Minnesota. Any purported amendment or termination not executed or consented to by all of the parties whose execution or consent is required under the term of this Section 9.4 shall be of no force or effect.

9.5. Attorney's Fees. In any action brought by any Party to this Declaration in enforcing the terms and conditions hereof, the prevailing party in an adjudicated dispute shall be entitled to recover its reasonable attorneys' fees, at the hourly rate in effect for the City's appointed legal counsel, and costs from the non-prevailing party.

9.6. Law Applicable. This Declaration shall be governed by and construed under the laws of the State of Minnesota.

9.7. Merger Not Intended. Common ownership of any Parcels or Improvements shall not cause this Declaration to be extinguished by operation of merger in whole or in part.

9.8. Commercially Reasonable. With respect to matters arising under this Declaration, each Party and Occupant shall act in a commercially reasonable manner except when another standard is expressly provided.

9.9. Run With the Land; Term. Declarant does hereby declare that the Parcels are, and shall be, held, transferred, sold, conveyed and occupied subject to the restrictions, easements and covenants of this Declaration, which restrictions, easements and covenants (a) are for the purpose of protecting the value, desirability and amenities of the Health Club Parcel and the Remainder Parcels; (b) shall operate as equitable covenants, restrictions and reservations, that shall run with each Parcel and be binding on all parties having any right, title or interest in the same, their heirs, personal representatives, successors and assigns, and shall inure to the benefit of each of such other parties' heirs, personal representatives, successors and assigns; and (c) are imposed upon each Parcel, respectively, as a servitude in favor of the other Parcel. This Declaration shall remain in effect for an initial term of thirty (30) years and will automatically continue for ten (10) year renewal terms.

9.10. Notices. Any notice, demand, request, consent, approval or other communication required or permitted under this Declaration shall be (a) in writing, and (b) addressed to each party as provided below, and (c) deemed to have been given upon delivery (or rejection by the addressee) when (i) personally delivered, (ii) sent by electronic

mail (provided that in addition to the email, the notifying party also provides notice by one of the other acceptable means hereunder), (ii) sent by certified or registered mail, postage prepaid, return receipt requested, or (iii) sent by a recognized overnight mail service; provided, however, that in the case of a notice of payment default, the notice will be deemed given upon receipt (or rejection by the addressee).

City: City of Rosemount  
Attn: City Administrator  
2875 145<sup>th</sup> Street West  
Rosemount, MN 55068-4997  
Email: Logan.Martin@ci.rosemount.mn.us

Rosemount: Rosemount Port Authority  
Attn: City Administrator  
2875 145<sup>th</sup> Street West  
Rosemount, MN 55068-4997  
Email: Logan.Martin@ci.rosemount.mn.us

LT Owner: LTF Real Estate Company, Inc.  
2900 Corporate Place  
Chanhassen, MN 55317  
Attn: Aaron Koehler  
Email: akoehler@lt.life

with a copy to:

LTF Real Estate Company, Inc.  
2900 Corporate Place  
Chanhassen, MN 55317  
Attn: Kari Broyles  
Email: kbroyles@lt.life

Operator: LTF Lease Company, LLC.  
2900 Corporate Place  
Chanhassen, MN 55317  
Attn: Kari Broyles  
Email: kbroyles@lt.life

with a copy to:

LTF Lease Company, LLC  
2900 Corporate Place  
Chanhassen, MN 55317  
Attn: Property Management  
Email: propertymanagement@lt.life

Also, with respect to successors-in-interest to the Remainder Parcels, to the addresses provided by such successors.

9.11. Severability. If any term of this Declaration or any application thereof shall be invalid or unenforceable, then the remainder of this Declaration and any other application of such term shall not be affected thereby.

9.12. Limitation on Liability. Each Party for any part of the Health Club Parcel or the Remainder Parcels shall be liable under this Declaration only for matters that arise during such Party's period of ownership or their interest in the Health Club Parcel or the Remainder Parcels in question; provided, however, that such Party has sent notice of the new owner together with the relevant contact information for said new owner to the other Party.

9.13. Estoppels. Each Party, within fifteen (15) days of a written request from any other Party, shall execute, acknowledge and deliver an estoppel certificate, in a mutually acceptable form, certified to such requesting Party (or its designated party), without charge, certifying that (a) this Declaration is in full force and effect, without modification (or if there have been modifications, identifying the modifications); (b) there are no existing defaults nor does any set of facts exist which with the passage of time or the giving of notice or both would constitute a default (or ifso, specifying the nature and extent thereof); and (c) such other information concerning the status of Parcels as may be reasonably requested.

9.14. Force Majeure. Owners shall be excused from performing any non-monetary obligation set forth in this Declaration during the period the performance of such non-monetary obligation is prevented or delayed by a weather event or other act of the elements, fire, earthquake, flood, explosion, war, invasion, insurrection, riot, malicious mischief, vandalism, larceny, inability to procure or general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, orders of governmental authorities, pandemic, epidemic or any other cause reasonably beyond the control of the Owner that is prevented from or delayed in carrying out such non-monetary obligation.

9.15. Mortgage Subordination. Any mortgage or deed of trust that becomes effective after the recording of this Declaration and affects any Parcel shall at all times be subject and subordinate to the terms of this Declaration, and any party foreclosing any such mortgage or deed of trust, or acquiring title by deed in lieu of foreclosure or trustee sale in connection with such mortgage or deed of trust, shall acquire title subject to all the terms and conditions of this Declaration.

9.16. Non-Waiver. The failure of any Owner to insist upon strict performance of any of the terms, covenants or conditions of this Declaration shall not be deemed a waiver

of any rights or remedies which such Owner may have hereunder under applicable Legal Requirements or equity and shall not be deemed a waiver of any subsequent breach or default in any of such terms, covenants or conditions.

9.17. Signage. Notwithstanding anything to the contrary contained in this Declaration, in no event shall any Owner, Occupant, Permittee or other party install, place, display or allow any installation, placement or display of any signage or banner of any kind on the Remainder Parcels whose use is or would be excluded under this Declaration.

9.18. Insurance and Indemnification. The Owner of the Health Club Parcel and the Owner of the Remainder Parcels shall maintain or cause to be maintained, in full force and effect, commercial general liability insurance on their respective Parcels, in an amount not less than Two Million Dollars (\$2,000,000) per occurrence, Four Million Dollars (\$4,000,000) in the aggregate. Such insurance shall include the following provisions: (a) the policy may not be canceled or materially reduced in amount or coverage without at least thirty (30) days' prior written notice by the insurer to the other Owner(s); (b) the policy shall name the other Owner(s) as additional insureds; and (c) the policy shall provide for severability of interests.

The Owner of the Health Club Parcel covenants and agrees to indemnify, defend and hold harmless the Owner of the Remainder Parcels, its Occupants and the Operator from and against all claims, actions, costs, expenses and liabilities (including reasonable attorneys' fees and costs of suit incurred in connection with any of the foregoing), to the extent arising from or as a result of the injury to or death of any one or more natural persons, or damage to the property of any one or more persons caused by the negligence or willful wrongful act of the Owner of the Health Club Parcel or anyone for whom the Owner of the Health Club Parcel is responsible under this Declaration or applicable Legal Requirements, including Occupants.

The Owner of the Remainder Parcels covenants and agrees to indemnify, defend and hold harmless the Owner of the Health Club Parcel, its Occupants and the Operator from and against all claims, actions, costs, expenses and liabilities (including reasonable attorneys' fees and costs of suit incurred in connection with any of the foregoing), to the extent arising from or as a result of the injury to or death of any one or more natural persons, or damage to the property of any one or more persons caused by the negligence or willful wrongful act of the Owner of the Remainder Parcels or anyone for whom the Owner of the Remainder Parcels is responsible under this Declaration or applicable Legal Requirements, including Occupants.

(Signature Pages Follow)

**Signature Page  
to  
Declaration of Easements and Covenants**

IN WITNESS WHEREOF, the Rosemount Port Authority has caused this Declaration to be duly executed in its name and behalf as of the date first above written.

**DECLARANT:**

**Rosemount Port Authority**, a Minnesota body  
corporate and politic

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

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

STATE OF MINNESOTA    )  
                                          ) ss.  
COUNTY OF DAKOTA    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of June, 2023, by \_\_\_\_\_ and \_\_\_\_\_, as \_\_\_\_\_ and \_\_\_\_\_, respectively, of the Rosemount Port Authority, a Minnesota body corporate and politic, for and on behalf of said body.

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

**Signature Page**  
**to**  
**Declaration of Easements and Covenants**

IN WITNESS WHEREOF, LTF Real Estate Company, Inc., has caused this Declaration to be duly executed in its name and behalf as of the date first above written.

**DECLARANT:**

**LTF REAL ESTATE COMPANY, INC., a**  
Minnesota corporation

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

Name: \_\_\_\_\_

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

STATE OF MINNESOTA    )  
                                          ) ss.  
COUNTY OF CARVER     )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of June, 2023, by \_\_\_\_\_, as \_\_\_\_\_ of LTF Real Estate Company, Inc., a Minnesota corporation, for and on behalf of said corporation.

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

**Signature Page  
to  
Declaration of Easements and Covenants**

IN WITNESS WHEREOF, the City of Rosemount, Minnesota, has caused this Declaration to be duly executed in its name and behalf as of the date first above written.

**DECLARANT:**

**CITY OF ROSEMOUNT, MINNESOTA**, a  
Minnesota municipal corporation

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

By: \_\_\_\_\_  
Name: Erin Fasbender  
Its: City Clerk

STATE OF MINNESOTA            )  
                                          ) SS:  
COUNTY OF DAKOTA            )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of June, 2023, by \_\_\_\_\_, the Mayor and by Erin Fasbender, the City Clerk of the City of Rosemount, Minnesota, a Minnesota municipal corporation, on behalf of the City.

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

**EXHIBIT A**  
**to**  
**Declaration of Easements and Covenants,**

**Health Club Parcel**

Lot 1, Block 1, Prestwick Place 23rd Addition, according to the recorded plat thereof, Dakota County, Minnesota.

**EXHIBIT B**  
**to**  
**Declaration of Easements and Covenants**

**Remainder Parcels**

Outlots A and C, Prestwick Place 23<sup>rd</sup> Addition, according to the recorded plat thereof, Dakota County, Minnesota.

**EXHIBIT C**  
**to**  
**Declaration of Easements and Covenants**

**City Parcel**

Outlot B, Prestwick Place 23<sup>rd</sup> Addition, according to the recorded plat thereof, Dakota County, Minnesota.

**EXHIBIT D**  
**to**  
**Declaration of Easements and Covenants**

**Cross Access and Utility Easement**

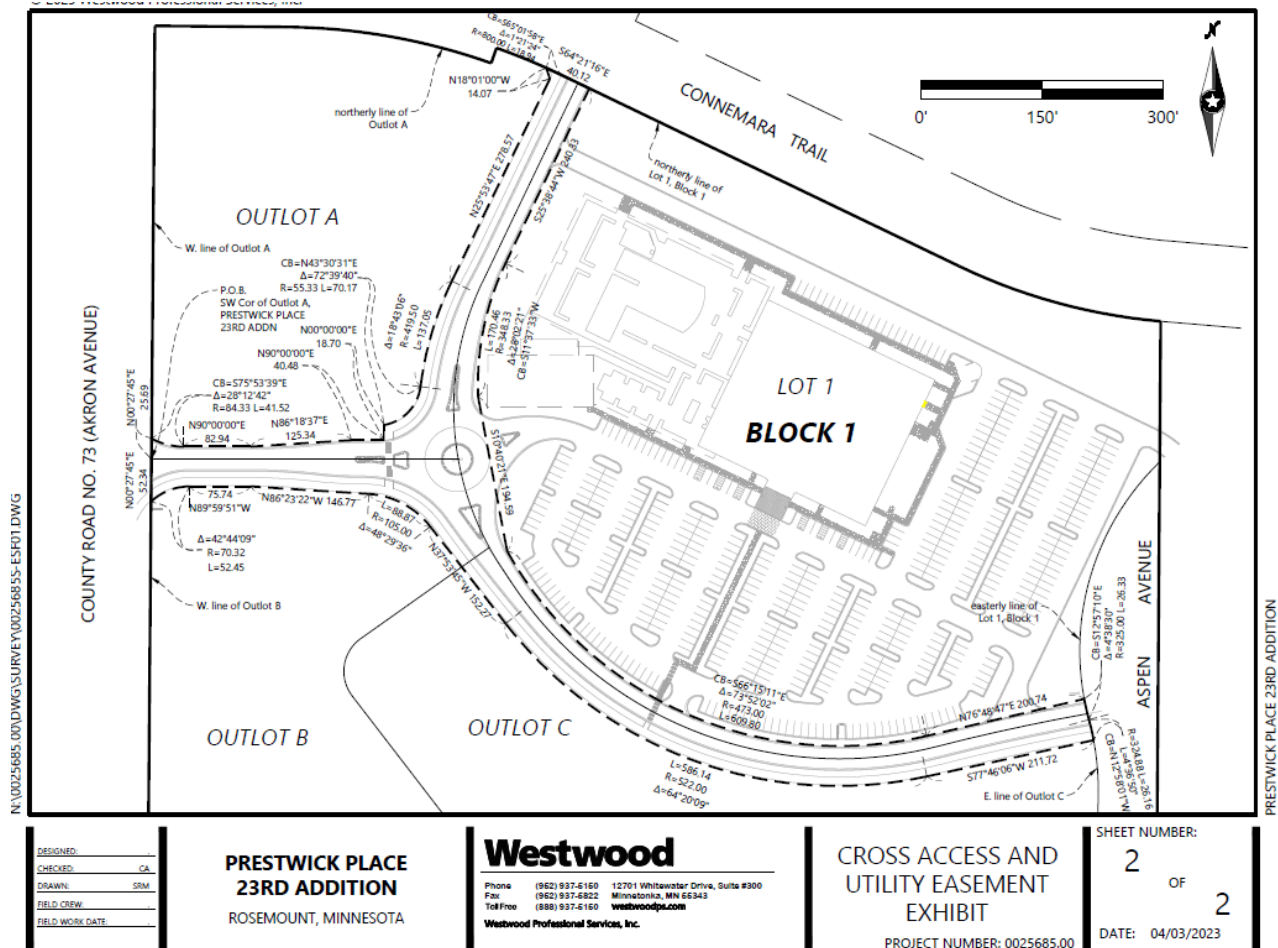
Those parts of Lot 1, Block 1, Outlot A, Outlot B and Outlot C, PRESTWICK PLACE 23RD ADDITION, according to the recorded plat thereof, Dakota County, Minnesota, described as follows:

Beginning at the southwest corner of said Outlot A; thence North 00 degrees 27 minutes 45 seconds East, assumed bearing along the west line of said Outlot A, a distance of 25.69 feet; thence southeasterly along a non-tangential curve, concave to the northeast, having a central angle of 28 degrees 12 minutes 42 seconds, a radius of 84.33 feet for an arc distance of 41.52 feet, the chord of said curve bears South 75 degrees 53 minutes 39 seconds East; thence on a bearing of East, tangent to said curve, a distance of 82.94 feet; thence North 86 degrees 18 minutes 37 seconds East, a distance of 125.34 feet; thence on a bearing of East, a distance of 40.48 feet; thence on a bearing of North, a distance of 18.70 feet; thence northeasterly along a non-tangential curve, concave to the northwest, having a central angle of 72 degrees 39 minutes 40 seconds, a radius of 55.33 feet for an arc distance of 70.17 feet, the chord of said curve bears North 43 degrees 30 minutes 31 seconds East; thence northeasterly along a reverse tangential curve, concave to the southeast, having a central angle of 18 degrees 43 minutes 06 seconds, a radius of 419.50 feet for an arc distance of 137.05 feet; thence North 25 degrees 53 minutes 47 seconds East, tangent to said curve, a distance of 278.57 feet; thence North 18 degrees 01 minute 00 seconds West, a distance of 14.07 feet to the northerly line of said Outlot A; thence southeasterly along said northerly line, on a non-tangential curve, concave to the southwest, having a central angle of 01 degree, 21 minutes 24 seconds, a radius of 800.00 feet for an arc distance of 18.94 feet, the chord of said curve bears South 65 degrees 01 minute 58 seconds East; thence South 64 degrees 21 minutes 16 seconds East, along said northerly line and along the northerly line of said Lot 1, Block 1, tangent to said curve, a distance of 40.12 feet; thence South 25 degrees 38 minutes 44 seconds West, a distance of 240.33 feet; thence southerly along a tangential curve, concave to the east, having a central angle of 28 degrees 02 minutes 21 seconds, a radius of 348.33 feet for an arc distance of 170.46 feet, the chord of said curve bears South 11 degrees 37 minutes 33 seconds West; thence South 10 degrees 40 minutes 21 seconds East, not tangent to said curve, a distance of 194.59 feet; thence southeasterly along a non-tangential curve, concave to the northeast, having a central angle of 73 degrees 52 minutes 02 seconds, a radius of 473.00 feet for an arc distance of 609.80 feet, the chord of said curve bears South 66 degrees 15 minutes 11 seconds East; thence North 76 degrees 48 minutes 47 seconds East, tangent to said curve, a distance of 200.74 feet to the easterly line of said Lot 1; thence southeasterly along said easterly line of said Lot 1 and the easterly line of said Outlot C, on a non-tangential curve, concave to the east, having a central angle of 04 degrees 38 minutes 30 seconds, a radius of 325.00 feet, for an arc distance of 26.33 feet, the chord of said curve bears South 12 degrees 57 minutes 10 seconds East; thence southerly along said easterly line on a reverse tangential curve, concave to the west, having a central angle of 04 degrees 36 minutes 50 seconds, a radius of 324.88 feet for an arc distance of 26.16 feet; thence South 77 degrees 46 minutes 06 seconds West, not tangent to said curve, a distance of 211.72 feet; thence northwesterly along a tangential curve, concave to the northeast, having a central angle of 64 degrees 20 minutes 09 seconds, a radius of 522.00 feet for an arc distance of 586.14 feet; thence North 37 degrees 53 minutes 45 seconds West, tangent to said curve, a distance of 152.27 feet; thence westerly along a

tangential curve, concave to the southwest having a central angle of 48 degrees 29 minutes 36 seconds, a radius of 105.00 feet for an arc distance of 88.87 feet; thence North 86 degrees 23 minutes 22 seconds West, tangent to said curve, a distance of 146.77 feet; thence North 89 degrees 59 minutes 51 seconds West, a distance of 75.74 feet; thence southwesterly along a tangential curve, concave to the southeast, having a central angle of 42 degrees 44 minutes 09 seconds, a radius of 70.32 feet for an arc distance of 52.45 feet to the west line of said Outlot B; thence North 00 degrees 27 minutes 45 seconds East along said west line, not tangent to said curve, a distance of 52.34 feet to the point of beginning.

## EXHIBIT D Cont.

[attach depiction of Cross Access and Utility Easement Areas]



**EXHIBIT E**  
**to**  
**Declaration of Easements and Covenants**

**Monument Sign 1 Easement**

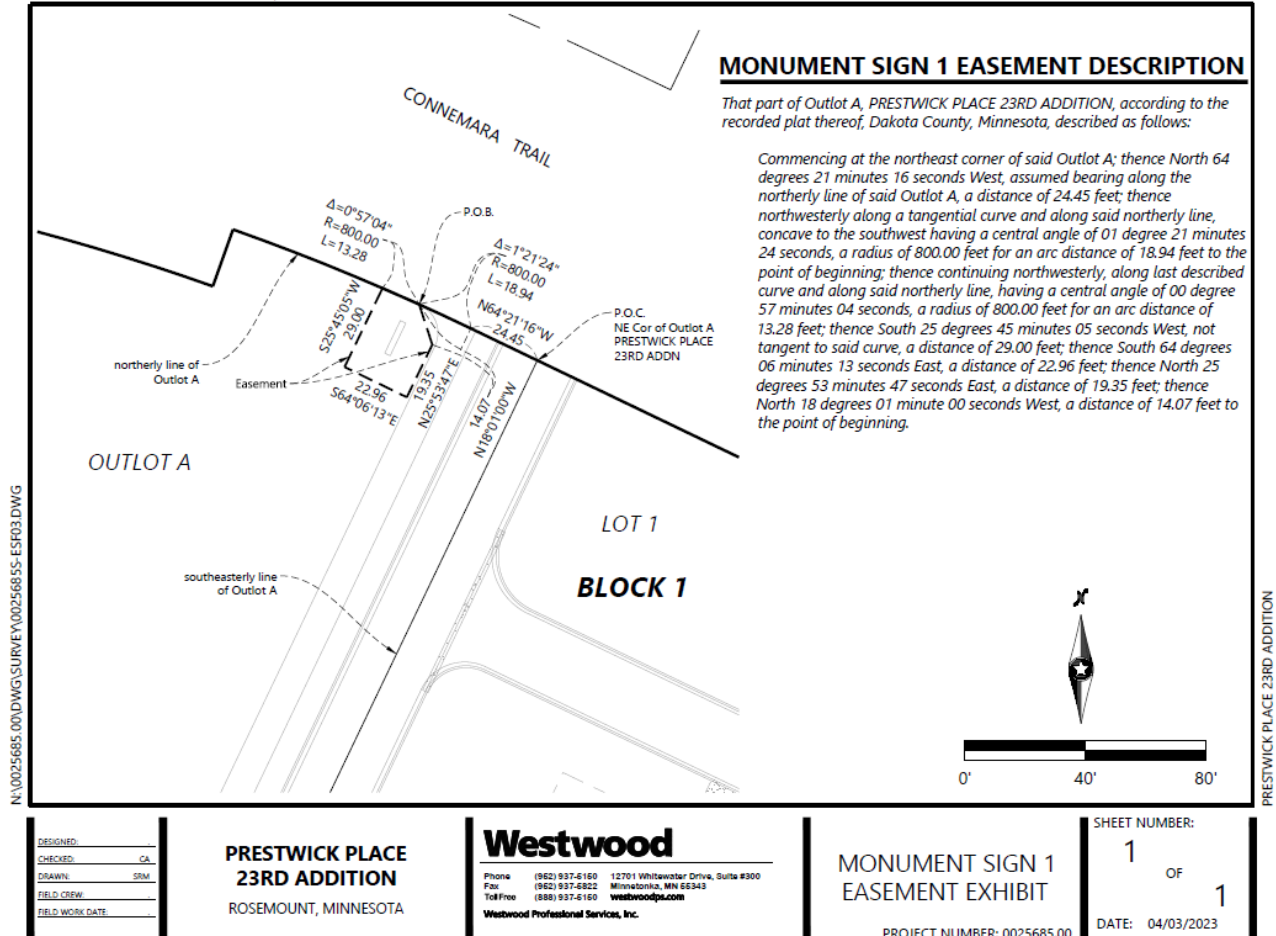
That part of Outlot A, PRESTWICK PLACE 23RD ADDITION, according to the recorded plat thereof, Dakota County, Minnesota, described as follows:

Commencing at the northeast corner of said Outlot A; thence North 64 degrees 21 minutes 16 seconds West, assumed bearing along the northerly line of said Outlot A, a distance of 24.45 feet; thence northwesterly along a tangential curve and along said northerly line, concave to the southwest having a central angle of 01 degree 21 minutes 24 seconds, a radius of 800.00 feet for an arc distance of 18.94 feet to the point of beginning; thence continuing northwesterly, along last described curve and along said northerly line, having a central angle of 00 degree 57 minutes 04 seconds, a radius of 800.00 feet for an arc distance of 13.28 feet; thence South 25 degrees 45 minutes 05 seconds West, not tangent to said curve, a distance of 29.00 feet; thence South 64 degrees 06 minutes 13 seconds East, a distance of 22.96 feet; thence North 25 degrees 53 minutes 47 seconds East, a distance of 19.35 feet; thence North 18 degrees 01 minute 00 seconds West, a distance of 14.07 feet to the point of beginning.

## EXHIBIT E Cont.

[attach depiction of Monument Sign 1 Easement Area]

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**EXHIBIT F**  
**to**  
**Declaration of Easements and Covenants**

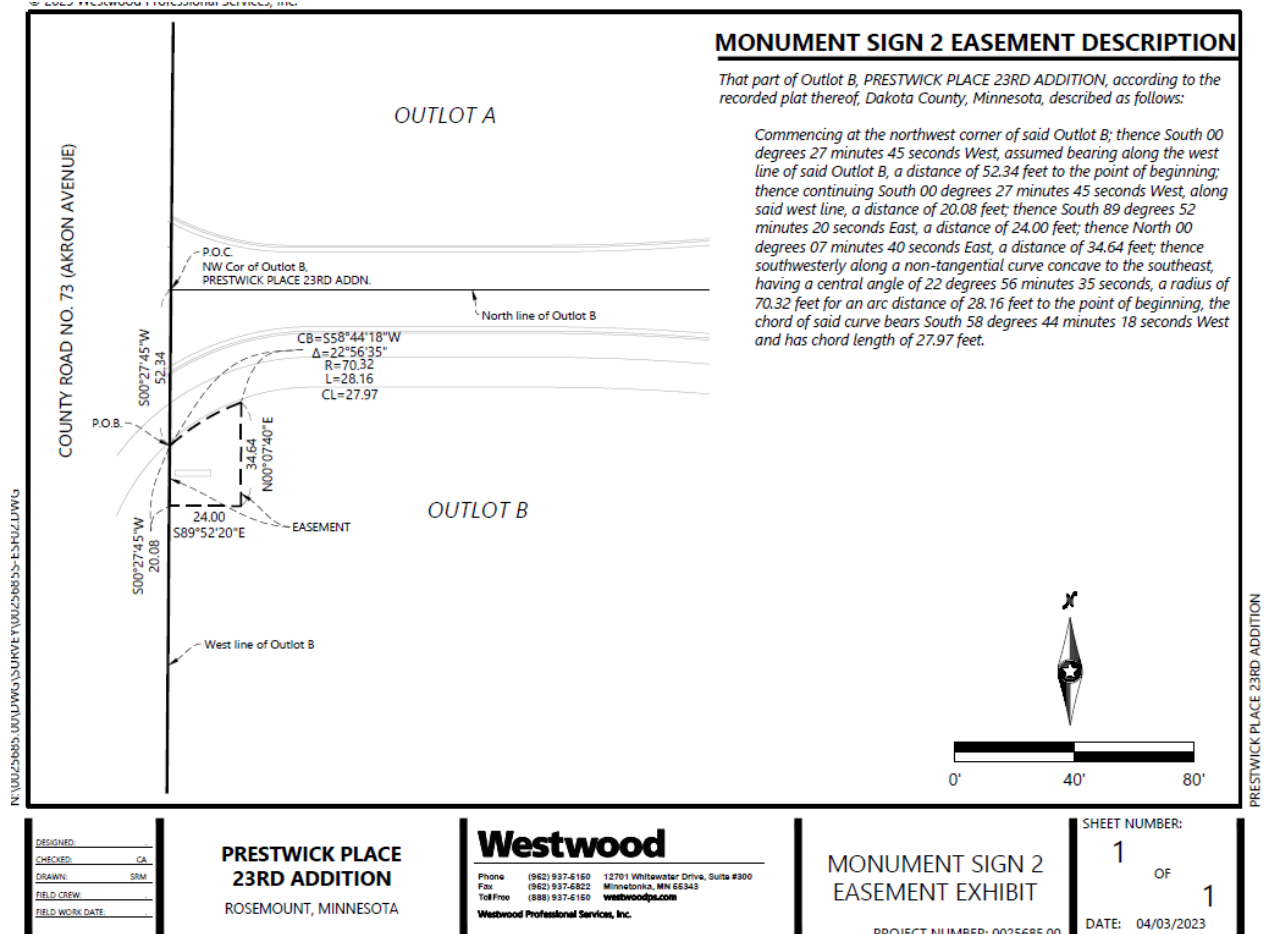
**Monument Sign 2 Easement**

That part of Outlot B, PRESTWICK PLACE 23RD ADDITION, according to the recorded plat thereof, Dakota County, Minnesota, described as follows:

Commencing at the northwest corner of said Outlot B; thence South 00 degrees 27 minutes 45 seconds West, assumed bearing along the west line of said Outlot B, a distance of 52.34 feet to the point of beginning; thence continuing South 00 degrees 27 minutes 45 seconds West, along said west line, a distance of 20.08 feet; thence South 89 degrees 52 minutes 20 seconds East, a distance of 24.00 feet; thence North 00 degrees 07 minutes 40 seconds East, a distance of 34.64 feet; thence southwesterly along a non-tangential curve concave to the southeast, having a central angle of 22 degrees 56 minutes 35 seconds, a radius of 70.32 feet for an arc distance of 28.16 feet to the point of beginning, the chord of said curve bears South 58 degrees 44 minutes 18 seconds West and has chord length of 27.97 feet.

## EXHIBIT F Cont.

[attach depiction of Monument Sign 2 Easement Area]



**EXHIBIT G**  
**to**  
**Declaration of Easements and Covenants**

**Monument Sign 3 Easement**

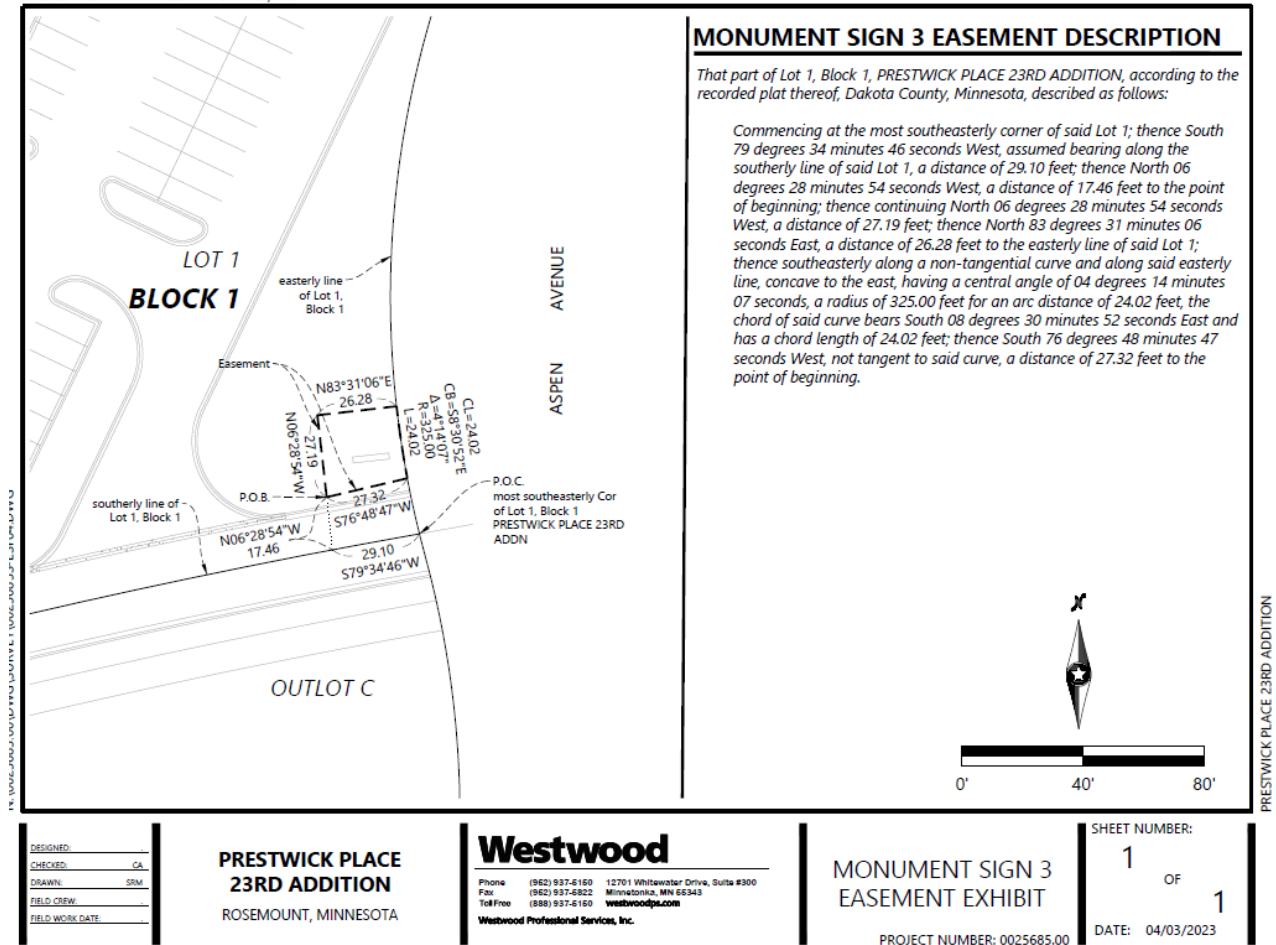
That part of Lot 1, Block 1, PRESTWICK PLACE 23RD ADDITION, according to the recorded plat thereof, Dakota County, Minnesota, described as follows:

Commencing at the most southeasterly corner of said Lot 1; thence South 79 degrees 34 minutes 46 seconds West, assumed bearing along the southerly line of said Lot 1, a distance of 29.10 feet; thence North 06 degrees 28 minutes 54 seconds West, a distance of 17.46 feet to the point of beginning; thence continuing North 06 degrees 28 minutes 54 seconds West, a distance of 27.19 feet; thence North 83 degrees 31 minutes 06 seconds East, a distance of 26.28 feet to the easterly line of said Lot 1; thence southeasterly along a non-tangential curve and along said easterly line, concave to the east, having a central angle of 04 degrees 14 minutes 07 seconds, a radius of 325.00 feet for an arc distance of 24.02 feet, the chord of said curve bears South 08 degrees 30 minutes 52 seconds East and has a chord length of 24.02 feet; thence South 76 degrees 48 minutes 47 seconds West, not tangent to said curve, a distance of 27.32 feet to the point of beginning.

## EXHIBIT G Cont.

[attach depiction of Monument Sign 3 Easement Area]

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**EXHIBIT H**  
**to**  
**Declaration of Easements and Covenants**

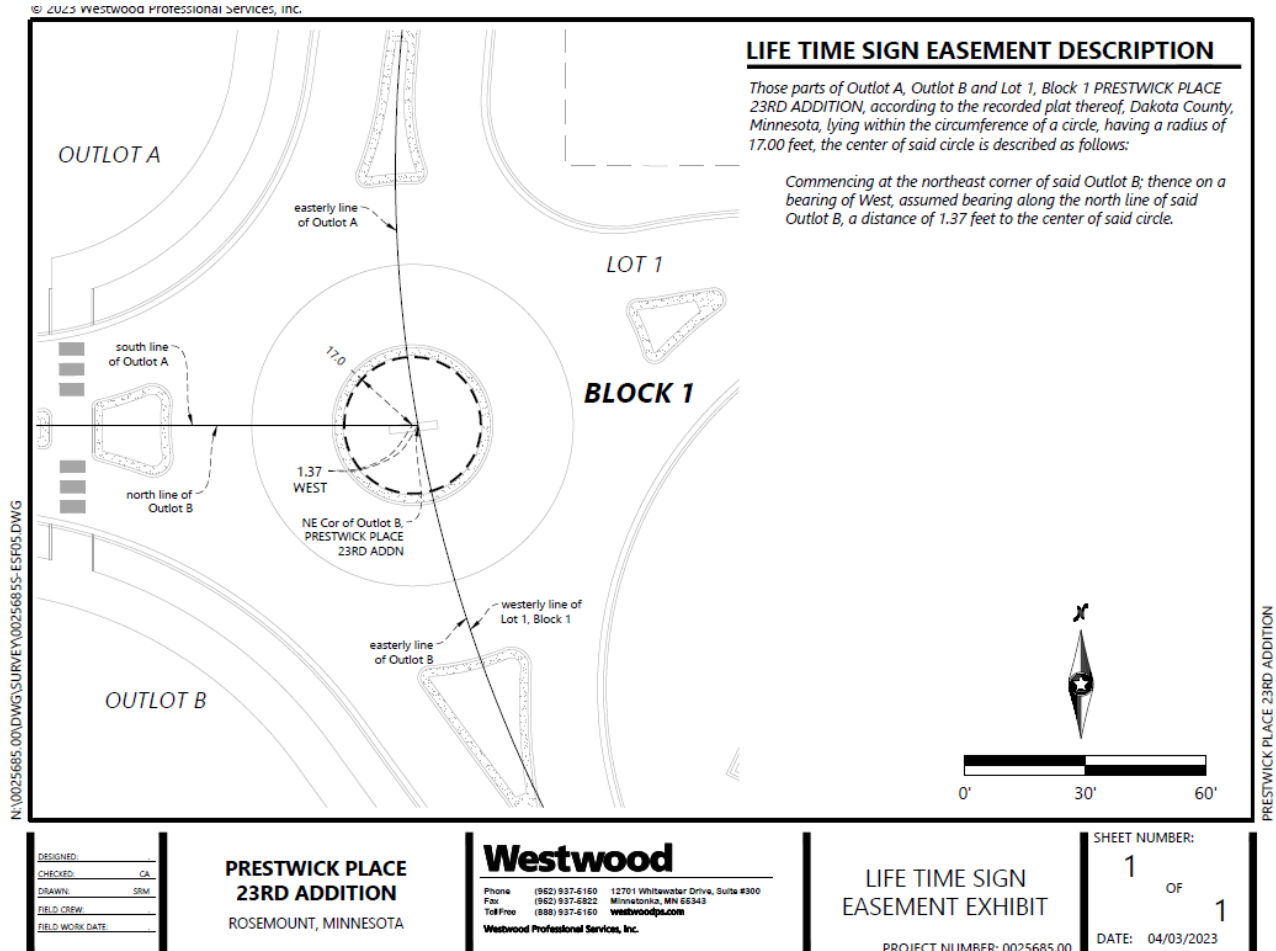
**Life Time Signage Easement**

Those parts of Outlot A, Outlot B and Lot 1, Block 1 PRESTWICK PLACE 23RD ADDITION, according to the recorded plat thereof, Dakota County, Minnesota, lying within the circumference of a circle, having a radius of 17.00 feet, the center of said circle is described as follows:

Commencing at the northeast corner of said Outlot B; thence on a bearing of West, assumed bearing along the north line of said Outlot B, a distance of 1.37 feet to the center of said circle.

## EXHIBIT H Cont.

[attach depiction of Life Time Signage Easement Area]



**EXHIBIT I**  
**to**  
**Declaration of Easements and Covenants**

**Prohibited Uses and Purposes**

No portion of the Remainder Parcels shall be used for any of the following uses or purposes:

(a) motor vehicle service, fuel or gas stations, motor vehicle repairs including without limitation any body and fender repair work, car washes, or the displaying, renting, leasing, or sale of any automobile, truck, boat, trailer or other motor or recreational vehicle that is not entirely conducted inside of a building;

(b) a venture whose primary business is operation of video or arcade games;

(c) adult book or video store;

(d) health or fitness club, gym or any commercial facility used for physical exercise or individual or group fitness or athletic training regardless of whether such business charges membership dues, class fees or any other arrangement;

(e) Yoga studio or facility;

(f) Pilates studio or facility,

(g) cycle studio or facility (e.g. SoulCycle),

(h) Barre studio or facility;

(i) any specialty fitness studio or facility;

(j) boutique gym, fitness training facility (e.g. Orange Theory);

(k) pickleball;

(l) hair salon or nail salon;

(m) day spa/spa, and/or any establishment that offers any or all of the services typically included in a day spa/spa, including, but not limited to, an operation that provides any of the following services massage therapy, hydrotherapy, facials, or body treatments,

(n) medi-spa;

(o) chiropractic;

(p) physical therapy;

- (q) sale of nutritional products or supplements;
- (r) weight loss clinic;
- (s) café or restaurant whose food offerings primarily consist of organic and/or healthy food offerings;
- (t) collaborative office, “co-working” or shared workspace use;
- (u) a pet store or overnight boarding pet daycare and/or facilities;
- (v) warehouse or industrial use;
- (w) self-storage facility;
- (x) fast food restaurant (e.g., McDonald’s);
- (y) any use with a drive-through other than (A) a coffee shop (for example, Starbucks or Caribou Coffee), (B) banking facilities, (C) cleaners, if otherwise permitted herein), or pharmacies (such as CVS or Walgreens);
- (z) liquor store;
- (aa) bar, restaurant or other establishment whose liquor sales exceed 15% of its gross revenues;
- (bb) convenience store;
- (cc) establishment for the sale of guns or other firearms;
- (dd) tattoo or piercing parlor;
- (ee) so-called “head shops,” which are defined as facilities primarily used for selling products intended to assist, aid, or used in conjunction with the consumption of illegal drugs;
- (ff) sale or provision of marijuana, whether for therapeutic, medicinal or other purposes;
- (gg) any public or private nuisance;
- (hh) any obnoxious odor except customary odors emanating from restaurants;
- (ii) any fire, explosion or other damaging or dangerous hazard, including the storage, display, or sale of explosives or fireworks;
- (jj) any distillation (other than so-called micro-brewing of beer), refining, smelting, agriculture or mining operations;

(kk) any mobile home or trailer court, labor camp, junk yard, stock yard or animal raising; provided, however, that, notwithstanding the foregoing, pet shops shall be permitted;

(ll) any drilling for and/or removal of subsurface substances;

(mm) any dumping of garbage or refuse, other than in enclosed receptacles intended for such purpose;

(nn) any cemetery, mortuary or similar service establishment;

(oo) any fire sale, bankruptcy sale (unless pursuant to a court order) or auction operation;

(pp) any church, synagogue, mosque or other place of worship or other religious use;

(qq) any entertainment, recreation or amusement use, whether directed to children or adults, including, but not limited to, any one or more of the following: theatre, skating rink, bowling alley, teenage discotheque, discotheque, dance hall, video game parlor, pool room, massage parlor, off-track betting facility, casino, card club, bingo parlor, facility containing gaming or gambling equipment, planned play environment, arcade games, amusement gallery, rides, video or redemption games, play for fun casino games, golf simulations, rodeo simulations, other sport simulations and carnival activities;

(rr) any school, training, or educational facility, including but not limited to: beauty schools, barber colleges, nursery schools, day cares, diet centers, reading rooms, places of instruction or other operations catering primarily to students or trainees rather than to customers; provided however, this prohibition shall not be applicable to on-site employee training by an occupant incidental to the conduct of its business, a learning center for children and teenagers such as Sylvan Learning Center, any school affiliated with an accredited public university, college, or junior college;

(ss) any second-hand or thrift stores, or flea markets;

(tt) any dry cleaning facilities utilizing hazardous substances with an on-premises plant; provided, however, that nothing contained herein shall preclude a drop-off/pick-up dry cleaning business as long as no cleaning services are conducted at such location;

(uu) warehousing or storage facilities of any kind unless incidental to another use permitted on the premises;

(vv) call center or similar use; and

(ww) use or occupancy of a building by a discount or reduced-price general or specialty retailer or merchandiser, including, but not limited to, Wal-Mart, K-Mart, Sam's Club, T. J. Maxx, or Marshall's.

---

(Above Space Reserved for Recording Information)

### **SITE DEVELOPMENT AGREEMENT**

This Site Development Agreement (the “**Agreement**”) is made and entered into effective as of June \_\_\_\_, 2023, by and between the Rosemount Port Authority, a Minnesota body corporate and politic (“**Rosemount**”) and LTF Real Estate Company, Inc., a Minnesota corporation (“**LT Owner**”). In this Agreement, Rosemount and LT Owner each are referred to individually as a “**Party**” and collectively as the “**Parties**.”

### **RECITALS**

A. The City of Rosemount (the “**City**”), as buyer, and Akron 42, LLC, as seller, have executed that certain Purchase and Sale Agreement dated April 5, 2022, as amended and assigned (the “**Purchase Agreement**”), pursuant to which the City contracted to acquire that certain tract of land with all easements, hereditaments and appurtenances belonging thereto, located at northwest corner of County Road 42 and Akron Avenue in Rosemount, Minnesota, consisting of approximately 21.30 net developable acres in the aggregate, as legally described on Exhibit A attached hereto and made a part hereof (the “**Development Property**”); and

B. Pursuant to the terms of that certain Partial Assignment of Purchase Agreement, by and between the City and Rosemount, with the consent of Akron 42, LLC, as seller, dated April \_\_\_\_, 2023 (the “**PA Assignment**”), Rosemount has agreed to acquire and become the fee owner of that portion of the Development Property containing approximately 10.88 net developable acres, as legally described on Exhibit B attached hereto and made a part hereof (the “**Rosemount Property**”); and

C. Pursuant to the terms of that certain Partial Assignment of Purchase Agreement, by and between the City and LT Owner, dated April 4, 2023 (the “**LT Assignment**”), LT Owner has agreed to acquire and become the fee owner of a portion of the Development Property containing approximately 10.42 net developable acres, as legally described on Exhibit C attached hereto and made a part hereof (the “**LT Owner Property**”); and

D. The City will retain ownership of the remaining portion of the Development Property containing approximately 0.00 developable acres, which is legally described as Outlot B, Prestwick Place 23<sup>rd</sup> Addition, Dakota County, Minnesota (“**Outlot B**”).

E. Rosemount, as landlord, and LTF Lease Company, LLC (“**LTF Tenant**”), which is an affiliate of LT Owner, as tenant, entered into that certain Lease dated April 7, 2023 (as amended, supplemented or modified from time to time, the “**Lease**”), a memorandum of which was recorded in the Office of the County Recorder for Dakota County, Minnesota on June \_\_\_\_\_, 2023 as Document No. \_\_\_\_\_, pursuant to which a health and fitness facility with outdoor recreational uses will be developed and constructed by Rosemount, pursuant to that certain AIA Document C132 – 2019 Standard Form of Agreement Between Owner and Construction Manager as Adviser and that certain AIA Document A232 – 2019 General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, as modified, dated April 7, 2023 (collectively, the “**Construction Management Agreement**”) between Rosemount and LTF Construction Company, LLC, an affiliate of LT Owner (the “**Construction Manager**”), and leased to and operated on the Rosemount Property by LTF Tenant (the “**Health Club Project**”); and

F. LT Owner plans to facilitate the development of an integrated retail/residential development on the LT Owner Property by developing and/or selling the outlots or lots comprising the LT Owner Property to third parties; and

G. Rosemount, pursuant to the Construction Management Agreement, will cause the completion of certain Improvements (defined below) that will benefit the entire Development Property, and the costs and expenses associated with the completion of such Improvements will be paid for by the Parties pro rata based upon the relative net developable acres comprising each of the Rosemount Property (51.08%) and the LT Owner Property (48.92%) (each, a “**Pro Rata Share**”); and

H. The Parties are entering into this Agreement for the purposes of defining the scope of the Improvements to be performed in connection with the development of the Development Property, the timing of completion of the Improvements, and each Party’s Pro Rata Share of the costs of construction of the Improvements (the “**Improvement Costs**”).

NOW THEREFORE, in consideration of the agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Recitals. The above recitals constitute an integral part of this Agreement.

Section 2. Improvements and Construction Documents.

(A) LT Owner has caused the preparation of the Construction Documents (defined below) that describe the scope and specifications of the required on-site improvements that will benefit the entire Development Property. These improvements, all as shown on the Construction Documents, include the following: (i) the extension of utility mains to the boundary lines of the Development Property, (ii) the construction of all common access roads and drives within the

Development Property, (iii) mass site grading of the Development Property, and (iv) the construction of all common stormwater facilities, common signage, common landscaping, a master stormwater detention pond, and such other similar, common on-site improvements, (such work collectively being referred to as the “**Improvements**”).

(B) The plans and specifications for the Improvements are described on Exhibit D attached hereto and made a part hereof (the “**Construction Documents**”). The Construction Documents have been approved by LT Owner and Rosemount and, each Party has determined to its own satisfaction that the Construction Documents comply with the requirements of all governmental agencies and other entities having or exercising jurisdiction over construction activities occurring on or about the Development Property. The work to be performed by Rosemount under the terms of this Agreement is limited to the Improvements contained in the Construction Documents (the “**Improvement Work**”).

Section 3. Improvement and Other Work. In accordance with the Construction Management Agreement, Rosemount will cause the completion of the Improvement Work in accordance with the Construction Documents and all applicable laws, statutes, ordinances, regulations, codes, and governmental requirements (collectively, the “**Legal Requirements**”). Each Party has determined to its own satisfaction that the bid specifications attached to the Construction Management Agreement for the Improvement Work require the Improvement Work to be substantially and finally completed within the time frame set forth in the schedule attached hereto as Exhibit E (the “**Construction Schedule**”), subject to Permitted Delays (defined below).

LT Owner hereby grants Rosemount, its agents, employees and contractors a license to enter the LT Owner Property to perform the Improvement Work. Such license shall terminate upon completion of the Improvement Work, as evidenced by the issuance of the certificate of completion pursuant to Section 4(D) below.

The City hereby grants Rosemount, its agents, employees and contractors a license to enter Outlot B to perform the Improvement Work. Such license shall terminate upon completion of the Improvement Work, as evidenced by the issuance of the certificate of completion pursuant to Section 4(D) below.

Rosemount and LTF Tenant shall jointly be responsible for any and all work on the Rosemount Property that is not part of the Improvement Work pursuant to the terms and conditions of the Lease, which includes without limitation, construction of the Health Club Project and coordination with the respective utility company for any load or service needs and the final hook-up of all utilities, including, but not limited to, water, gas, electricity, telephone, cable, and sewer. LT Owner or its successors-in-interest shall be responsible for any and all work on the LT Owner Property that is not part of the Improvement Work, which includes without limitation, coordination with the respective utility company for any load or service needs and the final hook-up of all utilities, including, but not limited to, water, gas, electricity, telephone, cable and sewer.

Section 4. Construction and Installation of the Improvement Work.

(A) In relation to the Improvement Work, Rosemount shall be responsible for, among other things, the following:

- (i) compliance with all Legal Requirements;
- (ii) completion of the Improvement Work in accordance with the Construction Schedule;
- (iii) causing the Construction Manager to obtain and maintain the insurance in amounts and for coverages at least equal to that specified in the Construction Management Agreement as the same relates to the Improvement Work; and
- (iv) causing the Construction Manager pursuant to the terms of the Construction Management Agreement to obtain all owner's affidavits, construction affidavits, and lien waivers (partial and final), which comply with the requirements of applicable state law so no mechanic liens can be filed against the Development Property or any part thereof.

(B) All change orders with respect to the Construction Documents and/or the Improvement Work must be mutually approved by the Parties before proceeding. LT Owner will not unreasonably withhold, condition or delay its consent to change orders requested by Rosemount's contractors and the Construction Manager. Any costs associated with discretionary change orders for work on and benefiting only the Rosemount Property, which are initiated by Rosemount, shall be paid solely by Rosemount. Any costs associated with discretionary change orders for work on and benefiting only the LT Owner Property, which are initiated by LT Owner, shall be paid solely by LT Owner. LT Owner and Rosemount shall each pay their Pro Rata Share of any costs associated with discretionary change orders for work benefiting the entire Development Property, which are mutually approved by Rosemount and LT Owner.

(C) During the construction of the Improvement Work, LT Owner at all times may inspect the same. If LT Owner identifies any deficiencies or potential deficiencies that do not, in its opinion, comply with the requirements of the Construction Documents or applicable Legal Requirements, LT Owner will provide notice to Rosemount and the Construction Manager regarding such deficiencies, and Rosemount shall cause its contractors to correct such deficiencies within thirty (30) days after receipt of such notice or indicate in writing to LT Owner why it believes the work is not deficient; provided, however, that if correction of the deficiency reasonably requires longer than thirty (30) days, Rosemount shall have such additional time as may be reasonably necessary to correct the deficiency, so long as Rosemount has commenced the corrective action within the initial thirty (30) day period and thereafter exercises reasonable diligence to complete the corrective action.

(D) Within three (3) business days after substantial completion of the Improvement Work, Rosemount shall give notice to LT Owner and the City through its City Engineer that the Improvement Work is ready for inspection. Within fifteen (15) days of receipt of such notice, the Parties and the City shall complete their inspection thereof. If LT Owner reasonably determines that the Improvement Work has not been constructed in substantial conformity with this Agreement and the Construction Documents, LT Owner shall deliver written notice to Rosemount

indicating in adequate detail the specific respects in which the Improvement Work has not been constructed in substantial conformity with this Agreement and the Construction Documents, and Rosemount shall cause such deficiencies to be promptly remedied or indicate in writing to LT Owner why Rosemount believes the Improvement Work has been completed in substantial conformity with this Agreement and the Construction Documents. Promptly upon determining that the Improvement Work has been constructed in substantial conformity with this Agreement and the Construction Documents, LT Owner and Rosemount will mutually execute a certificate of completion memorializing the same but no certificate of completion shall be effective unless the City Engineer consents to its execution after inspection of the Improvement Work. Neither Party (including without limitation the City Engineer) will unreasonably withhold, condition or delay its consent to and execution of a certificate of completion. Within sixty (60) days after mutual execution of such certificate of completion, Rosemount will dedicate the public improvements installed within the drainage and utility easements identified in the Plat and Outlot B as part of the Improvement Work to the City. The Construction Management Agreement requires the delivery to Rosemount of an as-built survey of the Improvement Work, which shall be reasonably satisfactory to LT Owner and the City Engineer, and Rosemount shall deliver such as-built survey to LT Owner and the City Engineer within sixty (60) days after mutual execution of such certificate of completion. The bid specifications attached to the Construction Management Agreement for the Improvement Work require the contractors performing the Improvement Work to provide a warranty against poor material and faulty workmanship for a period of two (2) years after completion or such longer period as is specified in the Construction Documents.

Section 5. Payment of Improvement Costs. As of the date of this Agreement, the Parties anticipate that the Improvement Costs will total \$\_\_\_\_\_, with Rosemount's Pro Rata Share equal to \$\_\_\_\_\_ and LT Owner's Pro Rata Share equal to \$\_\_\_\_\_. On the Bond Sale Date (as such term is defined in the Lease), LT Owner will deposit in escrow with Rosemount funds equal to 100% of LT Owner's Pro Rata Share of the Improvement Costs (the "**LT Owner's Escrow Funds**"). Rosemount shall be responsible for paying all of the Improvement Costs, as incurred, (i) from the available proceeds of Rosemount's "Bonds" (as defined in the Lease), plus amounts deposited with Rosemount in accordance with Section 6.2(b) of the Lease (if any) for Rosemount's Pro Rata Share of the Improvement Costs, and (ii) from the LT Owner's Escrow Funds for LT Owner's Pro Rata Share of the Improvement Costs (collectively, (i) and (ii) are referred to herein as the "**Construction Funds**").

Rosemount shall defend, indemnify and hold LT Owner harmless from and against any mechanic's liens that may be filed against the LT Owner Property relating to the Improvement Work as a result of failure to pay the Improvement Costs from the Construction Funds. If, by reason of Rosemount's failure to timely pay for the Improvement Work from the Construction Funds, any mechanics' or other lien, encumbrance, judgment lien or order for the payment of money shall be filed against the LT Owner Property, Rosemount shall, at Rosemount's sole cost and expense, cause the same to be canceled, discharged of record, bonded over or establish a third-party escrow to cover the payment thereof prior to the commencement of a lien foreclosure action, and Rosemount shall also indemnify and save LT Owner harmless from and against any and all costs, expenses, claims, losses or damages, including, but not limited to, reasonable counsel fees charged by counsel of LT Owner's choice, resulting therefrom or by reason thereof.

Section 6. Permitted Delays. Notwithstanding anything to the contrary contained in this Agreement, whenever performance is required of a Party, such Party shall use all due diligence to perform and take all necessary measures in good faith to perform; provided, however, that if completion of performance shall be delayed at any time by reason of acts of God (but soil conditions or environmental matters shall not be deemed an act of God), war, civil commotion, riots, strikes, picketing, or other labor disputes, severe weather conditions of unusual duration (specifically excluding typical seasonal weather conditions) which prevent timely delivery of materials or equipment necessary to the completion of portions of the Improvement Work, or which hamper access to the Improvement Work; unavailability of labor or materials or damage to work in progress by reason of fire or other casualty or causes beyond the reasonable control of a Party and that such Party could not reasonably foresee and reasonably have been expected to take measures to avoid or minimize (other than financial reasons) (collectively, “**Permitted Delays**”) then, provided that the Party experiencing a Permitted Delay or the Construction Manager notifies the other Party of the circumstances supporting such Permitted Delay, the time for performance as herein specified shall be equitably extended by the time of the delay actually caused to such critical path. Failure to timely provide notice of a Permitted Delay circumstance shall be deemed a waiver of a claim for additional time. Notwithstanding the foregoing, the provisions of this Section shall not operate to excuse any Party from the prompt payment of any monies required by this Agreement.

Section 7. Default Remedies. In addition to all remedies available at law and equity with respect to a Party’s default hereunder, subject to any Permitted Delays, if Rosemount fails to substantially complete the Improvement Work within sixty (60) days after the applicable deadline specified in the Construction Schedule for substantial completion, LT Owner will have the right, upon providing fifteen (15) days’ written notice to Rosemount, to take over construction of the Improvement Work at Rosemount’s sole cost and expense from the available proceeds of Rosemount’s Bonds (as defined in the Lease), plus amounts deposited with Rosemount in accordance with Section 6.2(b) of the Lease (if any), plus the LT Owner’s Escrow Funds deposited with Rosemount in accordance with Section 5 above. If such take over were to occur, Rosemount will assign its rights and obligations under its construction contracts, and, subject to equitable excused delays and actual increases in costs directly or indirectly resulting from Rosemount’s default, LT Owner shall assume responsibility for the substantial completion of the Improvement Work.

Section 8. Notice. All notices, demands and requests required or permitted to be given under this Agreement (collectively, “**Notices**”) must be in writing and must be delivered personally or by nationally recognized overnight courier or sent by United States certified mail, return receipt requested, postage prepaid and addressed to the Parties at their respective addresses set forth below, or by electronic mail (provided that in addition to the e-mail, the notifying party also provides notice by one of the other acceptable means hereunder) and the same shall be effective upon receipt if delivered personally or by e-mail, or on the next business day if sent by overnight courier, or three (3) business days after deposit in the mail if mailed or the business day said notice was sent as follows. The initial addresses of the Parties shall be:

To Rosemount:

Rosemount Port Authority  
Attn: Executive Director  
2875 145<sup>th</sup> Street West  
Rosemount, MN 55068-4997  
Email: Logan.Martin@ci.rosemount.mn.us

with a copy to:

Kennedy & Graven, Chartered  
Attn: Rosemount City Attorney  
150 South Fifth Street, Suite 700  
Minneapolis, MN 55402  
Email: mtietjen@kennedy-graven.com

To LT Owner:

LTF Real Estate Company, Inc.  
2900 Corporate Place  
Chanhassen, MN 55317  
Attn: Aaron Koehler  
Email: akoehler@lt.life

with a copy to:

LTF Real Estate Company, Inc.  
2900 Corporate Place  
Chanhassen, MN 55317  
Attn: Kari Broyles  
Email: kbroyles@lt.life

Upon at least ten (10) days' prior written notice, each Party shall have the right to change its address to any other address within the United States of America.

Section 9. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed, either by the Parties hereto or by any third party, to create the relationship of principal and agent or to create any partnership, joint venture or other association between LT Owner and Rosemount.

Section 10. Costs and Attorney's Fees. If either Party brings or commences any legal action or proceeding to enforce any of the terms of this Agreement or for damages by reason of an alleged breach of this Agreement, the prevailing party in an adjudicated dispute shall be entitled to recover its reasonable attorneys' fees, at the hourly rate in effect for Rosemount's appointed legal counsel, and costs from the non-prevailing party.

Section 11. Exhibits Incorporated. Each exhibit attached to and referred to in this Agreement is hereby incorporated by reference as though set forth in full where referred to herein.

Section 12. Counterparts. This Agreement may be signed in counterparts and delivered by mail, fax, hand delivery, or electronic mail, each of which shall be deemed an original and all of which when taken together shall constitute one instrument.

Section 13. Complete Agreement; Partial Invalidity; Assignment. All understandings and agreements heretofore had between the Parties with respect to the specific subject matter of this Agreement are merged into this Agreement which alone fully and completely expresses their agreement. Notwithstanding the above, the Parties acknowledge there are other agreements that have been relied upon in the making of this Agreement, including by cross-references herein to the Construction Management Agreement and the Lease. This Agreement may be changed only in writing signed by both of the Parties and shall apply to and bind the successors and assigns of each of the Parties hereto. If any portion, section, subsection, sentence, clause, paragraph or part of this Agreement is for any reason held invalid, such decision shall not affect the validity of the remaining portion of this Agreement. Rosemount may not assign this Agreement without the prior written consent of LT Owner.

Section 14. Waiver. The action or inaction of a Party shall not constitute a waiver or amendment to the provisions of this Agreement. To be binding, amendments or waivers must be in writing and signed by the Parties.

Section 15. Further Assurances and Corrective Instruments. The Parties agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Development Property or for carrying out the expressed intention of this Agreement.

Section 16. Rosemount Approval. Whenever this Agreement provides for the consent or approval by Rosemount, such approval shall be given by the Executive Director, unless approval by the Authority is required by law.

Section 17. Indemnification. Rosemount shall hold LT Owner and its directors, officers, agents and employees harmless from claims made by itself and third parties for damages sustained or costs incurred resulting from the development of the Development Property, except for any costs or expenses arising from the intentional acts or gross negligence of LT Owner, its agents, employees or contractors. Rosemount shall defend and indemnify LT Owner and its directors, officers, agents and employees for all costs, damages or expenses that LT Owner may pay or incur in consequence of such claims, including without limitation attorneys' fees. LT Owner shall hold Rosemount and its employees harmless from claims made by itself and third parties for damages sustained or costs incurred resulting from the development of the LT Owner Property, except for any costs or expenses arising from the intentional acts or gross negligence of Rosemount, its agents, employees or contractors. LT Owner shall defend and indemnify Rosemount and its employees for all costs, damages or expenses that Rosemount may pay or incur in consequence of such claims, including without limitation attorneys' fees.

Section 18. Insurance. Rosemount will purchase and maintain general liability insurance with the League of Minnesota Cities Insurance Trust (“**LMCIT**”) with a limit of at least \$2,000,000 per occurrence, under standard LMCIT liability coverage forms. The LMCIT policy will include coverage for bodily injury and property damage and the policy shall cover liability arising from premises, operations, products-completed operations, personal injury, advertising injury and contractually assumed liability. Rosemount will add LT Owner as an additional insured on the LMCIT policy for claims that arise under this Agreement.

Section 19. Recording. At the closing of the purchase and sale of the Development Property pursuant to the Purchase Agreement, as assigned by the PA Assignment and the LT Assignment (the “**Closing**”), Rosemount will deliver this Agreement to First American Title Insurance Company for recording with the Dakota County Recorder against the Development Property. If the Closing does not occur, this Agreement shall automatically terminate and be of no further force or effect, and each Party shall be released thereby.

Section 20. Aspen Avenue. The Parties acknowledge and agree that the construction of Aspen Avenue as shown on the plat of Prestwick Place 23rd Addition which is attached hereto as Exhibit F is not part of the Improvement Work (the “**Aspen Extension**”). The City will cause the completion of Aspen Avenue and the Aspen Extension in accordance with its standard City process and specifications for public roads. The City will complete the South Portion (defined below) of the Aspen Extension on or before December 1, 2024.

(A) If the City chooses to levy special assessments to benefitted properties for the construction of the Aspen Extension from County Highway 42 to the private road (the “**Spine Road**”) as depicted on Exhibit G (the “**South Portion**”), the City will assess the properties benefitted by the South Portion of the Aspen Extension in accordance with its standard practices and in compliance with applicable law and the Parties further acknowledge and agree as follows:

(i) The City’s assessment for the benefit to the LT Owner Property of the South Portion of the Aspen Extension (“**LT’s Owner’s Benefit**”) will be determined using its then applicable assessment formula. LT Owner, or its successors or assigns, will pay any special assessment levied against the LT Owner Property for LT’s Owner’s Benefit as due and payable during the term of the levied assessment. LT Owner, on behalf of itself and its successors and assigns, waives any and all rights associated with the City’s right to levy assessments to benefitted properties for the Aspen Extension, but reserves all other rights. If LT Owner exercises any of its rights to challenge the City’s assessment, the December 1, 2024 deadline noted above for the completion of the South Portion no longer applies.

(ii) Rosemount acknowledges and agrees that the City will determine the assessment for the benefit to the Rosemount Property of the South Portion of the Aspen Extension (“**Rosemount’s Benefit**”) using its then applicable assessment formula. Rosemount will cause LTF Tenant to pay any special assessment levied against the Rosemount Property for Rosemount’s Benefit in accordance with the Lease.

(B) If the City chooses to levy special assessments to benefitted properties for the construction of the Aspen Extension from the Spine Road to Connemara Trail as depicted on Exhibit H (the “**North Portion**”), the City will assess the properties benefitted by the North Portion of the Aspen Extension in accordance with its standard practices and in compliance with applicable law; provided however that, notwithstanding anything to the contrary in this Agreement, the Construction Management Agreement or the Lease, neither LT Owner nor LTF Tenant shall be responsible for payment of any special assessments levied with respect to the construction of the North Portion of the Aspen Extension.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives effective as of the day and year first above written.

*[signatures appear on the following page]*

Rosemount:

ROSEMOUNT PORT AUTHORITY,  
a Minnesota body corporate and politic

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

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

STATE OF MINNESOTA                    )  
                                                          ) SS:  
COUNTY OF \_\_\_\_\_)

The foregoing Site Development Agreement was acknowledged before me this \_\_\_\_ day of June, 2023, by \_\_\_\_\_, the \_\_\_\_\_ and by \_\_\_\_\_, the \_\_\_\_\_ of the ROSEMOUNT PORT AUTHORITY, a Minnesota body corporate and politic, on behalf of the Authority.

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

[LT Owner Signature Page to Follow]

LT Owner:

LTF REAL ESTATE COMPANY, INC.,  
a Minnesota corporation

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

STATE OF MINNESOTA                    )  
                                                  ) SS:  
COUNTY OF \_\_\_\_\_)

The foregoing Site Development Agreement was acknowledged before me this \_\_\_\_ day of June, 2023, by \_\_\_\_\_, the \_\_\_\_\_ of LTF REAL ESTATE COMPANY, INC., a Minnesota corporation, on behalf of the corporation.

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

This instrument was prepared by:

LTF REAL ESTATE COMPANY, INC.  
2900 Corporate Place  
Chanhassen, MN 55317  
Attn: Kari Broyles

City: As to Sections 3, 4 and 20 only

CITY OF ROSEMOUNT, MINNESOTA, a  
Minnesota municipal corporation

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

By: \_\_\_\_\_  
Name: Erin Fasbender  
Its: City Clerk

STATE OF MINNESOTA                    )  
                                                          ) SS:  
COUNTY OF \_\_\_\_\_)

The foregoing Site Development Agreement was acknowledged before me this \_\_\_\_ day of June, 2023, by \_\_\_\_\_, the Mayor and by Erin Fasbender, the City Clerk of the CITY OF ROSEMOUNT, MINNESOTA, a Minnesota municipal corporation, on behalf of the City.

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

## **Exhibit A**

### **Legal Description – Development Property**

Legal Description as of the Closing:

Real property located in the County of Dakota, State of Minnesota, legally described as follows:

Lot 1, Block 1 and Outlots A, B, and C, Prestwick Place 23<sup>rd</sup> Addition, according to the recorded plat thereof.

## **Exhibit B**

### **Legal Description – Rosemount Property**

Legal Description as of the Closing:

Real property located in the County of Dakota, State of Minnesota, legally described as follows:

Lot 1, Block 1, Prestwick Place 23<sup>rd</sup> Addition, according to the recorded plat thereof.

## **Exhibit C**

### **Legal Description – LT Owner Property**

Legal Description as of the Closing:

Real property located in the County of Dakota, State of Minnesota, legally described as follows:

Outlots A and C, Prestwick Place 23<sup>rd</sup> Addition, according to the recorded plat thereof.

## **Exhibit D**

### Construction Documents

## Exhibit E

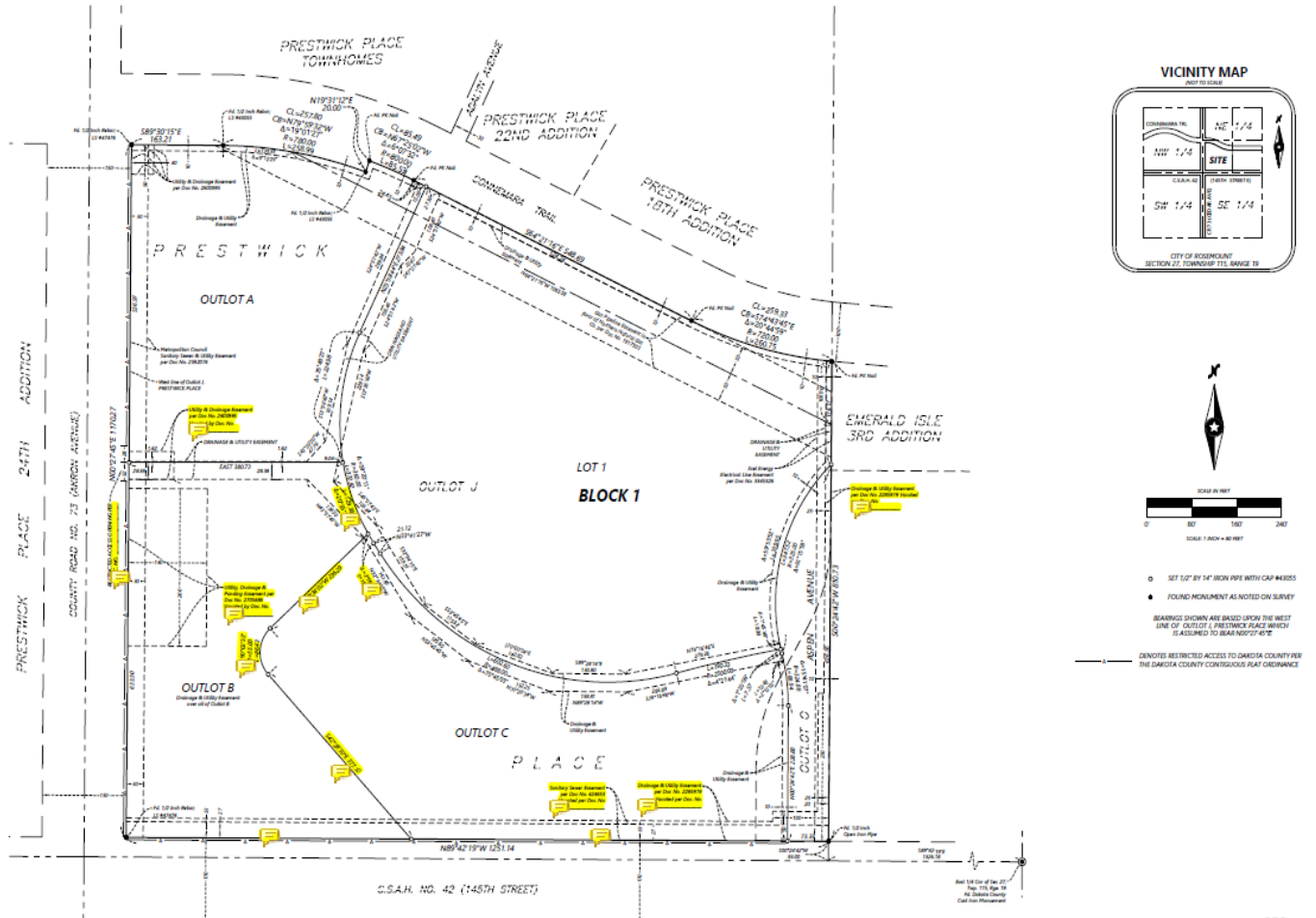
### Construction Schedule

| Rosemount, MN - E2             |                                                          | LT_AA - USE THIS  |                 | 08/07/23 14:38  |  |
|--------------------------------|----------------------------------------------------------|-------------------|-----------------|-----------------|--|
| Activity ID                    | Activity Name                                            | Original Duration | Start           | Finish          |  |
| <b>Rosemount, MN - E2</b>      |                                                          | <b>407</b>        | <b>05/02/23</b> | <b>12/06/24</b> |  |
| <b>Executive Summary</b>       |                                                          | <b>407</b>        | <b>05/02/23</b> | <b>12/06/24</b> |  |
| <b>Preconstruction</b>         |                                                          | <b>43</b>         | <b>05/02/23</b> | <b>07/03/23</b> |  |
| <b>Construction Milestones</b> |                                                          | <b>364</b>        | <b>07/03/23</b> | <b>12/06/24</b> |  |
| <b>Sitework</b>                |                                                          | <b>0</b>          | <b>07/03/23</b> | <b>07/03/23</b> |  |
| A9980                          | Mobilize for Sitework                                    | 0                 | 07/03/23        |                 |  |
| <b>Construction</b>            |                                                          | <b>344</b>        | <b>08/01/23</b> | <b>12/06/24</b> |  |
| MS2000                         | Mobilize for Construction                                | 0                 | 08/01/23*       |                 |  |
| MS2010                         | Field Kick Off Meeting / PIC - Site, Structural, Aquatic | 0                 | 08/08/23        |                 |  |
| MS2020                         | Inside Pool Start                                        | 0                 | 08/25/23        |                 |  |
| MS2030                         | Footings Start                                           | 0                 | 08/25/23        |                 |  |
| MS2040                         | Start Underslab Plumbing and Electrical                  | 0                 | 09/01/23        |                 |  |
| MS2050                         | Outside Pool Start                                       | 0                 | 10/30/23        |                 |  |
| MS2060                         | Precast Walls Start                                      | 0                 | 10/30/23        |                 |  |
| MS2070                         | Structural Steel Start                                   | 0                 | 11/21/23        |                 |  |
| MS2080                         | Early Parking for Laydown Complete                       | 0                 |                 | 11/22/23        |  |
| MS2090                         | Structural Steel Complete                                | 0                 |                 | 01/10/24        |  |
| MS2100                         | PIC - Envelope, MEP, Cx Kickoff                          | 0                 | 01/11/24        |                 |  |
| MS2110                         | CMU Start                                                | 0                 | 01/18/24        |                 |  |
| MS2120                         | Slab on Grade Complete                                   | 0                 |                 | 01/31/24        |  |
| MS2130                         | Interior Rough In Start                                  | 0                 | 02/23/24        |                 |  |
| MS2140                         | Interior Framing Start                                   | 0                 | 03/22/24        |                 |  |
| MS2150                         | Roofing Complete                                         | 0                 |                 | 04/05/24        |  |
| MS2160                         | Permanent Power                                          | 0                 |                 | 04/10/24        |  |
| MS2170                         | Building Enclosed / Water Tight                          | 0                 |                 | 05/10/24        |  |
| MS2180                         | Elevator Install Start                                   | 0                 | 05/13/24        |                 |  |
| MS2190                         | Tile Start                                               | 0                 | 05/20/24        |                 |  |
| MS2200                         | HVAC Equipment Startup Complete                          | 0                 |                 | 07/01/24        |  |
| MS2210                         | Millwork Start                                           | 0                 | 07/17/24        |                 |  |
| MS2220                         | Controls Substantially Complete                          | 0                 |                 | 07/30/24        |  |
| MS2230                         | Functional Testing Start                                 | 0                 | 08/21/24        |                 |  |
| MS2240                         | Final Punch Start                                        | 0                 | 09/17/24        |                 |  |
| MS2250                         | Pool Plaster Complete - Inside Pools                     | 0                 |                 | 09/17/24        |  |
| MS2260                         | Pool Plaster Complete - Outside Pools                    | 0                 |                 | 09/19/24        |  |
| MS2270                         | Substantial Completion                                   | 0                 |                 | 10/29/24        |  |
| MS2280                         | TCO / Turnover                                           | 0                 |                 | 12/06/24        |  |

# Exhibit F

## Plat of Prestwick Place 23<sup>rd</sup> Addition

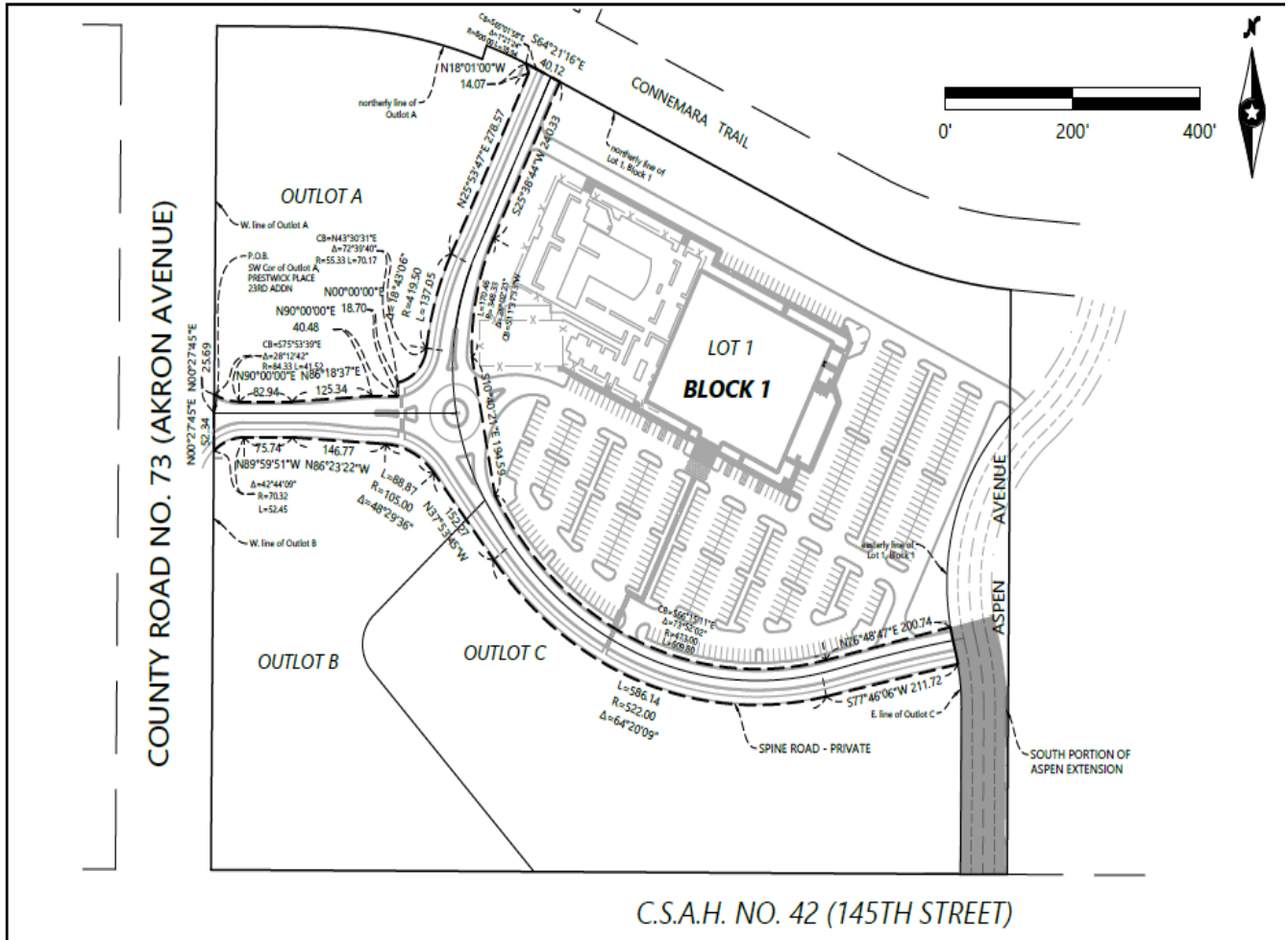
### PRESTWICK PLACE 23RD ADDITION



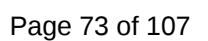
## Exhibit G

## Spine Road – South Portion of Aspen Extension

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## Connemara Trail – North Portion of Aspen Extension



Port Authority Regular Meeting: June 20, 2023

|                                                                                                                                                                                                                                                                                                                             |                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <b>AGENDA ITEM:</b> Authorize the Sale of Taxable General Obligation Bonds Subject to Certain Parameters                                                                                                                                                                                                                    | <b>AGENDA SECTION:</b> NEW BUSINESS |
| <b>PREPARED BY:</b> Logan Martin, City Administrator                                                                                                                                                                                                                                                                        | <b>AGENDA NO.</b> 6.c.              |
| <b>ATTACHMENTS:</b> Resolution , Series 2023B Pre-Sale Summary                                                                                                                                                                                                                                                              | <b>APPROVED BY:</b> LJM             |
| <b>RECOMMENDED ACTION:</b> Staff recommends the Port Authority authorize the sale of taxable General Obligation Recreational Facility bonds, Series 2023B, subject to certain parameters, fixing their form and specifications, directing their execution and delivery, and authorizing a tax levy for the payment thereof. |                                     |

### BACKGROUND

The purposes of the Parameter Resolution to be considered by the Port Authority Board are outlined in the bullets below.

- Sets the day and time of the sale for the planned bond issuance (General Obligation Taxable Recreational Facilities Bonds, Series 2023A) on July 11, 2023, at 10:00 a.m.
- Authorizes city staff to work with Baker Tilly Municipal Advisors to finalize preparation of the Official Statement.
- Establishes a committee to approve the sale of the bonds at a maximum par amount of \$48 million and a maximum true interest rate of 6.5%.

A Parameters Resolution is synonymous with a Bond Authorizing Resolution that the City Council is considering this evening for the other bond issuance. The only difference is that a Parameters Resolution establishes a “Pricing Committee” consisting of the Board Chair, Executive Director and Treasurer and authorizes this committee to approve the sale of the bonds based on a maximum par amount and true interest rate established by the full Port Authority. A Parameters Resolution is a common tool used by cities to provide flexibility in the sale date. It is expected that the sale will proceed at the proposed date and time as originally planned. While the Pricing Committee will approve the sale of the bonds earlier in the day, the results of the sale will be brought to the full Port Authority Board on the evening of July 11, 2023.

### RECOMMENDATION

Staff recommends the Port Authority authorize the sale of taxable General Obligation Recreational Facility bonds, Series 2023B, subject to certain parameters, fixing their form and specifications, directing their execution and delivery, and authorizing a tax levy for the payment thereof.

**ROSEMOUNT PORT AUTHORITY  
DAKOTA COUNTY, MINNESOTA**

**RESOLUTION 2023-05**

**RESOLUTION AUTHORIZING  
THE SALE OF TAXABLE GENERAL OBLIGATION RECREATIONAL FACILITY  
BONDS, SERIES 2023B, SUBJECT TO CERTAIN PARAMETERS;  
FIXING THEIR FORM AND SPECIFICATIONS;  
DIRECTING THEIR EXECUTION AND DELIVERY;  
AND AUTHORIZING A TAX LEVY FOR THE PAYMENT THEREOF**

**WHEREAS**, in furtherance of the objectives of the Rosemount Port Authority (the “Port”) as detailed in the Laws of Minnesota 1991, Chapter 291, as codified in Minnesota Statutes, Section 469.0813, and a certain enabling resolution adopted by the City Council (the “City Council”) of the City of Rosemount (the “City”), on September 3, 1991 (the “Enabling Resolution”), the Commission of the Port Authority (the “Commission”) established the Connemara Industrial Development District (the “Development District”) and adopted a development plan for the Development District as set forth the document entitled “Development Plan for Connemara Industrial Development District” (the “Plan”), pursuant to Minnesota Statutes, Sections 469.048 to 469.068 and Section 469.0813 (collectively, the “Act”); and

**WHEREAS**, the Commission found that there is a need for development and redevelopment within the City and, in particular, within the Development District, and a need to provide an improved local tax base, to provide public facilities, to provide employment opportunities, and to improve the general economy of the City and the State. The Commission further found that the City lacks adequate community recreational facilities to serve the needs of the City’s population. Acquisition of land at the proposed site in the Development District will allow the Port to facilitate development of a recreational facility to be leased to LTF Lease Company, LLC (“LTF Tenant”). The proposed site in the Development District will provide adequate space to develop such recreational facility. The Development District will allow the Port to encourage commercial development within the Development District and stimulate future development of the City, including attraction of commercial development by providing access to public services, including without limitation recreational facilities and services, to the citizens of and visitors to the City. The recreational facility is a necessary public facility and the site will be acquired and developed at a cost reasonably related to the public purpose to be served without need of any residential clearance activities. The additional findings set forth in the Plan are incorporated herein by reference; and

**WHEREAS**, subject to approval thereof by ordinance of the City, the Port is authorized by the Act to issue general obligation bonds for any purposes set forth in the Act, including without limitation encouraging commercial development within the Development District, stimulating future development of the City, attracting of commercial development by providing access to public services, including without limitation recreational facilities and services, to the citizens of and visitors to the City; and

**WHEREAS**, on May 16, 2023, the City adopted Ordinance #2023-01 (the “Ordinance”), pursuant to which the City authorized the Port to issue general obligation bonds for the Project (defined below) and consented to pledge the City’s full faith, credit and resources as payment and security on the Bonds (defined below) and upon publication of the Ordinance in the Dakota County Tribune, the official newspaper of the City on May 26, 2023, the Ordinance became effective; and

**WHEREAS**, the City, as buyer, and Akron 42, LLC, as seller, have executed that certain Purchase and Sale Agreement dated April 5, 2022, as amended and assigned (the “Purchase Agreement”), pursuant to which the City will acquire that certain tract of land with all easements, hereditaments and appurtenances belonging thereto, located at northwest corner of County Road 42 and Akron Avenue in Rosemount, Minnesota, consisting of approximately 21.75 net developable acres in the aggregate (the “Development Property”); and

**WHEREAS**, pursuant to a quit claim deed or the terms of a Partial Assignment of Purchase Agreement, to be entered into between the City and the Port , with the consent of Akron 42, LLC, as seller, (collectively, the “PA Assignment”), the Port proposes to acquire and become the fee owner of that portion of the Development Property containing approximately 10.9 net developable acres, to be legally described as Lot 1, Block 1, Prestwick Place 23rd Addition, according to the approved plat thereof (the “PA Property”); and

**WHEREAS**, pursuant to the terms of a Partial Assignment of Purchase Agreement, dated as of April 4, 2023, between the City and LTF Real Estate Company, Inc., a Minnesota corporation (“LT Owner”) (the “LT Assignment”), LT Owner proposes to acquire and become the fee owner of a portion of the Development Property containing approximately 10.84 net developable acres, to be legally described as Outlots A and C, Prestwick Place 23rd Addition, according to the approved plat thereof (the “LT Owner Property”); and

**WHEREAS**, the City will retain ownership of the remaining portion of the Development Property containing approximately 0.00 developable acres, to be legally described as Outlot B, Prestwick Place 23rd Addition, according to the approved plat thereof (“Outlot B”); and

**WHEREAS**, the Port, as landlord, and LTF Tenant, which is an affiliate of LT Owner, as tenant, have entered into a Lease, dated as of April 7, 2023 (the “Lease”), pursuant to which a health and fitness facility with outdoor recreational uses will be developed and constructed by the Port, pursuant to a AIA Document C132 – 2019 Standard Form of Agreement Between Owner and Construction Manager as Adviser and a AIA Document A232 – 2019 General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, both dated as of April 7, 2023, (collectively, the “Construction Management Agreement”) between the Port and LTF Construction Company, LLC, an affiliate of LT Owner (the “Construction Manager”), and leased to and operated on the PA Property by LTF Tenant (the “Project”); and

**WHEREAS**, LT Owner plans to facilitate the development of an integrated retail/residential development on the LT Owner Property by developing and/or selling the outlots or lots comprising the LT Owner Property to third parties; and

**WHEREAS**, the Port, pursuant to the Construction Management Agreement, will cause the completion of certain site work, utility, roadway, and signage improvements (the “Improvements”) that will benefit the entire Development Property; and

**WHEREAS**, the Port and LTF Owner, with the consent of the City, expect to enter into a Site Development Agreement (the “Site Development Agreement”), which describes the scope of the Improvements to be performed in connection with the development of the Development Property and the timing of completion of the Improvements and pursuant to which the costs and expenses associated with the completion of such Improvements will be paid for by the Port and LTF Owner pro rata based upon the relative net developable acres comprising each of the PA Property and the LT Owner Property; and

**WHEREAS**, the Port, LTF Tenant, LTF Owner, and the City, expect to enter into a Declaration of Easements and Covenants (the “Declaration”), which describes easement areas for the Improvements and imposes various other restrictions on the Development Property; and

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of the Rosemount Port Authority (the “Commission”), as follows:

**Section 1.      Sale of Bonds.**

1.01    Terms of Bond Sale; Notice; Pricing Committee. The Port has retained Baker Tilly Municipal Advisors LLC, St. Paul, Minnesota (“Baker Tilly”) as independent municipal advisor, and, pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph 9, Baker Tilly is hereby authorized to solicit proposals for the Bonds on behalf of the Commission on a competitive basis without requirement of published notice. The terms of the Bonds and the sale thereof shall be approximately as set forth in the Terms of Proposal attached as **Exhibit A** hereto, which are hereby approved, as may be adjusted in accordance with the parameters set forth herein. The Commission hereby determines to sell the Bonds in accordance with the procedures set forth in **Exhibit A**. The Commission hereby establishes a pricing committee with respect to the sale of the Bonds comprised of the Chair and Executive Director of the Port and the Finance Director of the City (the “Pricing Committee”). The Pricing Committee is authorized and directed, upon satisfaction of the conditions for the issuance of the Bonds under the Act and with the advice of Baker Tilly MA, to (i) review proposals for the sale of the Bonds; (ii) award the sale of the Bonds to the prospective purchaser (the “Purchaser”), not later than 90 days from the date hereof, at the price, par bond principal amount, maturity schedule, and rates to be determined by the Pricing Committee provided that the aggregate principal amount shall not exceed \$48,000,000 plus any premium, the true interest cost shall not exceed 6.50% and the final maturity shall not be later than 30 years after the date of issuance of the Bonds; (iii) approve the dates for optional redemption and approve any mandatory sinking fund redemption schedule; and (iv) approve the tax levy for the repayment of the Bonds. Subject to a determination by the Pricing Committee, the Port hereby approves the sale of the Bonds to the Purchaser, at the price, par bond principal amount, maturity schedule, and rates to be determined by the Pricing Committee based on the lowest true interest cost.

1.02    Contract with the Purchaser. Any amount paid by the Purchaser over the minimum purchase price shall be credited to the Debt Service Account of the Fund hereinafter created, or deposited in the Construction Account of the Fund hereinafter created, as determined by the

Executive Director after consultation with the Port's municipal advisor. The Chair of the Commission and Executive Director are authorized to execute a contract with the Purchaser on behalf of the Port, if requested by the Purchaser.

1.03 Terms and Principal Amounts of the Bonds. Subject to a determination by the Pricing Committee, the Port will forthwith issue and sell the Bonds, pursuant to the Act, in an aggregate principal amount not to exceed \$48,000,000 plus any premium, originally dated the date of issuance, in fully registered form, in denominations of \$5,000 each or any integral multiple thereof, numbered No. R-1 upward, bearing interest as determined by the Pricing Committee, and maturing on the dates, in the years and in the amounts as determined by the Pricing Committee. For purpose of complying with Minnesota Statutes, Section 475.54, Subdivision 1, the maturity schedule for the Bonds will be combined with the maturity schedule for all of the general obligation debt of the Port and the City.

1.04 Optional Redemption. The Pricing Committee will determine whether and when the Bonds will be subject to optional redemption prior to maturity. If the Bonds are subject to optional redemption, the following provisions shall apply: Redemption may be in whole or in part and if in part, at the option of the Port and in such manner as the Port will determine. If less than all Bonds of a maturity are called for redemption, the Port will notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

## **Section 2. Registration and Payment.**

2.01 Registered Form. The Bonds will be issued only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof, is payable by check or draft issued by the Registrar described herein.

2.02 Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds is payable in accordance with the schedule determined by the Pricing Committee, to the registered owners of record thereof as of the close of business on the 15<sup>th</sup> day of the immediately preceding month, whether or not that day is a business day.

2.03 Registration. The Port will appoint, and will maintain, a bond registrar, transfer agent, authenticating agent and paying agent (the "Registrar"). The effect of registration and the rights and duties of the Port and the Registrar with respect thereto are as follows:

- (a) Register. The Registrar will keep at its principal corporate trust office a bond register in which the Registrar provides for the registration of ownership of the Bonds and the registration of transfers and exchanges of the Bonds entitled to be registered, transferred or exchanged.

- (b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the 15<sup>th</sup> day of the month preceding each interest payment date and until that interest payment date.
- (c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner or the registered owner's attorney in writing.
- (d) Cancellation. All Bonds surrendered upon a transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the Port.
- (e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer such Bond until the Registrar is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.
- (f) Persons Deemed Owners. The Port and the Registrar may treat the person in whose name a Bond, at any time, is registered, as of the applicable record date, in the bond register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.
- (g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for each transfer or exchange of Bonds, sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.
- (h) Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond becomes mutilated or is destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of such mutilated Bond or in lieu of and in substitution for such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to the Registrar that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it and as provided by law, in which both the Port and the Registrar will be named as obligees. Bonds so surrendered to the Registrar will be cancelled by the Registrar and evidence of such cancellation must be given

to the Port. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it will not be necessary to issue a new Bond prior to payment.

- (i) Redemption. In the event any of the Bonds are called for redemption, written notice thereof identifying the Bonds to be redeemed will be given by the Registrar by mailing a copy of the redemption notice by first class mail (postage prepaid) at least 30 days prior to the redemption date to the registered owner of each Bond to be redeemed at the address shown on the registration books kept by the Registrar and by publishing the notice if required by law. Failure to give notice by publication or by mail to any registered owner, or any defect therein, will not affect the validity of the proceedings for the redemption of Bonds. Bonds so called for redemption will cease to bear interest after the specified redemption date, provided that the funds for the redemption are on deposit with the place of payment at that time.

2.04 Appointment of Initial Registrar. The Port hereby appoints U.S. Bank Trust Company, National Association, St. Paul, Minnesota as the initial Registrar. The Chair and the Executive Director are authorized to execute and deliver, on behalf of the Port, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company authorized by law to conduct such business, the resulting corporation is authorized to act as successor Registrar. The Port agrees to pay the reasonable and customary charges of the Registrar for the services performed. The Port reserves the right to remove the Registrar upon 30 days' notice and upon the appointment of a successor Registrar, in which event the predecessor Registrar must deliver all cash and Bonds in its possession to the successor Registrar and must deliver the bond register to the successor Registrar. On or before each principal or interest due date, without further order of this Commission, the Finance Director of the City will transmit to the Registrar moneys sufficient for the payment of all principal and interest then due.

2.05 Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the Executive Director and executed on behalf of the Port by the signatures of the Chair of its Commission, and its Executive Director, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds ceases to be such officer before the delivery of the Bonds, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, a Bond will not be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on the Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on a Bond is conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the Executive Director will deliver the same to the Purchaser thereof upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser is not obligated to see to the application of the purchase price.

### Section 3. Form of Bond.

3.01. Execution of the Bonds. The Bonds will be printed or typewritten in substantially the form as set forth in **EXHIBIT A**.

3.02 Approving Legal Opinion. The Executive Director of the Port is authorized and directed to obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which will be complete except as to dating thereof and will cause the opinion to be printed on or accompany each Bond.

Section 4. Payment; Security; Pledges and Covenants.

4.01 Funds and Accounts. There is hereby created a special fund to be designated the “Taxable General Obligation Recreational Facility Bonds, Series 2023B Fund” (the “Fund”) to be administered and maintained by the Finance Director of the City as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the Port. The Fund shall be maintained in the manner herein specified until the Bonds have been fully paid. There shall be maintained in the Fund two separate accounts, to be designated the “Construction Account” and “Debt Service Account”, respectively, to which shall be credited and debited all income and disbursements as hereinafter set forth.

(i) Construction Account. To the Construction Account there shall be credited the proceeds of the sale of the Bonds, plus any amount over the minimum purchase price paid by the Purchaser, to the extent designated for deposit in the Construction Account in accordance with Section 1.02, less the appropriations made in paragraph (ii) plus any other funds deposited for the payment of the costs of the Project including without limitation amounts required to be deposited in accordance with the Lease, Construction Management Agreement, or the Site Development Agreement. From the Construction Account there shall be paid the costs and expenses of the Improvements, including the cost of any contracts heretofore let or entered into and all other costs incurred and to be incurred of the kind authorized in Minnesota Statutes, Section 475.65, and the costs of issuance of the Bonds; and the moneys in said account shall be used for no other purpose except as otherwise provided by law; provided that the proceeds of the Bonds may also be used to the extent necessary to pay interest on the Bonds due prior to the anticipated date of commencement of the collection of taxes herein levied or covenanted to be levied; and provided further that if upon completion of the Improvements there shall remain any unexpended balance in the Construction Account, the balance may be transferred by the Commission to the fund of any other capital improvement undertaken pursuant to the Plan, or used to pay the costs of any other purpose permitted by law.

(ii) Debt Service Account. There are hereby irrevocably appropriated and pledged to, and there shall be credited to, the Debt Service Account: (a) the proceeds of the ad valorem taxes herein or hereafter levied (the “Taxes”) for the Bonds, (b) capitalized interest financed from Bond proceeds, if any; (c) any amount over the minimum purchase price of the Bonds paid by the Purchaser, to the extent designated for deposit in the Debt Service Account in accordance with Section 1.02; (d) all investment earnings on amounts in the Debt Service Account; and (e) any other funds appropriated for the payment of principal or interest on the Bonds, including without limitation, base rent payments in accordance with the Lease. If a payment of principal or interest on the Bonds becomes due when there

is not sufficient money in the Debt Service Account to pay the same, the Finance Director of the City is directed to pay such principal or interest from the general fund or other funds of the Commission, and such fund will be reimbursed for those advances out of the proceeds of Taxes when collected.

4.02 Filing. The Executive Director, or designee, is authorized and directed to file a certified copy of this resolution with the County Auditor and to obtain the certificate required by Section 475.63 of the Act and the tax levy required by law has been made.

4.03 Tax Levy; Coverage Test.

(a) To provide moneys for payment of the principal and interest on the Bonds, there is hereby levied upon all of the taxable property in the City a direct annual ad valorem tax which shall be spread upon the tax rolls and collected with and as part of other general property taxes in the City. The Taxes will be credited to the Debt Service Fund above provided and will be in the years and amounts as to be set for in the certificate of the Pricing Committee.

(b) The tax levies are such that if collected in full they, together with estimated collections of other revenues herein pledged for the payment of the Bonds, will produce at least 5% in excess of the amount needed to meet when due the principal and interest payments on the Bonds. The tax levies shall be irrepealable so long as any of the Bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, Subdivision 3.

4.04. General Obligation Pledge. For the prompt and full payment of the principal and interest on the Bonds, as the same respectively become due, pursuant to the Ordinance, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Account is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the Port which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Account when a sufficient balance is available therein. To the extent that it shall ever be necessary to provide for full and timely payment of the debt service on the Bonds, the Port shall, pursuant to the authority heretofore described in this paragraph, levy an ad valorem tax upon all taxable property within the City, sufficient for such purposes.

**Section 5. Authentication of Transcript.**

5.01 Port Proceedings and Records. The officers of the Port are authorized and hereby directed to prepare and furnish to the Purchaser and to the attorneys approving the Bonds, certified copies of proceedings and records of the Port relating to the Bonds and to the financial condition and affairs of the Port, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds, and such instruments, including any heretofore furnished, may be deemed representations of the Port as to the facts stated therein.

5.02 Certification as to Official Statement. The Chair, Executive Director, and Finance Director of the City, or any of them, are hereby authorized and directed to certify that they have examined the Official Statement prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is, as of the date thereof, a complete and accurate representation of the facts and representations made therein as of the date of the Official Statement, as it relates to the Commission and the Bonds.

5.03 Other Certificates. The Chair, Executive Director, and Finance Director of the City, or any of them, are hereby authorized and directed to furnish to the Purchaser at the closing such certificates as are required as a condition of sale. Unless litigation shall have been commenced and be pending questioning the Bonds or the organization of the Port or incumbency of its officers, at the closing the Chair, Executive Director, and Finance Director of the City, or any of them, shall also execute and deliver to the Purchaser a suitable certificate as to absence of material litigation, and the Finance Director of the City shall also execute and deliver a certificate as to payment for and delivery of the Bonds.

5.04 Electronic Signatures. The electronic signature of the Chair, Executive Director, and Finance Director of the City, or any of them, to this resolution and to any certificate authorized to be executed hereunder shall be as valid as an original signature of such party and shall be effective to bind the Port thereto. For purposes hereof, (i) “electronic signature” means (a) a manually signed original signature that is then transmitted by electronic means or (b) a signature obtained through DocuSign or Adobe or a similarly digitally auditable signature gathering process; and (ii) “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a portable document format (“pdf”) or other replicating image attached to an electronic mail or internet message.

## **Section 6. Book-Entry System; Limited Obligation of Port.**

6.01 DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in the Pricing Certificate. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (“DTC”). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC.

6.02 Participants. With respect to Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Port, the Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (the “Participants”) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Registrar), of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The Port, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the

registration books kept by the Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the Port's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the Executive Director of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co.," will refer to such new nominee of DTC; and upon receipt of such a notice, the Executive Director will promptly deliver a copy of the same to the Registrar and Paying Agent.

6.03 Representation Letter. The Port has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (the "Representation Letter") which will govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Registrar subsequently appointed by the Port with respect to the Bonds will agree to take all action necessary for all representations of the Port in the Representation Letter with respect to the Registrar and Paying Agent, respectively, to be complied with at all times.

6.04 Transfers Outside Book-Entry System. In the event the Port, by resolution of the Commission, determines that it is in the best interests of the persons having beneficial interests, in the Bonds that they be able to obtain Bond certificates, the Port will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the Port will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the Port and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the Port will issue and the Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

6.05 Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and all notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 7. Continuing Disclosure.

7.01 Port Compliance with Provisions of Continuing Disclosure Certificate. The Port hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the Port to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Port to comply with its obligations under this section.

7.02 Execution of Continuing Disclosure Certificate. “Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate executed by the Chair and Executive Director and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Section 8. Defeasance. When all of the Bonds and all interest thereon have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the holders of the Bonds will cease, except that the pledge of the full faith and credit of the Port for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The Port may discharge the Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full or by depositing irrevocably in escrow, with a suitable institution qualified by law as an escrow agent for this purpose, cash or securities which are backed by the full faith and credit of the United States of America, or any other security authorized under Minnesota law for such purpose, bearing interest payable at such times and at such rates and maturing on such dates and in such amounts as shall be required and sufficient, subject to sale and/or reinvestment in like securities, to pay said obligation(s), which may include any interest payment on such Bond and/or principal amount due thereon at a stated maturity (or if irrevocable provision shall have been made for permitted prior redemption of such principal amount, at such earlier redemption date). If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

Section 9. Headings. Headings in this resolution are included for convenience of reference only and are not a part hereof, and shall not limit or define the meaning of any provision hereof.

**ADOPTED** this 6<sup>th</sup> day of June, 2023.

---

Chair

ATTEST:

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Executive Director

**EXHIBIT A**  
**TERMS OF PROPOSAL**

**THE AUTHORITY HAS AUTHORIZED BAKER TILLY MUNICIPAL ADVISORS, LLC TO NEGOTIATE THIS ISSUE ON ITS BEHALF. PROPOSALS WILL BE RECEIVED ON THE FOLLOWING BASIS:**

**TERMS OF PROPOSAL**

**\$45,790,000\***

**ROSEMOUNT PORT AUTHORITY, MINNESOTA**

**TAXABLE GENERAL OBLIGATION RECREATIONAL FACILITY BONDS, SERIES 2023B**

**(BOOK ENTRY ONLY)**

Proposals for the above-referenced obligations (the “Authority Bonds”) will be received by the Rosemount Port Authority, Minnesota (the “Authority”) on Tuesday, July 11, 2023 (the “Sale Date”) until 10:00 A.M., Central Time (the “Sale Time”) at the offices of Baker Tilly Municipal Advisors, LLC (“Baker Tilly MA”), 30 East 7<sup>th</sup> Street, Suite 3025, Saint Paul, MN 55101, after which time proposals will be opened and tabulated. Consideration for award of the Authority Bonds will be by a designated pricing committee (the “Pricing Committee”) subsequent to the opening of proposals.

**SUBMISSION OF PROPOSALS**

Baker Tilly MA will assume no liability for the inability of a bidder or its proposal to reach Baker Tilly MA prior to the Sale Time, and neither the Authority nor Baker Tilly MA shall be responsible for any failure, misdirection or error in the means of transmission selected by any bidder. All bidders are advised that each proposal shall be deemed to constitute a contract between the bidder and the Authority to purchase the Authority Bonds regardless of the manner in which the proposal is submitted.

(a) **Sealed Bidding.** Completed, signed proposals may be submitted to Baker Tilly MA by email to [bids@bakertilly.com](mailto:bids@bakertilly.com), and must be received prior to the Sale Time.

**OR**

(b) **Electronic Bidding.** Proposals may also be received via PARITY®. For purposes of the electronic bidding process, the time as maintained by PARITY® shall constitute the official time with respect to all proposals submitted to PARITY®. *Each bidder shall be solely responsible for making necessary arrangements to access PARITY® for purposes of submitting its electronic proposal in a timely manner and in compliance with the requirements of the Terms of Proposal.* Neither the Authority, its agents, nor PARITY® shall have any duty or obligation to undertake registration to bid for any prospective bidder or to provide or ensure electronic access to any qualified prospective bidder, and neither the Authority, its agents, nor PARITY® shall be responsible for a bidder’s failure to register to bid or for any failure in the proper operation of, or have any liability for any delays or interruptions of or any damages caused by the services of PARITY®. The Authority is using the services of PARITY® solely as a communication mechanism to conduct the electronic bidding for the Authority Bonds, and PARITY® is not an agent of the Authority.

If any provisions of this Terms of Proposal conflict with information provided by PARITY®, this Terms of Proposal shall control. Further information about PARITY®, including any fee charged, may be obtained from:

PARITY®, 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018  
Customer Support: (212) 849-5000

\*Preliminary; subject to change.

Baker Tilly Municipal Advisors, LLC is a registered municipal advisor and controlled subsidiary of Baker Tilly US, LLP, an accounting firm. Baker Tilly US, LLP trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. © 2023 Baker Tilly Municipal Advisors, LLC.

## DETAILS OF THE AUTHORITY BONDS

The Authority Bonds will be dated as of the date of delivery and will bear interest payable on January 1 and July 1 of each year, commencing July 1, 2024. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Authority Bonds will mature July 1 in the years and amounts\* as follows:

|      |            |      |             |      |             |      |             |      |             |
|------|------------|------|-------------|------|-------------|------|-------------|------|-------------|
| 2025 | \$ 340,000 | 2031 | \$ 790,000  | 2037 | \$1,195,000 | 2043 | \$1,805,000 | 2049 | \$2,665,000 |
| 2026 | \$ 530,000 | 2032 | \$ 845,000  | 2038 | \$1,280,000 | 2044 | \$1,925,000 | 2050 | \$2,845,000 |
| 2027 | \$ 585,000 | 2033 | \$ 910,000  | 2039 | \$1,365,000 | 2045 | \$2,060,000 | 2051 | \$3,035,000 |
| 2028 | \$ 630,000 | 2034 | \$ 970,000  | 2040 | \$1,465,000 | 2046 | \$2,200,000 | 2052 | \$3,235,000 |
| 2029 | \$ 680,000 | 2035 | \$1,040,000 | 2041 | \$1,570,000 | 2047 | \$2,345,000 | 2053 | \$3,445,000 |
| 2030 | \$ 735,000 | 2036 | \$1,115,000 | 2042 | \$1,680,000 | 2048 | \$2,505,000 |      |             |

\* The Authority reserves the right, after proposals are opened and prior to award, to increase or reduce the principal amount of the Authority Bonds or the amount of any maturity or maturities in multiples of \$5,000. In the event the amount of any maturity is modified, the aggregate purchase price will be adjusted to result in the same gross spread per \$1,000 of Authority Bonds as that of the original proposal. Gross spread for this purpose is the differential between the price paid to the Authority for the new issue and the prices at which the proposal indicates the securities will be initially offered to the investing public.

## BOOK ENTRY SYSTEM

The Authority Bonds will be issued by means of a book entry system with no physical distribution of Authority Bonds made to the public. The Authority Bonds will be issued in fully registered form and one Authority Bond, representing the aggregate principal amount of the Authority Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as securities depository for the Authority Bonds. Individual purchases of the Authority Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Authority Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The lowest bidder (the “Purchaser”), as a condition of delivery of the Authority Bonds, will be required to deposit the Authority Bonds with DTC.

## REGISTRAR

U.S. Bank Trust Company, National Association, Saint Paul, Minnesota will serve as Registrar (the “Registrar”) for the Authority Bonds, and shall be subject to applicable regulations of the Securities and Exchange Commission. The Authority will pay for the services of the Registrar.

## OPTIONAL REDEMPTION

The Authority may elect on July 1, 2033, and on any day thereafter, to redeem Authority Bonds due on or after July 1, 2034. Redemption may be in whole or in part and if in part at the option of the Authority and in such manner as the Authority shall determine. If less than all Authority Bonds of a maturity are called for redemption, the Authority will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. All redemptions shall be at a price of par plus accrued interest.

## SECURITY AND PURPOSE

The Authority Bonds are full faith and credit obligations of the City of Rosemount, Minnesota (the “City”) for which the City has consented to the Authority’s levy of general ad valorem taxes on all property within the City for repayment of the Authority Bonds. The proceeds of the Authority Bonds will be used to finance the acquisition, construction and equipping of a recreational facility within the Connemara Industrial Development District within the City.

## TAXABILITY OF INTEREST

The interest to be paid on the Authority Bonds is included in gross income of the recipient for United States and State of Minnesota income tax purposes, and is subject to Minnesota corporate and bank excise taxes measured by income.

#### BIDDING PARAMETERS

Proposals shall be for not less than \$45,148,940 plus accrued interest, if any, on the total principal amount of the Authority Bonds. Rates shall be in integral multiples of 1/100 or 1/8 of 1%. The initial price to the public for each maturity as stated on the proposal must be 98.0% or greater. Authority Bonds of the same maturity shall bear a single rate from the date of the Authority Bonds to the date of maturity.

Proposals for the Authority Bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds. All term bonds shall be subject to mandatory sinking fund redemption at a price of par plus accrued interest to the date of redemption scheduled to conform to the maturity schedule set forth herein. In order to designate term bonds, the proposal must specify "Years of Term Maturities" in the spaces provided on the proposal form.

No proposal can be withdrawn or amended after the time set for receiving proposals unless award of the Authority Bonds is not made by the Pricing Committee subsequent to the opening of proposals, as designated by the Authority pursuant to a resolution adopted on June 20, 2023. No conditional proposals will be accepted.

#### GOOD FAITH DEPOSIT

To have its proposal considered for award, the Purchaser is required to submit a good faith deposit via wire transfer to the Authority in the amount of \$457,900 (the "Deposit") no later than 1:00 P.M., Central Time on the Sale Date. The Purchaser shall be solely responsible for the timely delivery of its Deposit, and neither the Authority nor Baker Tilly MA have any liability for delays in the receipt of the Deposit. If the Deposit is not received by the specified time, the Authority may, at its sole discretion, reject the proposal of the lowest bidder, direct the second lowest bidder to submit a Deposit, and thereafter award the sale to such bidder.

A Deposit will be considered timely delivered to the Authority upon submission of a federal wire reference number by the specified time. Wire transfer instructions will be available from Baker Tilly MA following the receipt and tabulation of proposals. The successful bidder must send an e-mail including the following information: (i) the federal reference number and time released; (ii) the amount of the wire transfer; and (iii) the issue to which it applies.

Once an award has been made, the Deposit received from the Purchaser will be retained by the Authority and no interest will accrue to the Purchaser. The amount of the Deposit will be deducted at settlement from the purchase price. In the event the Purchaser fails to comply with the accepted proposal, said amount will be retained by the Authority.

#### AWARD

The Authority Bonds will be awarded on the basis of the lowest interest rate to be determined on a true interest cost (TIC) basis calculated on the proposal prior to any adjustment made by the Authority. The Authority's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling.

The Authority will reserve the right to: (i) waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Authority Bonds, (ii) reject all proposals without cause, and (iii) reject any proposal that the Authority determines to have failed to comply with the terms herein.

#### BOND INSURANCE AT PURCHASER'S OPTION

The Authority has **not** applied for or pre-approved a commitment for any policy of municipal bond insurance with respect to the Authority Bonds. If the Authority Bonds qualify for municipal bond insurance and a bidder desires to purchase a policy, such indication, the maturities to be insured, and the name of the desired insurer must be set forth on the bidder's proposal. The Authority specifically reserves the right to reject any bid specifying municipal bond insurance, even though such bid may result in the lowest TIC to the Authority. All costs associated with the issuance and administration of such policy and associated ratings and expenses (other than any independent rating requested by the Authority) shall be paid by the successful bidder. Failure of the municipal bond insurer to issue the policy after

the award of the Authority Bonds shall not constitute cause for failure or refusal by the successful bidder to accept delivery of the Authority Bonds.

#### CUSIP NUMBERS

If the Authority Bonds qualify for the assignment of CUSIP numbers such numbers will be printed on the Authority Bonds; however, neither the failure to print such numbers on any Authority Bond nor any error with respect thereto will constitute cause for failure or refusal by the Purchaser to accept delivery of the Authority Bonds. Baker Tilly MA will apply for CUSIP numbers pursuant to Rule G-34 implemented by the Municipal Securities Rulemaking Board. The CUSIP Service Bureau charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

#### SETTLEMENT

On or about August 1, 2023, the Authority Bonds will be delivered without cost to the Purchaser through DTC in New York, New York. Delivery will be subject to receipt by the Purchaser of an approving legal opinion of Kennedy & Graven, Chartered of Minneapolis, Minnesota, and of customary closing papers, including a no-litigation certificate. On the date of settlement, payment for the Authority Bonds shall be made in federal, or equivalent, funds that shall be received at the offices of the Authority or its designee not later than 12:00 Noon, Central Time. Unless compliance with the terms of payment for the Authority Bonds has been made impossible by action of the Authority, or its agents, the Purchaser shall be liable to the Authority for any loss suffered by the Authority by reason of the Purchaser's non-compliance with said terms for payment.

#### CONTINUING DISCLOSURE

In accordance with SEC Rule 15c2-12(b)(5), the Authority and the City will undertake, pursuant to the resolution awarding sale of the Authority Bonds, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Official Statement. The Purchaser's obligation to purchase the Authority Bonds will be conditioned upon receiving evidence of this undertaking at or prior to delivery of the Series 2023B Bonds.

#### OFFICIAL STATEMENT

The Authority and the City have authorized the preparation of a Preliminary Official Statement containing pertinent information relative to the Authority Bonds, and said Preliminary Official Statement has been deemed final by the Authority and the City as of the date thereof within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For an electronic copy of the Preliminary Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Municipal Advisor to the Authority, Baker Tilly Municipal Advisors, LLC, by telephone (651) 223-3000, or by email [bids@bakertilly.com](mailto:bids@bakertilly.com). The Preliminary Official Statement will also be made available at <https://bondcalendar.bakertilly.com/>.

A Final Official Statement (as that term is defined in Rule 15c2-12) will be prepared, specifying the maturity dates, principal amounts, and interest rates of the Authority Bonds, together with any other information required by law. By awarding the Authority Bonds to the Purchaser, the Authority agrees that, no more than seven business days after the date of such award, it shall provide to the Purchaser an electronic copy of the Final Official Statement. The Authority designates the Purchaser as its agent for purposes of distributing the Final Official Statement to each syndicate member, if applicable. The Purchaser agrees that if its proposal is accepted by the Authority, (i) it shall accept designation and (ii) it shall enter into a contractual relationship with its syndicate members for purposes of assuring the receipt of the Final Official Statement by each such syndicate member.

Dated June 20, 2023

BY ORDER OF THE BOARD OF COMMISSIONERS

/s/ Erin Fasbender  
Secretary

**EXHIBIT B**  
**FORM OF BOND**

UNITED STATES OF AMERICA  
STATE OF MINNESOTA  
COUNTY OF DAKOTA  
ROSEMOUNT PORT AUTHORITY

R-\_\_\_\_\_

\$\_\_\_\_\_

TAXABLE GENERAL OBLIGATION  
RECREATIONAL FACILITY BOND, SERIES 2023B

| <u>Rate</u> | <u>Maturity Date</u> | <u>Date of<br/>Original Issue</u> | <u>CUSIP</u> |
|-------------|----------------------|-----------------------------------|--------------|
| %           |                      | _____, 2023                       |              |

REGISTERED OWNER:    CEDE & CO.

ROSEMOUNT PORT AUTHORITY a duly organized and existing politic subdivision corporation in Dakota County, Minnesota (the “Port”), acknowledges itself to be indebted and for value received hereby promises to pay to the Registered Owner specified above or registered assigns, the principal sum set forth above on the Maturity Date specified above, unless called for earlier redemption, with interest thereon from the date hereof at the annual Rate specified above (calculated on the basis of a 360-day year of twelve 30-day months), payable February 1 and August 1 in each year, commencing \_\_\_\_\_ 1, 202\_\_\_\_, to the person in whose name this Bond is registered at the close of business on the 15th day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by U.S. Bank Trust Company, National Association, St. Paul, Minnesota, as Registrar, Paying Agent, Transfer Agent and Authenticating Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the Port have been and are hereby irrevocably pledged.

The Port may elect on February 1, 203\_\_\_\_, and on any date thereafter to prepay Bonds maturing on or after February 1, 203\_\_\_\_. Redemption may be in whole or in part and if in part, at the option of the Port and in such manner as the Port will determine. If less than all Bonds of a maturity are called for redemption, the Port will notify The Depository Trust Company (“DTC”) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

This Bond is one of an issue in the aggregate principal amount of \$\_\_\_\_\_ all of like original issue date and tenor, except as to number, maturity date, interest rate, denomination and

redemption privilege, all issued pursuant to a resolution adopted by the Commission on June 20, 2023 (the "Resolution"), for the purpose of providing money to pay for the cost of (1) the costs of a health and fitness facility with outdoor recreational uses, pursuant to Laws of Minnesota 1991, Chapter 291, as codified in under the provisions of Minnesota Statutes, Sections 469.048 to 469.068 and in particular, Minnesota Statutes, Section 469.0813 and Minnesota Statutes, Chapter 475. The principal hereof and the interest hereon are payable from ad valorem taxes levied on all taxable property in the Port, all as set forth in the Resolution to which reference is made for a full statement of rights and powers thereby conferred. The full faith and credit of the Port are irrevocably pledged for payment of this Bond and the Board has obligated itself to levy additional ad valorem taxes on all taxable property in the Port in the event of any deficiency in ad valorem taxes pledged, which taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the Port at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the Port will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The Port and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the Port nor the Registrar will be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota and the charter of the Port to be done, to happen and to be performed, precedent to and in the issuance of this Bond, have been done, have happened and have been performed, in regular and due form, time and manner as required by law; and that this Bond, together with all other debts of the Port outstanding on the date of original issue hereof and the date of its issuance and delivery to the original purchaser, does not exceed any constitutional or statutory limitation of indebtedness.

IN WITNESS WHEREOF, Rosemount Port Authority, Dakota County, by its Commission has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Chair and Executive Director and has caused this Bond to be dated as of the date set forth below.

Date of Registration:

ROSEMOUNT PORT AUTHORITY

\_\_\_\_\_

Chair

Executive Director

\_\_\_\_\_

**CERTIFICATE OF AUTHENTICATION**

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

**U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION**

By \_\_\_\_\_  
Authorized Representative

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UTMA - \_\_\_\_\_ as custodian for \_\_\_\_\_

(Cust) (Minor)  
under the \_\_\_\_\_ Uniform Transfers to Minors Act  
(State)

Additional abbreviations may also be used though not in the above list.

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint \_\_\_\_\_ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premises.

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

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program ("STAMP"), the Stock Exchange Medallion Program ("SEMP"), the New York Stock Exchange, Inc. Medallion Signatures Program ("MSP") or other such "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 (Include information for all joint owners if this Bond is held by joint account.)

Please insert social security or other identifying number of assignee

\_\_\_\_\_

\_\_\_\_\_

**PROVISIONS AS TO REGISTRATION**

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

| <u>Date of Registration</u> | <u>Registered Owner</u>              | <u>Signature of Registrar</u> |
|-----------------------------|--------------------------------------|-------------------------------|
| _____, 2023                 | Cede & Co.<br>Federal ID #13-2555119 | _____                         |

STATE OF MINNESOTA    )  
                                          ) ss.  
COUNTY OF DAKOTA    )

COUNTY AUDITOR’S CERTIFICATE AS  
TO TAX LEVY AND REGISTRATION

I, the undersigned, being the duly qualified and acting County Auditor of Dakota County,  
DO HEREBY CERTIFY that on the date hereof there was filed in my office a certified copy of a  
resolution adopted on June 20, 2023, by the Commissions of the Rosemount Port Authority (the  
“Port”), and the accompanying Certificate of Pricing Committee levying taxes for the payment of  
\$\_\_\_\_\_ Taxable General Obligation Recreational Facility Bonds, Series 2023B, dated as of date  
of delivery, have been filed in my office and said obligations have been registered on the register of  
obligations in my office and that such tax has been levied as required by law.

WITNESS this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Dakota County Auditor

## City of Rosemount, Minnesota Port Authority

### Pre-Sale Summary for Issuance of Bonds

*\$45,790,000 Taxable General Obligation Recreational Facility Bonds, Series 2023A (the "Bonds")*

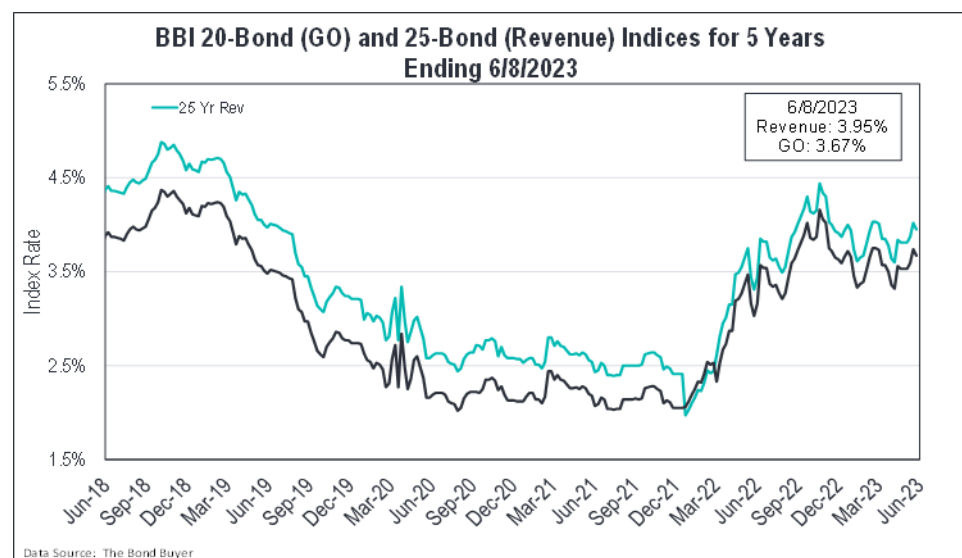
The Port Authority has under consideration the issuance of bonds to fund a recreational facility in partnership with Life Time Fitness. This document provides information relative to the proposed issuance.

**KEY EVENTS:** The following summary schedule includes the timing of key events that will occur relative to the bond issuance:

|                                  |                                                    |
|----------------------------------|----------------------------------------------------|
| June 20, 2023                    | Port Authority sets sale date and terms            |
| June 21, 2023                    | Rating conference is conducted                     |
| <b>July 11, 2023, 10:00 a.m.</b> | <b>Competitive bids are received</b>               |
| <b>July 11, 2023</b>             | <b>Consideration of award by Pricing Committee</b> |
| August 1, 2023                   | Proceeds are received                              |

**RATING:** An application will be made to S&P Global Ratings (S&P) for ratings on the Bonds. The City's general obligation debt is currently rated "AA+" by S&P.

**THE MARKET:** Performance of the tax-exempt market is often measured by the Bond Buyer's Index ("BBI") which measures the yield of high-grade municipal bonds in the 20<sup>th</sup> year for general obligation bonds rated Aa2 by Moody's or AA by S&P (the BBI 20-Bond GO Index) and the 30<sup>th</sup> year for revenue bonds rated A1 by Moody's or A+ by S&P (the BBI 25-Bond Revenue Index). The following chart illustrates these two indices over the past five years:



**SECURITY AND  
SOURCE OF  
PAYMENT:**

The Bonds will be a general obligation of the City, secured by its full faith and credit and taxing power. Debt service will be paid with a combination of lease payments from Life Time Fitness and a quarterly fee paid by SKB Industries, which the City Council has chosen to dedicate to the payment of the Bonds. These payments are expected to cover 100% of the City's annual debt service requirement.

**SCHEDULES  
ATTACHED:**

Schedules attached for the Bonds include: i) sources and uses of funds; ii) pricing summary; iii) total estimated debt service; iv) Life Time estimated debt service; v) City estimated debt service.

**RISKS/SPECIAL  
CONSIDERATIONS:**

The outcome of this financing will rely on the market conditions at the time of the sale. Any projections included herein are estimates based on current market conditions.

**SALE TERMS AND  
MARKETING:**

Variability of Issue Size: A specific provision in the sale terms permits modifications to the issue size and/or maturity structure to customize the issue once the price and interest rates are set on the day of sale.

Prepayment Provisions: Bonds maturing on or after July 1, 2033 may be prepaid at a price of par plus accrued interest on or after July 1, 2034.

Bank Qualification: The City is issuing more than \$10 million in tax-exempt obligations in 2023; therefore, the Bonds are not designated as bank qualified.

**PURPOSE:**

The proceeds of the Bonds will be used to finance the acquisition, construction and equipping of a recreation facility in partnership with Life Time Fitness.

**AUTHORITY:**

Statutory Authority: The Bonds are being issued pursuant to Minnesota Statutes, Sections 475 and 469.

**STRUCTURING  
SUMMARY:**

Structuring of the Bonds is split between the City and Life Time. Each entity developed its own, distinct financing plan to satisfy their respected needs and align with their respective repayment sources.

The City's portion has been structured to result in approximately equal annual debt service with principal payments beginning in 2025 and the final principal maturity in 2053. Annual debt service is estimated to be approximately \$1.5 million. The first interest payment is on July 1, 2024, in the estimated amount of approximately \$1.0 million. The City is not capitalizing interest within the original bond proceeds.

The Life Time portion has been structured to result in no debt service payments until July 1, 2025. This is accomplished by capitalizing all or a portion of the first three interest payments and delaying principal until 2026. Beginning in 2026, annual debt service payments increase approximately 1.5% annually. The final principal maturity is in 2053.

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## Post Issuance Compliance

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### **CONTINUING DISCLOSURE:**

Secondary disclosure requirements result from an SEC requirement that underwriters provide ongoing disclosure information to investors. To meet this requirement, any prospective underwriter will require the City to commit to providing the information needed to comply under a continuing disclosure agreement.

Baker Tilly Municipal Advisors currently provides both arbitrage and continuing disclosure services to the City. Baker Tilly Municipal Advisors will work with City staff to include the Bonds under the existing Agreement for Municipal Advisor Services.

### **ARBITRAGE COMPLIANCE:**

The Bonds are taxable and not subject to IRS arbitrage compliance rules.

### **SUPPLEMENTAL INFORMATION AND BOND RECORD:**

Supplementary information will be available to staff including detailed terms and conditions of sale, comprehensive structuring schedules and information to assist in meeting post-issuance compliance responsibilities.

Upon completion of the financing, a bond record will be provided that contains pertinent documents and final debt service calculations for the transaction.

## **\$45,790,000 Rosemount Port Authority, Minnesota**

### **General Obligation Bonds, Taxable Series 2023A**

Issue Summary - Current AA+ Rates

#### **Total Issue Sources And Uses**

Dated 08/01/2023 | Delivered 08/01/2023

|                                            | Life Time -<br>Portion | City - Portion         | Issue<br>Summary       |
|--------------------------------------------|------------------------|------------------------|------------------------|
| <b>Sources Of Funds</b>                    |                        |                        |                        |
| Par Amount of Bonds                        | \$24,790,000.00        | \$21,000,000.00        | \$45,790,000.00        |
| <b>Total Sources</b>                       | <b>\$24,790,000.00</b> | <b>\$21,000,000.00</b> | <b>\$45,790,000.00</b> |
| <b>Uses Of Funds</b>                       |                        |                        |                        |
| Deposit to Project Construction Fund       | 22,450,000.00          | 20,607,815.02          | 43,057,815.02          |
| Deposit to Capitalized Interest (CIF) Fund | 1,875,303.37           | -                      | 1,875,303.37           |
| Total Underwriter's Discount (1.400%)      | 347,060.00             | 294,000.00             | 641,060.00             |
| Costs of Issuance                          | 115,905.02             | 98,184.98              | 214,090.00             |
| Rounding                                   | 1,731.61               | -                      | 1,731.61               |
| <b>Total Uses</b>                          | <b>\$24,790,000.00</b> | <b>\$21,000,000.00</b> | <b>\$45,790,000.00</b> |

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## \$45,790,000 Rosemount Port Authority, Minnesota

### General Obligation Bonds, Taxable Series 2023A

#### Issue Summary - Current AA+ Rates

#### Pricing Summary

| Maturity     | Type of Bond  | Coupon | Yield  | Maturity Value         | Price    | Dollar Price           |
|--------------|---------------|--------|--------|------------------------|----------|------------------------|
| 07/01/2025   | Serial Coupon | 4.871% | 4.871% | 340,000.00             | 100.000% | 340,000.00             |
| 07/01/2026   | Serial Coupon | 4.617% | 4.617% | 530,000.00             | 100.000% | 530,000.00             |
| 07/01/2027   | Serial Coupon | 4.412% | 4.412% | 585,000.00             | 100.000% | 585,000.00             |
| 07/01/2028   | Serial Coupon | 4.512% | 4.512% | 630,000.00             | 100.000% | 630,000.00             |
| 07/01/2029   | Serial Coupon | 4.554% | 4.554% | 680,000.00             | 100.000% | 680,000.00             |
| 07/01/2030   | Serial Coupon | 4.654% | 4.654% | 735,000.00             | 100.000% | 735,000.00             |
| 07/01/2031   | Serial Coupon | 4.628% | 4.628% | 790,000.00             | 100.000% | 790,000.00             |
| 07/01/2032   | Serial Coupon | 4.678% | 4.678% | 845,000.00             | 100.000% | 845,000.00             |
| 07/01/2033   | Serial Coupon | 4.728% | 4.728% | 910,000.00             | 100.000% | 910,000.00             |
| 07/01/2034   | Serial Coupon | 4.828% | 4.828% | 970,000.00             | 100.000% | 970,000.00             |
| 07/01/2035   | Serial Coupon | 4.928% | 4.928% | 1,040,000.00           | 100.000% | 1,040,000.00           |
| 07/01/2036   | Serial Coupon | 5.028% | 5.028% | 1,115,000.00           | 100.000% | 1,115,000.00           |
| 07/01/2037   | Serial Coupon | 5.128% | 5.128% | 1,195,000.00           | 100.000% | 1,195,000.00           |
| 07/01/2038   | Serial Coupon | 5.178% | 5.178% | 1,280,000.00           | 100.000% | 1,280,000.00           |
| 07/01/2039   | Serial Coupon | 5.249% | 5.249% | 1,365,000.00           | 100.000% | 1,365,000.00           |
| 07/01/2040   | Serial Coupon | 5.349% | 5.349% | 1,465,000.00           | 100.000% | 1,465,000.00           |
| 07/01/2041   | Serial Coupon | 5.349% | 5.349% | 1,570,000.00           | 100.000% | 1,570,000.00           |
| 07/01/2042   | Serial Coupon | 5.349% | 5.349% | 1,680,000.00           | 100.000% | 1,680,000.00           |
| 07/01/2043   | Serial Coupon | 5.349% | 5.349% | 1,805,000.00           | 100.000% | 1,805,000.00           |
| 07/01/2044   | Serial Coupon | 5.449% | 5.449% | 1,925,000.00           | 100.000% | 1,925,000.00           |
| 07/01/2045   | Serial Coupon | 5.449% | 5.449% | 2,060,000.00           | 100.000% | 2,060,000.00           |
| 07/01/2046   | Serial Coupon | 5.449% | 5.449% | 2,200,000.00           | 100.000% | 2,200,000.00           |
| 07/01/2047   | Serial Coupon | 5.449% | 5.449% | 2,345,000.00           | 100.000% | 2,345,000.00           |
| 07/01/2048   | Serial Coupon | 5.449% | 5.449% | 2,505,000.00           | 100.000% | 2,505,000.00           |
| 07/01/2049   | Serial Coupon | 5.549% | 5.549% | 2,665,000.00           | 100.000% | 2,665,000.00           |
| 07/01/2050   | Serial Coupon | 5.549% | 5.549% | 2,845,000.00           | 100.000% | 2,845,000.00           |
| 07/01/2051   | Serial Coupon | 5.549% | 5.549% | 3,035,000.00           | 100.000% | 3,035,000.00           |
| 07/01/2052   | Serial Coupon | 5.549% | 5.549% | 3,235,000.00           | 100.000% | 3,235,000.00           |
| 07/01/2053   | Serial Coupon | 5.549% | 5.549% | 3,445,000.00           | 100.000% | 3,445,000.00           |
| <b>Total</b> | -             | -      | -      | <b>\$45,790,000.00</b> | -        | <b>\$45,790,000.00</b> |

#### Bid Information

|                                       |                 |
|---------------------------------------|-----------------|
| Par Amount of Bonds                   | \$45,790,000.00 |
| Gross Production                      | \$45,790,000.00 |
| Total Underwriter's Discount (1.400%) | \$(641,060.00)  |
| Bid (98.600000%)                      | 45,148,940.00   |
| Total Purchase Price                  | \$45,148,940.00 |
| Bond Year Dollars                     | \$936,294.17    |
| Average Life                          | 20.448 Years    |
| Average Coupon                        | 5.4112406%      |
| Net Interest Cost (NIC)               | 5.4797084%      |
| True Interest Cost (TIC)              | 5.4972907%      |

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**\$45,790,000 Rosemount Port Authority, Minnesota**  
**General Obligation Bonds, Taxable Series 2023A**  
Issue Summary - Current AA+ Rates

**NET DEBT SERVICE SCHEDULE**

| Date         | Principal              | Coupon   | Interest               | Total P+I              | CIF                   | Net New D/S            | 105%<br>Overlevy       |
|--------------|------------------------|----------|------------------------|------------------------|-----------------------|------------------------|------------------------|
| 07/01/2024   | -                      | -        | 2,225,479.26           | 2,225,479.26           | (1,213,431.59)        | 1,012,047.67           | 1,062,650.05           |
| 07/01/2025   | 340,000.00             | 4.871%   | 2,427,795.56           | 2,767,795.56           | (661,871.78)          | 2,105,923.78           | 2,211,219.97           |
| 07/01/2026   | 530,000.00             | 4.617%   | 2,411,234.16           | 2,941,234.16           | -                     | 2,941,234.16           | 3,088,295.87           |
| 07/01/2027   | 585,000.00             | 4.412%   | 2,386,764.06           | 2,971,764.06           | -                     | 2,971,764.06           | 3,120,352.26           |
| 07/01/2028   | 630,000.00             | 4.512%   | 2,360,953.86           | 2,990,953.86           | -                     | 2,990,953.86           | 3,140,501.55           |
| 07/01/2029   | 680,000.00             | 4.554%   | 2,332,528.26           | 3,012,528.26           | -                     | 3,012,528.26           | 3,163,154.67           |
| 07/01/2030   | 735,000.00             | 4.654%   | 2,301,561.06           | 3,036,561.06           | -                     | 3,036,561.06           | 3,188,389.11           |
| 07/01/2031   | 790,000.00             | 4.628%   | 2,267,354.16           | 3,057,354.16           | -                     | 3,057,354.16           | 3,210,221.87           |
| 07/01/2032   | 845,000.00             | 4.678%   | 2,230,792.96           | 3,075,792.96           | -                     | 3,075,792.96           | 3,229,582.61           |
| 07/01/2033   | 910,000.00             | 4.728%   | 2,191,263.86           | 3,101,263.86           | -                     | 3,101,263.86           | 3,256,327.05           |
| 07/01/2034   | 970,000.00             | 4.828%   | 2,148,239.06           | 3,118,239.06           | -                     | 3,118,239.06           | 3,274,151.01           |
| 07/01/2035   | 1,040,000.00           | 4.928%   | 2,101,407.46           | 3,141,407.46           | -                     | 3,141,407.46           | 3,298,477.83           |
| 07/01/2036   | 1,115,000.00           | 5.028%   | 2,050,156.26           | 3,165,156.26           | -                     | 3,165,156.26           | 3,323,414.07           |
| 07/01/2037   | 1,195,000.00           | 5.128%   | 1,994,094.06           | 3,189,094.06           | -                     | 3,189,094.06           | 3,348,548.76           |
| 07/01/2038   | 1,280,000.00           | 5.178%   | 1,932,814.46           | 3,212,814.46           | -                     | 3,212,814.46           | 3,373,455.18           |
| 07/01/2039   | 1,365,000.00           | 5.249%   | 1,866,536.06           | 3,231,536.06           | -                     | 3,231,536.06           | 3,393,112.86           |
| 07/01/2040   | 1,465,000.00           | 5.349%   | 1,794,887.22           | 3,259,887.22           | -                     | 3,259,887.22           | 3,422,881.58           |
| 07/01/2041   | 1,570,000.00           | 5.349%   | 1,716,524.36           | 3,286,524.36           | -                     | 3,286,524.36           | 3,450,850.58           |
| 07/01/2042   | 1,680,000.00           | 5.349%   | 1,632,545.06           | 3,312,545.06           | -                     | 3,312,545.06           | 3,478,172.31           |
| 07/01/2043   | 1,805,000.00           | 5.349%   | 1,542,681.86           | 3,347,681.86           | -                     | 3,347,681.86           | 3,515,065.95           |
| 07/01/2044   | 1,925,000.00           | 5.449%   | 1,446,132.40           | 3,371,132.40           | -                     | 3,371,132.40           | 3,539,689.02           |
| 07/01/2045   | 2,060,000.00           | 5.449%   | 1,341,239.16           | 3,401,239.16           | -                     | 3,401,239.16           | 3,571,301.12           |
| 07/01/2046   | 2,200,000.00           | 5.449%   | 1,228,989.76           | 3,428,989.76           | -                     | 3,428,989.76           | 3,600,439.25           |
| 07/01/2047   | 2,345,000.00           | 5.449%   | 1,109,111.76           | 3,454,111.76           | -                     | 3,454,111.76           | 3,626,817.35           |
| 07/01/2048   | 2,505,000.00           | 5.449%   | 981,332.72             | 3,486,332.72           | -                     | 3,486,332.72           | 3,660,649.36           |
| 07/01/2049   | 2,665,000.00           | 5.549%   | 844,835.26             | 3,509,835.26           | -                     | 3,509,835.26           | 3,685,327.02           |
| 07/01/2050   | 2,845,000.00           | 5.549%   | 696,954.40             | 3,541,954.40           | -                     | 3,541,954.40           | 3,719,052.12           |
| 07/01/2051   | 3,035,000.00           | 5.549%   | 539,085.36             | 3,574,085.36           | -                     | 3,574,085.36           | 3,752,789.63           |
| 07/01/2052   | 3,235,000.00           | 5.549%   | 370,673.22             | 3,605,673.22           | -                     | 3,605,673.22           | 3,785,956.88           |
| 07/01/2053   | 3,445,000.00           | 5.549%   | 191,163.06             | 3,636,163.06           | -                     | 3,636,163.06           | 3,817,971.21           |
| <b>Total</b> | <b>\$45,790,000.00</b> | <b>-</b> | <b>\$50,665,130.16</b> | <b>\$96,455,130.16</b> | <b>(1,875,303.37)</b> | <b>\$94,579,826.79</b> | <b>\$99,308,818.13</b> |

**SIGNIFICANT DATES**

|                   |           |
|-------------------|-----------|
| Dated Date        | 8/01/2023 |
| Delivery Date     | 8/01/2023 |
| First Coupon Date | 7/01/2024 |

**Yield Statistics**

|                                   |              |
|-----------------------------------|--------------|
| Bond Year Dollars                 | \$936,294.17 |
| Average Life                      | 20.448 Years |
| Average Coupon                    | 5.4112406%   |
| Net Interest Cost (NIC)           | 5.4797084%   |
| True Interest Cost (TIC)          | 5.4972907%   |
| Bond Yield for Arbitrage Purposes | 5.3775886%   |
| All Inclusive Cost (AIC)          | 5.5378389%   |

**IRS Form 8038**

|                           |              |
|---------------------------|--------------|
| Net Interest Cost         | 5.4112406%   |
| Weighted Average Maturity | 20.448 Years |

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## \$24,790,000 Rosemount Port Authority, Minnesota

### General Obligation Bonds, Taxable Series 2023A

LifeTime - Portion - Current AA+ Rates

#### NET DEBT SERVICE SCHEDULE

| Date         | Principal              | Coupon   | Interest               | Total P+I              | CIF                   | Net New D/S            | 105%<br>Overlevy       |
|--------------|------------------------|----------|------------------------|------------------------|-----------------------|------------------------|------------------------|
| 07/01/2024   | -                      | -        | 1,213,431.59           | 1,213,431.59           | (1,213,431.59)        | -                      | -                      |
| 07/01/2025   | -                      | -        | 1,323,743.56           | 1,323,743.56           | (661,871.78)          | 661,871.78             | 694,965.37             |
| 07/01/2026   | 175,000.00             | 4.617%   | 1,323,743.56           | 1,498,743.56           | -                     | 1,498,743.56           | 1,573,680.74           |
| 07/01/2027   | 210,000.00             | 4.412%   | 1,315,663.80           | 1,525,663.80           | -                     | 1,525,663.80           | 1,601,946.99           |
| 07/01/2028   | 240,000.00             | 4.512%   | 1,306,398.60           | 1,546,398.60           | -                     | 1,546,398.60           | 1,623,718.53           |
| 07/01/2029   | 275,000.00             | 4.554%   | 1,295,569.80           | 1,570,569.80           | -                     | 1,570,569.80           | 1,649,098.29           |
| 07/01/2030   | 310,000.00             | 4.654%   | 1,283,046.30           | 1,593,046.30           | -                     | 1,593,046.30           | 1,672,698.62           |
| 07/01/2031   | 345,000.00             | 4.628%   | 1,268,618.90           | 1,613,618.90           | -                     | 1,613,618.90           | 1,694,299.85           |
| 07/01/2032   | 380,000.00             | 4.678%   | 1,252,652.30           | 1,632,652.30           | -                     | 1,632,652.30           | 1,714,284.92           |
| 07/01/2033   | 420,000.00             | 4.728%   | 1,234,875.90           | 1,654,875.90           | -                     | 1,654,875.90           | 1,737,619.70           |
| 07/01/2034   | 460,000.00             | 4.828%   | 1,215,018.30           | 1,675,018.30           | -                     | 1,675,018.30           | 1,758,769.22           |
| 07/01/2035   | 505,000.00             | 4.928%   | 1,192,809.50           | 1,697,809.50           | -                     | 1,697,809.50           | 1,782,699.98           |
| 07/01/2036   | 555,000.00             | 5.028%   | 1,167,923.10           | 1,722,923.10           | -                     | 1,722,923.10           | 1,809,069.26           |
| 07/01/2037   | 605,000.00             | 5.128%   | 1,140,017.70           | 1,745,017.70           | -                     | 1,745,017.70           | 1,832,268.59           |
| 07/01/2038   | 660,000.00             | 5.178%   | 1,108,993.30           | 1,768,993.30           | -                     | 1,768,993.30           | 1,857,442.97           |
| 07/01/2039   | 715,000.00             | 5.249%   | 1,074,818.50           | 1,789,818.50           | -                     | 1,789,818.50           | 1,879,309.43           |
| 07/01/2040   | 780,000.00             | 5.349%   | 1,037,288.16           | 1,817,288.16           | -                     | 1,817,288.16           | 1,908,152.57           |
| 07/01/2041   | 845,000.00             | 5.349%   | 995,565.96             | 1,840,565.96           | -                     | 1,840,565.96           | 1,932,594.26           |
| 07/01/2042   | 920,000.00             | 5.349%   | 950,366.90             | 1,870,366.90           | -                     | 1,870,366.90           | 1,963,885.25           |
| 07/01/2043   | 1,000,000.00           | 5.349%   | 901,156.10             | 1,901,156.10           | -                     | 1,901,156.10           | 1,996,213.91           |
| 07/01/2044   | 1,080,000.00           | 5.449%   | 847,666.10             | 1,927,666.10           | -                     | 1,927,666.10           | 2,024,049.41           |
| 07/01/2045   | 1,170,000.00           | 5.449%   | 788,816.90             | 1,958,816.90           | -                     | 1,958,816.90           | 2,056,757.75           |
| 07/01/2046   | 1,260,000.00           | 5.449%   | 725,063.60             | 1,985,063.60           | -                     | 1,985,063.60           | 2,084,316.78           |
| 07/01/2047   | 1,355,000.00           | 5.449%   | 656,406.20             | 2,011,406.20           | -                     | 2,011,406.20           | 2,111,976.51           |
| 07/01/2048   | 1,460,000.00           | 5.449%   | 582,572.26             | 2,042,572.26           | -                     | 2,042,572.26           | 2,144,700.87           |
| 07/01/2049   | 1,565,000.00           | 5.549%   | 503,016.86             | 2,068,016.86           | -                     | 2,068,016.86           | 2,171,417.70           |
| 07/01/2050   | 1,680,000.00           | 5.549%   | 416,175.00             | 2,096,175.00           | -                     | 2,096,175.00           | 2,200,983.75           |
| 07/01/2051   | 1,805,000.00           | 5.549%   | 322,951.80             | 2,127,951.80           | -                     | 2,127,951.80           | 2,234,349.39           |
| 07/01/2052   | 1,940,000.00           | 5.549%   | 222,792.36             | 2,162,792.36           | -                     | 2,162,792.36           | 2,270,931.98           |
| 07/01/2053   | 2,075,000.00           | 5.549%   | 115,141.76             | 2,190,141.76           | -                     | 2,190,141.76           | 2,299,648.85           |
| <b>Total</b> | <b>\$24,790,000.00</b> | <b>-</b> | <b>\$28,782,304.67</b> | <b>\$53,572,304.67</b> | <b>(1,875,303.37)</b> | <b>\$51,697,001.30</b> | <b>\$54,281,851.37</b> |

#### SIGNIFICANT DATES

|                   |           |
|-------------------|-----------|
| Dated Date        | 8/01/2023 |
| Delivery Date     | 8/01/2023 |
| First Coupon Date | 7/01/2024 |

#### Yield Statistics

|                                   |              |
|-----------------------------------|--------------|
| Bond Year Dollars                 | \$530,314.17 |
| Average Life                      | 21.392 Years |
| Average Coupon                    | 5.4274063%   |
| Net Interest Cost (NIC)           | 5.4928506%   |
| True Interest Cost (TIC)          | 5.5141204%   |
| Bond Yield for Arbitrage Purposes | 5.3775886%   |
| All Inclusive Cost (AIC)          | 5.5533903%   |

#### IRS Form 8038

|                           |              |
|---------------------------|--------------|
| Net Interest Cost         | 5.4274063%   |
| Weighted Average Maturity | 21.392 Years |

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## \$21,000,000 Rosemount Port Authority, Minnesota

### General Obligation Bonds, Taxable Series 2023A

City - Portion - Current AA+ Rates

#### Debt Service Schedule

| Date         | Principal              | Coupon   | Interest               | Total P+I              | 105% Levy              |
|--------------|------------------------|----------|------------------------|------------------------|------------------------|
| 07/01/2024   | -                      | -        | 1,012,047.67           | 1,012,047.67           | 1,062,650.05           |
| 07/01/2025   | 340,000.00             | 4.871%   | 1,104,052.00           | 1,444,052.00           | 1,516,254.60           |
| 07/01/2026   | 355,000.00             | 4.617%   | 1,087,490.60           | 1,442,490.60           | 1,514,615.13           |
| 07/01/2027   | 375,000.00             | 4.412%   | 1,071,100.26           | 1,446,100.26           | 1,518,405.27           |
| 07/01/2028   | 390,000.00             | 4.512%   | 1,054,555.26           | 1,444,555.26           | 1,516,783.02           |
| 07/01/2029   | 405,000.00             | 4.554%   | 1,036,958.46           | 1,441,958.46           | 1,514,056.38           |
| 07/01/2030   | 425,000.00             | 4.654%   | 1,018,514.76           | 1,443,514.76           | 1,515,690.50           |
| 07/01/2031   | 445,000.00             | 4.628%   | 998,735.26             | 1,443,735.26           | 1,515,922.02           |
| 07/01/2032   | 465,000.00             | 4.678%   | 978,140.66             | 1,443,140.66           | 1,515,297.69           |
| 07/01/2033   | 490,000.00             | 4.728%   | 956,387.96             | 1,446,387.96           | 1,518,707.36           |
| 07/01/2034   | 510,000.00             | 4.828%   | 933,220.76             | 1,443,220.76           | 1,515,381.80           |
| 07/01/2035   | 535,000.00             | 4.928%   | 908,597.96             | 1,443,597.96           | 1,515,777.86           |
| 07/01/2036   | 560,000.00             | 5.028%   | 882,233.16             | 1,442,233.16           | 1,514,344.82           |
| 07/01/2037   | 590,000.00             | 5.128%   | 854,076.36             | 1,444,076.36           | 1,516,280.18           |
| 07/01/2038   | 620,000.00             | 5.178%   | 823,821.16             | 1,443,821.16           | 1,516,012.22           |
| 07/01/2039   | 650,000.00             | 5.249%   | 791,717.56             | 1,441,717.56           | 1,513,803.44           |
| 07/01/2040   | 685,000.00             | 5.349%   | 757,599.06             | 1,442,599.06           | 1,514,729.01           |
| 07/01/2041   | 725,000.00             | 5.349%   | 720,958.40             | 1,445,958.40           | 1,518,256.32           |
| 07/01/2042   | 760,000.00             | 5.349%   | 682,178.16             | 1,442,178.16           | 1,514,287.07           |
| 07/01/2043   | 805,000.00             | 5.349%   | 641,525.76             | 1,446,525.76           | 1,518,852.05           |
| 07/01/2044   | 845,000.00             | 5.449%   | 598,466.30             | 1,443,466.30           | 1,515,639.62           |
| 07/01/2045   | 890,000.00             | 5.449%   | 552,422.26             | 1,442,422.26           | 1,514,543.37           |
| 07/01/2046   | 940,000.00             | 5.449%   | 503,926.16             | 1,443,926.16           | 1,516,122.47           |
| 07/01/2047   | 990,000.00             | 5.449%   | 452,705.56             | 1,442,705.56           | 1,514,840.84           |
| 07/01/2048   | 1,045,000.00           | 5.449%   | 398,760.46             | 1,443,760.46           | 1,515,948.48           |
| 07/01/2049   | 1,100,000.00           | 5.549%   | 341,818.40             | 1,441,818.40           | 1,513,909.32           |
| 07/01/2050   | 1,165,000.00           | 5.549%   | 280,779.40             | 1,445,779.40           | 1,518,068.37           |
| 07/01/2051   | 1,230,000.00           | 5.549%   | 216,133.56             | 1,446,133.56           | 1,518,440.24           |
| 07/01/2052   | 1,295,000.00           | 5.549%   | 147,880.86             | 1,442,880.86           | 1,515,024.90           |
| 07/01/2053   | 1,370,000.00           | 5.549%   | 76,021.30              | 1,446,021.30           | 1,518,322.37           |
| <b>Total</b> | <b>\$21,000,000.00</b> | <b>-</b> | <b>\$21,882,825.49</b> | <b>\$42,882,825.49</b> | <b>\$45,026,966.76</b> |

#### SIGNIFICANT DATES

|                   |           |
|-------------------|-----------|
| Dated             | 8/01/2023 |
| Delivery Date     | 8/01/2023 |
| First Coupon Date | 7/01/2024 |

#### Yield Statistics

|                                   |              |
|-----------------------------------|--------------|
| Bond Year Dollars                 | \$405,980.00 |
| Average Life                      | 19.332 Years |
| Average Coupon                    | 5.3901240%   |
| Net Interest Cost (NIC)           | 5.4625414%   |
| True Interest Cost (TIC)          | 5.4758840%   |
| Bond Yield for Arbitrage Purposes | 5.3775886%   |
| All Inclusive Cost (AIC)          | 5.5180593%   |

#### IRS Form 8038

|                           |              |
|---------------------------|--------------|
| Net Interest Cost         | 5.3901240%   |
| Weighted Average Maturity | 19.332 Years |

6/ 8/2023 | 2:01 PM

Port Authority Regular Meeting: June 20, 2023

|                                                                    |                                        |
|--------------------------------------------------------------------|----------------------------------------|
| <b>AGENDA ITEM:</b> Project Updates                                | <b>AGENDA SECTION:</b><br>OLD BUSINESS |
| <b>PREPARED BY:</b> Eric Van Oss, Economic Development Coordinator | <b>AGENDA NO.</b> 7.a.                 |
| <b>ATTACHMENTS:</b>                                                | <b>APPROVED BY:</b> LJM                |
| <b>RECOMMENDED ACTION:</b> Information Item                        |                                        |

## **BACKGROUND**

### **Projects in Progress**

#### **Israelson properties:**

Rosewood Commons at Highway 3/42: KJ Walk is proposing 2 commercial sites that would include spec multitenant commercial and a drive thru. The CUP and PUD will go before the Planning Commission in July. The memory care facility has broken ground and Luke Israelson plans to begin the approved multi-family housing this summer.

**Rec Center/Life Time:** The purchase agreement for approximately 26 acres of land and other relevant agreements were approved by the City Council on April 5<sup>th</sup>, 2022. The City's website has a page dedicated to this project for additional information. Groundbreaking on this project will occur in July. Staff has begun to meet with the developers interested in portions of the eastern portion of the intersection. Staff expects conceptual proposals to begin to filter in this summer. Additionally, the Council and Port will likely see requests for residential projects on the northern end of the site. Staff is working with a housing developer on the Lennar-owned western portion of the intersection. The Port and Council will be asked to consider the site development agreement with Life Time on June 20<sup>th</sup>.

**UMore Residential/Amber Fields:** Maplewood Development is working with individual developers on the different housing types across the property. Grading and infrastructure work is underway. Staff has received applications for the first several phases of development totaling more than 1,000 housing units. Additional phases are currently being finalized for application. Currently there are plans for 422 units of single-family homes and 811 units of townhome or multifamily.

**Super America/Speedway:** The property was placed in receivership with Lighthouse Management. Their role is to find care for the liability, assets and property etc. The underground storage tanks were removed in late 2022. The owner has contracted with an environmental consulting company, Carlson McCain, to conduct a Limited Site Investigation (LSI) per requirements of the MPCA after their review of the initial excavation report. Once the LSI has been completed the MPCA will give direction on whether there will be additional remediation requirements to bring the site into permanent closure status. Carlson McCain will submitted their LSI report to the MPCA in March. The MPCA then reserves

up to 180 days to review the file.

**Akron Multifamily:** Building permits have been submitted for Schafer Richardson's Akron Avenue multifamily project and for Real Estate Equity's Amber Fields multifamily project.

**Spectro Alloys:** Spectro Alloys is embarking upon a major expansion of its existing facility. The project would create 71 new jobs and represent a major investment in Rosemount. The Council approved resolutions in support of the Minnesota Investment Fund and Job Creation Fund applications for the project in April. Staff is working with DEED on Grant Agreements for both programs. The Planning Commission will consider the application later this summer.

**FedEx/Scannell Project:** Initial site work has begun on the 569,000 square foot FedEx facility. The exterior walls were recently completed and is progressing as planned.

**Frana:** Grading and excavating work has begun on the site in the fall and work will continue through winter and spring 2023.

**McGough:** A preliminary and final plat was approved by the Planning Commission in October and by the Council in November. They will apply for site plan review at a later date for a 300,000 square foot office and warehouse development.

**Hawkins Chemical:** This facility is expanding operations in the heavy industrial area of Rosemount.

**New Horizons:** A new day care facility located at the intersection of Business Parkway and County Road 42 was reviewed by the Planning Commission on May 23<sup>rd</sup>.

**Park Dental:** A new TDS Pediatrics Dental location opened on Cimmaron Ave. A ribbon cutting was held on June 5<sup>th</sup> for the new pediatric dental office.

**David Weekly Homes:** A ribbon cutting for David Weekly Homes in the Amber Fields development will be held on June 27<sup>th</sup> from 1-3pm.

#### **RFI and Inquires (February/March)**

**Housing:** Staff met with 1 developer interested in multifamily sites in Rosemount. The developers are at various stages in the site process, but all are focusing on the high-density sites near the Akron/42 intersection. Of the 5 large greenfield sites that have been designated for multifamily, either through the Comprehensive Plan or Commercial Visioning, 4 have active projects moving forward leaving just the Emerald Isle site available.

**Commercial/Services:** Staff met with 1 developer interested in retail or commercial projects.

**Restaurant:** Staff met with two restaurant users.

**Industrial:** Staff had 2 inquires or discussions regarding Business Park, UMore, Opus, and County Road 46/Hwy 3 sites.

## **Other Items**

**Zoning Code Update:** City staff has been working with HKGI to update the City's zoning ordinance. This is a project that has been in the works since 2022, and it is now at a point where staff would like to convene the Planning Commission and City Council to review the proposed update to ensure the work is moving in the right direction. The Council has asked the Planning Commission to join it during its work session on July 11 from 5:00 p.m. to 7:00 p.m. to provide feedback on the work that's been done so far.

## **RECOMMENDATION**

Information Item