



## Request for Council Action

**TO:** Mayor and City Council  
**THROUGH:** Tim Murray, City Administrator  
**FROM:** Deanna Kuennen, CED Director  
**MEETING DATE:** May 25, 2021  
**SUBJECT:** Resolution 2021-111 Approve Partial Release of Development Agreement – Sixth Addition to Country Club Estates

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### **Background:**

The City received a request from Edina Realty Closing to release the Development Agreement related to the property at 1806 Eagle Court in Faribault. The Development Agreement allows the City to place a lien against any property that does not pay the assessments associated with the public improvements for the Sixth Addition to Country Club Estates. There are no outstanding assessments related to the subject property. Therefore, it is appropriate for the City to release the Development Agreement associated with 1806 Eagle Court.

### **Recommendation:**

Approve Resolution 2021-111, Approve Partial Release of Development Agreement – Sixth Addition to Country Club Estates

### **Attachments:**

- Resolution 2021-111
- Partial Release of Development Agreement

State of Minnesota  
County of Rice

## **CITY OF FARIBAULT**

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### **RESOLUTION #2021-111**

#### **APPROVE PARTIAL RELEASE OF DEVELOPMENT AGREEMENT – SIXTH ADDITION TO COUNTRY CLUB ESTATES**

**WHEREAS**, on May 17, 2021, the City of Faribault received a request from Edina Realty Title to release a Development Agreement that created a lien to the favor of the City of Faribault for improvements to the Sixth Addition of Country Club Estates related to the property legally described as follows:

Lot 4, Block 1, in “Sixth Addition to County Club Estates” in the City of Faribault, Rice County, Minnesota; Subject to lot and building restrictions of record.

**WHEREAS**, the Faribault Area Development Corporation and the City of Faribault made and executed said Development Agreement on September 14, 1993 (see Exhibit B) and filed of record as document no. 385967; and

**WHEREAS**, the City of Faribault installed the required improvements per said Development Agreement; and

**WHEREAS**, the City of Faribault has determined that the subject property’s assessments associated with said improvements have been paid in full; and

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Faribault as follows:

**Section 1.** The Mayor and City Administrator are hereby authorized to sign the Partial Release of Development Agreement document included

in Exhibit A of this Resolution.

**Section 2.** The Mayor, City Administrator, City Staff, and City Consultants are hereby authorized and directed to take any additional steps and actions necessary or convenient to accomplish the intent of this Resolution.

**Section 3.** The recitals set forth in this Resolution are incorporated into and made a part of this Resolution and, where applicable, constitute the findings of the City Council.

**Section 4.** This Resolution shall become effective immediately upon its passage and without publication.

**Date Adopted:** May 25, 2021

**Faribault City Council**

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**Kevin F. Voracek, Mayor**

**ATTEST:**

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**Timothy C. Murray, City Administrator**

**EXHIBIT A**

**PARTIAL RELEASE OF DEVELOPMENT AGREEMENT**

The property legally described as follows:

Lot 4, Block 1, in "Sixth Addition to Country Club Estates" in the City of Faribault, Rice County, Minnesota; Subject to the lot and building restrictions of record.

IS HEREBY RELEASED AND FOREVER DISCHARGED from a Development Agreement, which created a lien to the favor of the CITY OF FARIBAULT for improvements related to the Sixth Addition to Country Club Estates. Said Agreement, dated September 14, 1993, recorded in the Office of the Rice County Recorder, within the State of Minnesota (Rice County Document Number: 385967), on December 7, 1993, was made and executed by the Faribault Area Development Corporation (FADCO) (the Obligor) to the CITY OF FARIBAULT (the Obligee). The Rice County Recorder is authorized and directed to discharge the same upon the record thereof, according to the Statute in such case provided.

**CITY OF FARIBAULT**

By: \_\_\_\_\_  
Kevin F. Voracek  
Mayor

By: \_\_\_\_\_  
Timothy C. Murray  
City Administrator



**EXHIBIT B**

*Asst City  
119 50  
112 District Dept  
should be added*

385967

**CITY OF FARIBAULT**

**DEVELOPMENT AGREEMENT**

**IMPROVEMENTS - SIXTH ADDITION TO COUNTRY CLUB ESTATES**

**Developer Warranties:**

Faribault Area Development Company, Inc. (FADCO), herein referred to as "Developer," owner of the following described real estate, to-wit:

Lots 1 - 15, Block One; Lots 1 - 12, Block Two; and Lots 1 - 6, Block Three;  
Sixth Addition to Country Club Estates, City of Faribault, Rice County,  
Minnesota

has requested the City of Faribault to make the following improvements to said above described real estate, to-wit:

Installation of municipal water, sanitary sewer, storm sewer, aggregate base, bituminous roadway, curb and gutter, and any appurtenances related thereto

and requests that the cost of such improvements be assessed totally to the above described real estate, including 10% administrative costs incurred by the City and any other costs attributable to the above improvements or the bond issue made to pay for such improvements.

Developer agrees not to contest, in any manner, any such assessments which may be levied and agrees to pay, as they come due, any and all taxes and assessments against the above described real estates, and agrees that 30 days delinquency in payment of such taxes and assessments, or any installment thereof, shall constitute a default which will permit the City of Faribault, at its discretion, to foreclose the security agreement hereinafter referred to.

Developer agrees to execute and deliver, in recordable form, a security agreement, which may be foreclosed and cause forfeiture of the above described real estate six months after foreclosure (notwithstanding provisions of Minnesota Statutes relating to forfeiture for failure to pay real estate taxes) in the same manner as a mortgage under Minnesota Statutes, Chapters 581 and 582, unless redemption be made within the said six months upon payment of the entire unpaid balance of the assessments together with the costs of foreclosure. In calculating legal fees in connection with the cost of foreclosure, the unpaid balance of the total unpaid assessments shall be considered the principal amount due pursuant to Minnesota Statutes, Section 582.01.

Developer further agrees to pay the recording fees and any mortgage registration tax which shall be required in connection with the recording of said security agreement.

