

ESCROW AND DISBURSEMENT AGREEMENT

This **ESCROW AND DISBURSEMENT AGREEMENT** (“**Agreement**”) is entered into as of _____, 2022, by and between _____, (“**Applicant**”), and the **CITY OF CHAMPLIN**, a Minnesota municipal corporation (“**City**”).

WHEREAS, the Applicant submitted a planning application (the “**Application**”) to the City on or about _____;

WHEREAS, the City requires applicants to reimburse the City for certain amounts pursuant to City Code and policy along with its Application;

WHEREAS, per City Code the escrow sum of \$_____ is required to cover fees and expenses incurred by the City as part of its Application requirements;

WHEREAS, this Agreement is intended to operate up to the point of City Council consideration of the Application and that further Applicant obligations beyond that point, if any, would be addressed through an additional agreement such as a development agreement or site improvement performance agreement;

NOW, THEREFORE, in consideration of the foregoing premises and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereby agree as follows:

1. **Recitals; Definitions.** The recitals set forth above are incorporated and a part of this Agreement. Capitalized terms used but not defined herein shall have their respective meanings as used in this Agreement.

2. **Escrow Provided.** The Applicant hereby acknowledges that it has placed the sum of \$_____ (hereinafter referred to as the Applicant’s Funds) into escrow to be held, applied and disbursed by the City as hereinafter provided.

3. **Escrow.** The City hereby acknowledges that it is holding Applicant’s Funds in the amount noted above to be disbursed to reimburse the City for fees, expenses and costs incurred by the City in processing the Application of Applicant.

4. **Disbursement of the Escrow Proceeds.** City shall apply or disburse the escrow funds or portions thereof from time to time solely in accordance with the following provisions of this Section 4.

a. The City shall apply amounts held in escrow to any fees charged by the City associated with the Application (i.e., services for time by City staff to accomplish the processing of Applicant’s Application).

- b. The City shall disburse amounts held in escrow to any actual costs incurred by the City associated with the Application for third party vendors retained by the City to accomplish services needed for the Application (including but not limited to legal, engineering and special studies).
- c. After full completion of the requirements in the Application (including warranty periods), the Applicant may submit a written request for release and return to Applicant of the remaining escrow amounts held by the City.
- d. The Applicant shall provide invoices or other documentation reasonably acceptable to the City evidencing the actual costs of the completed work associated with the Application.
- e. The City will not disburse or release any monies or portion thereof unless and until the Applicant has met all conditions for the Application and this escrow and completed all requirements therefore. In instances where the escrow is held for work that shall be performed by third parties other than the Applicant, the City will require proof of payment therefore and final lien waivers for the work performed before City will deliver any check for payment of the work.

5. Further Obligations. It is specifically noted and understood that the amounts held in escrow are applicable to the standard fees as outlined in the fee schedule and costs incurred by the City related to the Application may exceed the amounts held in escrow. In the event that such costs exceed the amounts held in escrow, Applicant agrees to pay these additional amounts through normal City billing practices or additional escrow as may be determined by the City.

6. Notices. Notices hereunder shall be deemed properly delivered when and if delivered as follows:

Applicant: Name:
Address:

City: City of Champlin
11955 Champlin Drive
Champlin, Minnesota 55316

7. Nontransfer. The amounts held in escrow pursuant to this Agreement may not be transferred or paid to any entity (including successor entities) other than the Applicant except upon the express written agreement of the Applicant and the City.

8. **Abandonment.** In the event that the Applicant does not make a written request for the release of the remaining escrow amounts held by the City upon completion of all requirements to the Application and for a period of two (2) years thereafter, the amounts held in escrow will be forfeit and released to the City.

IN WITNESS WHEREOF, the parties hereto have cause this Agreement to be executed by their respective duly authorized representatives effective as of the date and year first above written.

APPLICANT:

CITY OF CHAMPLIN:

By: _____

Its: _____

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