

FORM
[Letterhead of Applicant]

Honorable President and Commissioners of
the Zimmerman Economic Development Authority
City of Zimmerman
12980 Fremont Avenue
Zimmerman, MN 55398

RE: Application of for Tax Abatement Financing of a Project

President and Commissioners of the Zimmerman EDA:

This Letter of Agreement (the "Agreement") is given by _____ as (a) (the) (general partner) (president-vice president) of _____, a _____ organized under the laws of the State of Minnesota (the "Applicant") in connection with the review and consideration of Tax Abatement Financing for the _____ (the "Project"). In consideration, the Applicant hereby covenants and agrees as follows:

1. Consulting Services. The City shall have the right to employ legal counsel, bond counsel, accounting, real estate, financial, engineering, architectural and other consultants to review the proposed Project and all proposed financing therefor in accordance with the policy statement (the "Policy Statement") attached to this letter.

2. Other Costs and Expenses. The City shall also have the right to allocate and charge to the proposed Project costs and expenses for photocopies, publications, postage and other similar items rendered or incurred with respect thereto.

3. Payment of Costs. The Applicant shall pay all costs, expenses and consulting services incurred by the City with respect to the Project and the issuance of Tax Abatement Obligations to finance all or part of the cost thereof, including but not limited to costs and expenses of the types enumerated in paragraphs 1 and 2, whether or not the Project is approved and constructed or the City issues Tax Abatement Obligations therefor. The Applicant submits herewith a check in the amount of \$2,500, the proceeds of which may be deposited in a savings account by the City and used and disbursed by the City to pay such costs, expenses and consulting services when due. Upon completion of consideration of the Project or the issuance of Tax Abatement Obligations therefor, all such costs, expenses and consulting services not otherwise paid shall be paid from such deposit by the City and any unexpended balance of such deposit shall be returned to the Applicant. The fees advanced by the Applicant and expended for costs, expenses and consulting services may be reimbursed in accordance with the Policy Statement.

4. Termination of Consideration. The EDA shall have the right at any time prior to the adoption of a resolution approving the documents pursuant to which Tax Abatement Obligations are to be issued and their issuance, to terminate its consideration of Applicant's Project and the issuance of Tax Abatement Obligations to finance the cost thereof, without any liability of the City and EDA, their respective officers, employees and agents.

Applicant hereby releases the City and EDA, their officers, employees and agents, from any claims or causes of action which it may have against them or any of them for any costs, expenses, losses, damages or liabilities which it may incur in connection with the City's consideration of the Project; the failure of the City and EDA, in their discretion, to issue Tax Abatement Obligations for Applicant's Project; the

issuance and sale of the Tax Abatement Obligations; the construction of the Project; or any other matter or thing of any type or nature whatsoever which may arise in connection with any of the foregoing.

5. Indemnification. Applicant agrees to indemnify and hold the City and EDA, their officers, employees and agents harmless from and against any and all losses, claims, damages, expenses or liabilities, including attorneys' fees incurred in their defense, to which the City and EDA, the officers, employees and agents or any of them may become subject in connection with the City and EDA's consideration, issuance or sale of the Tax Abatement Obligations for Applicant's Project and the carrying out of the transactions contemplated by this Agreement and any resolutions adopted or Agreements executed by the City and EDA in connection with the issuance of Tax Abatement Obligations for Applicant's Project.

6. Assignment. The Applicant shall have no right to assign any claimed rights it may acquire by reason of any action taken with respect to Applicant's Project and the issuance of Tax Abatement Obligations therefor by the City and EDA or their officers, employees or agents.

7. Effective Date. The effective date of this Agreement is _____, 20____.

Very truly yours,

Applicant

By _____

Its _____

Date _____

ZIMMERMAN ECONOMIC DEVELOPMENT AUTHORITY

APPLICATION FOR TAX ABATEMENT FINANCING

Business Name: _____

Address: _____

Type (Partnership, etc): _____

Representative: _____

Telephone: _____

Name of Counsel: _____

Name and Telephone of Accountant: _____

List Financial References: Name/Address/Contact/Telephone

Other Comments Pertinent to Your Application: _____

Have You Ever Filed for Bankruptcy? Yes ___ No ___

If yes, provide details on separate sheet.

Have You Ever Defaulted on any Loan Commitment? Yes ___ No ___

If yes, provide details on separate sheet.

INFORMATION CONCERNING APPLICANT'S PROPOSED PROJECT

Location of Proposed Development: _____

Nature of Proposed Business: _____

Principal Business or Product of the Company? _____

Is the Proposed Project a New Facility or Rehabilitation and/or Expansion of Existing Facility?

Industrial/Commercial/Residential: _____

What is the Present Employment of Your Firm? _____

What is Your Estimate of Employment One Year After Completion of Project? _____

What is Your Estimate of Employment Five Years After Completion of Project? _____

Total Estimated project Cost: _____

Total Estimated Construction Costs: _____

Potential Other Use(s) of Proposed Development? _____

Will this Development Attract Other Related Industries? Yes ___ No ___

How? _____

What Types? _____

What is the Current Zoning Status of the Project Site? _____

Will Rezoning, Zoning variances or Conditional Use Permits be Required in Connection with the Project?

Is the Property Properly Subdivided for the Proposed Use? _____

Has Site Approval been Obtained for this Project? Yes ___ No ___

If So, when? _____

By Planning Commission? _____

By City Council? _____

Have You Applied for Conventional Financing of the Project? Yes ____ No ____

If Yes, Provide Details on Separate Sheet.

If No, Why Not? _____

INFORMATION TO ATTACH

Please Include:

Statement of Public Purpose

Description of project

Schematic Drawing of Project

Breakdown of Project Costs

Amount of Subsidy Request

Construction Schedule

Legal Description - (Include PIN # (s))

Other Pertinent Information

Deposit