

## FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT (the "Amendment"), by and between the City of Princeton, Minnesota, a municipal corporation existing under the laws of the State of Minnesota (the "City") and Elemet Group, Inc., a Minnesota corporation (the "Developer") is dated as of the December 28, 2023, and amends the Development Agreement dated May 25, 2023 (the "Development Agreement," and together with the Amendment, the "Agreement"), between the City and the Developer.

### WITNESSES:

WHEREAS, the City and the Developer entered into the Development Agreement dated May 25, 2023 relating to the construction of an approximately 126,621 square foot manufacturing facility for metal spinning, cutting, robotic welding, machining, and finishing services, by the Developer, to be located on property in the City; and

WHEREAS, the requirements of the Business Subsidy Law, Minnesota Statutes, Section 116J.993 through 116J.995, apply to the Development Agreement; and

WHEREAS, pursuant to the Development Agreement, the Developer agreed to create at least forty-five (45) new full-time jobs at an average hourly wage of at least \$29.59 per hour plus benefits; and

WHEREAS, the City and the Developer have agreed to reduce both the number of jobs the Developer must create and the wages of the jobs; and

WHEREAS, the Authority and the Company have both duly authorized the Amendment.

NOW, THEREFORE, the Development Agreement is amended as provided herein.

1. Section 3.7(1) of the Development Agreement is amended and restated as follows:

In order to satisfy the Business Subsidy Law, the Developer acknowledges and agrees that: (i) the amount of the Business Subsidy granted to the Developer by the City under this Agreement is \$1,696,000, which consists of the Reimbursement Amount and (ii) the Business Subsidy is needed because the Project is not sufficiently feasible for the Developer to undertake without the Business Subsidy. The public purpose of the Business Subsidy is to preserve and increase the tax base in the City, and provide manufacturing facilities in the City. The Developer agrees that it will meet the following goals (the "Goals") in connection with the development of the Development Property: the Developer will create at least seventeen (17) new full-time jobs at an average hourly wage of at least 150% of the State of Minnesota minimum wage, exclusive of benefits, within two years from the "Benefit Date", which is the earlier of the date the Developer completes or occupies the Project.

2. Except as herein amended, all terms and provisions of the Development Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the City and the Developer have caused this Amendment to be duly executed on the date first written above.

CITY OF PRINCETON, MINNESOTA

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

By \_\_\_\_\_  
Its City Administrator

This is a signature page to the First Amendment to the Development Agreement by and between the City of Princeton, Minnesota and Elemet Group, Inc.

ELEMET GROUP, INC.

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

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

This is a signature page to the First Amendment to the Development Agreement by and between the City of Princeton, Minnesota and Elemet Group, Inc.