

RESIDENTIAL DEVELOPMENT AGREEMENT

This Residential Development Agreement, including Exhibits (the “Agreement”), is entered into between the City of Dyersville, Iowa (the “City”) and Hageman Homes, LLC. (the “Developer”), as of the ____ day of April 2024.

Preamble

WHEREAS, the Developer is or will become the legal owner of real estate record, the legal description of which is more specifically described on Exhibit A and shown on the map on Exhibit B hereto (the “Property”). That, as of the date of this Agreement, said real estate is currently within the corporate city limits of the City of Dyersville, Iowa; and,

WHEREAS, the Developer intends to either subdivide, develop, or both in 2024; and,

WHEREAS, the City wishes to encourage more development of single-family residential housing units in the City; and,

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives, and other financial assistance to or for the benefit of private persons; and,

WHEREAS, the Developer intends to develop its real property into a residential subdivision, which is proposed for inclusion in the City and is more specifically described on Exhibit C and shown on the map on Exhibit D hereto (the “Project”); and,

WHEREAS, the City and the Developer intend that the development of a residential subdivision on the Property be undertaken and the subsequent development of single-family residential units; and,

WHEREAS, the Project requires extraordinary development costs related to the construction of improvements and other necessary infrastructure improvements; and,

WHEREAS, the City desires to provide infrastructure assistance to the Developer related to the development of the Project within the municipal boundaries of City; and,

WHEREAS, it has been proposed that the City undertake the provision of financial assistance to the Developer; and,

WHEREAS, the City has reviewed the Developer’s request and other relevant provisions of the Dyersville City Code of Ordinances and finds that the economic benefit to the City by this Project being built in the City is demonstrated and that the proposal is eligible for economic incentives, based upon the following findings:

- A. The Project proposal shows that there would be potential incremental revenue to the City from the operation of the Project that is not now being received; and,

B. The Project will increase the City's property tax and sales tax base.

WHEREAS, this Agreement is consistent with the City's past and present policies on granting economic development incentives and is in the best interest of the City; and,

WHEREAS, the City Council finds that entering into this Agreement will serve to benefit and advance the public interest and welfare of the City and its citizens by securing the development of the Project within City; and,

WHEREAS, the City is willing to undertake such proposed obligations provided that the Developer agrees to undertake the promotion and development of single-family residential units within the Project; and,

WHEREAS, it is now necessary to set forth the agreement between the City, the Property Owners, and the Developer to the Development of the Property; and,

NOW THEREFORE, the parties hereto agree as follows:

A. Agreement Terms and Provisions

1. General Terms.

1.1. This Agreement is made according to and under the provisions of Chapter 15A of the Code of Iowa. The foregoing preambles and recitations are made part of this Agreement.

2. Duration of Agreement.

2.1. This Residential Development Agreement will remain in effect for ten (10) years from the date of this Agreement.

B. Developer's Covenants

1. Development of the Property.

1.1. The Developer agrees to use its best efforts on the Property to cause the construction and development of a single-family residential subdivision and the establishment of a minimum of fifty (50) single-family residential lots following Chapter 166 of the Code of Ordinances for the City of Dyersville except as otherwise provided for herein, and as normally provided by the City of Dyersville, Iowa.

1.2. The Developer shall not commence construction or development of the infrastructure or any construction, work, development, or activity associated with or required for the construction or installation of the infrastructure (including but not limited to excavations in roads, sanitary sewer improvements, and water improvements), either within or external to the Project until written consent to commence is obtained

from the City. However, the City hereby consents to the Developer immediately beginning the installation of electrical lines.

- 1.3. The Developer shall employ a state-certified Professional Engineer to design and supervise all work related to the Infrastructure Improvements under this Agreement.
- 1.4. The Developer agrees to construct the foregoing infrastructure improvements following the plans and specifications approved by the City under the supervision of the Developer's Engineer. The Developer's Engineer must approve any changes in the plans and specifications, and a revised plan and specification must be submitted to the City for approval. The Engineer shall certify the substantial compliance with said plans upon completion. Upon completion, the Developer's Engineer shall provide a complete set of as-built drawings, which must be received prior to the final acceptance of this Project.
- 1.5. The Developer grants to the City, its representatives, agents, and contractors free and uninterrupted access to any and all parts of the lands for the purpose of making inspections and taking samples of materials being used in connection with the construction and installation of the Infrastructure.
- 1.6. If the Developer fails to comply with any of the terms and conditions of this Agreement as required herein, the City Administrator or Mayor may order (either verbally or in writing) the immediate stoppage of any and all work associated with the non-compliance and the removal of materials considered to be unsatisfactory in the City's opinion, and the Developer shall immediately comply with any such order.

2. Infrastructure Improvements.

- 2.1. The Developer agrees to obtain and dedicate to the City such construction easements, permanent easements, rights-of-way, and/or other real property interests (collectively the "Infrastructure Property Interests") from within and outside the Property as are reasonably requested by the City. The Developer acknowledges that the timing of such dedications and the scope and location of the Infrastructure Property Interests shall be determined by the City to best accommodate the tailoring of the Infrastructure Project for the development needs of the Project.
- 2.2. The Developer agrees to install sanitary sewer mains and sewer service laterals following Chapter 166 of the Code of Ordinances for the City of Dyersville. Before installation of said sanitary sewer mains and sewer service laterals, plans and specifications shall be approved by the City.

- 2.3. The Developer agrees to install potable water mains and water service laterals following Chapter 166 of the Code of Ordinances for the City of Dyersville. The city must approve the plans and specifications before installation.
- 2.4. The Developer agrees to maintain the infrastructure improvements for two (2) years from the date the City accepts them, except for provisions outlined in Section C2.3.2 of this Agreement.
- 2.5. The Developer agrees to provide the forgoing construction and maintenance at the sole expense of the Developer as the Property Owner, except as otherwise provided for in this Agreement.
- 2.6. The Developer agrees that water and sewer infrastructure improvements shall continue to the end of said property to assure that future developers or the City can connect to these infrastructure improvements outside said property.
- 2.7. The Developer agrees to locate and install streetlights approved by the City and to use streetlight design standards similar to those of other subdivisions within the City and provided by the electrical utility provider.

3. Platting and Engineering of the Property.

- 3.1 The Developer shall be responsible for carrying out the future platting, preparation, and development of the Property and for paying the costs thereof, including legal and engineering expenses, except as otherwise provided for in this Agreement.

C. City's Obligations

1. Economic Development Incentives.

- 1.1. The City agrees to reimburse the Developer for *only* the material cost difference above and beyond the minimum water and sewer main infrastructure improvement standards within the Project as provided under Chapter 166 of the Code of Ordinances for the City of Dyersville. That reimbursement shall be made upon completing the water and sewer infrastructure improvements within the Property. Upon approval from the City, the Developer's detailed statement of actual costs for water and sewer infrastructure improvements will be required.

2. Other City Incentives

- 2.1. The City agrees to allow all streets within the Project to be part of the municipal street system, provided that these streets are made of Portland Cement Concrete as provided in Section 166.07(E) of the Code of

Ordinances for the City of Dyersville at a minimum of thirty-two (32) width.

2.2. The City shall reimburse the Developer \$25.00 for each square yard of Portland Cement Concrete Pavement Street. That reimbursement shall be made when the Developer's Engineer Certifies the final amount of Portland Cement Concrete Pavement installed eligible for reimbursement. Both parties recognize that, given the dynamic nature of subdivision staging and the increase in concrete costs, it may be necessary to engage in negotiations and potentially amend the terms outlined in this paragraph.

2.3. The City agrees to exempt the installation of curbs, storm sewers, and catch basins requirements in Chapter 166 of the Code of Ordinances for the City of Dyersville, provided that the Developer meets the minimum conditions of Section 2.1 of this Article and that Developer's Engineer provides a water run-off analysis report showing a finding of no significant impact to other Properties. If the water run-off analysis report shows a significant impact on other properties, the Developer may address such impact through means other than the installation of curbs, storm sewers, and catch basins as long as such means adequately address the significant impact on the other properties and subject to the approval of City.

2.3.1. The water run-off analysis must be approved by the City before Final Plat approval.

2.3.2. If the Developer's Engineer requires Rock Ditch checks or any other similar storm sewer improvements, the Developer shall maintain said improvements until such time that the Agreement ends or that the subdivision has been fully developed with housing units on each lot.

2.4. Said streets within the project shall not become public streets until such time as the provisions of this Article are complied with and the streets are accepted by the City of Dyersville, Iowa.

E. Administrative Provisions

1. Assignment. This Agreement may not be amended or assigned by either party without the express permission of the other party.

2. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties' successors and assigns.

3. Choice of Law. This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with laws of the State of Iowa.

4. Preamble. All terms and definitions set forth in the Preamble of this Agreement shall apply and be binding as if set forth thereafter.

5. Notice. Any notices, demands, or other communication permitted or required to be given under this Agreement shall be deemed given if either personally delivered or delivered by U.S. Certified Mail, postage prepaid, return receipt requested, or by recognized overnight courier such as Federal Express, U.P.S., or Airborne, and addressed as follows:

To City: City Administrator
 City of Dyersville
 340 First Avenue East
 Dyersville, Iowa 52040-1298

To Developer: Developers
 Hageman Homes, LLC.
 Dyersville, IA 52040

Changes to the above address may be made by notifying the other party. Notices shall not be deemed effective until received by the party being notified.

6. Indemnification. It is hereby agreed that the Developer shall indemnify, defend, and hold harmless the City, its officers, employees, and departments from and against any and all losses, liabilities, penalties, fines, damages, and claims (including taxes), and all related costs and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest, and penalties) arising from or in connection with any of the following:

(a) Any claim, demand, action, citation, or legal proceeding arising out of or resulting from the development of the Property, excluding the Infrastructure Project and excluding any legal or other action brought to challenge the City's approval of the Project, this Agreement or any other aspects of the Project; and,

(b) Any claim, demand, action, citation, or legal proceeding arising out of or related to occurrences that the Developer will insure against in connection with the development of the Property, excluding the Infrastructure Project; and,

(c) Any claim, demand, action, citation, or legal proceeding arising out of or resulting from an act or omission of the Developer or any of its agents in its or their capacity as an employer of a person in connection with the development of the Property, excluding the Infrastructure Project.

The City and the Developer have caused this Agreement to be signed and the City's seal to be affixed in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

7. Acknowledgement. The City acknowledges that the Developer shall use restrictive covenants related to development, which covenants may specify what building materials

may be used for homes in the development, require certain square footage for structures, and similar such covenants and restrictions. In no event shall such restrictive covenants be less restrictive than the Ordinances of City.

END OF AGREEMENT

[Signature Page Follows Next]

Signature Page

IN WITNESS WHEREOF, the parties hereto bind themselves to this Agreement as of the day and year first above written.

CITY OF DYERSVILLE, IOWA

By _____
Jeff Jacque, Mayor

Attest:

Tricia L. Maiers, City Clerk

HAGEMAN HOMES, LLC.

By _____

and

By _____

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

Certain real property situated in the City of Dyersville, County of Dubuque, State of Iowa more particularly described as follows:

Lot 1 in Ernzen Addition; Outlot A in Castle Hill; and Lot 1 of Lot 1 of Lot 1 of Lot 1 of Lot 1 of Lot 1 in the Northeast Quarter of the Southwest Quarter of Section 5, Township 88 North, Range 2 West of the 5th P.M., all in the City of Dyersville, Dubuque County, Iowa.

EXHIBIT B MAP OF THE PROPERTY

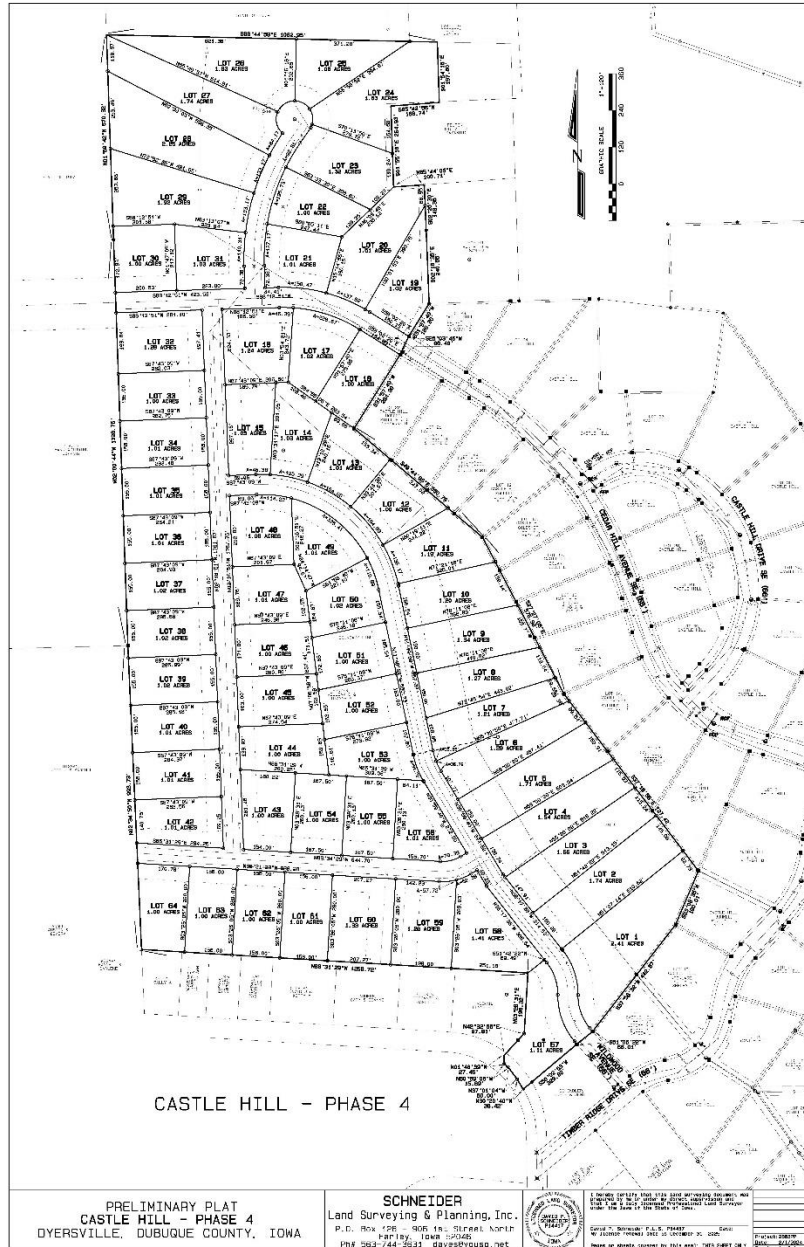


EXHIBIT C
LEGAL DESCRIPTION OF THE PROJECT

Certain real property situated in the City of Dyersville, County of Dubuque, State of Iowa more particularly described as follows:

Lot 1 in Ernzen Addition; Outlot A in Castle Hill; and Lot 1 of Lot 1 of Lot 1 of Lot 1 of Lot 1 of Lot 1 in the Northeast Quarter of the Southwest Quarter of Section 5, Township 88 North, Range 2 West of the 5th P.M., all in the City of Dyersville, Dubuque County, Iowa.

EXHIBIT D MAP OF THE PROJECT

