

RESIDENTIAL DEVELOPMENT AGREEMENT

This Residential Development Agreement, including Exhibits (the “Agreement”), is entered into between the City of Dyersville, Iowa (the “City”), and K&K Building Supply, Inc. (the “Developer”), as of the ____ day of August 2024.

Preamble

WHEREAS, the Developer is 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 (the “Property”). That, as of the date of this Agreement, said real estate is currently inside the corporate city limits of the City of Dyersville, Iowa; and,

WHEREAS, the Developer intends to either subdivide, develop or both in 2025; 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 grants City the authority to enter into development agreements with private entities to provide for the proper development and use of real property within the corporate limits area; 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, 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 City by virtue of the this Project being built in 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 City from the operation of the Project that is not now being received; and,
- B. The Project will increase the property tax and sales tax base in City.

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

WHEREAS, the City Council finds that entering into this Agreement will serve to benefit and advance the public interest and welfare of 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 and multi-family residential units within the Project; and,

WHEREAS, it is now necessary to set forth the agreement between the City and the Developer with respect 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 pursuant to and in accordance with the provisions of 15A of the Code of Iowa. The foregoing preambles and recitations are made part of this Agreement.

2. Duration of Agreement.

2.1. This Agreement will remain in effect for five (5) years from the date of final acceptance of the Infrastructure Improvements by the city of Dyersville, as provided within section B2.

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 residential subdivision and the establishment of a minimum of twenty-four (24) residential lots prior to December 1, 2025, in accordance with 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.

- 1.3. The Developer shall employ a state certified Professional Engineer to design and supervise all work to be carried out in regards to the Infrastructure Improvements under this Agreement.
- 1.4. The Developer agrees to construct the foregoing Infrastructure Improvements in accordance with the plans and specifications approved by the City Council, under the supervision of the Developer's Engineer. Any changes in the plans and specifications must be approved by the Developer's Engineer and a revised plan and specification submitted to the City for approval. The Engineer shall certify to the substantial compliance with said plans upon completion. That upon completion, Developer's Engineer shall provide a complete set of as built drawings which must be received prior to final acceptance of this Project.
- 1.5. The Developer grants to the City, its representatives, agents and contractors the 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 opinion of the City and the Developer shall immediately comply with any such order.

2. Infrastructure Improvements.

- 2.1. The Developer agrees to dedicate to the City such construction easements, permanent easements, rights-of-way and/or other real property interests (collectively the "Infrastructure Property Interests") from 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 in order to best accommodate the tailoring of the Infrastructure Project for the development needs of the Project.
- 2.2. The Developer agrees to install the streets to grade and curb and gutter and surface the streets in accordance with Chapter 166 of the Code or Ordinances.
- 2.3. The Developer agrees to install sanitary sewer mains and sewer service laterals in accordance with Chapter 166 of the Code of Ordinances for the City of Dyersville. Prior to installation of said sanitary sewer mains

and sewer service laterals, plans and specifications shall be approved by the City.

- 2.4. The Developer agrees to install potable water mains and water service laterals in accordance with Chapter 166 of the Code of Ordinances for the City of Dyersville. Prior to installation of said potable water mains and water service laterals, plans and specifications shall be approved by the City.
- 2.5. The Developer agrees to install a storm sewers and catch basins in accordance with Chapter 166 of the Code of Ordinances for the City of Dyersville. Prior to installation of said storm sewers and catch basins, plans and specifications shall be approved by the City.
- 2.6. The Developer agrees to maintain Infrastructure Improvements for a period of two (2) years from the date of their acceptance by the City.
- 2.7. 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.
- 2.8. The Developer or Owner of the lot shall install sidewalks in accordance with Chapter 136 and 166 of the Ordinances for the City of Dyersville at such time a residential unit has been constructed on a single-family residential lot subdivided as part of this Project.

3. Platting and Engineering of the Property.

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 Developer shall install street pavement with Portland Cement Concrete as provided in Section 166.07(E) of the Code of Ordinances for the City of Dyersville. The City shall reimburse the Developer \$25.00 for each square yard of Portland Cement Concrete Pavement street, exclusive of curb and gutter. That reimbursement shall be made when the Developer's Engineer Certifies the final amount of Portland Cement Concrete Pavement installed that is eligible for reimbursement.
- 1.2. The City shall reimburse the Developer for only the material cost difference above and beyond a minimum thirty-six (36) inch reinforced concrete storm sewer pipe. That reimbursement shall be made upon the successful completion of the storm sewer infrastructure improvements to

the Property and at such time the City approves the Developer's detailed statement of the actual costs for the infrastructure improvements

1.3. The City shall reimburse the Developer for only the material cost difference above and beyond the minimum Infrastructure Improvement standards as provided under Chapter 166 of the Code of Ordinances for the City of Dyersville. That reimbursement shall be made upon the successful completion of the infrastructure improvements to the Property and at such time the City approves the Developer's detailed statement of the actual costs for the infrastructure improvements.

2. Other City Incentives

2.1. For a period of five (5) years from the date of this Agreement, the City shall agree to reimburse the Developer for only the material costs of the sidewalk improvements as provided under Chapter 136 and 166 of the Code of Ordinances for the City of Dyersville. That reimbursement shall be made upon the successful completion of the sidewalk improvement to the Property and at such time the City approves the Developer's detailed statement of the actual costs for the sidewalk improvement.

D. 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 successors and assigns of the parties.

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, demand 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: Developer
K&K Building and Supply, Inc.
Dyersville, IA 52040

Changes in the above address may be made by notifying the other party as described above. 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

(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 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 footages 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

K&K BUILDING SUPPLY, INC.

By

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

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

EXHIBIT B
MAP OF THE PROPERTY

EXHIBIT C
LEGAL DESCRIPTION OF THE PROJECT

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

EXHIBIT D
MAP OF THE PROJECT