

## Administration

To: Finance Committee, CC: Mayor McFarland

From: Mason Becker, Strategic Initiatives and Development Coordinator

Date: November 25, 2024

Subject: Pre-Development Agreement w/ Intrepid Investments LLC

## Background

As committee members are likely aware, the City has engaged in various negotiations over the potential development of 111 S Water St and a portion of the N First St parking lot over the past several years. Previous agreements or inquiries to develop these sites have not panned out for various reasons. The City created TID #8 in 2021, to help encourage redevelopment of such sites within the downtown area.

The City was recently approached by Intrepid Investments, a partnership between American Companies, represented by Kraig Sadownikow, and Discovery Properties, represented by Randy Schmiedel. Both developers expressed interest in developing in Watertown previously and have proposed a Pre-Development Agreement with the City for the two sites, which will grant an exclusivity window on the two properties while they conduct necessary due diligence, including a market study and development of a financial proforma.

## Budget Goal

Promotes and fosters innovative approaches for community development and growth

## Financial Impact

There are no financial obligations from the City in this Pre-Development Agreement, beyond staff time. If mutually agreed upon, a later full Development Agreement will outline any and all financial commitments between the City and the developer, including any TIF assistance. The redevelopment of these two sites will benefit the City long term by bringing more residents to the downtown area and bringing these currently City-owned parcels back on the property tax rolls. Preliminary site concepts and info on Intrepid Investments are included in the agenda packet.

## Recommendation

It is recommended that the Finance Committee approve the drafted Pre-Development Agreement between the City of Watertown and Intrepid Investments LLC.