



To: Finance Committee

CC: Mayor McFarland

From: Mason Becker, Strategic Initiatives and Development Coordinator

Date: June 4, 2024

Re: Development Agreement with Greater Watertown Community Health Foundation (GWCHF)

Dear Committee Members,

As you are aware, the City of Watertown has been working for some time to enter into a Development Agreement (DA) with the Greater Watertown Community Health Foundation (GWCHF) to facilitate a significant residential development project at the former Bethesda property. This partnership aims to develop a total of 48.5 acres of land (39.2 acres covered in this agreement) into a residential community which will address a significant identified need for housing in the City. The Finance Committee previously approved a term sheet which is the basis for this DA.

As a recap, for the portion of the development covered in this agreement (the planned apartment buildings will be part of a separate agreement), GWCHF's development partners plan to construct 96 residential units, consisting of 78 single-family homes and 18 twin homes. The development will include necessary infrastructure such as roads, sidewalks, utilities, green spaces, and walking paths. This project is expected to enhance property values and provide numerous benefits to the surrounding neighborhoods and the City as a whole, and will integrate well with the nearby Tom and Mary Schultz Family YMCA which will be breaking ground yet this month.

GWCHF will ensure that construction begins promptly and proceeds according to the established timeline, with initial unit permits to be submitted by March 1, 2025. The development project, including the required infrastructure, will be undertaken at GWCHF's expense, with the City providing reimbursements for actual costs incurred, excluding soft costs such as engineering and legal fees.

As a reminder, this development will return a significant acreage of land from tax-exempt status back onto the tax rolls of the City.

Overall, this Development Agreement represents a strategic partnership that aims to foster residential growth, increase property values, and continue to grow our community. The City's financial support and facilitation are vital for the successful completion of this project, which promises substantial benefits for the City, especially in light of other recent economic development news within the Jefferson County area.

Sincerely,

Mason T. Becker

Strategic Initiatives and Development Coordinator