



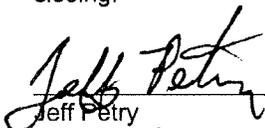
136 North Monroe Street
Waterloo, WI 53594
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DEVELOPMENT AGREEMENT TERM SHEET

Pertaining To A Development Agreement Between The City Of Waterloo And Petry Trust No. 1989
Contingent Upon The Trust Purchasing Treyburn Farms Subdivision Lots 53-56 & 59 And
The DeYoung Farms Subdivision Lots 1-7, 11-18, 20-26, 28, 29, 31-41

1. Parties:
 - a. City of Waterloo
 - b. Petry Trust No. 1989
 - i. Guarantor: Jeff Petry
2. Term: Three years from the date of execution.
3. Developer Incentives Provided by City
 - a. A \$350 per dwelling unit cash incentive payable at the time each occupancy permit is issued in the DeYoung Farms Subdivision to the Petry Trust No. 1989 or assigns.
 - b. A two-year guarantee that municipal fee waivers in place as of August 18, 2020 will remain in place for property owned by Petry Trust No. 1989.
 - c. City agrees to modify the rear yard set-back requirements for principal R-2 two-unit and multi-unit residential development from the existing 40 feet to 25 feet.
 - d. City agrees to modify the rear yard set-back requirements for R-1 single-family residential development from existing the existing 30 feet to 25 feet.
4. Developer Obligations
 - a. Acquisition of residential parcel listed in agreement title on or before September 10, 2020.
 - b. A three-year partnership with the City of Waterloo to promote and market the Waterloo advancing the construction of new residential construction.

I approve these terms and conditions as presented and ask for City Council timely approval to facilitate a September 9th closing.


Jeff Petry


Date

Mo Hansen

From: Mo Hansen
Sent: Thursday, August 20, 2020 8:16 AM
To: City of Waterloo, Mayor; Eric Rhynes; Jason Schoenwetter (alder1@waterloowi.us); Kuhl Charles (alderatlargea@waterloowi.us); Petts Jeanette (alder4-5@waterloowi.us); Ron Griffin (griffinrepair@gmail.com); Stinnett Angie (alderatlargeb@waterloowi.us); Thomas Tim (alder3@waterloowi.us)
Cc: Mike Tschanz; Chad Yerges; Barry Sorenson
Subject: FW: FW: City developer term sheet for a Developer Agreement
Attachments: XeroxScan (3).pdf

Mayor and City Council,

Attached is a signed term sheet from Jeff Petry, of Petry Trust No. 1989. This signed attachment serves as the term sheet referenced in pending resolution #2020-34 before the City Council at tonight's 8/20 Council meeting (item 8b).

The Mayor supports the incentive other term items.

This email thread conveys a City-Trust dialogue with Kyle Carrier the Trust's real estate agent.

Summary Notes:

- 3a) The \$350 developer incentive tied to the issuance of residential occupancy permit pertains to De Young Farms Phase 1 construction only. It expires three years from the signing of the agreement. All Treyburn Farms lots being purchase are bound by the standard agreement we have offered to all in Treyburn Farms.
- 3d) Chris Butschke has reviewed the set-back changes. He indicated he see no safety concerns created by the changes.
- 4a) The agreement requires the Trust to close on both Treyburn Farms Lots and DeYoung Farms lots on or before September 10, 2020. The City has an accepted offer from the Trust for five Treyburn Farms lots at the municipal asking price and terms. The Trust has indicated it has an accepted offer with Waterloo Properties Inc. (John DeWitt) for all of the remaining Phase 1 lots.

Mo Hansen | Clerk/Treasurer | City of Waterloo | 920.478.3025

From: Kyle Carrier <kmcarrier2053@gmail.com>
Sent: Thursday, August 20, 2020 7:30 AM
To: Mo Hansen <mhansen@waterloowi.us>
Cc: William S. Cole <WCole@axley.com>; Jeni Quimby <mayor@waterloowi.us>
Subject: Re: FW: City developer term sheet for a Developer Agreement

Signed copy attached thank you

Kyle Carrier

Realtor

Best Realty of Edgerton, LTD

5 W Rollin St, Edgerton, WI 53534

Cell: (608) 449-3630

Office: (608) 884-8468

Fax: (608) 884-3264

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On Wed, Aug 19, 2020 at 2:31 PM Mo Hansen <mhansen@waterloowi.us> wrote:

Kyle,

See attached with today's date stamp with updates requested. Please send back a signed version. This document will be used for 8/20 City Council consideration. Thank you.

Mo Hansen | Clerk/Treasurer | [City of Waterloo](http://CityofWaterloo) | 920.478.3025

From: Kyle Carrier <kmcarrier2053@gmail.com>
Sent: Wednesday, August 19, 2020 2:17 PM
To: Mo Hansen <mhansen@waterloowi.us>
Subject: Re: FW: City developer term sheet for a Developer Agreement

Yes I believe so. Just want to get the residential rear set back to 25 as well. If that can be added and resent I will send over to him. He doesnt like to mark it up and sign it. He would rather have it all drafted and sent to him. I believe that is the last piece that he wanted added

Kyle Carrier
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On Wed, Aug 19, 2020 at 2:15 PM Mo Hansen <mhansen@waterloowi.us> wrote:

Kyle, are we on track to wrap up the term sheet?
Mo Hansen | Clerk/Treasurer | [City of Waterloo](http://CityofWaterloo) | 920.478.3025

From: Mo Hansen
Sent: Tuesday, August 18, 2020 3:10 PM
To: Kyle Carrier <kmcarrier2053@gmail.com>
Subject: RE: City developer term sheet for a Developer Agreement

If you want to right this in at the time of Jeff Petry's signature that works.
-Mo

From: Kyle Carrier <kmcarrier2053@gmail.com>
Sent: Tuesday, August 18, 2020 2:56 PM
To: Mo Hansen <mhansen@waterloowi.us>
Cc: Jeni Quimby <mayor@waterloowi.us>; William S. Cole <WCole@axley.com>
Subject: Re: City developer term sheet for a Developer Agreement

We also need the single family rear set back to be 25'. Can this be added?

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On Tue, Aug 18, 2020 at 2:23 PM Mo Hansen <mhansen@waterloowi.us> wrote:

Kyle,

Attached is the term sheet we propose to wrap this up and move to 8/20 Council consideration. With a Jeff Petry sign-off, we can draft for Thursday's City Council meeting. Please call to discuss. Thank you.

Mo Hansen | Clerk/Treasurer | City of Waterloo | 920.478.3025

From: Mo Hansen

Sent: Tuesday, August 18, 2020 9:15 AM

To: Kyle Carrier <kmcarrier2053@gmail.com>

Cc: Jeni Quimby <mayor@waterloowi.us>; William S. Cole <WCole@axley.com>

Subject: RE: Start to Developer's Agreement

Kyle,

Looking to get this finished.

Here is my concept to address your #4. We can't set taxes at a requested value. The State of Wisconsin Uniformity Clause makes that unlawful. Rather I proposing the following:

To incentivize home building performance on the part of the Trust, at the time each occupancy permit is issued for Phase 1 DeYoung Farm Subdivision lots, the City agrees to pay the Trust or whomever the lot is assigned to a sum of \$500 for each dwelling unit constructed. This performance incentive will run for three years from date the agreement is signed.

IMPORTANT NOTES: Your #4 is a tough sell because we already are waiving all cost. This concept has not yet been reviewed by Mayor Quimby. I'm floating the concept to advance us to a final term sheet from which a development agreement can be completed. Mo Hansen | Clerk/Treasurer | City of Waterloo | 920.478.3025

From: Kyle Carrier <kmcarrier2053@gmail.com>

Sent: Monday, August 17, 2020 3:40 PM

To: Mo Hansen <mhansen@waterloowi.us>

Cc: Jeni Quimby <mayor@waterloowi.us>; William S. Cole <WCole@axley.com>; Megan J. Jerke <MJerke@axley.com>

Subject: Re: Start to Developer's Agreement

Thank you. Forget #3 for right now we can address that well into the future. As for #4 he wants the taxes at the \$50/lot so I think he was looking to see what the city would like in return? My initial thought is something like \$500-\$1000/lot that isn't built on as of the 2 year mark? He just wants the taxes to be \$50/lot/year so I think the city should come back with what they would need in return to be able to make that happen.

Is that okay to approach that way or would you prefer a full proposal from buyer on item 4?

Kyle Carrier

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On Mon, Aug 17, 2020 at 3:35 PM Mo Hansen <mhansen@waterloowi.us> wrote:

Kyle,

Thanks for the email. Reply anticipated from our City Attorney confirming booster station provisions conveyed last weekend.

In reply to your items below... Here are my staff level replies. The ultimate decision is that of the City Council with the recommendation of the Mayor.

1. OK, this is similar to what we discussed.
2. OK, ditto.
3. OK, because our immediate agreement in the works only pertains to Phase 1 lots. The existing Waterloo Properties Inc. – City Agreement remains controlling for Phase 2 and future phases, but that is not currently under consideration.
 - a. The existing developer agreement would be the controlling document for Phase 2 or Phase 3. I would suggest, once Buyer has a sense for the pace at which lots sell, we consider renegotiating the Phase 2 development agreement. Please confirm that this immediate developer agreement only pertains to lots listed on our accepted City-Buyer accepted offer to purchase – and nothing more.
4. What guarantees would Buyer provide for the City to grant an item such as described in four?

Mo Hansen | Clerk/Treasurer | City of Waterloo | 920.478.3025

From: Kyle Carrier <kmcarrier2053@gmail.com>

Sent: Monday, August 17, 2020 3:02 PM

To: Mo Hansen <mhansen@waterloowi.us>

Subject: Start to Developer's Agreement

Still waiting on a few more thoughts from buyer. He has multiple sets of eyes on the developers agreement to see what he would like to incorporate. As of right now I think what we have is below. I know there may be some push back to some of these but I think we can get this done:

- 1) Setbacks - Keep the front 30' just reduce the rear setbacks to 25'
- 2) Waive all fees for 2 years from date of closing
- 3) Guarantee no fees on a booster or lift station. If this builder continues to develop into phase II and phase III would there be anything where city would pay for that or Waterloo Properties?
- 4) Buyer wants taxes on the lots to be \$50/lot per year until he has built a home and closed on that home. After the 2 years you could set something up where he would have to pay back a large chunk if those homes aren't built or something? He is doing this practically guaranteeing that these will all be built on in the next 24 months.

There may be more to add but I thought I would get this start to you so we can start working on how we can come to an agreement to make this all work

Thanks for your help on all of this!

Kyle Carrier

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