

**DEVELOPMENT AGREEMENT
SELDAL PROPERTIES**

This Development Agreement (Agreement) entered into this ____ day of _____, 2017 between the CITY OF ROCHELLE, an Illinois municipal corporation (City) and SELDAL PROPERTIES, LLC, an Illinois limited liability company, (Developer):

WITNESSETH

THAT WHEREAS, Developer is developing two (2) acres of vacant land located within the corporate boundaries of the City and located on the south side of 7th Avenue ("the Property"). A plat of the Property, including the full legal description, is attached hereto as **Exhibit A**; and

WHEREAS, the Developer intends to develop the Property as residential housing by constructing two 10-unit townhouse multi-family buildings, provided that the City offers Developer certain economic incentives to do so; and

WHEREAS, the City owns and operates a water and sewer utility system providing its services to customers within the corporate limits of the City; and

WHEREAS, in order to provide sewer service for the Property it will be necessary for the Developer to access the City sewer system through two existing sewer laterals on the Property; and

WHEREAS, the Developer has been advised by the City that Developer will be charged an access fee or "sewer hook-up fee" of \$12,000.00 in order to connect the Property to the City sewer system; and

WHEREAS, the typical residential sewer hook-up fee for a two-bedroom multi-family dwelling is \$600.00; and

WHEREAS, the Developer has requested that the sewer hook-up fee for each 10-unit building be reduced to the amount charged for connecting a two-bedroom multi-family dwelling (\$600.00) for a total of \$1,200.00 in sewer hook-up fees for the development of the Property; and

WHEREAS, the City deems it to be in the best interests of the City for the Property to be developed in the manner intended by the Developer, and for the City to offer an economic incentive to the Developer to do so; and

WHEREAS, the Parties have entered into this Agreement for the purpose of memorializing the agreement reached by the Parties with respect to the development, and the economic incentive offered by the City to the Developer for the development.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Development of Property. Developer agrees to develop the Property as residential housing by constructing two 10-unit townhouse multi-family buildings, with development being completed on or before December 31, 2018. The Development shall comply in all respects with the requirements of the Rochelle Municipal Code, except as expressly set forth in this Agreement, unless a variance is granted following the procedures set forth in the Rochelle Municipal Code.

2. Economic Incentive. In consideration of Developer's development of the Property in conformity with the terms of this Agreement, the City shall provide the following economic incentive to Developer:

Reduction of Sewer Hook-up Fees: The sewer connection fees for the Property will be reduced to a total of \$1,200.00.

3. Term. This Agreement shall terminate on the earlier of (1) the fulfilling of the parties' obligations under this agreement, specifically, the completion of the development of the Property and payment of the sewer connection fee; or (2) on the date of December 31, 2018 if the development of the property is abandoned or not completed.

4. Attorney Fees: Developer agrees to pay one-half of the attorney fees incurred by the City in the drafting and negotiating of this agreement.

5. Entire Agreement; Non-Assignability; Severability. This Agreement, and the Purchase Agreement represent the entire agreement of the parties with respect to the subject matter hereof, and supersede and discharge all prior oral or written, or contemporaneous oral, agreements. This Agreement may not be assigned by either party without the prior written consent of the other party. If any portion of this Agreement should for any reason be declared to be invalid or illegal by a court of competent jurisdiction, the remaining portions of this Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date set forth above.

CITY OF ROCHELLE, an Illinois
municipal corporation

SELDAL PROPERTIES, LLC, an
Illinois limited liability company

By: _____
City Manager

By: _____
Bruce Seldal, Managing Member

Attest: _____
BRUCE MCKINNEY
City Clerk

BRENT A. WAGNER
Hewitt & Wagner
1124 Lincoln Highway
Rochelle, IL 61068
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