

DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") is made and entered into by and between the City of Negaunee (the "City"), a municipal corporation whose mailing address is 319 W. Case Street and _____ (the "Developer") a _____ company, whose mailing address is _____.

Recitals

Whereas, the City is the owner of three (3) contiguous parcels (Lot 40A, Lot 40B, Lot 40C) located at 600 County Rd. M-28. The Parcels legal descriptions are as follows:

(Lot 40A) with the following legal description:

That portion of Lot 40 of the Assessor's Plat of Jackson Misc., in the City of Negaunee, County of Marquette, State of Michigan, as per the plat recorded in the office of the Marquette County Register of Deeds, described as follows: Commencing at the northeast corner of Lot 40 of said plat; then westerly along the north line of said Lot 40 of the following two courses; S88°16'02"W a distance of 467.14 feet; then N85°46'25"W a distance of 106.69 feet to the POINT OF BEGINNING; then S00°00'00"W a distance of 158.80 feet to the northerly right-of-way line of Business Highway U.S.-41/M-28; then S89°57'13" along the northerly right-of-way line of said highway a distance of 25.87 feet to a point of curvature; then westerly 100.23 feet along the arc of a 7275.12 foot radius curve to the left, with a delta angle of 00°47'22", long chord bearing S89°33'48"W and long chord length of 100.23 feet, to a point of tangency, said curve being a northerly right-of-way line of said highway; then S89°21'23"W along the northerly right-of-way line of said highway a distance of 29.06 feet to the southwest corner of said Lot 40; then northerly along the west line of said Lot 40 the following two courses; N05°15'44"E a distance of 68.24 feet, then N00°10'25"W a distance of 102.99 feet to the northwest corner of said Lot 40; then S85°46'25"E along the north line of said Lot 40 a distance of 149.61 feet to the POINT OF BEGINNING, containing 0.57 acres more or less and subject to all exceptions, restrictions, reservations and conditions in prior conveyances of record.

(Lot 40B) with the following legal description:

That portion of Lot 40 of the Assessor's Plat of Jackson Misc., in the City of Negaunee, County of Marquette, State of Michigan, as per the plat recorded in the office of the Marquette County Register of Deeds, described as follows: Commencing at the northeast corner of Lot 40 of said plat; then S88°16'02"W along the north line of said Lot 40 a distance of 418.38 feet to the POINT OF BEGINNING; then S00°00'00"W a distance of 152.30 feet to the northerly right-of-way line of Business Highway U.S.-41/M-28; then

S89°57'13"W along the northerly right-of-way line of said highway a distance of 155.14 feet; then N00°00'00"E a distance of 158.80 feet to the north line of said Lot 40; then easterly along the north line of said Lot 40 the following two courses; S85°46'25"E a distance of 106.69 feet; then N88°16'02"E a distance of 48.76 feet to the POINT OF BEGINNING, containing 0.55 acres more or less and subject to all exceptions, restrictions, reservations and conditions in prior conveyances of record.

(Lot 40C) with the following legal description:

That portion of Lot 40 of the Assessor's Plat of Jackson Misc., in the City of Negaunee, County of Marquette, State of Michigan, as per the plat recorded in the office of the Marquette County Register of Deeds, described as follows: Commencing at the northeast corner of Lot 40 of said plat; then S88°16'02"W along the north line of said Lot 40 a distance of 263.17 feet to the POINT OF BEGINNING; then S00°00'00"W a distance of 156.87 feet to the northerly right-of-way line of Business Highway U.S.-41/M-28, then S89°57'13"W along the northerly right-of-way line of said highway a distance of 155.14 feet; then N00°00'00"E a distance of 152.30 feet to the north line of said Lot 40; then N88°16'02"E along the north line of said Lot 40 a distance of 155.21 feet to the POINT OF BEGINNING, containing 0.55 acres more or less and subject to all exceptions, restrictions, reservations and conditions in prior conveyances of record.

See Exhibit A, Survey.

Whereas, the City and the Developer desire to enter into this Agreement for the purpose of rehabilitating and developing the Property to facilitate marketability, support the residential housing stock within the City, enhance tax revenue for the City and further benefit the general residential and economic development in the City of Negaunee where the Property is located;

Whereas, on _____, 2021, the City issued a public notice of an auction of above referenced properties with the development requirements referenced herein. See Exhibit B, Public Notice.

Whereas, Developer successfully bid on all three parcels at public auction on _____, 2021. See Exhibit C, Auction notes.

Whereas, the City and Developer have since entered into a purchase agreement for the subject parcels, which is incorporated herein by reference. See Exhibit D, Purchase Agreement.

Whereas, the City and Developer have desire to enter into this Agreement for the purpose of rehabilitating and developing the above referenced parcels to increase the stock of affordable housing within the City limits, facilitate marketability, enhance tax

revenue for the City and further the general business of the portion of the City where the Parcel is located.

Whereas, as required by paragraph _____, of the Purchase Agreement, this Agreement is being entered into for the purpose of setting forth the performance requirements and penalty provision that will govern Developer's phased development of the above referenced parcels, including a timeline for action that are required to be taken by the Developer before and after the date on which fee simple title to the subject parcels is conveyed to the Developer.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the foregoing recitals, which are hereby restated and incorporated herein by this reference, and other valuable considerations, the parties agree as follows:

PROJECT DEVELOPMENT

1. **Scope.** Subject to the terms and conditions of this Agreement, the City shall sell to the Developer the three (3) above referenced parcels, and the Developer shall construct or cause to be constructed, at the Developer's sole expense, three (3) residential units, one (1) unit on each of the above referenced parcels. Only one (1) of the three units may be a multi-family units, with the other two units being single family dwellings.

2. **Duration and Termination.** Developer must substantially complete, as evidenced by a certificate of occupancy and any other required approval including the first of the three above referenced residential housing units within eighteen (18) months of this Agreement. The additional two (2) residential units must be substantially complete within five (5) years of this Agreement. During the construction phase, the City shall hold the deeds to the above referenced parcels in trust, only releasing fee simple ownership and the respective deed for each respective parcel upon substantial completion of the respective dwelling unit. The Developer may petition the Negaunee City County for an extension at least ninety (90) days prior to the expiration of the deadlines referenced above if the Developer is unable to complete the unit(s) due to circumstances beyond the Developer's control such as a genuine lack of materials or labor, illness/death of key employees, pandemic or natural disaster or other force majeure type circumstance. If Developer fails to substantially complete a dwelling unit as outlined herein, and has failed to seek or receive an extension, the City, in its sole discretion, may choose to terminate this Agreement, and retain the purchase price monies for parcel(s) and retain the subject parcel(s) and any improvements or fixtures thereon not already released from trust. In no way, however, will the Developer be held personally liable a contractual breach of the terms Agreement beyond what is contained herein.

3. **Construction Requirements.** Developer must, at its own expense, obtain all necessary City, County, State, and/or Federal permits for the construction of each residential unit built. The Developer is also responsible for all survey work associated with lot line adjustments, except that City shall be responsible for all costs, including costs

associated with any necessary survey to create taxable parcels. Developer also agrees to use builder grade materials in the construction of the dwelling units, as well as use professional and industry standards in the design and construction of same. Each unit must be at least 1200 sq/ft in floor space, and no trailers or nonpermanent structures are permitted.

4. Construction. Developer has full control and authority over the design, method, and means of construction for each residential unit on each parcel, but must, at Developers expense, adhere to all relevant City, County, State and Federal standards and regulations, and obtain and maintain all relevant permits, licenses and permissions.

5. Utilities. Developer is responsible for the construction and costs for all utility service requirements, such as water and electricity connections, and must complete same in conformance with all applicable laws and regulations. City will waive or pay for all water, sewer and electricity connection fees for the three subject parcels.

6. Assignment. Developer and City shall have the right to assign all of its rights and delegate all of its rights and obligations under this Agreement to either an existing or a newly created entity, provided, however, that no assignment shall operate as a release of that party without the written consent of the other, which consent may be withheld in such other party's sole discretion.

7. Dispute. Any and all disputes, controversies, or claims arising out of or in connection with or relating to this Agreement, or any breach or alleged breach thereof, shall, on the request of either party, be subject to the exclusive jurisdiction of Marquette County, Michigan Court.

8. Entire Agreement. This Agreement contains the entire understanding of the parties, and supersedes all negotiations and other discussions of the parties prior to execution of this Agreement.

9. Non-Waiver. No delay or failure by any party to exercise any right under this Agreement, and no partial or single exercise of that right, constitutes a waiver of that or any other right, unless otherwise expressly provided herein.

10. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Michigan.

11. Binding Effect. The provisions of this Agreement shall be binding upon and inure to the benefit of all the parties and their respective heirs, legal representatives, successors and assigns. The parties have executed this Agreement on the date set forth below.

12. Severability. If any provision of this Agreement is held to be invalid, void or unenforceable by a court of competent jurisdiction, the remainder of the provisions of this

Agreement shall remain in full force and effect and shall in no way be affected, impaired or otherwise invalidated.

13. All notices or deliveries required under this Agreement shall be given in writing and directed to the Developer and City as follows:

Developer:

XXX
XXX St.
12345

City:

City of Negaunee
319 W. Case Street
Negaunee, MI 49866

All notices so given shall be considered effective when mailed, upon the date of the deposit, first class postage pre-paid certified mail, return receipt requested, with the United States Postal Service. Either party may change the address to which future notices shall be sent by giving the other party notice consistent with this paragraph.

14. Time is of the Essence. The parties agree that time is of the essence for each and every provision of this Agreement, and each party agrees to perform any acts herein required and deliver any documents required to carry out the terms and provisions of this Agreement promptly within the time periods herein described.

15. Amendments. This Agreement shall only be modified by written agreement, signed and dated by both parties.

16. Construction of Agreement. Each party has had an equal opportunity for input into this Agreement and an opportunity to review the terms set forth herein. Neither Party shall be construed as the drafter of the Agreement.

17. Conflict of Agreements. To the extent of any conflict between the terms of the Purchase Agreement and this Agreement, this Agreement shall control.

18. Non-original copies. The parties agree that a facsimile or other non-alterable electronic copy (e.g., a .pdf file) of this Agreement which contains the parties' dated signatures may be used as the original.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the later of the dates set forth after their signatures below.

Developer

City of Negaunee

Its President

Jason Wallner

City of Negaunee Mayor

Dated: _____, 2021

Dated: _____, 2021

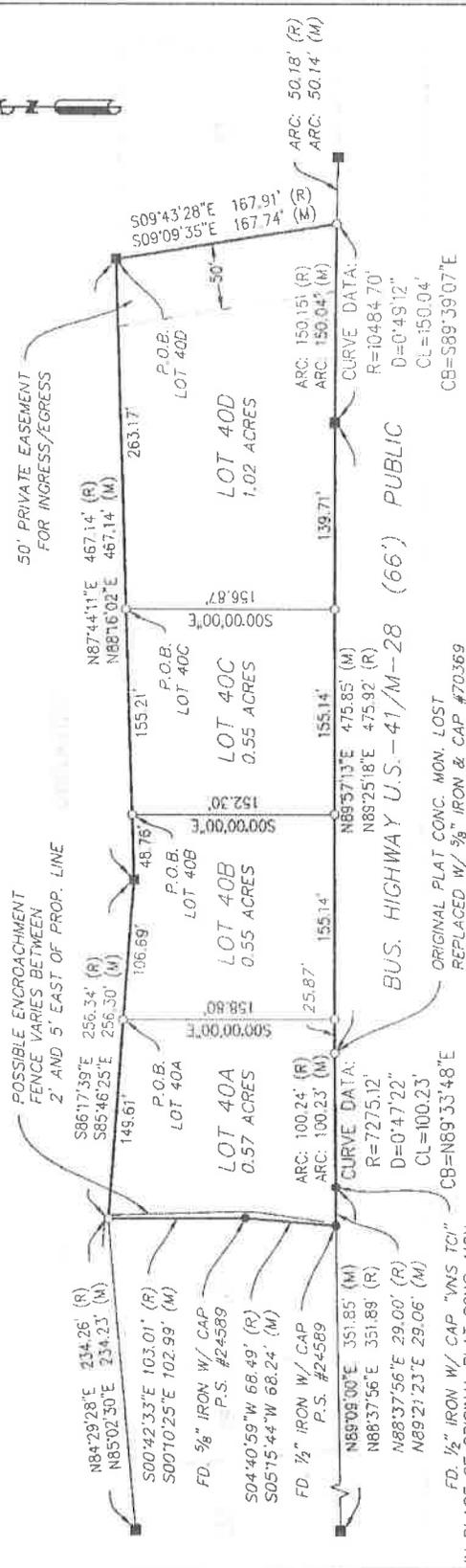
EXHIBIT A



8 0 6 4 3 6 9
Tx: 4039739
9/25/2020 10:15:00 AM

2020R-10498
CARLA A L'HUILLIER
REGISTER OF DEEDS
MARQUETTE COUNTY, MI
RECEIVED ON
09/25/2020 10:15 AM
RECORDED ON
09/25/2020 11:54 AM
PAGES: 3

CERTIFICATE OF SURVEY
PREPARED FOR: CITY OF NEGAUNEE



LEGEND:
○ = GOVERNMENT LAND CORNER
● = FOUND IRON MONUMENT
■ = FOUND CONCRETE MONUMENT
BASIS OF BEARINGS: NAD 83 (2011) MI STATE PLANE NORTH 2111
DATE OF FIELD SURVEY: 06/17/2020

GRAPHIC SCALE
0 50 100
(IN FEET)
1 inch = 100 ft.

CERTIFICATION:
I, BRADLEY R. NIEMI, A PROFESSIONAL SURVEYOR IN THE STATE OF MICHIGAN, HEREBY CERTIFY TO THE PARTY NAMED HEREON THAT I HAVE SURVEYED AND MAPPED THE ABOVE PARCEL OF LAND IN ACCORDANCE WITH P.A. 132 OF 1970, AS AMENDED AND THAT THE RELATIVE PRECISION OF EACH CORNER IS WITHIN LIMITS ACCEPTED BY THE PRACTICE OF PROFESSIONAL SURVEYING.



BY: *Bradley R. Niemi*
BRADLEY R. NIEMI, P.S. 70369
DATE: 07/27/2020

UPEA
ENGINEERS & ARCHITECTS
424 S. PINE STREET
ISHPEMING, MI 49849
(306) 485-1011

PARCEL DESCRIPTION: LOT 40 OF THE ASSESSOR'S PLAT OF JACKSON MISC., A PART OF THE SE 1/4 OF THE SW 1/4 OF SECTION 1, T47N, R27W, CITY OF NEGAUNEE, MARQUETTE COUNTY, MICHIGAN

PROJECT NO.: N10-18513
DRAWN BY: BRN
DATE: 07/27/2020
SHEET: 1 OF 3

LEGAL DESCRIPTION LOT 40 (PARENT PARCEL):

Lot 40 of the Assessor's Plat of Jackson Misc., in the City of Negaunee, County of Marquette, State of Michigan, as per the plat recorded in the office of the Marquette County Register of Deeds.

LEGAL DESCRIPTION LOT 40A:

That portion of Lot 40 of the Assessor's Plat of Jackson Misc., in the City of Negaunee, County of Marquette, State of Michigan, as per the plat recorded in the office of the Marquette County Register of Deeds, described as follows: Commencing at the northeast corner of Lot 40 of said plat; then westerly along the north line of said Lot 40 the following two courses; S88°16'02"W a distance of 467.14 feet; then N85°46'25"W a distance of 106.69 feet to the POINT OF BEGINNING; then S00°00'00"W a distance of 158.80 feet to the northerly right-of-way line of Business Highway U.S.-41/M-28; then S89°57'13" along the northerly right-of-way line of said highway a distance of 25.87 feet to a point of curvature; then westerly 100.23 feet along the arc of a 7275.12 foot radius curve to the left, with a delta angle of 00°47'22", long chord bearing S89°33'48"W and long chord length of 100.23 feet, to a point of tangency, said curve being the northerly right-of-way line of said highway; then S89°21'23"W along the northerly right-of-way line of said highway a distance of 29.06 feet to the southwest corner of said Lot 40; then northerly along the west line of said Lot 40 the following two courses; N05°15'44"E a distance of 68.24 feet; then N00°10'25"W a distance of 102.99 feet to the northwest corner of said Lot 40; then S85°46'25"E along the north line of said Lot 40 a distance of 149.61 feet to the POINT OF BEGINNING, containing 0.57 acres more or less and subject to all exceptions, restrictions, reservations and conditions in prior conveyances of record.

LEGAL DESCRIPTION LOT 40B:

That portion of Lot 40 of the Assessor's Plat of Jackson Misc., in the City of Negaunee, County of Marquette, State of Michigan, as per the plat recorded in the office of the Marquette County Register of Deeds, described as follows: Commencing at the northeast corner of Lot 40 of said plat; then S88°16'02"W along the north line of said Lot 40 a distance of 418.38 feet to the POINT OF BEGINNING; then S00°00'00"W a distance of 152.30 feet to the northerly right-of-way line of Business Highway U.S.-41/M-28; then S89°57'13"W along the northerly right-of-way line of said highway a distance of 155.14 feet; then N00°00'00"E a distance of 158.80 feet to the north line of said Lot 40; then easterly along the north line of said Lot 40 the following two courses; S85°46'25"E a distance of 106.69 feet; then N88°16'02"E a distance of 48.76 feet to the POINT OF BEGINNING, containing 0.55 acres more or less and subject to all exceptions, restrictions, reservations and conditions in prior conveyances of record.

 <p>424 S. PINE STREET ISHPEMING, MI 49849 (906) 485-1011</p>	<p>PARCEL DESCRIPTION: LOT 40 OF THE ASSESSOR'S PLAT OF JACKSON MISC., A PART OF THE SE 1/4 OF THE SW 1/4 OF SECTION 1, T47N, R27W, CITY OF NEGAUNEE, MARQUETTE COUNTY, MICHIGAN</p>			<p>PROJECT NO.: N10-18513 DRAWN BY: BRN DATE: 07/27/2020</p>
	<p>T47N R27W SEC. 01 MUNICIPALITY: CITY OF NEGAUNEE</p>	<p>SHEET: 2 OF 3</p>		<p>DWG: N10-18513 Negaunee City-Dtd Jackson Park - Survey Work\Survey JACKSON-MISC-LOT-40.dwg</p>

LEGAL DESCRIPTION LOT 40C:

That portion of Lot 40 of the Assessor's Plat of Jackson Misc., in the City of Negaunee, County of Marquette, State of Michigan, as per the plat recorded in the office of the Marquette County Register of Deeds, described as follows: Commencing at the northeast corner of Lot 40 of said plat; then S88°16'02"W along the north line of said Lot 40 a distance of 263.17 feet to the POINT OF BEGINNING; then S00°00'00"W a distance of 156.87 feet to the northerly right-of-way line of Business Highway U.S.-41/M-28, then S89°57'13"W along the northerly right-of-way line of said highway a distance of 155.14 feet; then N00°00'00"E a distance of 152.30 feet to the north line of said Lot 40; then N88°16'02"E along the north line of said Lot 40 a distance of 155.21 feet to the POINT OF BEGINNING, containing 0.55 acres more or less and subject to all exceptions, restrictions, reservations and conditions in prior conveyances of record.

LEGAL DESCRIPTION LOT 40D:

That portion of Lot 40 of the Assessor's Plat of Jackson Misc., in the City of Negaunee, County of Marquette, State of Michigan, as per the plat recorded in the office of the Marquette County Register of Deeds, described as follows: BEGINNING at the northeast corner of Lot 40 of said plat; then S09°09'35"E along the east line of said Lot 40 a distance of 167.74 feet to the southeast corner of said Lot 40, which coincides with the northerly right-of-way line of Business Highway U.S.-41/M-28; then westerly 150.04 feet along the arc of a 10,484.70 foot radius curve to the left, with a delta angle of 00°49'12", a chord bearing N89°39'07"W and a chord length of 150.04 feet, to a point-of-tangency, said curve being the northerly right-of-way line of said highway; then S89°57'13"W a distance of 139.71 feet along the northerly right-of-way line of said highway; then N00°00'00"E a distance of 156.87 feet to the north line of said Lot 40, then N88°16'02"E along the north line of said Lot 40 a distance of 263.17 feet to the POINT OF BEGINNING.

RESERVING THEREFROM for the grantor, its agents, assigns, and successors a 50 foot wide perpetual, non-exclusive access easement along the east 50 feet of said Lot 40D, as shown on the said Assessor's Plat of Jackson Misc. as the east 50 feet of Lot 40.

The above described parcel contains 1.02 acres more or less and is subject to all exceptions, restrictions, reservations and conditions in prior conveyances of record.

 424 S. PINE STREET ISHPEMING, MI 49849 (906) 485-1011	PARCEL DESCRIPTION: LOT 40 OF THE ASSESSOR'S PLAT OF JACKSON MISC., A PART OF THE SE 1/4 OF THE SW 1/4 OF SECTION 1, T47N, R27W, CITY OF NEGAUNEE, MARQUETTE COUNTY, MICHIGAN		PROJECT NO: N10-18513
	T47N R27W SEC: 01 MUNICIPALITY: CITY OF NEGAUNEE		DRAWN BY: BPN DATE: 07/27/2020
SHEET: 3 OF 3		GWC: N10-18513 Negaunee City-Old Jackson Park - Survey Work Survey JACKSON-MISC-LOT-40.dwg	