City of Stoughton, 207 S. Forrest Street, Stoughton WI 53589

RESOLUTION OF THE COMMON COUNCIL			
Approving a Cost Reimbursement Agreement for a Potential Project On The North Side of Glacier Moraine Drive Committee Action: Fiscal Impact: $			
File Number:	R – 2022	**Date Introduced:**	March 8, 2022

WHEREAS, the City is beginning to work on a potential development for lands on the north side of Glacier Moraine Drive; and

WHEREAS, the City anticipates incurring expenses for the development; and

WHEREAS, a Cost Reimbursement Agreement has been drafted for this project; now therefore

BE IT RESOLVED by the Common Council of the City of Stoughton that the proper City official(s) be hereby directed and authorized to execute the Cost Reimbursement Agreement.

Council Action: ☐ **Adopted** ☐ **Failed** **Vote** _____

Mayoral Action: ☐ **Accept** ☐ **Veto**

_____

Tim Swadley, Mayor Date

Council Action: _____ ☐ **Override** **Vote** _____

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CITY OF STOUGHTON
DEPARTMENT OF
PLANNING & DEVELOPMENT
207 S. Forrest, Stoughton, WI. 53589

(608) 873-6619 www.ci.stoughton.wi.us

RODNEY J. SCHEEL
DIRECTOR

Date: March 4, 2022

To: Finance Committee

From: Rodney J. Scheel
Director of Planning & Development

Subject: Cost Reimbursement Agreement – Project Delta

The City is working on a potential development for lands on the north side of Glacier Moraine Drive. We have worked with legal counsel to prepare a Cost Reimbursement Agreement for your consideration.

If you have any questions, please contact me.

Mayor Tim Swadley

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CITY OF STOUGHTON
COST REIMBURSEMENT AGREEMENT

This Cost Reimbursement Agreement ("Agreement") entered into this _____ day of _____, 2022, by and between Sun Prairie 2021 Property Acquisition Company LLC (the "Developer"), and the City of Stoughton, a Wisconsin municipal corporation (the "City").

RECITALS

A. This Agreement relates to lands described in Attachment A (the "Property").

B. The Developer plans to work with the City to amend the City's Urban Service Area through the Capital Area Regional Planning Commission and is planning to petition to annex the Property to the City. The Developer also wishes to obtain City approval of the rezoning, subdivision and development of the Property in accordance with applicable State laws and City ordinances, resolutions and policies. The annexation of the Property, Urban Service Area amendment, and the rezoning, subdivision and development of the Property shall be referred to collectively as the "Development."

C. The City wishes to review and process the Development in accordance with applicable laws and without undue expense to City taxpayers.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals, Developer and the City agree as follows:

SECTION 1. PAYMENT FOR REVIEW SERVICES

1.1. Developer shall pay all actual, reasonable, documented, out-of-pocket costs ("Administrative Costs") incurred by the City for services performed by or on behalf of the City in conjunction with the Development, including, but not limited to, planning, engineering, inspection, consulting and legal fees, publication costs, and City administrative costs, subject to the provisions of this Agreement. The City shall provide the necessary review and approvals in connection with the Development subject to and in accordance with applicable State laws and City ordinances, resolutions and policies. Developer acknowledges that Administrative Costs will be incurred by the City in connection with, among other things, the negotiation and preparation of this Agreement and annexation and development agreements relating to the Development, the process of annexing the Property, and the rezoning, subdivision and development of the Property. Consulting, engineering, and legal fees during the review and approval process shall be the actual, reasonable, documented, out-of-pocket costs incurred by the City on the basis of

submitted invoices plus ten percent (10%). Inspection and observation fees during construction shall be the actual, reasonable, documented, out-of-pocket costs incurred by the City on the basis of submitted invoices plus one percent (1%). The additional 10 percent and 1 percent shall be in lieu of charging for the time of City employees.

1.2. Bills shall be considered delivered upon personal delivery to the Developer or upon mailing to the Developer at the following address:

Jim Hazard, esrp
One Cowboys Way, Suite 350
Frisco, TX 75034_____

1.3. Developer shall pay the Administrative Costs within thirty (30) days of the time when the City delivers its bill, provided that documentation is provided to substantiate costs incurred, as may be reasonably requested by Developer. Failure to do so entitles the City to withdraw the amount of such unpaid bill from the guarantee of payment under section 2 below.

1.4. Developer acknowledges and understands that the legal, engineering or other professional consultants retained by the City are acting exclusively on behalf of the City and not Developer.

SECTION 2. GUARANTEE OF PAYMENT

2.1. Developer shall guarantee reimbursement of the Administrative Costs by depositing with the City Finance Director\Treasurer cash or a cashier's check payable to the City in the amount of $25,000.00, subject to refund or release of unused amounts within 60 days following termination of this Agreement as defined in Section 3.

2.2. If at any time the monies on deposit with the City pursuant to section 2.1 are insufficient to pay expenses incurred or anticipated by the City for Administrative Costs, Developer shall deposit additional amounts within thirty (30) days of written demand by the City Finance Director\Treasurer.

2.3. Violation of this Agreement, including but not limited to failure to pay amounts when due or failure to deposit amounts required under this section 2, shall entitle the City to reject the proposed Development, provided that the City has first provided Developer with written notice of such default and provided Developer with at least thirty (30) days to cure such default. Notwithstanding the forgoing, in the event any deadlines for action are imposed by agreement, statute or ordinance, the City may take whatever actions necessary to preserve its approval authority.

2.4. The remedies provided in this Agreement are cumulative and not exclusive and shall be in addition to, and not in lieu of, any other remedies available to the City at law or in equity.

2.5. The City may record this Agreement or a notice thereof. The cost of recording is included in the Administrative Costs.

SECTION 3. TERMINATION

3.1. This Agreement shall terminate upon (a) execution of a development agreement that expressly terminates or replaces this Agreement, or (b) City receipt of a written statement from the Developer withdrawing the Development from further consideration.

3.2. The obligation of Developer to reimburse the City for Administrative Costs incurred to and including the date of termination and the City's rights and remedies to enforce such reimbursement shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Cost Reimbursement Agreement to be effective when executed by the Developer.

DEVELOPER

_____

_____By: _____
Date Jim Hazard_____

CITY OF STOUGHTON

_____By_____
Date Tim Swadley, Mayor

By_____
Candee Christen, City Clerk

Attachment A – Description of the Property

ATTACHMENT A

DESCRIPTION OF PROPERTY

(To Be Provided)