

DEVELOPMENT AGREEMENT

This Development Agreement ("Development Agreement") made this _____ day of _____, 2019, by and between Hope K. Farms, LLC, an Iowa limited liability company, (hereinafter collectively referred to as "DEVELOPER"), and the City of Johnston, an Iowa municipality with city offices at P.O. Box 410, Johnston, Iowa, 50131-0410 (hereinafter referred to as "City").

WHEREAS, DEVELOPER, as buyer, and The Bright Foundation, an Iowa nonprofit corporation ("Owner"), as seller, entered into that certain Purchase Agreement, dated February 26, 2019, ("Purchase Agreement") for the sale of the Property hereinafter described.

WHEREAS, DEVELOPER wishes to develop the Property, currently owned by Owner, lying within the City of Johnston, Iowa described as follows:

A PART OF THE NE FRACTIONAL QUARTER OF SECTION 4, TOWNSHIP 79 NORTH, RANGE 25 WEST OF THE FIFTH PRINCIPAL MERIDIAN MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE NE FRACTIONAL QUARTER OF SECTION 4

EXCEPT THAT PORTION LYING SOUTH OF A LINE BEGINNING AT A POINT ON THE WESTERLY LINE OF SAID NE FRACTIONAL QUARTER AND 820.58 FEET NORTH OF THE CENTER OF SAID SECTION 4 TO A POINT OF TERMINATION ON THE EASTERLY LINE OF THE SAID NE FRACTIONAL QUARTER AND 807.62 FEET NORTH OF THE EAST QUARTER CORNER OF SAID SECTION 4 SAID LINE ALSO BEING THE NORTHERLY LINE OF PARCEL "G" AS RECORDED IN BOOK 14145, PAGE 504 IN THE POLK COUNTY RECORDER'S OFFICE

AND EXCEPT

THE EAST 250.00 FEET OF THE NORTH 250.00 FEET OF SAID NE FRACTIONAL QUARTER

AND EXCEPT

THE SOUTH 300.00 OF THE NORTH 854.40 FEET OF THE EAST 400.00 FEET OF SAID NE FRACTIONAL QUARTER

AND EXCEPT

THE NORTH 862.48 FEET OF THE WEST 510.00 FEET OF SAID NE FRACTIONAL QUARTER

AND EXCEPT

SOUTH 144.40 FEET OF THE NORTH 554.40 FEET OF THE EAST 400.00 FEET OF SAID NE FRACTIONAL QUARTER

AND EXCEPT

THE NORTH 410.00 FEET EXCEPT THE WEST 510.00 FEET AND EXCEPT THE EAST 250.00 FEET OF THE NORTH 250.00 FEET OF SAID NE FRACTIONAL QUARTER

AND EXCEPT

THE WEST 335.00 FEET EXCEPT THE NORTH 862.48 FEET AND EXCEPT THAT PORTION LYING SOUTH OF A LINE BEGINNING AT A POINT ON THE WESTERLY LINE OF SAID NE FRACTIONAL QUARTER AND 820.58 FEET NORTH OF THE CENTER OF SAID SECTION 4 TO A POINT OF TERMINATION ON THE EASTERLY LINE OF THE SAID NE FRACTIONAL QUARTER AND 807.62 FEET NORTH OF THE EAST QUARTER CORNER OF SAID SECTION 4 SAID LINE ALSO BEING THE NORTHERLY LINE OF PARCEL "G" AS RECORDED IN BOOK 14145, PAGE 504 IN THE POLK COUNTY RECORDER'S OFFICE

AND EXCEPT

THE SOUTH 555.00 FEET OF THE NORTH 965.00 FEET EXCEPT THE WEST 510.00 FEET AND EXCEPT THE EAST 400.00 FEET AND EXCEPT THAT PORTION LYING SOUTHEASTERLY OF A LINE BEGINNING AT A POINT 2064.99 FEET EAST OF THE WEST LINE AND 965.00 FEET SOUTH OF THE NORTH LINE OF SAID NE FRACTIONAL QUARTER OF SECTION 4 TO A POINT TERMINATING 400.00 FEET WEST OF THE EAST LINE AND 854.40 FEET SOUTH OF THE NORTH LINE OF SAID NE FRACTIONAL QUARTER OF SECTION 4.

(hereinafter referred to as the "PROPERTY").

WHEREAS, it is DEVELOPER'S intent to construct a residential community, and

WHEREAS, the City is willing to rezone the Property in an effort to facilitate the construction of the residential community as long as DEVELOPER agrees to certain conditions; and

WHEREAS, the parties agree that the City has a right to require this Development Agreement under the provisions of Iowa Code Section 414.5 and

that all requirements of said Section 414.5 have been met and complied with;
and

NOW THEREFORE, pursuant to the authority granted to the City of Johnston by Iowa Code Section 414.5 and in consideration of the proposed development and increased tax base to the City and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **RESTRICTIONS.** DEVELOPER agrees to the following:

No more than 200 lots for single family detached homes may be developed on the PROPERTY. The number of lots on the PROPERTY shall be reviewed with any and all preliminary and final plats.

2. **AUTOMATIC REVERSION OF ZONING.** DEVELOPER agrees that the PROPERTY'S zoning shall automatically revert to that of the A-R, Agricultural Reserve Zoning District without further action of the Johnston City Council if the following condition is met:

- a. If the PROPERTY ceases to be used in conformance with the restrictions outlined in Section 1 of this Agreement.

3. **TERMINATION OF PURCHASE AGREEMENT.** In the event that the real estate transaction between Developer and Owner as contemplated in the Purchase Agreement is terminated or does not close for any reason whatsoever, then this Development Agreement shall be null and void and the Property's zoning shall automatically revert to that of the A-R, Agricultural Reserve Zoning District. Owner shall notify the City in the event that the Purchase Agreement is terminated.

4. **AMENDMENTS.** No amendments or variations of the terms of this Development Agreement shall be valid or binding unless made in writing and executed by a duly authorized representative of each party to be bound thereto.

5. **BINDING EFFECT.** This Development Agreement is binding upon the parties hereto and their respective successors and assigns. The parties further agree that this Development Agreement may be filed with the Polk County Recorder so as to be part of a public record and notify third parties of the terms contained herein.

6. **VALIDITY OF AGREEMENT.** If any term of this Development Agreement is deemed or ruled invalid by a court of law for any reason, the parties agree that there would be a failure of consideration and that this Development Agreement would be null and void.