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To: Village of Cottage Grove Board

From: Village Attorney Leighton W. Boushea

Date: June 27, 2019

Re: DEVELOPER AGREEMENT BETWEEN VILLAGE OF COTTAGE GROVE
KTW ENTERPRISES, LLC (MADISON WINDOW CLEANING CO. INC.)

Greetings

On Monday evening, the Village Board is being asked to discuss and consider the approval of a Developer Agreement with MADISON WINDOW CLEANING CO., INC. (MWCC)

As part of the Development Process, MWCC created a separate entity known as KTW ENTERPRISES LLC to own the real estate. (DEVELOPER or specific entity)

L.L.C.'s are increasingly favored due to ownership and management flexibility, less paperwork, and comparable asset protection. This is a common tax strategy followed by almost all the Buyers/Developers dealing with the Village.

TRANSACTION

The Developer is not requesting any TIF assistance.

The Villages Development Guarantee takes the following form:

“ If the value of the parcel if the value of the PARCEL together with all improvements constructed by the DEVELOPER equals or exceeds ONE MILLION TWO HUNDRED THOUSAND DOLLARS (\$1, 200,000.00) on or before January 1, 2021:

- (i) The requirements of ARTICLE X-B (Village's right to repurchase the property) of the Declaration of Protective Covenants and Restrictions of the Cottage Grove Interstate Commerce Park shall be automatically waived by the VILLAGE
- (ii) DEVELOPER shall not be responsible for any Development Guarantee Payments.

CONCLUSION

Staff is recommending approval.

Please call with any comments or questions.

Lee Boushea

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