

**FIRST AMENDMENT TO  
TID NO. 3  
DEVELOPMENT AGREEMENT**

This First Amendment to TID No. 3 Development Agreement (“*First Amendment*”) is entered into by and between the City of Dodgeville, a Wisconsin municipal corporation, (the “*City*”), Pelton Development Group LLC (the “*Developer*”), and Limestone Hills 1 LLC (the “*Landowner*”), effective as of the date of the last signature below.

**RECITALS**

- A. Landowner owns approximately 7.92 acres of real estate, described on *Exhibit A* (“*Property*”), which is located within Tax Increment District No. 3 in the City of Dodgeville, Iowa County, Wisconsin. Landowner acquired the Property from Developer, which acquired it from the City.
- B. The Property is subject to a certain TID No. 3 Development Agreement between City and Developer dated October 4, 2021 and recorded with the Iowa County Register of Deeds on October 28, 2021 as Document No. 376233 (“*Agreement*”). Landowner and Developer are jointly and severally liable for all obligations of Developer under that Agreement.
- C. In light of changing market conditions and demand for residential rentals, Landowner and Developer have requested that the City authorize a change in the number of units and unit mix for Phase 2 of the project contemplated by the Agreement.
- D. The City finds such change to be reasonable and in the public interest and is willing to consent to such change on the terms and conditions set out in this First Amendment.

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RETURN TO:  
Atty. Eric Hagen  
Boardman & Clark LLP  
PO Box 87  
Fennimore, WI 53809-0087

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P.I.N.  
See Exhibit A

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**AGREEMENT**

NOW, THEREFORE, in consideration of the above recitals, which are incorporated by reference, the terms and conditions contained in this First Amendment, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. The first sentence in the definition of “Project” in Section 1.c of the Agreement is hereby stricken and replaced with the following:

The construction of six apartment buildings with 92 total units (a mix of studio, one-bedroom, two-bedroom, and three-bedroom units) and associated parking, private driveway, and on-site infrastructure and utilities in two phases as

approximately depicted on the site plan attached as *Exhibit C* and in the style of the renderings attached as *Exhibit D* and in accordance with the final plans and specifications approved by the City.

2. *Exhibit G* to the Agreement is hereby stricken and replaced with the updated *Exhibit G* attached to this First Amendment.
3. This First Amendment shall be recorded with the Iowa County Register of Deeds, at Developer's expense, promptly following its execution.
4. In the event of a conflict between this First Amendment and the Agreement, this First Amendment shall control. Except as amended herein, the Agreement is ratified and remains in full force and effect.

**CITY OF DODGEVILLE:**

\_\_\_\_\_  
Barry Hottmann, Mayor

\_\_\_\_\_  
Lauree Aulik, City Clerk/Treasurer

STATE OF WISCONSIN                    )  
                                                          ) ss.  
COUNTY OF \_\_\_\_\_)

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, the above named Barry Hottmann, Mayor, and Lauree Aulik, City Clerk/Treasurer, to me known to be the persons and officers who executed the foregoing First Amendment to TID No. 3 Development Agreement and acknowledged the same.

\_\_\_\_\_  
Print or Type Name: \_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

**DEVELOPER:**

Pelton Development Group LLC

\_\_\_\_\_  
Lucas Pelton, Manager

STATE OF WISCONSIN                    )  
                                                          ) ss.  
COUNTY OF \_\_\_\_\_)

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, the above named Lucas Pelton, manager of Pelton Development Group LLC, to me known to be the person who executed the foregoing First Amendment to TID No. 3 Development Agreement and acknowledged the same.

\_\_\_\_\_  
Print or Type Name: \_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

**LANDOWNER:**

Limestone Hills 1 LLC

By Pelton Development Group LLC, its Manager

\_\_\_\_\_  
Lucas Pelton, Manager

STATE OF WISCONSIN )  
 ) ss.  
COUNTY OF \_\_\_\_\_)

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, the above named Lucas Pelton, manager of Pelton Development Group LLC, manager of Limestone Hills 1 LLC, to me known to be the person who executed the foregoing First Amendment to TID No. 3 Development Agreement and acknowledged the same.

\_\_\_\_\_  
Print or Type Name: \_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

**Consent and Subordination of Lender**

The Bank of Wisconsin Dells (“**Lender**”) is the mortgagee under that certain Construction Mortgage recorded against the Property in the office of the Iowa County Register of Deeds on October 28, 2021 as Document No. 376235 (the “**Mortgage**”). Lender hereby expressly consents to the execution of the foregoing First Amendment to TID No. 3 Development Agreement and the recordation thereof against the Property and hereby subordinates the lien of the Mortgage to said First Amendment.

IN WITNESS WHEREOF, Lender has caused this Consent and Subordination of Lender to be executed this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**Bank of Wisconsin Dells**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, the above named \_\_\_\_\_ (name), \_\_\_\_\_ (title) of the Bank of Wisconsin Dells, to me known to be the person who executed the foregoing Consent and Subordination of Lender and acknowledged the same.

\_\_\_\_\_  
Print or Type Name: \_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

- Exhibits:**  
Exhibit A –Legal Description of Property  
Exhibit G – Revised Tax Increment Projection

*This instrument drafted by:*  
Atty. Julia K. Potter  
Boardman & Clark LLP  
P.O. Box 927  
Madison, WI 53701-0927

**EXHIBIT A**  
**Legal Description of the Property**

Lot One (1) of Iowa County Certified Survey Map No. 1890, recorded in the office of the Register of Deeds for Iowa County, Wisconsin, in Volume 14 of Certified Survey Maps, Pages 1-3 as Document Number 375749, located in the NW1/4 of the SE1/4 and the SW1/4 of the SE1/4, Section 22, T6N, R3E, City of Dodgeville, Iowa County, Wisconsin.

ALSO

Lots Two (2) and Three (3) of Iowa County Certified Survey Map No. 1888, recorded in the office of the Register of Deeds for Iowa County, Wisconsin in Volume 13 of Certified Survey Maps, Pages 285-288 as Document Number 375512, located in the NW1/4 of the SE1/4, the NE1/4 of the SE1/4, and the SW1/4 of the SE1/4, Section 22, T6N, R3E, City of Dodgeville, Iowa County, Wisconsin.

PINs: 216-1540.01, 216-1540.02, 216-1540.03

**EXHIBIT G**  
**Tax Increment Projection**

[See attached]

# City of Dodgeville

## Development Agreement - Exhibit G

Tax Increment District # 3  
Limestone Hills Apartments - Phases 1 & 2  
Tax Increment Cash Flow Projection

Year	Projected Revenues						Expenditures										Balances			Year			
	Phase 1 Tax Increment	Phase 2 Tax Increment	Debt Proceeds	Land Acquisition Grant	Total Tax Increment	Total Revenues	GO Bond - City Improvements \$1,880,000			GO Bond - Developer Incentive \$770,000			Total MRO Payments	Upfront Developer Incentive	Capital & Debt Issuance	Land Acquisition Grant	TID Admin. Costs	Total Expenditures	Annual		Cumulativ e	Principal Outstanding	
							Dated Date: Principal	12/16/21 Est. Rate	Interest	Dated Date: Principal	03/17/22 Est. Rate	Interest											Total Principal
2020						0												17,529	(17,529)	(17,529)	0	2020	
2021	0	0	2,629,858	158,399	-	2,788,257							0		1,717,936	158,399	150	1,876,485	911,772	894,243	1,880,000	2021	
2022	0	0	770,000			770,000			25,571				0	700,000			3,294	1,980,663	(1,210,663)	(316,420)	2,650,000	2022	
2023	10,372	3,534			13,906	13,906			36,100		30,821		0				2,500	69,421	(55,516)	(371,935)	3,379,288	2023	
2024	108,197	3,654			111,851	111,851	25,000	0.80%	36,000	25,000	2.75%	20,831	50,000	56,831	106,831		2,500	149,455	(37,604)	(409,539)	3,289,164	2024	
2025	109,257	3,690			112,947	112,947	25,000	0.80%	35,800	25,000	2.75%	20,144	50,000	55,944	105,944		2,500	143,320	(30,372)	(439,912)	3,204,288	2025	
2026	110,328	37,962			148,290	148,290	75,000	0.80%	35,400	25,000	2.75%	19,456	100,000	54,856	154,856		2,500	186,628	(38,338)	(478,250)	3,075,016	2026	
2027	111,409	150,445			261,854	261,854	100,000	2.00%	34,100	25,000	2.75%	18,769	125,000	52,869	177,869		2,500	261,975	(120)	(478,370)	2,868,410	2027	
2028	112,501	151,920			264,421	264,421	100,000	2.00%	32,100	25,000	2.75%	18,081	125,000	50,181	175,181		2,500	270,169	(5,749)	(484,119)	2,650,922	2028	
2029	113,603	153,409			267,012	267,012	100,000	2.00%	30,100	25,000	2.75%	17,394	125,000	47,494	172,494		2,500	256,016	10,996	(473,123)	2,444,900	2029	
2030	114,717	154,912			269,629	269,629	110,000	2.00%	28,000	25,000	2.75%	16,706	135,000	44,706	179,706		2,500	251,533	18,095	(455,027)	2,240,573	2030	
2031	115,841	156,430			272,271	272,271	120,000	2.00%	25,700	25,000	2.75%	16,019	145,000	41,719	186,719		2,500	247,089	25,182	(429,845)	2,037,703	2031	
2032	116,976	157,963			274,939	274,939	125,000	2.00%	23,250	25,000	2.75%	15,331	150,000	38,581	188,581		2,500	243,094	31,845	(398,000)	1,835,690	2032	
2033	118,123	159,511			277,634	277,634	130,000	2.00%	20,700	25,000	2.75%	14,644	155,000	35,344	190,344		2,500	238,883	38,751	(359,249)	1,634,651	2033	
2034	119,280	161,074			280,354	280,354	110,000	2.00%	18,300	50,000	2.75%	13,613	160,000	31,913	191,913		2,500	234,358	45,997	(313,252)	1,434,706	2034	
2035	120,449	162,653			283,102	283,102	120,000	2.00%	16,000	50,000	2.75%	12,238	170,000	28,238	198,238		2,500	234,468	48,634	(264,618)	1,230,976	2035	
2036	121,629	164,247			285,876	285,876	125,000	2.00%	13,550	50,000	2.75%	10,863	175,000	24,413	199,413		2,500	229,303	56,574	(208,044)	1,028,586	2036	
2037	122,821	165,856			288,678	288,678	125,000	2.00%	11,050	55,000	2.75%	9,419	180,000	20,469	200,469		2,500	223,892	64,786	(143,258)	827,663	2037	
2038	124,025	167,482			291,507	291,507	115,000	2.00%	8,650	75,000	2.75%	7,631	190,000	16,281	206,281		2,500	223,108	68,399	(74,859)	623,336	2038	
2039	125,241	169,123			294,364	294,364	125,000	2.00%	6,250	75,000	2.75%	5,569	200,000	11,819	211,819		2,500	221,918	72,446	(2,413)	415,737	2039	
2040	126,468	170,781			297,248	297,248	130,000	2.00%	3,700	80,000	2.75%	3,438	210,000	7,138	217,138		2,500	220,375	76,874	74,461	205,000	2040	
2041	127,707	172,454			300,162	300,162	120,000	2.00%	1,200	85,000	2.75%	1,169	205,000	2,369	207,369		2,500	209,869	90,293	164,754	0	2041	
<b>Total</b>	<b>2,128,944</b>	<b>2,467,101</b>			<b>4,596,045</b>	<b>8,154,302</b>	<b>1,880,000</b>		<b>441,521</b>	<b>770,000</b>		<b>272,134</b>	<b>2,650,000</b>	<b>713,655</b>	<b>3,363,655</b>		<b>729,288</b>	<b>700,000</b>	<b>2,969,734</b>	<b>68,473</b>		<b>7,989,549</b>	<b>Total</b>

Notes:

Projected TID Closure

