



MEMO

To: Mayor Teske – Common Council
From: Daron J Haugh – City Administrator
Subject: Second Amended Developer Agreement Summary
Date: 2026-08-11

The Second Amended Developer Agreement primarily makes three targeted updates to the existing agreement. First, it changes the deadline for the second \$275,000 forgivable loan payment. Under the prior language, that payment was due five days after occupancy permits were issued for both Phase 1 buildings. The Second Amended Agreement revises that deadline to September 1, 2026. Second, the agreement makes this deadline change effective retroactively to the date of the Original Agreement. Third, it updates the Developer’s mailing address from S1930 Glen Valley Drive to P.O. Box 5, Reedsburg, WI 53959. All other terms and conditions contained in the Original Agreement and the previously recorded Amended Agreement remain in full force and effect unless specifically modified by the Second Amended Agreement.

Key Takeaway: The Developer is requesting that the remaining \$275,000 Phase 1 forgivable loan proceeds be placed into the existing construction disbursement escrow by September 1, 2026, instead of waiting until five days after occupancy permits are issued for both Phase 1 buildings. The request is intended to keep the project funded through the final construction draws, avoid interruption as the construction loan becomes fully drawn, and help maintain the current schedule for completion of the second building. The funds would still remain subject to the same escrow controls and draw-approval process already required under the agreement, and City staff can verify the second building’s progress on site.