

August 21, 2025

Cobblestone Hotel Development, LLC
c/o Anna Jakubek
980 American Dr
Neenah, WI 54956

Re: Pre-Development Agreement with Incentive Offer

Dear Anna,

Following our virtual meeting with you and Jeremy Griesbach, CEO of Cobblestone Hotel Development, LLC, on Wednesday, August 20, 2025, we're pleased to present a revised Pre-Development Agreement with Incentive offer for your proposed mid-to-upper-scale, limited-service hotel project with approximately 54 rooms (the "Project") within our community.

Based on the discussion during our virtual meeting, we understand that we've reached mutual agreement on the general terms of a Pre-Development Agreement for the advancement of the Project. Upon Cobblestone Hotel Development's signing of the Pre-Development Agreement, we will arrange to present these terms to the Common Council for their approval and will subsequently begin preparing a Development Agreement.

Thank you for your time, collaboration, and commitment to bringing this Project to Richland Center.

Sincerely,

A handwritten signature in black ink that reads "Jasen Glasbrenner". The signature is written in a cursive, flowing style.

Jasen Glasbrenner
Economic Development Director

**Pre-Development Agreement for the Development of a Cobblestone Hotel
in Richland Center, WI**

This Pre-Development Agreement ("Agreement"), contingent upon final approval of the Common Council, is made and entered into on this date, Aug 21, 2025, by and between the City of Richland Center, Wisconsin (hereinafter "City"), and Cobblestone Hotel Development, LLC (hereinafter "Developer").

WHEREAS, the Developer proposes to develop a mid-to-upper scale 54 room hotel (the "Project") within the City of Richland Center; and

WHEREAS, the City seeks to support economic growth, downtown redevelopment, job creation, and tourism, and recognizes the necessity of incentivizing such development; and

WHEREAS, both parties wish to establish pre-development terms leading to a final Development Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the City and the Developer agree as follows:

I. CITY COMMITMENTS

- a. **Tax Increment Financing Assistance:** Upon substantial completion of the Project, the City shall provide Pay-Go TIF assistance by issuing a Municipal Revenue Obligation (MRO) Note to the Developer in the principal amount of \$1,150,000.00, with 0.00% annual interest. Payments shall be made in annual installments from 85% of tax increment revenues actually received and retained by the City from the Property, until the earlier of:
 - i. Payment in full of \$1,150,000.00; or
 - ii. The final payment occurring no later than 10 years after receipt of the first increment.
- b. No minimum value guarantee shall be required.


II. DEVELOPER COMMITMENTS

- a. **Land Acquisition:** The Developer agrees to purchase the land necessary for the Project from the City for the price of \$125,000.00 (One Hundred and Twenty-Five Thousand Dollars and Zero Cents). The parcel shall be conveyed by the City to the Developer by quit claim deed.
- b. **Project Investors and Financing:** Within nine (9) months of the Common Council's approval of this Agreement, the Developer shall have secured all necessary investors and financing for the Project.
 - i. **Investor Information:** Once finalized, a comprehensive list of committed investors for the Project will be provided to the City.

- c. **Project Construction:** Construction of the Project shall commence within 12 months of the date of the approval of this pre-development agreement. The Project shall achieve substantial completion within 24 months of construction beginning.
- d. **Assignment:** The development agreement shall run with the land and be binding on the Developer, the City and their successors and assigns. The Developer shall have no right to assign any of its rights or obligations under this Agreement or the Development Agreement described below without prior written approval of the City
- III. **Future Development Agreement:** This Agreement outlines the pre-development terms. A comprehensive Development Agreement will be prepared once the terms of this Agreement are approved by the Common Council.
- IV. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CITY OF RICHLAND CENTER, WISCONSIN

By: 
Name: ASHLEY OLIPHANT
Title: CITY ADMINISTRATOR
Date: 8/21/2025

DEVELOPER – Cobblestone Hotel Development, LLC

By: _____
Name: _____
Title: _____
Date: _____