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**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, Sept 5, 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 approximately 1.21 acres (Exhibit 1 attached) of 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.

**Investor Information:** Once finalized, the Developer shall provide the City with a list of all committed investors in the Project. This list is for informational purposes only.



Disclosure of individual investment amounts or percentage ownership interests shall not be required.

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:** This Development Agreement shall run with the land and be binding upon the Developer, the City, and their respective successors and assigns. Upon the Developer providing the City with the names of all owners in the initial investment group, the City agrees to permit a one-time assignment from Cobblestone Hotel Development, LLC to that initial investment group without prior written approval. Any subsequent transfers or assignments of rights or obligations under this Agreement or the Development Agreement shall require the 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: 09/05/2025

**DEVELOPER – Cobblestone Hotel Development, LLC**

By:   
Name: Kim E Wogernese  
Title: Managing Member  
Date: 9/16/2025

**Exhibit 1**

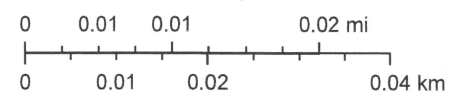
**City of Richland Center**



9/5/2025, 10:30:34 AM

1:1,128

- Parcel Numbers
- Parcel Lines
- Section Quarter Quarters



By Richland County GIS, Richland County, WI