

City of Sedgwick
City Council Meeting
July 8, 2026

TO: Mayor and Members of City Council

SUBJECT: First Addendum Development Agreement – Lange Real Estate

INITIATED BY: Administration

AGENDA: New Business

Background: The City and Lange Real Estate entered into a development agreement on September 17, 2025, for the development of the city owned property located at the corner of SW 96th and N. Hoover. The original agreement had a public incentive and an investment fee incorporated into the agreement. After further conversation with Lange, both parties agree that both portions can be deleted from the agreement entirely.

Analysis: If approved, the agreement between Lange and the City would stipulate that once a sell of a lot is completed, 16% of the total sale revenue would go to Lange. This includes the 10% developer fee plus the 6% realtor fee. This was agreed upon from the beginning of the agreement and would not change.

What would change would be Lange’s ability to reap the benefit of the RHID designation. The City and Ranson Financial worked together to provide financial analysis based on initial projections from Lange and secured the RHID designation on their own, therefore the public incentive fee of the agreement should be removed. Furthermore, Lange does not anticipate bringing investors into this development and sees no need to continue having the language regarding investment fees incorporated into this agreement.

Financial Considerations: None

Recommendation: It is recommended that the City Council approve the addendum as presented.

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

This First Amendment to Development Agreement (“Amendment”) is entered into as of the 8th day of July, 2026, by City of Sedgwick, Kansas, a municipal corporation organized according to Kansas law (the “City”), and Lange Real Estate, LLC, a Kansas limited liability company (the “Developer”). Lange Real Estate and its permitted assigns shall collectively be referred to as “Developer” herein for the purpose of being bound by this Amendment.

WHEREAS, City and Developer entered into that certain Development Agreement dated as of September 17, 2025, (the “Agreement”), regarding the development of certain real property owned by the City and more particularly described in the Agreement (the “Property”);

WHEREAS, City and Developer wish to amend the Agreement to remove certain fees set forth within the Agreement.

NOW THEREFORE, in consideration of the recitals above, and the agreements contained herein, the parties hereto agree as follows:

1. Deletion of Section 3.4.1, Public Incentive Fee.

Section 3.4.1 of the Agreement is hereby deleted in its entirety and shall be of no further force or effect.

2. The last sentence of Section 4.1, which reads as follows:

“• If LANGE brings Investors to this development, LANGE will be paid Two Percent (2%) of all investor funds contributed at the time of contribution.” is hereby deleted.

3. Except as expressly modified herein, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment to the Development Agreement, as of July 8, 2026.

LANGE REAL ESTATE

By: _____

Name: Rachel Lange-Mills

Title: President

Date: _____

OWNER

By: _____

Name: Bryan Chapman

Title: Mayor

Date: _____