StaffordRosenbaum LLP
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To Mayor Tim Swadley
Common Council

From Matthew P. Dregne, City Attorney

Date January 12, 2024

Re Draft Agreement to Undertake Development (STI Holidings)

Attached is the current draft of a possible Agreement to Undertake Development between the City and STI Holdings, Inc.

This draft shows (in a red-lined format) the current differences between my latest draft (dated January 10) and the latest draft from STI Holdings (received on Friday, January 12). I included a number of comments in the margin of my January 10 draft, and STI's attorney (Bill Cole) and Daniele Thompson have added responses to some of those comments, and some additional comments of their own.

The largest remaining issues to be addressed in the agreement are the amount of Tax Increment Financing (TIF) that will be provided for the development, and the construction of stormwater facilities to serve the Wisconsin Department of Transportation's reconstruction of US Highway 51. The TIF funding question is a policy decision for the Common Council to decide. I am working to incorporate the language needed to address the DOT stormwater issue, but that will not be ready for the January 16 special meeting.

I note that STI inserted a 5 % interest rate to be paid on the Municipal Revenue Obligations. The interest rate issue needs to be decided by the Common Council in consultation with your financial advisor.

There are additional edits and modifications that will be needed, but it appears to me that a good number of those will likely not be controversial.