

Dane County Contract Addendum Cover Sheet

Revised 03/2025

Res 029

BAF # 25138
Acct: Seitz
Mgr: A Ballweg
Budget Y/N: N

Contract #
Admin will assign

15745A

| | | | |
|-----------------------------------------|--------------------------------------------------------|-----------------------|--------------------------------------------------------------|
| Dept./Division | Human Services /Housing Acces and Affordability | Vendor Name | Dane County Housing Authority |
| Brief Addendum Title/Description | Reduces the term of the loan from 99 years to 55 years | Vendor MUNIS # | 1827 |
| | | Addendum Term | Loan Term=55 years Contract/period of affordability=99 years |
| | | Amount (\$) | \$ 0.00 |

| Department Contact Information | | Vendor Contact Information | |
|--------------------------------|---------------------------------|----------------------------|--------------------------------------------------|
| Contact | Contract Coordination Assistant | Contact | Sean O'Brien (Merchant Place)/Karyn Knaak (DCHA) |
| Phone # | 608-242-6200 | Phone # | 608-334-5665 & 608-224-3636 ext 023 |
| Email | dcdhscontracts@danecounty.gov | Email | sean@northpointedev.com & kknaak@dcha.net |
| Purchasing Officer | | | |

| Purchase Order – Maintenance or New PO | | | | | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------|-------------|--------------|--|
| <input type="checkbox"/> | PO Maintenance Needed | Org: | Obj: | Proj: | |
| | PO# | Org: | Obj: | Proj: | |
| <input checked="" type="checkbox"/> | No PO Maintenance Needed – <i>this addendum does not change the dollar amount of the contract.</i> | | | | |
| <input type="checkbox"/> | New PO / Req. Submitted | Org: | Obj: | Proj: | |
| | Req# | Org: | Obj: | Proj: | |

| Budget Amendment | |
|--------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> | A Budget Amendment has been requested via a Funds Transfer or Resolution. Upon addendum approval and budget amendment completion, the department shall update the requisition in MUNIS accordingly. |

| Total Contracted Amount – List the Original contract info, then subsequent addenda including this new addendum | | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------------------------------------------|------------------------|-------------------------------|-----------------|
| A resolution is required when the total contracted amount first exceeds \$100,000. Additional resolutions are then required whenever the sum(s) of any additional addenda exceed(s) \$100,000 | Addendum # | Term | Amount | Resolution | |
| | Original | 99 years | \$ 2,510,000.00 | <input type="checkbox"/> None | Res# 2024-316 |
| | A | Loan Term=55 years Contract/period of affordability=99 years | \$ 0.00 | <input type="checkbox"/> None | Res# 2025 - 029 |
| | | | | <input type="checkbox"/> None | Res# |
| | | | | <input type="checkbox"/> None | Res# |
| | | | | <input type="checkbox"/> None | Res# |
| | | | | <input type="checkbox"/> None | Res# |
| Total Contracted Amount | | | \$ 2,510,000.00 | | |

| Contract Language Pre-Approval – prior to internal routing, this contract has been reviewed/approved by: | | |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------|
| <input checked="" type="checkbox"/> Corporation Counsel: Susan Rauti | <input type="checkbox"/> Risk Management: | <input type="checkbox"/> No Pre-Approval |

| APPROVAL |
|------------------------------------------------------------------------------------|
| Dept. Head / Authorized Designee |
|  |

| APPROVAL – Contracts Exceeding \$100,000 | |
|------------------------------------------|----------------------------|
| Director of Administration | Corporation Counsel |
| | SHR 5.14.25 |

| APPROVAL – Internal Contract Review – Routed Electronically – Approvals Will Be Attached | | |
|------------------------------------------------------------------------------------------|------------------------------------------|-------------------------------------------------------------------------------------------|
| DOA: | Date In: 5/15/25 Date Out: | <input checked="" type="checkbox"/> Controller, Purchasing, Corp Counsel, Risk Management |

Goldade, Michelle

From: Goldade, Michelle
Sent: Tuesday, May 20, 2025 10:19 AM
To: Hicklin, Charles; Rogan, Megan; Cotillier, Joshua
Cc: Oby, Joe
Subject: Contract #15745A
Attachments: 15745A.pdf

| Tracking: | Recipient | Read | Response |
|-----------|-------------------|--------------------------|-----------------------------|
| | Hicklin, Charles | Read: 5/20/2025 12:02 PM | Approve: 5/20/2025 12:02 PM |
| | Rogan, Megan | Read: 5/20/2025 10:30 AM | Approve: 5/20/2025 10:30 AM |
| | Cotillier, Joshua | | Approve: 5/20/2025 11:00 AM |
| | Oby, Joe | | |

Please review the contract and indicate using the vote button above if you approve or disapprove of this contract.

Contract #15745A

Department: Human Services

Vendor: Dane County Housing Authority

Contract Description: Affordable Housing Development – reduces term of loan from 99 years to 55 years (Res 029)

Contract Term: 2/1/25 – 12/31/2080

Contract Amount: \$--

Michelle Goldade

Administrative Manager

Dane County Department of Administration

Room 425, City-County Building

210 Martin Luther King, Jr. Boulevard

Madison, WI 53703

PH: 608/266-4941

Fax: 608/266-4425

TDD: Call WI Relay 711

Please Note: I currently have a modified work schedule...I am in the office Mondays and Wednesdays and working remotely Tuesdays, Thursdays and Fridays.

**APPROVAL OF GRANT AGREEMENTS AMENDMENT FOR AN
AFFORDABLE HOUSING PROJECT AT
6706 & 6714 ODANA ROAD THE CITY OF MADISON
DCDHS – HAA DIVISION**

Dane County awarded funding of \$2,510,000 to Northpointe Development II also known as its affiliate Merchant Place Apartments – Madison, LLC., for Merchant Place Apartments, an affordable housing project to be constructed at 6706 & 6714 Odana Road in the City of Madison. In conjunction with the award, a grant agreement was executed by Merchant Place Apartments – Madison, LLC., Dane County, and Dane County Housing Authority. The parties desire to amend the loan term detailed in the grant agreement.

The parties would like to amend the sub-award note issued under the grant agreement to reduce the term of the loan from ninety-nine (99) years to fifty-five (55) year. The adjusted term will reflect the useful life of the building, and allow the loan to be considered as debt. The period of affordability will remain unchanged at ninety-nine years.

NOW, THEREFORE, BE IT RESOLVED that the County Board hereby authorizes the grant agreement amendment to Merchant Place Apartments – Madison, LLC. on the terms and conditions outlined above, and

BE IT FINALLY RESOLVED that the Dane County Executive and County Clerk is hereby authorized to execute the grant amendment on behalf of Dane County.

FIRST AMENDMENT TO AHDF GRANT AGREEMENT

THIS AMENDMENT, is dated as of _____, 2025 and is made and entered into by and between County of Dane, Wisconsin (hereinafter referred to as "COUNTY"), the Dane County Housing Authority (hereinafter referred to as "DCHA") and Merchant Place Apartments – Madison, LLC (hereinafter referred to as "RECIPIENT").

WITNESSETH

WHEREAS, COUNTY, DCHA, and RECIPIENT (hereinafter referred to collectively as the "Parties") have entered in an Affordable Housing Development Fund Grant Agreement ("the Grant Agreement") for the premises at 6706 & 6714 Odana Road in the City of Madison, Wisconsin, and both parties desire to amend said Grant Agreement;

NOW THEREFORE, in consideration of the conditions and the mutual covenants set forth hereafter and in the Grant Agreement, the receipt and sufficiency of which is hereby acknowledged by each party for itself, COUNTY, RECIPIENT and DCHA agree that the Grant Agreement shall be amended as follows:

The SUBAWARD NOTE attached as Exhibit D to the Grant Agreement

Exhibit D to the Grant Agreement is hereby replaced with the Amended and Restated Promissory Note attached hereto.

All other terms, conditions, and obligations of the Grant Agreement, except as otherwise expressly provided herein, remain in full force and effect.

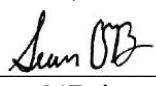
IN WITNESS THEREOF RECIPIENT has set their hands and seals as of the day and date by which all parties have caused this Amendment to the Grant Agreement to be executed.

RECIPIENT

**MERCHANT PLACE APARTMENTS –
MADISON, LLC**, a Wisconsin limited liability
company

By: Merchant Place Apartments – Madison MM,
LLC, Manager

By: Northpointe Development II
Corporation, Manager

By: 
Sean O'Brien, Secretary

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

DANE COUNTY HOUSING AUTHORITY,
a quasi-municipal corporation created pursuant
to sec. 59.53(22) of the Wisconsin Statutes.

By: 
Karyn Knaak, Executive Director

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

COUNTY OF DANE,
a Wisconsin County and quasi-municipal
cooperation pursuant to Chapter 59 of the
Wisconsin Statutes.

By: _____
Melissa Agard, Dane County Executive

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

COUNTY OF DANE,
a Wisconsin County and quasi-municipal
cooperation pursuant to Chapter 59 of the
Wisconsin Statutes.

By: _____
Scott McDonell, Dane County Clerk

**Amended and Restated
Promissory Note
Cash Flow with Interest**

PROJECT NAME: Merchant Place Apartments

BORROWER NAME: Merchant Place Apartments – Madison, LLC

AMOUNT OF LOAN: \$ 2,500,000.00

PLACE: Madison, **WISCONSIN**

DATE: _____, 20__

This Amended and Restated Promissory Note amends and restates in its entirety that certain Promissory Note from Borrower to DCHA dated _____, 2025, in the amount of \$2,500,000, but is not a novation.

FOR VALUE RECEIVED, the Borrower promises to pay to the order of the DANE COUNTY HOUSING AUTHORITY (“DCHA”), at its offices located at 2917 International Lane, Suite 201, Madison, Wisconsin, 53704, the principal amount of Two Million Five Hundred Thousand and No/100 (\$2,500,000.00) plus 2% annual simple interest on the principal amount outstanding. Interest only payments are due on an annual basis on April 1 of each year beginning on April 1st of the year following the year in which final disbursement of the loan proceeds is made and continuing for a period of fifty-five (55) years, contingent upon sufficient cash flow. Sufficient cash flow shall be determined in accordance with the priorities set forth in Section [_____] of the Borrower’s Amended and Restated Operating Agreement, dated [_____, 202__] (“Borrower’s Operating Agreement”). In the event there is insufficient cash flow to make an annual payment, whether in whole or in part, such unpaid amounts (each, a “Deferred Payment”) shall be added to the payment due on [_____, 21__] (the “Maturity Date”). For any Deferred Payment, Borrower will be required to submit documentation to the DCHA, including, but not limited to, financial statements in form reasonably acceptable to the DCHA, establishing cash flow in a given year by April 1st. The adequacy of such documentation shall be determined in the reasonable discretion of the DCHA. Final payment of any principal, accrued interest, and Deferred Payments shall be payable in full on the Maturity Date unless sooner paid (the “Final Payment”). Failure to satisfy the Final Payment on the Maturity Date shall constitute a default hereunder. Prior to the Maturity Date if there is an event of sale, transfer, or change or discontinuance in the permitted use of the Property (except as permitted under the terms of this Note, the Grant Agreement (as defined below) or the Mortgage (as defined below) located in the City of Madison, Dane County, Wisconsin (the “Property”) the legal description of which is attached as Exhibit A, this Note will become due and payable immediately. The proceeds of the loan evidenced by this Note (the “Loan”) are intended to fund the construction of that certain affordable mixed use development consisting of one hundred twenty-four (124) residential rental units on the Property (the “Project”).

THIS NOTE is evidenced by an Affordable Housing Development Fund Grant Agreement dated as of the date hereof (the “Grant Agreement”) and is secured by a Real Estate Mortgage given by the Borrower to the DCHA dated of even date herewith (the “Mortgage”).

DELINQUENCY CHARGE. Except for an approved Deferred Payment, if a payment owed under the Note is not paid on or before the 15th day after its due date, the DCHA may collect a delinquency charge equal to 12% per annum on the unpaid balance until the amount due under the Note is paid in full.

FOLLOWING all applicable notice and cure periods provided in the Grant Agreement, the Mortgage, the County LURA or this Note, including the entire balance of principal and interest, together with late charges, shall become immediately due and payable to the DCHA without notice or demand upon the occurrence of any of the following:

- a) If the Borrower shall default in any of the covenants, agreements, provisions, terms or conditions of the Mortgage or Grant Agreement which provisions are incorporated herein by reference, and the default is not cured within the time period provided in the Mortgage or Grant Agreement, as applicable.
- b) Title to, or equitable ownership in, the Property is transferred to any party without the prior written consent of the DCHA except as otherwise provided in the Grant Agreement or Mortgage.
- c) If Borrower permits or allows any use of the Property other than as the Project as described in the Loan Contracts.

Notwithstanding anything to the contrary in this Note, the Grant Agreement, or the Mortgage, the investor member of the Borrower ("Investor Member") shall have the right, but not the obligation, to cure any defaults of the Borrower hereunder, and the DCHA agrees to accept such cures tendered by the Investor Member on behalf of the Borrower, and the Investor Member shall be afforded any cure periods as may be applicable to Borrower.

The Borrower and endorser of this Note agrees to waive demand, notice of non-payment and protest, and in the event, suit shall be brought for the collection hereof, or the same has to be collected upon demand of an attorney, to pay reasonable attorney's fees for making such collection, through and including all appellate levels and post-judgment proceedings.

No delay or omission on the part of the holder hereof in exercising any right hereunder shall operate as a waiver of any such right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or a waiver of any such right on any future occasion. The Borrower for itself, its successors and assigns, does hereby expressly waive presentment for payment and notice of nonpayment. It is expressly understood and agreed that the Borrower shall not be released from the covenants herein contained by reason of any forbearance or extension of time granted or release of any subsequent owner or owners of the Property mortgaged as secured for this obligation.

The "Loan Contracts" are this Note, the Mortgage which explicitly secures the Note, the Grant Agreement, and the County LURA (as defined in the Grant Agreement) each executed by the Borrower in connection with the loan evidenced by this Note ("Loan").

Except as otherwise provided herein, this Note shall be non-recourse to Borrower in that Borrower and its members shall have no liability under the Loan Contracts for the repayment of the Loan or for the performance of any other obligation of Borrower thereunder, and the DCHA's only recourse for the satisfaction of the Loan and the performance of such obligations shall be the DCHA's exercise of its rights and remedies with respect to the Property.

Borrower shall be liable to the DCHA, to the extent not satisfied from the exercise of the DCHA's right and remedies with respect to the Property described in the Mortgage, for repayment of the portion of the Loan equal to any loss or damage suffered by the DCHA as a result of:

1. the fraud or intentional material misrepresentation by Borrower in connection with the application for or creation of the Loan or any request by Borrower for any action or consent by the DCHA in connection with the Loan; or
2. subject to the rights of any holder of a superior lien on the Property, failure of Borrower to:
 - i. pay to the DCHA, upon demand after the occurrence of any event of default which is not timely cured, all payments DCHA is entitled under the Loan Contracts;
 - ii. apply all Property insurance proceeds and condemnation proceeds as required by the Loan Contracts; or
 - iii. apply Property rents, first to the payment of reasonable Property operating expenses (including property management fee and taxes) and amounts payable to, or at the direction of, and holder of superior lien on the Property, and then the amounts payable under the Loan Contracts in accordance with the priorities set forth in the Borrower's Operating Agreement.

Notwithstanding the foregoing, Borrower will not be liable to the extent that Borrower lacks the legal right to direct the disbursement of any funds because of a bankruptcy, receivership or similar judicial proceedings.

This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement is sought.

The Borrower may draw up to 90% of the Loan proceeds to be used for eligible construction costs of the Project. Borrower shall provide evidence of full project financing before funds will be released. DCHA shall withhold 10% of the Loan proceeds until a certificate of occupancy for the Project has been issued by the City of Madison.

The right of the holder of this promissory note to payment of any of the indebtedness evidenced by this Note is and will at all times be subordinate to construction and permanent financing provided by [Note TBD], the Wisconsin Housing and Economic Development Authority and the City of Madison ("Senior Lenders"). DCHA shall enter into any subordination agreement reasonably requested by Senior Lenders.

THE BORROWER acknowledges receipt of an exact copy of this Note.

NOTICE TO BORROWER

- A. DO NOT SIGN THIS IF IT CONTAINS ANY BLANK SPACES.**
- B. YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENTS YOU SIGN.**
- C. YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS NOTE WITHOUT PENALTY OR PREMIUM DUE.**

Signed and sealed as of the _____ day of _____, 20____ at Madison, Wisconsin.

MERCHANT PLACE APARTMENTS – MADISON, LLC

a Wisconsin Limited Liability Company

By: Merchant Place Apartments – Madison MM, LLC
Its: Manager

By: Northpointe Development II Corporation
Its: Manager

By: 
Sean O'Brien, Secretary

EXHIBIT A

[To be inserted]

PIN: