



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Meeting Agenda - Final

### Economic and Community Development Commission

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Wednesday, February 22, 2023

3:00 PM

Council Chambers

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The meeting is open for in-person attendance and will also be conducted through video conferencing. The meeting can be VIEWED by clicking this link (or typing the URL in your web browser address bar):

<https://cityoflacrosse-org.zoom.us/j/83768127868?pwd=WUJpRkwzbWpHL0VvckhmRmdxMm5pZz09>  
Zoom Meeting ID: 837 6812 7868; Passcode: CEDC23.

If you wish to speak on an agenda item, arrive early to sign up before the meeting begins. If attending virtually and you wish to speak, contact the Department of Planning, Development and Assessment at the email or phone number below so we can provide you with the necessary information to join in.

Members of the public who would like to provide written comments on any agenda may do so by emailing [mcginniscaseyd@cityoflacrosse.org](mailto:mcginniscaseyd@cityoflacrosse.org), using a drop box outside of City Hall, or mailing the Department of Planning, Development and Assessment, 400 La Crosse Street, La Crosse WI 54601. Questions, call 608-789-7512.

#### Call to Order

#### Roll Call

#### Agenda Items:

- [23-0227](#) Brief Introductions.
- [23-0096](#) Annual Code of Ethics Policy Review.  
**Attachments:** [2023 La Crosse, WI Code of Ordinances.pdf](#)
- [23-0204](#) Resolution approving an appropriation of the City's ARPA monies earmarked for small business support.  
**Attachments:** [Resolution](#)  
[Staff Report](#)

[23-0205](#)

Resolution approving development agreement for The Driftless Apartments and Townhomes.

*(Note: The Committee and/or Council may convene in closed session pursuant to Wis. Stat. 19.85(1)(e) to formulate & update negotiation strategies and parameters. Following such closed session, the Committees and/or Council may reconvene in open session.)*

**Attachments:** [Resolution](#)

[The Driftless Apartments Development Agreement 2-16-23v2](#)

[Exhibit A: Real Estate](#)

[Exhibit B: Project Description](#)

[Exhibit C: Restrictive Covenant](#)

[Exhibit D: Description of Public Improvements](#)

[Exhibit E: Project Cost Breakdown](#)

[Exhibit F: Construction Schedule](#)

[Exhibit G: Monetary Obligation Example](#)

[Staff Report](#)

[23-0159](#)

Resolution authorizing 2023 Action Plan and funding allocation in connection with CDBG and HOME Programs.

**Attachments:** [Resolution](#)

[2023-2024 Action Plan](#)

[Staff Report](#)

*Public Hearing*

[23-0160](#)

Resolution authorizing a Substantial Amendment of the 2021 Action Plan and Allocation of HOME-ARP Funds.

**Attachments:** [Resolution](#)

[HOME ARP Plan](#)

[Staff Report](#)

*Public Hearing*

[23-0161](#)

Resolution authorizing a Substantial Amendment of the 2022 Action Plan.

**Attachments:** [Resolution](#)

[PY22-Substantial Amendment](#)

[Staff Report](#)

*Public Hearing*

[23-0162](#) Resolution approving the American Rescue Plan Act (ARPA) funding to conduct a Housing Study.

**Attachments:** [Resolution](#)

[Staff Report](#)

[23-0181](#) Action on OTP - 17-30022-120 - 943 Hood St.

**Attachments:** [23-0181 - Staff Report for OTP 943 Hood St.pdf](#)

[23-0182](#) Action on OTP - 17-10259-032 - 2706 Onalaska Ave.

**Attachments:** [23-0182 - Habitat 2706 Site Plan.pdf](#)

[23-0182 - Staff Report for OTP 2706 Onalaska Ave.pdf](#)

[23-0180](#) Action on revised purchase price 17-30089-060 - 1123 4th St S.

*(Note: The Committee and/or Council may convene in closed session pursuant to Wis. Stat. 19.85(1)(e) to formulate & update negotiation strategies and parameters. Following such closed session, the Committees and/or Council may reconvene in open session.)*

**Attachments:** [23-0180 - Staff Report for OTP 1123 4th.pdf](#)

## Adjournment

*Notice is further given that members of other governmental bodies may be present at the above scheduled meeting to gather information about a subject over which they have decision-making responsibility.*

### NOTICE TO PERSONS WITH A DISABILITY

*Requests from persons with a disability who need assistance to participate in this meeting should call the City Clerk's office at (608) 789-7510 or send an email to [ADAcityclerk@cityoflacrosse.org](mailto:ADAcityclerk@cityoflacrosse.org), with as much advance notice as possible.*

### Economic and Community Development Committee Members:

**Mayor Mitch Reynolds, Barb Janssen, Doug Happel, Colin Walsh, Linda Lee, Gina Miller, & Vicky Markussen.**



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0227

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**Agenda Date:** 2/22/2023

**Version:** 1

**Status:** Agenda Ready

**In Control:** Economic and Community Development Commission

**File Type:** General Item

**Agenda Number:**



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0096

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**Agenda Date:** 1/26/2023

**Version:** 1

**Status:** Agenda Ready

**In Control:** Redevelopment Authority

**File Type:** General Item

**Agenda Number:**

## DIVISION 2. - CODE OF ETHICS

*Footnotes:*

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**State Law reference**— *Code of ethics for public officers and employees, Wis. Stat. § 19.41 et seq.; code of ethics for local government officials, employees and candidates, Wis. Stat. § 19.59.*

### Sec. 2-126. - Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Anything of value* means any money or property, favor, service, payment, advance, forbearance, loan or promise of future employment, but does not include compensation and expenses paid by the City, fees, honorariums and expenses which are permitted and reported under Wis. Stat. § 19.56, political contributions which are reported under Wis. Stat. ch. 11 or hospitality extended for a purpose unrelated to City business by a person other than an organization.

*Public employee* means any person excluded from the definition of a public officer who is employed by the City of La Crosse.

*Public officer* means all City officers as defined in Wis. Stat. § 62.09 and all members of Boards, Commissions and Agencies established or appointed by the Mayor or Common Council, whether paid or unpaid.

(Code 1980, § 2.48(A))

**Cross reference**— Definitions and rules of construction, § 1-2.

### Sec. 2-127. - Declaration of policy.

It is declared that high moral and ethical standards among City officers and employees are essential to the conduct of good representative government and that a Code of Ethics for the guidance of Public officers and employees will help them avoid conflicts with improved standards of public service and will promote and strengthen the confidence of the residents of this City in their public officers and employees.

(Code 1980, § 2.48(B))

### Sec. 2-128. - Distribution of division.

- (a) The City Clerk shall cause to be distributed to each public officer and employee a copy of this division before entering upon the duties of the public officer or employee's office or employment.

- (b) Each public officer, the President of the Common Council, the Chair of each board, commission or agency and the head of each department shall, between January 1 and January 31 each year, review the provisions of this division and with fellow Council, board, commission, agency members or subordinates, as the case may be, and certify to the City Clerk by February 15 that such annual review had been undertaken. A copy of this division shall be continuously posted on each department bulletin board wherever situated.

(Code 1980, § 2.48(F))

Sec. 2-129. - Ethics Board.

(a) *Membership.*

(1) The Ethics Board shall be composed of five voting members. The members shall be citizens chosen from the private sector who shall not have an affiliation with City government in any capacity. The members shall be appointed by the Mayor with the approval of the majority vote of the City Council.

(2) Terms of office of the citizen members shall be three years.

(b) *Officers and staff.*

(1) The Ethics Board shall have its own Chair and Vice-Chair.

(2) The City Attorney shall furnish the Ethics Board whatever legal assistance, which may become necessary. The Ethics Board may determine the need for private counsel.

(c) *Advisory opinions.* Any person governed by this Code may apply in writing to the Ethics Board for an advisory opinion. Applicants shall present their interpretation of the facts at issue and of the applicability of the provision of this Code before the advisory opinion is rendered. All opinions shall be in writing and adopted by the Ethics Board by resolution. The Ethics Board's deliberations and action upon such applications shall be in meetings not open to the public, but notice of such meetings shall be given pursuant to Wis. Stat. § 19.84, Record of the Ethics Board opinions, opinion request and investigations of violations may be closed to public inspection, as permitted by Wis. Stat. ch. 19. The Ethics Board, however, may make such records public with the consent of the applicant.

(Code 1980, § 2.48(G)(1), (G)(2))

**Cross reference**— Boards and commissions, ch. 2, art. X.

Sec. 2-130. - Violations and complaints.

(a) The City Clerk shall accept from any person, except a member of the Ethics Board, a signed original complaint that states the name of the official or employee alleged to have violated this Code and that sets forth the material facts involved in the allegation. The City Clerk shall forward

the original complaint to the Ethics Board Chair within three working days.

- (b) Time limitations. No action may be taken on any complaint that is filed more than one year after a violation of this division is alleged to have occurred.
- (c) Ethics Board procedures. Following the receipt of a complaint:
  - (1) The Ethics Board shall notify the accused within ten calendar days.
  - (2) The Ethics Board shall convene within 20 calendar days.
  - (3) The Ethics Board may make preliminary investigations with respect to alleged violation of this Code. A preliminary investigation shall not be initiated unless the accused official or employee is notified in writing within ten calendar days from the initial meeting. The notice shall state the purpose of the investigation and the individual's specific action or activities to be investigated.
  - (4) The Ethics Board shall make every effort to conclude within 120 calendar days.
- (d) Hearings. If the Ethics Board finds that probable cause exists for believing the allegations of the complaint, the Ethics Board may issue an order setting a date for a hearing. If the Ethics Board elects to hold a hearing, the Ethics Board shall give the accused at least 20 calendar days' notice of the hearing date. Such hearing shall be conducted pursuant to the contested case hearing requirements of Wis. Stat. ch. 227 at open session unless the accused petitions for a hearing closed to the public and good cause to close the hearing is shown.
- (e) Right of representation. During all stages of an investigation or proceeding conducted under this section, the accused or any person whose activities are under investigation is entitled to be represented by counsel of personal choice and at personal expense.
- (f) Due process. The accused or the accused's representative shall have an adequate opportunity to:
  - (1) Examine all documents and records to be used at the hearing within a reasonable time before the date of the hearing as well as during the hearing;
  - (2) Have witnesses heard;
  - (3) Establish all pertinent facts and circumstances; and
  - (4) Question or refute any testimony or evidence, including the opportunity to confront and cross-examine adverse witnesses.
- (g) Power to subpoena and administer oaths. The Ethics Board shall have the power to administer oaths and compel the attendance of witnesses by issuing subpoenas as granted other boards and commissions.
- (h) Vote of the Ethics Board. The majority vote of the Ethics Board shall be required for any action taken by the Ethics Board.
- (i) Evidentiary standard. If the recommendation is that a violation of this division has occurred, the Ethics Board must be convinced by clear and convincing evidence that such violation occurred.

(j) Violations.

- (1) If the Ethics Board finds that a violation of this division has occurred, the Ethics Board shall report their findings in writing to the City Council, complainant, and accused, through the City Clerk, within ten working days after reaching a conclusion.
- (2) If the Ethics Board determines that an official or employee has violated any provision of this Code, the Ethics Board may, as part of its report to the City Council, make any of the following recommendations:
  - a. In case of an official who is an elected City Council Member, that City Council considers sanctioning, censuring or removing the person.
  - b. In the case of a citizen member or other elected or appointed City officer, that the City Council consider removing the person from the committee, board or office.
  - c. In the case of an employee, that the employee's appointing authority consider discipline up to and including discharge of the employee.
  - d. That the City Council consider imposing a civil forfeiture in an amount not exceeding \$1,000.00 for each offense.
- (3) If the Ethics Board finds that no violation has occurred, the Ethics Board shall notify the complainant, the accused, and City Clerk in writing within five working days.

(k) Penalties.

- (1) If the Ethics Board files a report with the City Council finding that an official or employee has violated the Ethics Code, such report shall be referred to the Judiciary and Administration Committee for a report. The Judiciary and Administration Committee may recommend to the City Council a penalty for the violation and/or recommendation that a hearing be held on the issue of the penalty. If a hearing is recommended by the Judiciary and Administration Committee, then the Mayor shall schedule a hearing before the City Council and cause notice to be mailed to the interested parties, including the person accused of the violation at least ten days prior to the date set for the hearing. At the hearing, the evidence in support of the penalty recommendations by the Ethics Board and/or Judiciary and Administration Committee shall be presented by the City Attorney or by a member of the City Attorney's staff. The accused, who may appear in person or who may be represented by an attorney, shall be entitled to present the City Council such evidence as may be relevant, competent and material in regard to the penalty for the violation.
- (2) Upon completion of the hearing or other proceeding by the City Council, judgment shall be entered by the City Council determining the penalty for violation of this division found by the Ethics Board and may include a recommendation of discipline of the person to the person's appointing authority up to and including discharge from employment or removal from office, in accordance with Wis. Stat. Ch. 17.

(3) Any person violating this division may be subject to a Class A forfeiture for each offense.

(Code 1980, § 2.48(G)(3)—(G)(12))

**Cross reference—** Class A forfeitures, § 1-7.

Sec. 2-131. - Standards of conduct.

- (a) There are certain provisions of the Wisconsin Statutes which should, while not set forth herein, be considered an integral part of any Code of Ethics.
- (b) Accordingly, the provisions of the following sections of the Wisconsin Statutes are made a part of this division and shall apply to public officers and public employees whenever applicable, to-wit:

Wis. Stat. § 946.10 - Bribery of Public Officers and Employees

Wis. Stat. § 946.11 - Special Privileges from Public Utilities

Wis. Stat. § 946.12 - Misconduct in Public Office

Wis. Stat. § 946.13 - Private Interest in Public Contract Prohibited

(Code 1980, § 2.48(C))

Sec. 2-132. - Disclosures.

In addition to the foregoing statutory provisions, the following disclosure and related requirements are hereby established:

- (1) *Disclosure of interest in legislation.* To the extent that a member of the Common Council and any public officer or employee of the City of La Crosse knows thereof, such member, officer or employee, whether paid or unpaid, who participates in the discussion or gives official opinion to the Council on any legislation before the Council, shall publicly disclose the nature and extent of any direct or indirect financial or other private interest such person has in such legislation.
- (2) *Disclosure of interest in other matters.* To the extent that a member of a board, commission or agency, and any other public officer or public employee of the City of La Crosse knows thereof, such member, officer or employee, whether paid or unpaid, who participates in discussion or gives official opinion to any such board, commission or agency on any matter before it, shall publicly disclose the nature and extent of any direct or indirect financial or other private interest such person has in such matters.
- (3) *Confidential information.* No public officer or employee may intentionally use or disclose information gained in the course of or by reason of such public officer or employee's official position or activities in any way that could result in receipt of anything of value for such

person, or such person's immediate family as defined by Wis. Stat. § 19.42, or for any other person or organization, if the information has not been communicated to the public or is not public information.

- (4) *Special privileges.* No public officer or employee may use or attempt to use any public position to influence or gain unlawful benefits, advantages or privileges for the public officer or employee or others.
- (5) *Conduct after termination of employment.* No public officer or employee, after the termination of service or employment with the City, shall appear before any Board or Agency of the City of La Crosse in relation to any case, proceeding or application in which the public officer or employee personally participated during the period of service or employment, or which was under the public officer or employee's active consideration.

(Code 1980, § 2.48(D))

Sec. 2-133. - Gifts and gratuities.

- (a) No public officer or employee shall receive or offer to receive, either directly or indirectly, any gift, gratuity, or anything of value which the public officer or employee is not authorized to receive from any person, if such person:
  - (1) Has or is seeking to obtain contractual or other business or financial relationships with such public employee's employer or the governmental body of the public official;
  - (2) Conducts operations or activities which are regulated by such public employee's employer or the governmental body of a public official; or
  - (3) Has interests which may be substantially affected by such public employee's employer or the governmental body of the public official.

The receipt of any gift, gratuity, or anything of value as denoted in this subsection (a) is contrary to the public policy of the City of La Crosse.

- (b) The following is the policy to be followed in determining whether or not public officer or employees of the City of La Crosse may attend as a guest:
  - (1) It will be the choice of the official or employee to accept or not accept guest status when such individual is the primary speaker or on the program agenda as a participant in the program.
  - (2) It will be the choice of the official or employee to accept or not accept guest status when such individual is honored for distinguished service.
  - (3) It will be the choice of the official or employee to accept or not accept guest status when such individual attends functions in other capacities than that as an elected official or as an employee of the City.
  - (4)

It will be the choice of the official or employee to accept or not accept a meal at meetings which are instructional and job-related and, if the employee or official chooses to accept a meal, the cost of such should be submitted to the City of La Crosse for payment.

(Code 1980, § 2.48(E))

Secs. 2-134—2-164. - Reserved.



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0204

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**Agenda Date:** 3/2/2023

**Version:** 1

**Status:** New Business

**In Control:** Finance & Personnel Committee

**File Type:** Resolution

**Agenda Number:**

Resolution approving an appropriation of the City's ARPA monies earmarked for small business support.

#### RESOLUTION

WHEREAS, the City was awarded American Rescue Plan Act (ARPA) funding from the U.S. Treasury; and

WHEREAS, the City Council passed a Resolution on January 13, 2022 appropriating some of these ARPA funds addressing negative economic impacts caused by the public health emergency to small businesses and impacted industries; and

WHEREAS, the City Council passed a Resolution on March 10, 2022 further specifying the funding amounts and uses for this initiative as programs such as façade improvements, small business development, and upper floor renovations; and

WHEREAS, many local property owners of older buildings who lease space to small businesses on their first floors have found utilizing the upper floors of their building for other uses, primarily residential development, to be cost prohibitive in part due to the need for sprinkler system requirements; and

WHEREAS, the City has a highly successful façade grant program that can be used as a template to more easily and efficiently administer a similar program that provides financial support to property owners who add sprinkler systems; and

WHEREAS, creating such a grant program would simultaneously increase fire safety, encourage residential development, assist in redeveloping under-utilized upper floors in the City's older buildings, and stimulate more mixed-use building in the City's commercial buildings; and

WHEREAS, due to funding sources available the City's current façade grant programs have been restricted to commercial buildings in the downtown and the Highway 53 corridor on the Northside; and

WHEREAS, these same geographic restrictions are not relevant to American Rescue Plan Act funding; and

WHEREAS, the City has also maintained successful Minority Owned Business Assistance (MOBA) and Architectural & Engineering (A&E) grant programs that are currently inactive due to lack of funding, in part because the interest in utilizing these programs surpassed the available funding available; and

WHEREAS, multiple respected and impactful business support entities exist in the City with the purposed of providing targeting support to small businesses, particularly in addressing impacts resulting from the pandemic and environmental and economic changes overall.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of La Crosse to allocates \$200,000 of ARPA funds to a sprinkler system grant program that will be facilitated in a similar fashion to the existing façade grant programs and that the program guidelines will be approved by the Economic and Community Development Commission (ECDC) prior to implementation.

BE IT FURTHER RESOLVED that \$100,000 will be allocated to a City-wide façade grant program.

BE IT FURTHER RESOLVED that \$50,000 will be allocated to revitalizing the MOBA and A&E grant programs.

BE IT FURTHER RESOLVED that \$100,000 will be made available through an RFP to small business support entities providing targeted support to small businesses in the City of La Crosse, and the RFP will be reviewed and approved by the ECDC prior to release.

BE IT FURTHER RESOLVED that the Mayor and Director of Planning, Development and Assessment are hereby authorized to take any and all steps necessary to effectuate this resolution.



# CITY OF LA CROSSE

400 La Crosse Street  
La Crosse, Wisconsin 54601  
(608) 789-CITY  
www.cityoflacrosse.org

## LEGISLATION STAFF REPORT FOR COUNCIL

File ID

23-0204

Caption

Resolution approving an appropriation of the City's ARPA monies earmarked for small business support.

Staff/Department Responsible for Legislation

Planning

Requestor of Legislation

Mayor Reynolds & Planning Staff

Location, if applicable

Summary/Purpose

This Resolution further specific usage of the \$450k of ARPA funds allocated toward small businesses and impacted industries.

\$200k: sprinkler system program, \$100k: City-wide façade program, \$50k: MOBA and A&E, \$100k: an RFP to support small businesses.

Background

Last March, the Council approved the \$450k to go towards addressing negative economic impacts caused by the public health emergency to small businesses and impacted industries utilizing programs such as façade improvements, small business development, and upper floor renovations.

Fiscal Impact

\$450k from ARPA dollars that were previously allocated

Staff Recommendation

Staff recommends approval.



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0205

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**Agenda Date:** 3/2/2023

**Version:** 1

**Status:** New Business

**In Control:** Finance & Personnel Committee

**File Type:** Resolution

**Agenda Number:**

Resolution approving development agreement for The Driftless Apartments and Townhomes.

RESOLUTION

WHEREAS, the developer proposes to be the first development in the River Point District (specifically located at Zone D) that the City of La Crosse is targeting for redevelopment, helping to catalyze additional development in this area; and

WHEREAS, the proposed project aims to serve the community by creating 120 units of affordable/workforce housing units for both seniors and individuals/families to serve a mix of age groups, and along with increasing the tax base, this project will provide needed, quality, safe affordable housing, helping to enhance stability for lower income La Crosse area seniors and families; and

WHEREAS, City staff and the City's consultant Ehlers reviewed the Tax Incremental Financing application and found that this project fulfilled the requirements of the application, including demonstrating a financing need for assistance.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of La Crosse that it hereby approves The Driftless Apartments development agreement.

BE IT FURTHER RESOLVED by the Common Council of the City of La Crosse that it hereby authorizes the City Attorney, Director of Finance, Director of Planning and Development, Mayor and City Clerk to execute said agreement.

BE IT FURTHER RESOLVED that City staff is hereby authorized to take any and all steps necessary to effectuate this resolution.

## MSP – THE DRIFTLESS APARTMENTS DEVELOPMENT AGREEMENT

This MSP – The Driftless Apartments Development Agreement (hereafter "Agreement") is made by and among the **City of La Crosse**, Wisconsin, a Wisconsin municipal corporation with offices located at 400 La Crosse Street, La Crosse, Wisconsin, 54601 ("**City**"), and **The Driftless Apartments, LLC**, a Wisconsin limited liability company with principal offices located at 150 East Gilman Street, Madison, Wisconsin 53703-1482 ("**Developer**").

### WITNESSETH:

**Whereas**, Developer proposes to own, develop and improve a currently underutilized property into 120 units of affordable / workforce housing units, defined below as the "Project," within the City of La Crosse on property Developer intends to own, all of which property is more particularly described in **Exhibit A** ("Real Estate");

**Whereas**, the goals for the Real Estate include encouraging private residential development and improvements and undertaking public improvements that promote desirable and sustainable uses, which further serve the needs of the community and visitors as well as fulfilling the aesthetic character standards of the City;

**Whereas**, the City finds it necessary to further redevelop an area of the City within Tax Incremental District No. 18, ("TID #18"), in order to further redevelop an area of the City, reduce underutilized property, grow the tax base and stimulate commercial and residential activity as well as provide for a place of employment and residence for citizens of the State and the City;

**Whereas**, Section 66.1105, Wis. Stat., empowers cities to assist redevelopment projects by lending or contributing funds as well as performing other actions of a character which the City is authorized to perform for other general purposes;

**Whereas**, the City has found and determined that: (1) the economic vitality of the Real Estate is essential to the economic health of the City and other taxing jurisdictions within the City; (2) the proposed development of the Real Estate through the construction of the Project is an integral part of the residential needs of City residents, local businesses and the surrounding area; and (3) the benefits to be gained by the City as a result of the Project are greater than the costs to the City under this Agreement;

**Whereas**, the Developer and the City agree that the Real Estate's development and improvement shall (1) result in an economic and aesthetic benefit to the City and the surrounding area, including, without limitation, growth in the tax base and job creation; and (2) be secured for the future benefit of the citizens and the community through the construction and development of the Project all in accordance with the Master Plan to be prepared by the Developer and approved by the City Plan Commission;

**Whereas**, the City desires the Project to proceed for the reasons set forth above and ultimately to provide increased tax revenues for the City and various taxing jurisdictions authorized to levy taxes within TID #18;

This space is reserved for recording data

Return to

City Attorney  
400 La Crosse Street  
La Crosse WI 54601

Parcel Identification Number/Tax Key Number

**Whereas**, in order to induce Developer to undertake the Project, the City has agreed to pay for certain costs included in the project plan of TID #18 ("TID Project Plan") through the use of existing municipal funds and/or the use of borrowed funds and to provide other assistance to Developer as provided by this Agreement, all in accordance with the terms and conditions of this Agreement;

**Whereas**, the City finds and determines that certain cash grant payments as detailed in this Agreement are necessary and convenient to the implementation of the TID Project Plan;

**Whereas**, Developer declares that "but for" this Agreement, it would not undertake the Project to the extent of the investment proposed;

**Whereas**, the City and Developer wish to set forth in this Agreement their respective commitments, understandings, rights and obligations in connection with the Project as more fully described herein and to further provide for the implementation of the Project; and

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements herein exchanged, and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties hereto agree as follows:

## **ARTICLE I PURPOSE; LAND; DEFINITIONS; EXHIBITS**

**1.1. Land Affected.** The parties acknowledge that the Project will encompass and/or affect the following real property, all of which shall be within the boundaries of TID #18:

The Real Estate, described on **Exhibit A**, and certain public streets and rights-of-way serving the same.

**1.2. Purpose of the Agreement.** In order to cause the Project to occur and to induce Developer to undertake the Project, to promote community development, industry and job creation and to expand and enhance the tax base and stimulate residential activity within the City, the City intends to undertake certain project costs and public improvements, if any, necessary for the Project, all as set forth in this Agreement. The City intends to recover its costs through payments received under this Agreement including increased tax revenues generated by the Real Estate. The parties intend to enter into this Agreement to record the understandings and undertakings of the parties and to provide a framework within which the Project may proceed. Developer and the City plan to work together to undertake the Project on the Real Estate all as more fully described herein and in the Master Plan and as approved by the City Plan Commission.

**1.3. Certain Definitions.** In addition to the words and phrases elsewhere defined in this Agreement, the following words and phrases, when having an initial capital letter, shall have the following meanings:

- a. "Agreement" means this MSP – The Driftless Apartments Development Agreement by and between the City and the Developer, as amended and supplemented from time to time.
- b. "City" means the City of La Crosse, Wisconsin, a Wisconsin municipal corporation.
- c. "Construction Schedule" means the construction timetable set forth on **Exhibit F**.
- d. "Contribution" means the contribution or cash grant that is made through this Agreement to induce Developer to undertake the development and assist the Project and for which the Monetary Obligation is incurred.

- e. "Developer" means The Driftless Apartments, LLC, a Wisconsin limited liability company.
- f. "Master Plan" means the Master Plan for the Real Estate prepared by the Developer and approved by the City Plan Commission as well as all subsequent revisions thereto that are prepared by Developer and approved by the City Plan Commission.
- g. "Monetary Obligation" means a limited and conditional monetary obligation of the Tax Increment generated from the Project in a maximum aggregate amount of Four Million Two Hundred Thousand Dollars (\$4,200,000.00), that is incurred, in one or more installments, and that is payable over the time not to exceed the duration of the TID #18; more specifically:
  - (1) Calculation. Effective September 1, 2025, the City shall be obligated to pay a Contribution calculated as the Tax Increment resulting from an increase in real property tax base from the Project not to exceed the lesser of: (a) an aggregate Four Million Two Hundred Thousand Dollars (\$4,200,000.00), or (b) the actual Tax Increment resulting from an increase in the real property tax base from the Project for tax years 2024-2047 as further defined in Section 3.1 of this Agreement. The difference, if any, between the actual Tax Increment resulting from an increase in the real property tax base from the Project for any tax year for which a Contribution would be paid and the aggregate maximum Four Million Two Hundred Thousand Dollars (\$4,200,000.00), shall be retained by the City.
  - (2) Disbursement Date. After determining compliance with this Agreement and the actual applicable Tax Increment, the City shall make its Contribution of the Monetary Obligation annually on or before September 1 until payment of the maximum amounts defined herein or until closure of TID #18 by law, whichever occurs first.
  - (3) Conditions. The City's obligation to make Contributions on the Monetary Obligations is conditioned on:
    - (a) The determination by the City Assessor of compliance with the tax guarantee in Section 2.6(b) of this Agreement;
    - (b) The timely payment of taxes when due by Developer;
    - (c) Substantial Completion of the Project in accordance with the Master Plan, Project Cost Breakdown and Construction Schedule;
    - (d) Submission by Developer of verifiable costs, invoices, lien waivers, proof of financing costs and any other supporting documentation as requested by the Finance Director and Economic Development Commission. Said submissions shall be in form and content acceptable to the Finance Director and Economic Development Commission and demonstrate Substantial Completion and payments for costs for which reimbursement is being requested in accordance with Section 3.1 and the other provisions of this Agreement;

- (e) Continued compliance with the provisions of this Agreement by Developer and any other agreement between the Developer and City; and
  - (f) The use of the Contribution for eligible project costs under the Tax Incremental Law; and
  - (g) Continued compliance with any and all applicable federal, state and local laws, regulations and ordinances by Developer.
- (4) Example Exhibit. An example of the Monetary Obligation is attached as **Exhibit G**.
- (5) Not General Obligation. For purposes of the Tax Increment Law, this Agreement is an evidence of indebtedness; that is, it fully evidences the City's obligation to pay the Monetary Obligation. No negotiable instrument is being prepared to separately evidence the Monetary Obligation. The Monetary Obligation shall not, however, be included in the computation of the City's constitutional debt limitation, because the Monetary Obligation is limited and conditional, and no taxes have been or will be levied for its payment or pledged to its payment. Nothing in this Agreement shall be deemed to change the nature of the City's obligation from a limited and conditional obligation to a general obligation. No Tax Increments are pledged to the payment of the Monetary Obligation. In the event of an interpretation of this Agreement that would require the City's obligation to change from a limited and conditional obligation to that of a general obligation, then the City's Contribution and/or Monetary Obligation shall be subject to annual appropriation by the City Council.
- (6) No Acceleration. Notwithstanding any other provision of this Agreement, Developer has no right to accelerate the payment of the Monetary Obligation. The only remedy of Developer in the event of nonpayment shall be legal proceedings to collect the amount of the Monetary Obligation that is due and payable. Developer may only institute legal proceedings after filing a claim with the City and complying with any other applicable provisions of this Agreement.
- (7) Limitations. The City has no obligation to make payments of the Monetary Obligation in excess of the amount of the Tax Increments that have been collected, and allocated from the Project in TID #18 under the Tax Increment Law and the provisions of this Agreement. The City has no obligation to make payments of the Monetary Obligation if this Agreement terminates. In the event Developer fails to comply with any provision of this Agreement, the City may withhold any Contribution that is due and payable and may further seek the recovery of any Contribution that has already been paid or disbursed, which shall become immediately due and payable.
- h.** "Plans and Specifications" means the plans and specifications developed for the Project.

- i. "Project" means the development and improvement of the Real Estate by constructing 120 units of affordable / workforce housing on the Real Estate all as described in more detail on **Exhibit B** and in accordance with the Master Plan. Subject to the terms and conditions of this Agreement, uses for the Project shall be determined by zoning. The term, "Project," excludes personal property and land.
  - j. "Project Cost Breakdown" means the minimum construction costs of the Project and consists of the cost breakdown of construction and non-construction cost items (i.e., a line-item budget), clearly identifying development, construction, financing, contingency and all other direct and indirect costs of construction of the Project, all as described in more detail on **Exhibit E** and in accordance with the Master Plan.
  - k. "Public Improvements" means the public infrastructure improvements, if any, to be constructed by the City in connection with the Project, which are set forth on **Exhibit D**.
  - l. "Real Estate" means the real property described in **Exhibit A**.
  - m. "Signature Date" has the same meaning as provided in Section 8.22 of this Agreement.
  - n. "Substantial Completion" means the completion of the improvements to the Real Estate pursuant to the Plans and Specifications, (except for punch list items, exterior painting, and landscaping) and the issuance by the Project architect of a certificate of substantial completion and the issuance of a certificate of occupancy from the City. Subject to unavoidable delays beyond the control of the Developer, any such incomplete items shall be fully completed within a reasonable time after the date of Substantial Completion, but not to exceed ninety (90) days thereafter except site improvements such as landscaping shall be completed no later than two hundred forty (240) days after the date of Substantial Completion if weather or other conditions beyond the control of Developer prevent completion of the same.
  - o. "Tax Increment" means the tax increment or increase in real property taxes received by the City with respect to the Real Estate which is generated by TID #18.
  - p. "Tax Incremental Law" means Section 66.1105, Wis. Stats., as amended and superseded.
  - q. "TID #18" means the Tax Incremental Financing District Number 18 of the City of La Crosse.
  - r. "TID Project Plan" means the plan, created in accordance with the Tax Incremental Law, for the financial development or redevelopment of TID #18, including all approved amendments thereto.
- 1.4. **Exhibits.** The following exhibits are hereby attached to and incorporated into this Agreement:
- a. **Exhibit A.** Real Estate
  - b. **Exhibit B.** Description of Project
  - c. **Exhibit C.** Restrictive Covenant
  - d. **Exhibit D.** Description of Public Improvements

- e. **Exhibit E.** Project Cost Breakdown
- f. **Exhibit F.** Construction Schedule
- g. **Exhibit G.** Monetary Obligation Example

## ARTICLE II DEVELOPER OBLIGATIONS

2.1. **Acquire the Real Estate.** Prior to May 1, 2023, Developer shall acquire fee simple title to the Real Estate.

2.2. **Develop the Real Estate.** Developer agrees to develop and improve the Real Estate by undertaking the Project, all in accordance with the Master Plan, the Project Cost Breakdown and the Construction Schedule.

- a. **Site Preparation.** Developer shall prepare the Real Estate for construction of the Project, including, without limitation, any necessary demolition or other removal of improvements or preparation currently located on the Real Estate.
- b. **Construction Schedule.** Developer shall commence or cause other entities to commence construction on the Project, as described in **Exhibit B**, on or before May 1, 2023 with Substantial Completion on or before September 1, 2024, all in accordance with the Construction Schedule set forth on **Exhibit F**.
- c. **Guaranty of Minimum Construction Costs.** Developer agrees that the buildings and improvements associated with the Project shall have an aggregate minimum construction cost of not less than Twenty-Two, Eight Hundred Thousand Dollars (\$22,800,000). The Project Cost Breakdown is provided on **Exhibit E**.
- d. **Rights of Access.** Developer shall permit the representatives of the City to have access to the Project at all reasonable times during and following the construction when the City deems access necessary to ensure compliance with the terms and conditions of this Agreement including, but not limited to, access for inspection of all work being performed in connection with the Project as set forth in the Master Plan. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided in this Agreement.
- e. **Property for Public Streets and Public Improvements.** Developer shall dedicate and/or transfer or convey all public streets, public rights-of-way and all necessary public sewer and water utilities within the Real Estate, as depicted in the Master Plan, as finalized, to the City at no cost to the City.
- f. **Master Plan.** Prior to obtaining any building or other permits and/or commencing any construction or development on the Real Estate, Developer shall submit a Master Plan setting forth all the details of construction and development to the City Plan Commission for review and approval. Said Master Plan shall conform in all material respects to the provisions of this Agreement, all applicable federal, state and local laws, ordinances, rules and regulations and shall include preliminary and final building, site and operational Plans

and Specifications, including, without limitation: (1) building plans and specifications; (2) architectural plans, renderings and specifications; (3) building material plans and specifications; (4) preliminary and final site plans; (5) landscaping plans; (6) stormwater and erosion control plans; (7) lighting plans; (8) traffic and circulation plans for pedestrians, bicyclists, transit riders, truck and delivery vehicles, and automobiles; (9) signage plans and specifications; (10) water and sewer plans; and (11) any other preliminary or final plans, specifications or other requirements as determined by the City Planner. The City Planner may determine, in his sole and absolute discretion, whether one or more of the above requirements is applicable to the Project's Master Plan.

**2.3. Local Subcontractors.** It is agreed by Developer that Developer shall engage local subcontractors, workers as well as local suppliers for material. The term subcontractor is as defined in Section 66.0901(1)(d), Wis. Stat. The word, "local," shall mean that the subcontractors and suppliers of material have their principal place of business within the City of La Crosse or within a seventy-five (75) mile radius of the City of La Crosse, Wisconsin. The Developer further agrees to provide to the City Engineer a list of all subcontractors and it further agrees that eighty percent (80%) of all work performed by subcontractors for construction shall be performed by subcontractors located within the City or seventy-five (75) miles of the City of La Crosse. In determining whether the eighty percent (80%) threshold has been met, the parties shall measure based upon the dollar values of said work. If Developer does not meet this requirement, it may request a waiver from the City Engineer providing reasons for the request of the same. This Section does not apply to fixtures, furnishings and equipment.

**2.4. Compliance with Planning and Zoning; Use.** Developer, at its own expense, shall obtain all approvals, permits and licenses as may be required by any governmental or non-governmental entity in connection with the Project. Any conditions imposed on Developer to obtain any approval, permit or license must be acceptable to the City. Developer will not initiate, approve, consent to or participate in any change or modification of the zoning in effect for the Real Estate or any portion thereof, without the City's prior written consent. No property within the Real Estate shall be used for any use other than as set forth in the Master Plan and this Agreement and as approved by the City, including any conditions attendant with such approval, unless such use is further approved by the City under its normal zoning, review and approval procedures.

**2.5. Maintenance and Repair.** Developer agrees that at all times after construction of the Project, it will keep and maintain the Real Estate and the Project in good condition and repair.

**2.6. Taxes.** It is understood that the land, improvements and personal property resulting from the Project shall be subject to property taxes. Developer shall pay when due all federal, state and local taxes in connection with the Real Estate and all operating expenses in connection with the Real Estate and Project.

- a. Annual PILOT.** In the event that some or all of the Real Estate or personal property is or becomes exempt from general property taxes under Chapter 70, Wis. Stat., as amended or superseded, or by any other statute, provision or reason, then Developer shall make an annual payment to the City in lieu of taxes ("Annual PILOT") for the services, improvements or facilities furnished to the Real Estate by the City and other taxing jurisdictions. The amount of the Annual PILOT shall be computed and determined by the City Assessor by multiplying the fair market value (using tax assessment definitions, rules and procedures) of the tax-exempt portion of such property by the total tax rate of all taxing jurisdictions as shown on tax bills issued to taxpayers in the City. Developer or the then current owner of the tax-exempt property, its successors or assigns shall pay the Annual PILOT within sixty (60) days of receipt. Developer shall have the right to appeal the determination of the City Assessor to the City Council. Any appeal shall specifically state the reasons, in writing, why the amount due as provided by the City Assessor is in error. The parties agree that the Annual PILOT shall survive for a period of twenty (20) years or the life of the TID #18, whichever is longer. Notwithstanding, the Developer or its

successors shall not be responsible for any Annual PILOT resulting from the Real Estate or a portion thereof becoming tax exempt due to the use of eminent domain by the United States or some other governmental entity.

- b. **Guarantee.** As an additional inducement and in consideration for the City entering into this Agreement, Developer guarantees faithful performance and compliance with all the terms, covenants, conditions and obligations to be kept and performed by Developer contained in this Agreement, including, without limitation, the obligation that the Project shall have an assessed value of not less than Nine Million six Hundred Thousand Dollars (\$9,600,000.00) beginning in tax year 2025 and for a period of twenty (20) years or the life of TID #18, whichever is longer. Developer agrees that this minimum assessed value on the Project shall remain a lien on the Real Estate and shall run with the land for a period of twenty (20) years or the life of TID #18, whichever is longer.
- c. **Deficiency PILOT.** In the event the assessed value of the Project is less than Nine Million Six Hundred Thousand Dollars (\$9,600,000.00) as of January 1, 2025 or for any tax year thereafter for a period of twenty (20) years or the life of TID #18, whichever is longer, then the Developer or the then current owner, or its successors or assigns agrees to pay a Deficiency PILOT to the City within sixty (60) days of receipt. Said Deficiency PILOT shall be calculated by first determining the difference between the guaranteed assessed value of the Project as provided in Section 2.6(b) of this Agreement less the actual assessed value of the Project for the tax year at issue, and multiplying said difference by the total tax rate of all taxing jurisdictions as shown on tax bills issued to taxpayers in the City. This requirement shall be a lien running with the land for a period of twenty (20) years or the life of TID #18, whichever is longer.
- d. **Special Charge.** In the event there is a lack of compliance for payment of the Annual PILOT or Deficiency PILOT, then the City, in addition to any other remedy available at law or in equity, may levy a special charge or assessment under Section 66.0627, Wis. Stat., prior to any first mortgage lien on the property for the delinquent amount as calculated herein to enable the City to enforce performance of the Developer's obligations. The owners of the Real Estate and their successors and assigns further agree that they waive any objection to the City making said special charge or assessment; however, they still retain their right to object to the accuracy and amount of the special charge or assessment.

## 2.7. Transfer or Sale of Real Estate.

- a. **Notice of Intent to Transfer.** No property within the Real Estate may be sold, transferred, or otherwise conveyed unless the Developer first provides to the City written notice of intent to transfer the property at least forty-five (45) days before the sale, transfer or conveyance is to occur. This Section shall not apply to nor restrict a transfer to Developer's financing entity, e.g. placing a mortgage on the Real Estate nor a residential or commercial lease agreement for individual residential living units, individual commercial lease spaces, parking spaces and any single-family residence to be owned in fee title simple by the purchaser.
- b. **No Transfer to Exempt Entities.** No property within the Real Estate may be sold, transferred or conveyed to, or leased or owned by any entity or used in any manner which would render any part of the Real Estate exempt from property taxation, unless the purchaser, transferee, lessee or owner first executes a written agreement satisfactory to the Economic Development Commission, or its successor, providing for payments in lieu of taxes to the City.

- c. **Assignees and Transferees Bound by Agreement.** Any assignee or purchaser or transferee of any portion of the Real Estate shall be bound by the terms and conditions of this Agreement, which shall run with the land and be binding upon all such assignees, purchasers and transferees. The Developer shall not sell or transfer any portion of the Real Estate to any entity unless and until the Developer has provided the City with written evidence satisfactory to the Economic Development Commission, or its successor, that such assignee or entity has agreed in writing to be bound by the terms of this Agreement. Any such sale, transfer or conveyance of any portions of the Real Estate shall not relieve the Developer of its obligations hereunder.
- d. **Subdivision.** Property within the Real Estate shall not be further subdivided without approval of the City.
- e. **Restrictive Covenant.** Developer shall place a restrictive covenant on the Real Estate prohibiting the Real Estate from being exempt from property taxes in substantially the same form as **Exhibit C**. Likewise, Developer shall place a restrictive covenant on any condominium unit or townhome prohibiting it from being exempt from property taxes in substantially the same form as **Exhibit C**.

**2.8. Easements.** Developer shall grant the City or any public utility such easements as reasonably necessary for public improvements, infrastructure, ingress or egress, utilities, lighting or landscaping or any other need necessary to effectuate development of the Real Estate in accordance with the Master Plan at no cost to the City.

**2.9. Insurance.** For a period of twenty (20) years or the life of TID #18, whichever is longer, Developer shall maintain, and shall require that any purchasers or transferees of any portion of the Real Estate maintain, insurance in such amounts and against such risks both generally and specifically with respect to the Real Estate, as are customarily insured against in developments of like size, kind and character, including customary builders risk insurance during construction and customary casualty, property and liability insurance, with deductibles in accordance with reasonable industry practice. Notwithstanding, Developer shall carry casualty insurance for the Project at not less than the replacement value and further agrees and covenants to apply, and to require any purchasers or transferees of any portion of the Real Estate to apply, any and all insurance proceeds to rebuild the Project, maintain the Project and Real Estate and to name the City as an additional insured to the extent of this covenant provided in this Section. Developer shall provide to the City certificates of all such insurance. Any lender who holds a lien on the Project shall agree to these obligations to rebuild the Project.

**2.10. Indemnity.** Developer shall indemnify and hold harmless the City, its officers, employees and authorized representatives, ("Indemnified Party"), from and against any and all liabilities, including, without limitation, remediation required by any federal or state agency having jurisdiction, losses, damages, costs, and expenses, including reasonable attorney fees and costs, arising out of any third-party claims, causes of action, or demands made against or suffered by the Indemnified Party on account of this Agreement, unless such claims, causes of action, or demands: (a) relate to the Indemnified Party failing to perform its obligations to Developer; or (b) arise out of any willful misconduct of the Indemnified Party. At the Indemnified Party's request, Developer shall appear for and defend the Indemnified Party, at Developer's expense, in any action or proceeding to which the Indemnified Party may be made a party by reason of any of the foregoing.

**2.11. Utilities.**

- a. **Other Utilities.** Developer shall be responsible for, pay for and cause electrical power, telephone facilities, cable TV lines, and natural gas facilities to be installed in such a

manner as to make proper and adequate service available to each building in the Project, as described in the Master Plan. Plans indicating the proposed location of each such utility to service the Project shall be shown on the Master Plan and construction plans to be provided to the City Plan Commission for approval prior to the installation of the utility.

- b. **Water and Sewer.** Developer shall be solely responsible for and shall pay all costs of connecting water and sewer service from the public streets, alley, right of way, or other approved infrastructure to the buildings within the Real Estate.

**2.12. Restrictions.** Developer agrees to neither use nor allow a third-party to use the Real Estate for adult entertainment, pawnshops, mini-warehouses, car title loan business, payday lenders, tattoo parlors, and/or off-premise signs for a period of twenty (20) years or the life of TID #18, whichever is longer. "Payday lenders" and "car title loan business" shall exclude banks and credit unions. This shall be a deed restriction against the Real Estate and shall run with the land.

**2.13. Record Retention.** Developer understands and acknowledges that the City is subject to the Public Records Law of the State of Wisconsin. As such, Developer agrees to retain all records as defined by Wisconsin Statute § 19.32(2) applicable to this Agreement for a period of not less than seven (7) years. Likewise, Developer agrees to assist the City in complying with any public records request that it receives pertaining to this Agreement. Additionally, Developer agrees to indemnify and hold the City, its officers, employees and authorized representatives harmless for any liability, including without limitation, reasonable attorney fees relating to or in any way arising from Developer's actions or omissions which contribute to the Indemnified Party's inability to comply with the Public Records Law. In the event Developer decides not to retain its records for a period of seven (7) years, then it shall provide written notice to the City whereupon the City shall take custody of said records assuming such records are not already maintained by the City. This provision shall survive termination of this Agreement.

**2.14. Repair and/or Replacement of Infrastructure.** Developer shall repair and/or replace any damaged City infrastructure or other City property that may occur as a result of the Project, including, without limitation, sidewalks, landscaping, asphalt and light poles. Said repair and/or replacement shall be to the satisfaction of the Board of Public Works.

### **ARTICLE III CITY OBLIGATIONS**

**3.1. Project Assistance.** Developer has requested and the City may be required to make Contributions to Developer up to an aggregate maximum Four Million Two Hundred Thousand Dollars (\$4,200,000.00). More specifically,

- a. **Cash Grant Based on Improvements.** The Developer has requested a cash grant from TID #18 of up to an amount of Four Million Two Hundred Thousand Dollars (\$4,200,000.00), subject to change based on the provisions of this Agreement, with funds to be made available upon verification of the Tax Increment increase as defined herein. The City shall disburse its Contribution as required by its Monetary Obligation to Developer in accordance with this Agreement.
- b. **Illustrative Example.** An illustrative example of the payment of cash grants is attached as **Exhibit G**.

**3.2. Certificate of Completion.** Upon completion of the improvements by the Developer and review of the improvements by the City, the City shall provide the Developer, upon request, with an appropriate recordable

instrument certifying that the improvements have been made in accordance with this Agreement and the Master Plan, and any amendment or modifications thereto.

**3.3. Assistance with Zoning Changes.** If necessary, the City Planning Department shall initiate the process in accordance with the City's zoning code to attempt to provide appropriate zoning for the Real Property being developed by Developer so that the zoning for the Project is in accordance with the City's comprehensive plan for the area.

**3.4. City Performance Subject to Required Government Approvals.** The Developer acknowledges that various of the specific undertakings of the City described in this Article III may require approvals from the City Council (and other City bodies) and other public bodies, some of which approvals may require public hearings and other legal proceedings as conditions precedent thereto. The City's agreements under this Article III are conditioned upon the obtaining of all such approvals in the manner required by law. The City cannot assure that all such approvals will be obtained; however, it agrees to use good faith efforts to obtain them on a timely basis.

**3.5. Subsequent Phases.** Any subsequent development of the Real Estate will be addressed in a separate development agreement.

**3.6. Public Improvements.** Subject to annual appropriation, the City shall, at its sole cost and expense, construct the Public Improvements identified in **Exhibit D**.

#### **ARTICLE IV CONDITIONS PRECEDENT TO CITY OBLIGATIONS**

The City's obligations under this Agreement are conditioned upon the provisions contained herein. If all conditions contained in this Article are satisfied, or if the City waives in writing said conditions, on or before December 31, 2023, then the conditions shall be deemed satisfied. Otherwise, the City, at its option, in its absolute and sole discretion, may at any time thereafter terminate this Agreement by giving notice in writing thereof to Developer. In such event, this Agreement shall be terminated and no party shall have any further liability or obligation to the other hereunder. All submissions given by Developer to the City to satisfy the conditions contained in this Article must be satisfactory in form and content to the City.

**4.1. Existence.** Developer shall have provided a certified copy of Developer's formation documents and a good standing certificate issued by the appropriate governmental authority of the state of Developer's incorporation.

**4.2. Incumbency; Due Authorization.** Developer shall have provided a certificate of incumbency and resolutions, which resolutions shall provide that Developer has been duly authorized to enter into this Agreement and all other agreements, documents and contracts required to be executed in connection with the transactions which are the subject of this Agreement.

**4.3. No Violation or Default.** Developer shall not be in violation of any of its governing documents or other contracts. Developer shall not be in material default under the terms of any other agreement or instrument to which Developer is a party or an obligor. Developer shall be in material compliance with all provisions of this Agreement.

**4.4. Financing Commitment.** Developer shall obtain and provide to the City: (1) a written financial commitment from a conventional lender, (2) written construction contract to construct and finance the Project, (3) other written proof of financial resources to construct the Project, or (4) any combination thereof. Said documents shall demonstrate sufficient funds for the construction, furnishing, equipping and installation of the Project in an amount not less than twenty-two million, six hundred forty thousand Dollars (\$22,640,000). Said documents shall be acceptable in all respects to City, in the sole and absolute discretion of the Finance Director and Economic

Development Commission, or the Commission's successor. Developer shall have closed the loan, or be prepared to close the loan, which is the subject of the financing commitment and in connection therewith, Developer shall have provided copies of the documents to be executed in connection with the construction loan to the City.

**4.5. Plans and Specifications.** Developer shall have provided the Master Plan, which Master Plan must be acceptable in all respects to the City and shall have been approved by the City Plan Commission with input, if any, from the Board of Public Works.

**4.6. Survey.** Developer shall provide an ALTA survey of the Real Estate certified to the City by a Wisconsin registered land surveyor, showing the location of all improvements now prior to commencing construction and to be located thereon after said improvements are built pursuant to the Master Plan, all easements, pathways, exterior boundary lines, walkways, private and public streets, adjoining public streets and alleys, utilities, exits and entrances, all curbs, gutters, sidewalks, medians and lighting. The survey must show a state of facts acceptable to the Board of Public Works.

**4.7. Insurance.** Developer shall have delivered to the City certificates of all insurance required under this Agreement showing the City as a named insured. Said insurance shall not be cancelled, non-renewed nor have any material changes without providing thirty (30) days advanced written notice to the City.

**4.8. Amendment of TID #18 and TID Project Plan.** The amendment of TID #18 and TID Project Plan shall be approved by the appropriate governmental entities, if necessary.

**4.9. Financial Statements.** Developer shall present (but not leave a copy) to the City's Finance Director of the most recent audited financial statements prepared by a certified public accountant for Developer and any successors or assigns or transferees of Developer and each of the members of any of the foregoing and each member of the Board of Directors (or equivalent) of any of the foregoing. The financial statements must show a financial condition acceptable to the City, in the judgment of the City's Finance Director, to be sufficient to carry out the duties of this Agreement. The financial statements must be in form and content acceptable to the City, in the judgment of the City's Finance Director. In the event the financial statements are in unacceptable form and content, the City's Finance Director may identify alternative financial records for production by Developer.

**4.10. Acquisition of Real Estate.** The Developer shall have acquired fee simple title to the Real Estate no later than May 1, 2023 in accordance with Section 2.1 of this Agreement. If this condition is not met, then this Agreement shall terminate without further action of the City or Developer. Upon such termination of this Agreement, the parties shall have no further rights or obligation to the other hereunder

**4.11. Approvals and Permits.** The Developer shall at its expense have obtained all approvals and permits necessary to undertake the Project on the Real Estate, including but not limited to, site plan review, zoning approvals, and any other local, state or federal approvals or permits.

**4.12. Compliance with Law.** Developer shall comply in all material respects with any and all applicable federal, state and local laws, regulations and ordinances.

**4.13. Compliance with Agreements.** Developer shall be in compliance with this Agreement and all other agreements it may have with the City.

## **ARTICLE V CONDITIONS PRECEDENT TO DEVELOPER'S OBLIGATIONS**

Developer's obligations under this Agreement are conditioned upon the following:

**5.1. Acquisition of Real Estate.** No later than May 1, 2023, the Developer shall have acquired fee simple title to the Real Estate in accordance with Section 2.1 of this Agreement, and shall have secured all financing needed for Developer to carry out this Project. If this condition is not met, then this Agreement shall terminate without further action of the City or Developer. Upon such termination of this Agreement, the parties shall have no further rights or obligation to the other hereunder

**5.2. Amendment of TID #18 and TID Project Plan.** The amendment of TID #18 and TID Project Plan shall be approved by the appropriate governmental entities, if necessary.

## **ARTICLE VI REPRESENTATIONS, WARRANTIES AND COVENANTS**

Developer represents and warrants to and covenants with the City, and the City represents and warrants to and covenants with Developer as respectively follows:

**6.1. Financial Statements / No Material Change.** All copies of financial statements, documents, contracts and agreements which Developer has furnished to the City, or its agents are true and correct. There has been no material change in the business operations of Developer since the date of the last financial statement furnished to the City except pursuant to the conduct of its ordinary business.

**6.2. Taxes.** Developer has paid, and shall pay when due, all federal, state and local taxes, and shall promptly prepare and file returns for accrued taxes. If necessary, Developer shall pay when due all payments in lieu of taxes and special charges required under the terms of this Agreement.

**6.3. Compliance with Zoning.** Developer covenants that the Real Estate, upon completion of the Project, will conform and comply in all respects with applicable federal, state, local and other laws, rules, regulations and ordinance, including, without limitation, zoning and land division laws, building codes and environmental laws.

**6.4. Payment.** All work performed and/or materials furnished for the Project, other than the Public Improvements, shall be fully paid for by Developer.

**6.5. Certification of Facts.** No statement of fact by Developer contained in this Agreement and no statement of fact furnished or to be furnished by Developer to the City pursuant to this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained not misleading.

**6.6. Good Standing.** Developer is a limited liability company duly formed and validly existing and in good standing under the laws of the State of Wisconsin and has the power and all necessary licenses, permits and franchises to own its assets and properties and to carry on its business. Developer is duly licensed or qualified to do business and in good standing in the State of Wisconsin and all other jurisdictions in which failure to do so would have a material adverse effect on its business or financial condition.

**6.7. Due Authorization.** The execution, delivery and performance of this Agreement and all other agreements requested to be executed and delivered by Developer hereunder have been duly authorized by all necessary corporate action of Developer and constitute valid and binding obligations of Developer, in accordance with their terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium, general principles of equity, and other similar laws of general application affecting the enforceability of creditors' rights generally. The City represents and warrants to Developer that it has the power, authority and legal right to enter into all of the transactions and to perform all of the covenants and obligations required to be entered into or performed by City under this Agreement.

**6.8. No Conflict.** The execution, delivery, and performance of Developer's obligations pursuant to this Agreement will not violate or conflict with Developer's Articles of Organization or Operating Agreement or any indenture, instrument or material agreement by which Developer is bound, nor will the execution, delivery, or performance of Developer's obligations pursuant to this Agreement violate or conflict with any law applicable to Developer.

**6.9. No Litigation.** There is no litigation or proceeding pending or threatened against or affecting Developer or the Project or any guarantor that would adversely affect the Project, Developer or any guarantor or the priority or enforceability of this Agreement, the ability of Developer to complete the Project or the ability of Developer to perform its obligations under this Agreement.

**6.10. Certification of Costs.** Developer covenants the Project Cost Breakdown accurately reflects all costs of the Project (other than costs associated with the Public Improvements, if any) that will be incurred by Developer in the completion and construction of the Project, and the City shall be entitled to rely on the Project Cost Breakdown submitted by Developer. Developer knows of no circumstances presently existing or reasonably likely to occur which would or could result in a material adverse variation or deviation from the Project Cost Breakdown.

**6.11. No Default.** No default, or event which with the giving of notice or lapse of time or both would be a default, exists under this Agreement, and Developer is not in default (beyond any applicable period of grace) of any of its obligations under any other material agreement or instrument to which Developer is a party or an obligor.

**6.12. Fees and Commissions.** The City shall not be liable for any broker fees or commissions incurred by the Developer in connection with any transactions contemplated by this Agreement.

**6.13. Financing Accommodation.**

**a. No Assignment.** Developer, its successors, assigns and transferees will not transfer, assign, convey or encumber, nor will Developer, its successors, assigns or transferees agree to or permit the transfer, assignment, conveyance or encumbrance of the Project or any of the Real Estate except as provided in Sections 2.7 and 8.1 of this Agreement. The principals, shareholders, members, managers and/or partners of Developer, its successors, assigns and transferees will not transfer, assign, convey or encumber their respective interests in Developer, its successors, assigns or transferees, as the case may be, if such anticipated transfer, assignment, conveyance or encumbrance would result in the original members of the Developer having less than majority voting control of the Developer, without providing written notification thereof to the City at least forty-five (45) days prior to the date the proposed transfer, assignment, conveyance or encumbrance is to take effect. Any attempt to so act shall be void and have no effect.

**b. No Subordination.** The City shall not subordinate any interest it has in this Agreement for any reason, unless it is determined to be in the best interests of the City. Any requests for subordination shall be submitted, in writing, explaining why the request is in the best interests of the City. Said request shall be received by the City not less than forty-five (45) days prior to any City Council action on said request. Said subordination may only be approved by the City Council.

**c. Developer Financing.** Notwithstanding this Section 6.13, Developer may transfer, assign or encumber the Real Estate in order to secure financing for the acquisition of the Real Estate and/or for construction of the Project. Said lender may place a lien and/or mortgage on the Real Estate, including any renewals, extensions, replacements, modifications or refinancing. Lender's mortgage and/or loan may be transferred or assigned by lender in a secondary market without prior City Council approval. In the event

of a foreclosure against Developer by lender or a deed transfer in lieu of foreclosure, lender shall assume the duties, obligations and rights of Developer under this Agreement. In such a circumstance, lender may transfer or assign this Agreement and its accompanying duties, obligations and rights, to another developer without prior City Council approval. In any circumstance, lender shall provide reasonable notice to City of such actions. This Section shall survive any foreclosure proceeding.

**6.14. Commencement and Completion.** Developer shall commence and complete construction of the Project in accordance with Section 2.2 above.

**6.15. Compliance with Plans.** Developer will cause the Project to be constructed in accordance with the Master Plan and will promptly correct any defects in construction or deviations from the Master Plan.

**6.16. No Changes.** Developer shall not, without City's prior written consent: (i) consent to any amendments to any documents delivered to City pursuant to this Agreement; (ii) approve any changes in the Project or the Master Plan or permit any work to be done pursuant to any changes; (iii) modify or amend the Project Cost Breakdown.

**6.17. Inspection of Project.** Developer shall permit City, its inspectors and/or its construction consultant, at all reasonable times and at no cost: (a) to inspect the Project and all matters relating to the development thereof, and (b) on reasonable notice, to inspect all of Developer's books and records pertaining to the Project. City assumes no obligation to Developer for the sufficiency or adequacy of such inspections, it being acknowledged that such inspections are made for the sole and separate benefit of City. The fact that City may make such inspections shall in no way relieve Developer from its duty to independently ascertain that the construction of the Project and Developer's compliance with this Agreement is being completed in accordance with the approved Master Plan and the terms and conditions of this Agreement.

**6.18. Notification.** Developer shall:

- a. As soon as possible and in any event within five (5) business days after the occurrence of any default, notify City in writing of such default and set forth the details thereof and the action which is being taken or proposed to be taken by Developer with respect thereto.
- b. Promptly notify City of the commencement of any litigation or administrative proceeding that would cause any representation and warranty of Developer contained in this Agreement to be untrue.
- c. Notify City and provide copies, immediately upon receipt, of any notice, pleading, citation, indictment, complaint, order or decree from any federal, state or local government agency or regulatory body, asserting or alleging a circumstance or condition that requires or may require a financial contribution by Developer or any guarantor or an investigation, clean-up, removal, remedial action or other response by or on the part of Developer or any guarantor under any environmental laws, rules, regulations or ordinances or which seeks damages or civil, criminal or punitive penalties from or against Developer or any guarantor for an alleged violation of any environmental laws, rules, regulations or ordinances.

**6.19. Unrelated Activity.** It is the intention of Developer and City that the sole business of Developer shall be the construction, ownership and operation of the Project, and Developer shall take no action inconsistent with such intention, including without limitation the acquisition by Developer of real or personal property unrelated to the Project, investment by Developer in the assets or stock of any other person, joining by Developer with any other person in any partnership or joint venture, or the creation or incurring of indebtedness by Developer unrelated to the Project.

**6.20. No Indebtedness.** Except in the ordinary course of business and except for funds borrowed to provide the financing for the purchase of the Real Estate or the construction of the Project, Developer shall not incur, create, assume, permit to exist, guarantee, endorse or otherwise become directly or indirectly or contingently responsible or liable for any indebtedness. "Indebtedness" shall mean any liability or obligation of Developer: (a) for borrowed money or for the deferred purchase price of property or services (excluding trade obligations incurred in the ordinary course of business); (b) as lessee under leases that have been or should be capitalized according to generally accepted accounting principles; (c) evidenced by notes, bonds, debentures or similar obligations; (d) under any guaranty or endorsement (other than in connection with the deposit and collection of checks in the ordinary course of business), and other contingent obligations to purchase, provide funds for payment, supply funds to invest in any entity, or otherwise assure a creditor against loss; or (e) secured by any security interest or lien on assets of Developer, whether or not the obligations secured have been assumed by Developer.

**6.21. Correction of Defects.** Developer shall, upon demand of City (and City may rely on the advice of its inspector and shall not be liable for any errors in such advice), correct any material defect, structural or otherwise, in the Project or any departure from the Master Plan.

**6.22. Not for Speculation.** Developer represents and warrants that its acquisition of the Real Estate and its undertakings pursuant to this Agreement shall be for the sole and express purpose of the redevelopment of the Real Estate consistent with the Master Plan and the terms and conditions of this Agreement and are not for the speculation in land holdings.

## **ARTICLE VII DEFAULT**

### **7.1 Developer's Default.**

- a. Remedies.** In the event (i) any representation or warranty of Developer herein or in any agreement or certificate delivered pursuant hereto shall prove to have been false in any material respect when made or (ii) of Developer's default hereunder which is not cured within thirty (30) days after written notice thereof to Developer, the City shall have all rights and remedies available under law or equity with respect to said default. In addition, and without limitation, the City shall have the following specific rights and remedies:
- (1) With respect to matters that are capable of being corrected by the City, the City may at its option enter upon the Real Estate for the purpose of correcting the default and the City's reasonable costs in correcting same, plus interest at one and one-half percent (1.5%) per month, shall be paid by Developer to the City immediately upon demand;
  - (2) Injunctive relief;
  - (3) Action for specific performance;
  - (4) Action for money damages;
  - (5) Repayment by Developer of any incentives and damages via special assessment or special charge under Section 66.0627, Wis. Stat., prior to any first mortgage lien on the property. The owners of the Real Estate and their successors and assigns further agree that they waive any objection to the City making said special charge or assessment; however, they still retain their right to object to the accuracy of the amount of the special charge or assessment;

(6) Any other remedy in this Agreement.

- b. **Reimbursement.** Any amounts expended by the City in enforcing this Agreement and the obligations of Developer hereunder, including reasonable attorney's fees, and any amounts expended by the City in curing a default on behalf of Developer, together with interest at one and one-half percent (1.5%) per month, shall be paid by Developer to the City upon demand and shall constitute a lien against the Real Estate until such amounts are reimbursed or paid to the City, with such lien to be in the nature of a mortgage and enforceable pursuant to the procedures for foreclosure of a mortgage.
- c. **Remedies are Cumulative.** All remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.
- d. **Failure to Enforce Not a Waiver.** Failure of the City to enforce any provision contained herein shall not be deemed a waiver of the City's rights to enforce such provision or any other provision in the event of a subsequent default.

## 7.2 City's Default.

- a. **Remedies.** In the event of the City's default hereunder which is not cured within sixty (60) days after written notice thereof to the City, Developer shall have all rights and remedies available under law or equity with respect to said default. In addition, and without limitation, Developer shall have the following specific rights and remedies:
  - (1) Injunctive relief;
  - (2) Action for specific performance; and
  - (3) Action for money damages.
- b. **Remedies are Cumulative.** All remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.
- c. **Failure to Enforce Not a Waiver.** Failure of Developer to enforce any provision contained herein shall not be deemed a waiver of Developer's rights to enforce such provision or any other provision in the event of a subsequent default.

**7.3. Mediation of Disputes Required.** Unless the parties agree otherwise, prior to litigation and as a condition precedent to bringing litigation, any party deeming itself aggrieved under this Agreement shall be obligated to request nonbinding mediation of the dispute. Mediation shall proceed before a single mediator. The parties shall split the costs of mediation equally. In the event of impasse at mediation, the aggrieved party may then commence an action. However, the parties shall be bound to agree to alternative dispute resolution as ordered by the Court.

## ARTICLE VIII MISCELLANEOUS PROVISIONS

**8.1. Assignment.** Except as provided in Sections 2.7 and 6.13, Developer may not assign its rights or obligations under this Agreement without the prior written consent of the City. Developer shall provide not less than forty-five (45) days advance written notice of any intended assignment.

**8.2. Nondiscrimination.** In the performance of work under this Agreement, Developer agrees not to discriminate against any employee or applicant for employment nor shall the development or any portion thereof be sold to, leased or used by any party in any manner to permit discrimination or restriction on the basis of race, religion, marital status, age, color, sex, sexual orientation, physical condition, disability, national origin or ancestry and that the construction and operation of the Project shall be in compliance with all effective laws, ordinances and regulations relating to discrimination on any of the foregoing grounds.

**8.3. No Personal Liability.** Under no circumstances shall any trustee, officer, official, commissioner, director, member, partner or employee of the City, have any personal liability arising out of this Agreement, and no party shall seek or claim any such personal liability.

**8.4. Force Majeure.** No party shall be responsible to any other party for any resulting losses and it shall not be a default hereunder if the fulfillment of any of the terms of this Agreement is delayed or prevented by revolutions or other civil disorders, wars, acts of enemies, strikes, fires, floods, pandemic, acts of God, adverse weather conditions, legally required environmental remedial actions, industry-wide shortage of materials, or by any other cause not within the control of the party whose performance was interfered with, and which exercise of reasonable diligence, such party is unable to prevent, whether of the class of causes hereinabove enumerated or not, and the time for performance shall be extended by the period of delay occasioned by any such cause; provided however that any such event of Force Majeure shall not be the basis of a delay of more than ninety (90) days.

**8.5. Parties and Survival of Agreement.** Except as otherwise expressly provided herein, this Agreement is made solely for the benefit of the parties hereto and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations, warranties, and indemnifications contained herein shall survive the termination or expiration of this Agreement.

**8.6. Implementation Schedule and Time of the Essence.** All phases and schedules which are the subject of approvals, or as set forth herein, shall be governed by the principle that time is of the essence, and modification or deviation from such schedules shall occur only upon approval of the City. The Mayor, or in the Mayor's absence, the Council President, shall have the ability to postpone any deadline listed herein, up to a maximum ninety (90) days. The Economic Development Commission, or its successor, shall otherwise oversee the day-to-day operations of this Agreement.

**8.7. Notices.** Any notice, demand, certificate or other communication under this Agreement shall be given in writing and deemed effective: (a) when personally delivered; (b) three (3) days after deposit within the United States Postal Service, postage prepaid, certified, return receipt requested; or (c) one (1) business day after deposit with a nationally recognized overnight courier service, addressed by name and to the party or person intended as follows:

To the City:                      Attn: City Clerk  
   City of La Crosse  
   400 La Crosse Street  
   La Crosse, Wisconsin 54601

with a copy to:                      Attn: City Planner  
   City of La Crosse  
   400 La Crosse Street  
   La Crosse, Wisconsin 54601

To the Developer:                      Attn: Managing Member  
   The Driftless Apartments, LLC  
   150 East Gilman Street  
   Madison, WI 53703-1482

**8.8. Governing Law.** This Agreement shall be governed by the laws of the State of Wisconsin and shall be deemed to have been drafted through the combined efforts of parties of equal bargaining strength. Any action at law or in equity relating to this Agreement shall be instituted exclusively in the courts of the State of Wisconsin and venued in La Crosse County. Each party waives its right to change venue.

**8.9. Conflict of Interest.** Developer shall avoid all conflicts of interest or the appearance of a conflict of interest in the performance of this Agreement. Developer is familiar with the City's prohibition against the acceptance of any gift by a City officer or designated employee, which prohibition is found in Section 2-133 of the City of La Crosse Municipal Code. Developer agrees not to offer any City officer or designated employee any gift prohibited by said Code. The offer or giving of any prohibited gift shall constitute a material breach of this Agreement by Developer. In addition to any other remedies the City may have in law or equity, the City may immediately terminate this Agreement for such breach. No member, officer or employee of the City shall have any personal financial interest, direct or indirect, in this Agreement, nor shall any such member, officer or employee participate in any decision relating to this Agreement.

**8.10. Execution in Counterparts.** This Agreement may be executed in several counterparts, each which may be deemed an original, and all of such counterparts together shall constitute one and the same agreement.

**8.11. Disclaimer Relationships.** Developer acknowledges and agrees that nothing contained in this Agreement or any contract between Developer and the City or any act by the City or any third parties shall be deemed or construed by any of the parties or by third persons to create any relationship or third party beneficiary, principal or agent limited or general partnership or joint venture or of any association or relationship involving the City. It is understood and agreed that Developer, in the performance of the work and services of these Project shall not act as an agent or employee of the City and neither the Developer nor its officers, employees, agents, licensees, sublicensees, subcontractors shall obtain any rights to retirement benefits or the benefits which accrue to the City's employees and Developer hereby expressly waives any claim it may have to any such rights. Each party shall be responsible for its own separate debts, obligations and other liabilities.

**8.12. Severability.** Should any part, term, portion or provision of this Agreement or the application thereof to any person or circumstance be in conflict with any state or federal law or otherwise be rendered unenforceable, it shall be deemed severable and shall not affect the remaining provisions, provided that such remaining provisions can be construed in substance to continue to constitute the agreement that the parties intended to enter into in the first instance.

**8.13. Termination.** Except for Sections 2.10 (Indemnity), 2.6(a) (Annual PILOT), 2.7(e) (Restrictive Covenant), 2.13 (Record Retention) and 8.5 (Survival), which shall survive the termination of this Agreement, this Agreement and all obligations hereunder, shall terminate after twenty (20) years or the life of TID #18, whichever is longer. This Agreement may also be terminated as provided in Article IV (Conditions Precedent to City), Article V (Conditions Precedent to Developer Obligations) and Section 8.9 (Conflict of Interest) hereof.

**8.14. Memorandum of Agreement.** Promptly upon full execution of this Agreement and prior to the recording of any mortgage or other security instrument against any portion of the Real Estate, the Developer agrees that the City may record this Agreement, or a memorandum thereof, with the Register of Deeds for La Crosse County, Wisconsin. Any such memorandum shall be in form and substance reasonably acceptable to the City and the Developer.

**8.15. Covenants Running with Land.** All of the covenants, obligations and promises of Developer set forth herein shall be deemed to encumber the Development and run with the land described in **Exhibit A** and shall bind any successor, assignee or transferee of Developer until such time as this Agreement is terminated.

**8.16. Amendments.** No agreement or understanding changing, modifying or extending this Agreement shall be binding upon either party unless in writing, approved and executed by the City and Developer.

**8.17. Time Computation.** Any period of time described in this Agreement by reference to a number of days includes Saturdays, Sundays, and any state or national holidays. Any period of time described in this Agreement by reference to a number of business days does not include Saturdays, Sundays or any state or national holidays. If the date or last date to perform any act or to give any notices is a Saturday, Sunday or state or national holiday, that act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday, or state or national holiday.

**8.18. JURY TRIAL.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL ON ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING FROM OR OTHERWISE RELATED TO THIS AGREEMENT. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS GIVEN KNOWINGLY AND VOLUNTARILY BY THE PARTIES AND IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. EACH PARTY IS HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY THE OTHER PARTY.

**8.19. Construction.** This Contract shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument to be drafted. The headings, table of contents and captions contained in the Agreement are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Agreement. All terms and words used in this Agreement, whether singular or plural and regardless of the gender thereof, shall be deemed to include any other number and any other gender as the contest may require. In the event that any of the provisions, of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions or portions thereof shall not be affected.

**8.20. Incorporation of Proceedings and Exhibits.** All motions adopted, approvals granted, minutes documenting such motions and approvals, and plans and specifications submitted in conjunction with any and all approvals as granted by the City, including but not limited to adopted or approved plans or specifications on file with the City and further including but not limited to all exhibits as referenced herein, are incorporated by reference herein and are deemed to be the contractual obligation of Developer whether or not herein enumerated.

**8.21. Entire Agreement.** This writing including all Exhibits hereto, and the other documents and agreements referenced herein, constitute the entire Agreement between the parties with respect to the Project and all prior letters of intent or offers, if any, are hereby terminated. This Agreement, however, shall be deemed and read to include and incorporate such minutes, approvals, plans, and specifications, as referenced in this Agreement, and in the event of a conflict between this Agreement and any action of the City, granting approvals or conditions attendant with such approval, the specific action of the City shall be deemed controlling.

**8.22. Execution of Agreement.** Developer shall sign, execute and deliver this Agreement to the City on or before the close of regular City Hall business hours seven (7) days after its final adoption by the City, whichever occurs later. Developer's failure to sign, execute and cause this Agreement to be received by the City within said time period shall render the Agreement null and void, unless otherwise authorized by the City. After Developer has signed, executed and delivered the Agreement, the City shall sign and execute the Agreement. The final signature date of the City shall be the signature date of Agreement ("Signature Date").

\*\*\*

**IN WITNESS HEREOF**, the parties have executed and delivered this Agreement effective the date set forth next to the City's signature below.

Dated this \_\_\_\_ day of \_\_\_\_, 2023

Dated this \_\_\_\_ day of \_\_\_\_, 2023

**The Driftless Apartments, LLC**

**City of La Crosse**

\_\_\_\_\_  
Milo Pinkerton, Sole Owner/Member

\_\_\_\_\_  
Mitch Reynolds, Mayor

\_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
Nikki Elsen, City Clerk

Subscribed and sworn to before me this  
\_\_\_\_ day of \_\_\_\_, 2023.

Subscribed and sworn to before me this  
\_\_\_\_ day of \_\_\_\_, 2023.

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission: \_\_\_\_\_

This Document Was Drafted By:  
Stephen F. Matty, City Attorney  
City of La Crosse  
400 La Crosse Street  
La Crosse, Wisconsin 54601  
608.789.7511

## EXHIBIT A

Real Estate (legal description)

[attached]

## Exhibit B

### *The Driftless Apartments and Townhomes - Project Description*

The Driftless aims to serve the community by creating 120 units of affordable/workforce housing units for both seniors and individuals/families to serve a mix of age groups. This project would be the first development in the underutilized River Point District (specifically located at Zone D) that the City of La Crosse is targeting for redevelopment, helping to catalyze additional development in this area.

The design is modeled off a project we recently completed project in Wauwatosa, WI (River Parkway) which was awarded first place in the 2021 Senior Housing News Architecture and Design Awards for Affordable Housing. We further elevated the design working with the City to suit this location in the River Point District.

Along with increasing the tax base, this project will provide needed, quality, safe affordable housing, helping to enhance stability for lower income La Crosse area seniors and families. This underutilized site is also in a great location just north of Downtown with great access to transit and a grocery store right across the street.

As proposed, The Driftless is made up of five separate buildings. One building consists of four stories with 100 units of independent senior housing (age-restricted to 55+) above one story of structured parking. This independent senior building has a mix of one-bedroom and two-bedroom units. The remaining four two-story buildings consist of a total of 20 three-bedroom townhome style family units (non-age-restricted) with private entries and 12 structured parking spaces.

All 120 units will be affordable to residents at or below 80% County Median Income (CMI) and targeted toward such populations. Further, 24 of these units are set-aside as supportive service units at 30% CMI. We have a signed MOU with La Crosse County Veterans Service Commission and plan to reach out to Couleecap, Inc. as well to partner in providing supportive services and referrals for these 30% CMI units. Depending on the income level and unit size, net rental rates range from \$468/month to \$1,390/month.

- Common Amenities: onsite parking, community room, outdoor patio, on-site leasing office, storage, tot lot
- Unit Finishes: full-service kitchen with Energy Star stainless steel appliances, granite countertops, vinyl plank flooring throughout with carpet in the bedrooms, large windows, private unit patios, in-unit washer and dryer, in-unit internet provided at no cost to residents

## EXHIBIT C

### Restrictive Covenant

(Insert Legal Description)

Subject to the following Restrictive Covenant: Regardless of the owner, occupant, tenant or use of the Property, the real property (as defined in § 70.03, Wis. Stat.) shall remain subject to the general property tax pursuant to Chapter 70 of the Wisconsin Statutes for a minimum period commencing at the date of this deed and concluding December 31, 2043. No owner, occupant, or tenant of the Property shall apply for the real property to be exempt from taxation as provided in §70.11, Wis. Stat., for any tax year prior to tax year January 1, 2044.

This covenant shall run with the land and any future conveyance of the Property shall be subject to the covenant. The City of La Crosse may enforce this covenant using any available legal or equitable remedies permitted by the laws of Wisconsin, including injunctive relief, reasonable attorney's fees and the costs of enforcement of this covenant, including liquidated damages equal to the amount of real estate taxes for the duration of the restrictive covenant time period ending December 31, 2043 that the violator would have paid but for the granting of the tax exemption of the Property.

## EXHIBIT D

### Description of Public Improvements

None

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## **EXHIBIT E**

Project Cost Breakdown

[attached]

## Project Timeline – The Driftless Apartments

- Construction Bid Publishing: 03/2023
- Real Estate Closing: 04/2023
- Construction Start: 04/2023
- Construction 60% Complete: 12/2023
- Begin Lease-Up/Marketing: 02/2024
- Construction Completion: 08/2024
- Complete Lease-Up: 12/2024

## EXHIBIT G-1: MONETARY OBLIGATION EXAMPLE

### CASH GRANT SCHEDULE

#### MSP - The Driftless Apartments Development Agreement

Tax Year (Valuation Date)	Base	Guarantees		1/1/2026	1/1/2027	1/1/2028	1/1/2029
	1/1/2023	60%	100%				
Total Assessed Value (Value Increment) 1% Inflation		5,760,000	9,600,000	9,696,000	9,792,960	9,890,890	9,989,798
Mill Rate	0.01958	0.01958	0.01958	0.01958	0.01958	0.01958	0.01958
Tax Increment		112,781	187,968	189,848	191,746	193,664	195,600
<i>Cash Grants</i>							
City's Proration (15% per policy)		16,917	28,195	28,477	28,762	29,050	29,340
City's Allocation of Tax Increment		16,917	28,195	28,477	28,762	29,050	29,340
City's Cumulative Allocation		16,917	45,112	73,589	102,351	131,401	160,741
<i>Developer's Cash Grants</i>							
Developer's Proration (85% per policy)		95,864	159,773	161,371	162,984	164,614	166,260
Developer's Cash Grants		95,864	159,773	161,371	162,984	164,614	166,260
Developer's Cumulative Cash Grants (\$4,200,000 Max.)		95,864	255,636	417,007	579,991	744,605	910,866
Payment Date		9/1/2025	9/1/2025	9/1/2025	9/1/2026	9/1/2027	9/1/2028

NOTE 1: Assumes 1% appreciation

NOTE 2: Assumes base value of property is zero.

2/16/2023

1/1/2030	1/1/2031	1/1/2032	1/1/2033	1/1/2034	1/1/2035	1/1/2036	1/1/2037	1/1/2038	1/1/2039	1/1/2040
10,089,696	10,190,593	10,292,499	10,395,424	10,499,379	10,604,372	10,710,416	10,817,520	10,925,695	11,034,952	11,145,302
0.01958	0.01958	0.01958	0.01958	0.01958	0.01958	0.01958	0.01958	0.01958	0.01958	0.01958
197,556	199,532	201,527	203,542	205,578	207,634	209,710	211,807	213,925	216,064	218,225
29,633	29,930	30,229	30,531	30,837	31,145	31,456	31,771	32,089	32,410	32,734
29,633	29,930	30,229	30,531	30,837	31,145	31,456	31,771	32,089	32,410	32,734
190,374	220,304	250,533	281,065	311,901	343,046	374,503	406,274	438,363	470,772	503,506
167,923	169,602	171,298	173,011	174,741	176,489	178,253	180,036	181,836	183,655	185,491
167,923	169,602	171,298	173,011	174,741	176,489	178,253	180,036	181,836	183,655	185,491
1,078,788	1,248,390	1,419,688	1,592,700	1,767,441	1,943,929	2,122,183	2,302,219	2,484,055	2,667,710	2,853,201
9/1/2029	9/1/2030	9/1/2031	9/1/2032	9/1/2033	9/1/2034	9/1/2035	9/1/2036	9/1/2037	9/1/2038	9/1/2039

1/1/2041	1/1/2042	1/1/2043	1/1/2044	1/1/2045	1/1/2046	1/1/2047
11,256,755	11,369,323	11,483,016	11,597,846	11,713,824	11,830,963	11,949,272
0.01958	0.01958	0.01958	0.01958	0.01958	0.01958	0.01958
220,407	222,611	224,837	227,086	229,357	231,650	233,967
33,061	33,392	33,726	34,063	34,404	34,748	35,095
33,061	33,392	33,726	34,063	34,404	34,748	35,095
536,567	569,959	603,684	637,747	672,151	706,898	741,993
187,346	189,220	191,112	193,023	194,953	196,903	198,872
187,346	189,220	191,112	193,023	194,953	196,903	198,872
3,040,547	3,229,767	3,420,879	3,613,902	3,808,855	4,005,757	4,204,629
9/1/2040	9/1/2041	9/1/2042	9/1/2043	9/1/2044	9/1/2045	9/1/2046



# **CITY OF LA CROSSE**

**400 La Crosse Street  
La Crosse, Wisconsin 54601  
(608) 789-CITY  
[www.cityoflacrosse.org](http://www.cityoflacrosse.org)**

## LEGISLATION STAFF REPORT FOR COUNCIL

File ID            Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0159

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**Agenda Date:** 3/2/2023

**Version:** 1

**Status:** New Business

**In Control:** Finance & Personnel Committee

**File Type:** Resolution

**Agenda Number:**

Resolution authorizing 2023 Action Plan and funding allocation in connection with CDBG and HOME programs.

## RESOLUTION

WHEREAS, the 2020-2024 Consolidated Plan for the City of La Crosse is a five-year planning document that assesses community development needs that impact low-income persons and the Year 4 (2023) Action Plan is used for addressing priority needs referenced in the Strategic Plan; and

WHEREAS, the City is required to approve the 2023 Action Plan, which includes an application under the Community Development Block Grant (CDBG) and HOME Investment Partnerships Entitlement Programs for federal funding, as a prerequisite to the Department of Housing and Urban Development (HUD) funding of the CDBG Grant and HOME Formula Grant Programs; and

WHEREAS, the 2020-2024 Consolidated Plan and 2023 Action Plan is the basis upon which HUD approves or disapproves the allocation of formula grant programs; and

WHEREAS, the 2023 Action Plan of the 2020-2024 Consolidated Plan identifies uses and awards amounts of the 2023 CDBG and HOME Investment Partnerships Entitlement funds; and

WHEREAS, the City desires to commit program income to specific activities that generate such income; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF LA CROSSE, that the 2023 Action Plan is hereby approved.

BE IT FURTHER RESOLVED that income generated by CDBG & HOME Program activities is dedicated to the continuation of those activities.

BE IT FURTHER RESOLVED that the Mayor is designated as the authorized representative of the City of La Crosse to act in connection with the Consolidated Plan and to provide such additional information as may be required.

BE IT FURTHER RESOLVED that the Mayor is authorized to execute any documents which are necessary for the implementation of activities funded under the Action Plan and Consolidated Plan.

BE IT FURTHER RESOLVED that the City of La Crosse continues to be a Participating Jurisdiction (PJ) in the HOME Investment Partnerships Entitlement Program.

BE IT FURTHER RESOLVED that should the anticipated 2023 Community Development Block Grant Program (\$859,504) entitlement funding level be changed by the Federal Government, that the resulting increase or decrease of 2023 CDBG Entitlement Funds shall be applied to City of La Crosse Housing programs.

BE IT FURTHER RESOLVED that should the anticipated 2023 HOME Program (\$339,663) entitlement funding level be changed by the Federal Government, the increase or decrease in funding shall be applied to the City of La Crosse Replacement Housing Project.

BE IT FURTHER RESOLVED, that City staff is hereby authorized to take any and all steps necessary to effectuate this resolution.



## Executive Summary

### AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

#### 1. Introduction

The City of La Crosse (the City) anticipates expending nearly \$1.2 million in HUD Community Development Block Grant and HOME Investment Partnership (CDBG/HOME) resources this year to address housing and community needs in La Crosse. These investments are estimated to leverage over \$8 million in other sources of funding, resulting that every \$1 spent in CDBG will leverage \$6.78. In addition, the city will also be focusing on partnering with developers to develop multi-family housing. La Crosse continues to have a large homeless population and the number one barrier is housing availability. The city plans to leverage it's CDBG and HOME-ARP funding to increase the number of affordable rental units within the city.

In year four of the City's Consolidated Plans, the City of La Crosse will continue to prioritize and fund:

1. Neighborhood revitalization through acquisition and demolition of blighted structures, improving housing structures, in-fill ownership housing, and code enforcement.
2. Creation of Affordable housing through the development of mixed income, mixed use rental housing focused on meeting the needs of low-income families, ending homelessness, and housing for persons with disabilities.
3. Support businesses that create economic opportunity for LMI persons and in LMI neighborhoods.

## 2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

See goals below.

5-YEAR GOALS	5-YEAR NRSA OUTCOMES	NRSA 2021 Goal
<b>Housing Quality and Affordability</b>		
1. Increase safety and maintenance of homes through code enforcement	2000 housing units make repairs as a result of code enforcement	500
2. Repair aging housing infrastructure, both rental and owner-occupied.	25 units of homeowner housing are improved to meet Housing Quality Standards.	5
	25 units of rental housing are improved to meet HQS standards.	
3. Address lead-based paint hazards in homes with children.	10 rental units pass a lead clearance test.	5
4 Build mixed-income, affordable multi-family rental housing, with set-aside units for formerly homeless individuals.	50 units of affordable rental housing built or significantly rehabbed (priority 50% CMI)	25
	35 long-term units for persons transitioning out of homelessness added (30% AMI units).	
<b>Neighborhood Capital Improvements</b>		
5. Rebuild public infrastructure to improve livability and attractiveness of Neighborhood Strategy Areas for families.	Hamilton Elementary School completes capital improvements to enhance learning for its low-income students and surrounding neighborhood.	1
<b>Community Economic Development</b>		
6. Support businesses that create economic opportunity in LMI neighborhoods, with an emphasis on food access.	50 businesses receive technical assistance or financial assistance for start-up or expansion. 100 jobs created as a result. Launch public food market.	30/10

### Neighborhood Revitalization Strategy Area (NRSA) Goals

## 3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The city of La Crosse completed 3 housing replacement homes this year in partnership with Western Technical College and Central High School. These properties were sold in late 2022 and early 2023. The housing rehab program is continuing to operate within the city in conjunction with a Lead Safe Homes program from the Wisconsin Department of Health Services. The City has been utilizing the lead program as much as possible because these funds are structured as a grant to eligible property owners. Contractor capacity continues to be a challenge which has reduced the number of projects the city could complete. Finally, the city had anticipated 4 multi-family opportunities to come to fruition in PY22. Unfortunately, none of them did timely. There has been a delay in projects due to supply chain, available contractors and interest rate increases that have impacted project costs significantly. Developers have had to stop plans and re-evaluate projects for financial feasibility and this has caused a delay.

#### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

On February 1, 2023, the City noticed in the newspaper the availability of the City's annual action plan for comment. The comment period runs from February 1, 2023 thru March 6, 2023. The legal ad also notified the public that a public hearing would take place on February 22, 2023 at the Community and Economic Development Committee. A twenty-two-day notice was given for the public hearings. It also informed the public that they could comment on the plan. The public was given 33 days to comment on the Action Plan.



**Public Services Partners**

**5. Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

**6. Summary of comments or views not accepted and the reasons for not accepting them**

**7. Summary**

The City of La Crosse continues to maintain focus on achieving the goals outlined in its Consolidated Plan. See charts above.

**PR-05 Lead & Responsible Agencies – 91.200(b)**

**1. Agency/entity responsible for preparing/administering the Consolidated Plan**

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	LA CROSSE	Planning and Development Department
HOME Administrator	LA CROSSE	Planning and Development Department

**Table 1 – Responsible Agencies**

**Narrative (optional)**

The City of La Crosse was the lead agency that prepared this Action Plan.

**Consolidated Plan Public Contact Information**

For questions or comments about the Annual Action Plan, please contact Diane McGinnis Casey, Community Development Administrator, [mcginniscaseyd@cityoflacrosse.org](mailto:mcginniscaseyd@cityoflacrosse.org) or 608-789-7362.

## **AP-10 Consultation – 91.100, 91.200(b), 91.215(I)**

### **1. Introduction**

On February 1, 2023, the City noticed in the newspaper the availability of the City's annual action plan for comment. The comment period runs from February 1, 2023 thru March 6, 2023. The legal ad also notified the public that a public hearing would take place on February 22, 2023 at the Community and Economic Development Committee. A twenty-two-day notice was given for the public hearings. It also informed the public that they could comment on the plan. The public was given 33 days to comment on the Action Plan.

### **Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))**

The City of La Crosse works with a variety of agencies to coordinate public and assisted housing providers, and others. The City serves as a member of the La Crosse Collaborative to End Homelessness which seeks to coordinate these efforts.

### **Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

The City coordinates with the Continuum of Care through its participation in the Coulee Collaborative to End Homelessness.

### **Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

N/A, the City does not receive ESG funds.

### **2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities**

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	COULEECAP INC
	<b>Agency/Group/Organization Type</b>	Services-homeless Service-Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Agency applied for public service funding to specifically address permanent supportive housing in our community. There is a need for additional permanent supportive housing to ensure wrap around services meet needs to keep households housed.
2	<b>Agency/Group/Organization</b>	NEW HORIZONS
	<b>Agency/Group/Organization Type</b>	Services-Victims of Domestic Violence Services-homeless Services - Victims
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	New Horizons is the homeless shelter provider in the community that specifically targets domestic violence survivors. There is a great need for these services in our community.
3	<b>Agency/Group/Organization</b>	FAMILY AND CHILDREN'S CENTER
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-homeless

	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City of La Crosse staff met with Independent Living Resources to discuss closer coordination with police for homeless outreach and also discuss community needs.
4	<b>Agency/Group/Organization</b>	La Crosse County
	<b>Agency/Group/Organization Type</b>	Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Anti-poverty Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City of La Crosse staff met with the La Crosse Area Family Collaborative to discuss homeless prevention, public housing, and how to help low-income families in La Crosse.
5	<b>Agency/Group/Organization</b>	La Crosse Public Housing Authority
	<b>Agency/Group/Organization Type</b>	PHA
	<b>What section of the Plan was addressed by Consultation?</b>	Public Housing Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Staff met with the Executive Director of La Crosse Public Housing Authority and also spoke with residents living in public housing.

**Identify any Agency Types not consulted and provide rationale for not consulting**

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Couleecap	Our goals coincide with addressing homelessness and creating more affordable housing.

**Table 3 – Other local / regional / federal planning efforts**

**Narrative (optional)**

**AP-12 Participation – 91.105, 91.200(c)**

**1. Summary of citizen participation process/Efforts made to broaden citizen participation  
Summarize citizen participation process and how it impacted goal-setting**

The City of La Crosse used an intensive Citizen Participation process to identify its goals for its Consolidated Plan. Citizens overwhelmingly wanted to see the city to continue its efforts to stabilize neighborhoods through investment in housing- especially affordable housing. The public participation process also had active participation from homeless advocates and social workers. They both noted the need for affordable rental housing and code enforcement.

**Citizen Participation Outreach**

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
0	Newspaper Ad	Residents of Public and Assisted Housing	La Crosse Tribune			
1	Public Hearing	Non-targeted/broad community				

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
2	Public Hearing	Non-targeted/broad community	On February 22, 2023 a public hearing will be held at 3p.m during the Economic and Community Development Commission meeting.			

**Table 4 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

The City anticipates a balance in revolving loan and carry over funds. Two housing development projects did not come to fruition in PY 22. They are both anticipated for PY 23.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	859,504	475,000	541,000	1,875,504	1,730,000	The City of La Crosse shall set aside 20% of its receipted program income funds for Administration and Planning and then receipt the balance of funds to the respective revolving loans.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	339,663	350,000	50,950	740,613	0	The City of La Crosse will expend the Program Income as it is received on its Replacement Housing Program.

Table 5 - Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

The City of La Crosse anticipated leveraging CDBG/HOME funds with approximately \$8.3 million on local funds, private donors, Continuum of Care Funding, city funding, loans and state resources. The City will continue its history of matching nearly \$6.76 for every \$1 of CDBG investment. One advantage for the City of La Crosse looking at the next five years is the energy and commitment to affordable housing and neighborhood revitalization from all public agencies (county, city, council and boards), the private sector, and non-profit organizations. The City has committed \$1.7 million in TIF funds towards neighborhoods and just over \$1 million in American Rescue Plan Act funds. In addition, the City of La Crosse has also received a grant from the State of Wisconsin for Lead Abatement. HOME Match requirements will be satisfied through

donated time and labor from our technical college partner who builds homes. In 2021, HOME match exceeded \$90,000 of donated labor hours. Additionally, the City's strategy of leverage CDBG/HOME funds with housing tax credits has been very successful.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The City of La Crosse is looking at under-utilized land and considering options for new affordable housing development.

**Discussion**

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator

Table 6 – Goals Summary

#### Goal Descriptions

<b>1</b>	<b>Goal Name</b>	Repair aging housing infrastructure
	<b>Goal Description</b>	These funds will be used to fund the City's Housing Rehabilitation Loan Program. In addition, the City will leverage these funds to bring up to 8 units of housing in lead-safe home compliance. It is expected that about 30% of the Housing Rehabilitation Loans will be for homes in a NRSA.
<b>2</b>	<b>Goal Name</b>	Replace or rehab dilapidated housing structures
	<b>Goal Description</b>	Increase the number of quality and affordable owner-occupied homes in target neighborhoods. This will be accomplished through single-family owner-occupied development by Couleecap and the City of La Crosse.
<b>3</b>	<b>Goal Name</b>	Increase affordable housing
	<b>Goal Description</b>	Build mixed-income, affordable, multi-family housing, with set-aside units for homeless individuals

4	<b>Goal Name</b>	Increase economic opportunities
	<b>Goal Description</b>	In addition to the CDBG Entitlement indicated below, the City will also undertake activities related to supporting Women and Minority-Owned Business previously described in its 2020 Action Plan. The activities will principally benefit low-and-moderate income families.
5	<b>Goal Name</b>	Prevent and end homelessness
	<b>Goal Description</b>	
6	<b>Goal Name</b>	Alleviate poverty and increase self-reliance.
	<b>Goal Description</b>	
7	<b>Goal Name</b>	Administer CDBG/HOME Program
	<b>Goal Description</b>	

# Projects

## AP-35 Projects – 91.220(d)

### Introduction

The projects listed below are aimed at achieving the City's Consolidated Plan goals

### Projects

#	Project Name
1	Housing Rehabilitation
2	Replacement Housing
3	Affordable Multi-Family Housing
4	Micro-Entrepreneurship Assistance
5	Homeless Assistance
6	Poverty Alleviation
7	Administration and Planning
8	2022 La Crosse CHDO

Table 7 - Project Information

### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities were based on priorities identified in the Consolidate Plan. A lack of resources and high needs of the homeless population are obstacles to addressing underserved needs.

## AP-38 Project Summary

### Project Summary Information

Project Summary Information					
No.	Project	Goals Supported	Geographic Areas	Needs Addressed	Funding
1	Housing Rehabilitation	Repair aging housing infrastructure	City-Wide Area - Other	Improve housing quality	CDBG : \$267,850
	Description	10 units of homeowner housing rehabbed to meet housing quality standards (HQS). 8 units of housing will be improved to pass lead safety standards.			
	Target Date for Completion	03/31/2024			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	10 units of homeowner housing rehabbed to meet housing quality standards (HQS).8 units of housing will be improved to pass lead safety standards.			
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)	Citywide			
	Planned Activities (additional	Housing Rehabilitation			

<p>information for this discussion may be available on the AP-36 Project Detail screen)</p>				
<p>Replacement Housing</p>	<p>Increase affordable housing Replace or rehab dilapidated housing structures</p>	<p>City-Wide Area - Other Southside Neighborhood Revitalization Strategy Area - Strategy area</p>	<p>Improve housing quality</p>	<p>CDBG : \$150,000 HOME : \$569,747</p>
<p>Description</p>	<p>Two homes will be built in partnership with Western Technical College. One house will utilize a current vacant lot in the city. The second will be a dilapidated home that will be acquired, demolished and replaced with new affordable housing.</p>			
<p>Target Date for Completion</p>	<p>03/31/2024</p>			
<p>Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>	<p>2 Low-Moderate income households</p>			
<p>Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>	<p>The city will target properties in the NRSA</p>			

2

Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
Affordable Multi-Family Housing	Increase affordable housing	Southside Neighborhood Revitalization Strategy Area - Strategy area	Affordable Rental Housing (In-fill or rehab)	CDBG : \$849,679
Description	The City has awarded funding to two (2) multi family affordable housing projects. One is located in the River Point District. It has been awarded Low Income Housing Tax Credits in 2021 and should begin construction in calendar year 2023. The second applied for Low Income Housing Tax Credits this year and awards will be made in the summer of 2023. These two projects will add 182 units to the community with the majority targeted to LMI households.			
Target Date for Completion	03/31/2024			
Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	185 units added, of which the majority are for LMI households.			
Location Description (additional information for this discussion may be available on the AP-36				

3

Project Detail screen)				
Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
4 Micro Enterprise Technical Assistance	Increase economic opportunities	City-Wide Area - Other	Economic Development: Food Access and Child Care	CDBG : \$166,075
Description	Funds to operate programs at Wisconsin Women's Business Initiative and Couleecap to provide technical assistance and business loans/grants to businesses that are majority LMI micro-enterprises or have 51% or more of employees that are LMI.			
Target Date for Completion				
Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	62 businesses will be assisted, of which 51% will be LMI.			
Location Description (additional information for this discussion may be available on the AP-36				

	Project Detail screen)			
	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)			
	Homeless Assistance	Prevent and end homelessness	City-Wide Area - Other	Poverty Alleviation
				CDBG : \$25,000
	Description	Grants provided to homeless agencies to operate programs that provide emergency shelter, homelessness prevention, and homeless services. Services for victims of domestic violence, dating violence, sexual assault, or stalking.		
	Target Date for Completion	03/31/2024		
5	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	75 households		
	Location Description (additional information for this discussion may be available on the AP-36			

Project Detail screen)				
Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
Poverty Alleviation	Alleviate poverty and increase self-reliance.	City-Wide Area - Other	Poverty Alleviation	CDBG : \$150,000
Description	This project will fund the Family Advocacy Program (Family and Children's Center), Couleecap Supportive Housing program, La Crosse County Schuh-Mullen Project and Cia Siab's Hmoob Family Housing Program.			
Target Date for Completion	03/31/2024			
6 Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	700 households			
Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)				

<p>Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>	<p>This project will fund the Family Advocacy Program (Family and Children's Center), Couleecap Supportive Housing program, La Crosse County Schuh-Mullen Project and Cia Siab's Hmoob Family Housing Program.</p>				
<p>7</p>	<p>Administration and Planning</p>	<p>Administer CDBG/HOME Program</p>	<p>City-Wide Area - Other</p>	<p>Affordable Rental Housing (In-fill or rehab) Economic Development: Food Access and Child Care Housing and Neighborhood Plans Improve housing quality Poverty Alleviation Storm water Management, Flood Plain Issues Public Infrastructure (lighting, schools, parks)</p>	<p>CDBG : \$266,900 HOME : \$68,966</p>
	<p>Description</p>	<p>These funds will support a City-wide housing study, A&amp;E studies, and administer the CDBG and HOME programs.</p>			
	<p>Target Date for Completion</p>	<p>03/31/2024</p>			
	<p>Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>				

Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)				
Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
2023 La Crosse CHDO	Repair aging housing infrastructure Replace or rehab dilapidated housing structures	City-Wide Area - Other	Improve housing quality	HOME : \$101,900
Description	HOME CHDO project			
Target Date for Completion	03/31/2024			
8 Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
Location Description				

<p>(additional information for this discussion may be available on the AP-36 Project Detail screen)</p>	
<p>Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>	<p>CHDO project</p>

## **AP-50 Geographic Distribution – 91.220(f)**

### **Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

The City of La Crosse will concentrate its effort in Census Tract 4, 9, and 2. These areas are known locally as Washburn, Powell Poage Hamilton, and Lower Northside Neighborhoods. These areas are of the greatest priority for the City.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
City-Wide Area	41
Northside Neighborhood Revitalization Strategy Area	41
Southside Neighborhood Revitalization Strategy Area	18

**Table 8 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

Research demonstrates that concentrating resources in smaller areas creates the largest impact on home values and neighborhoods. Additionally, the NRSA areas represent the City's areas of greatest need and potential to impact low-moderate income households.

### **Discussion**

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

The goals are also listed under the goals section of the Consolidated Plan.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	75
Non-Homeless	700
Special-Needs	0
Total	775

**Table 9 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	182
The Production of New Units	3
Rehab of Existing Units	10
Acquisition of Existing Units	0
Total	195

**Table 10 - One Year Goals for Affordable Housing by Support Type**

#### Discussion

Assistance will be provided to households through the construction of new affordable housing, housing rehabilitation programs, and code enforcement.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The City of La Crosse continues to improve its level of collaboration with the public housing authority but does not directly fund their projects. The City will collaborate with the Housing Authority on advancing the analysis of impediments to fair housing, working with landlords, and addressing homelessness.

### **Actions planned during the next year to address the needs to public housing**

The City of La Crosse will continue to collaborate with the public housing authority. While the city does not directly fund any projects specifically, we will continue to work together to identify needs and options to address those needs.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

No action being undertaken.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

N/A

### **Discussion**

The City of La Crosse's relationship with the City of La Crosse Housing Authority has significantly improved.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

The City of La Crosse, in addition to the actions listed below, coordinates with the Continuum of Care which is led by the La Crosse Collaborative to End Homelessness and CouleeCap.

- The YWCA Ruth House will help women transition into a drug-free independent lifestyle by providing them transitional housing services.
- Couleecap will operate a Permanent Housing Program which will provide case management and housing for homeless persons.
- In 2021 the REACH center opened. This center includes multiple service providers in one location to better serve our homeless population.
- The City is also using ARPA funds to address critical needs for this population including ensuring additional shelter space is made available during extreme cold weather.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The City of La Crosse continues to partner with the non- profit agencies working to address this need. In 2021, the city hired a Homeless Service Coordinator to help improve the coordination between all groups working to address this critical need. The City has also allocated \$1.5 Million towards eliminating homelessness in our community.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The city works with multiple homelessness providers. The need for more affordable housing and specifically housing designed for households exiting homelessness has been identified. The city is targeting our HOME ARP funds to help construct additional units as well as supportive services to ensure those that are placed in housing have the supports necessary for success.

The city created a Housing Affordable Revolving Loan fund with a TIF closure. We have been utilizing our CDBG funds in conjunction with this program to leverage our resources to build additional affordable housing in our community.

#### **Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals**

**and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The City of La Crosse will support the Couleecap program to transition individuals to permanent supportive housing (75 people served).

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

The City of La Crosse will be issuing an RFP to address households at greatest risk of becoming homeless with our HOME ARP funds. In addition, the city works very closely with the county to support efforts to connect households to public benefits.

**Discussion**

## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction:**

The City of La Crosse will continue its strong efforts to support affordable housing opportunities in the region, continue to de-concentrate pockets of poverty and create mixed-income neighborhoods, promote home ownership for minorities, collaborate with the Housing Authority, and continue to promote housing for all abilities.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

- Work with landlords to participate in the Housing Choice Voucher program
- Examine ways to reinstate the rental registration and rental inspection program
- Deliver annual fair housing education
- Use CDBG funds to support the construction of affordable housing
- Review family definitions and review permitted locations of housing serving people recovering from alcohol or substance abuse
- Examine a local code amendment that would provide an alternative to a variance application for people requesting modifications related to a disability
- Conduct a housing study to identify needs

### **Discussion:**

This action plan identifies \$849,679 towards creating affordable multi-family housing. These funds will help leverage a similar program utilizing TIF financing to assist developers in developing both affordable units and units targeting our homeless population. In addition, the City of La Crosse is utilizing ARPA and HOME ARP funds towards creating additional affordable housing units.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

There are a variety of other initiatives that the City is undertaking as part of its Action Plan.

### **Actions planned to address obstacles to meeting underserved needs**

Cuts to HUD funding has meant that it's more difficult to address underserved needs. The City is addressing this issue by prioritizing its funds towards only projects that meet a high priority in its Consolidated Plan. It also evaluates applicants for funding based on whether applicants are using CDBG funds to leverage additional funds. Finally, the City has committed over \$3 million of ARPA and a revolving loan fund dedicated to meeting one of the highest underserved needs- affordable housing for renters.

### **Actions planned to foster and maintain affordable housing**

As noted in previous sections, the City is bolstering its efforts to promote affordable housing by utilizing both ARPA funding and a TIF Affordable housing revolving loan program. The city has committed over \$3 million to date to 2 projects that will increase the number of housing units within our community by 182. The City also funds its Housing Rehabilitation Loan program and Replacement Housing program also aimed at fostering and maintaining affordable housing.

### **Actions planned to reduce lead-based paint hazards**

The City of La Crosse applied for and received a grant from the State of Wisconsin to reduce lead-based paint hazards in homes and completely abate lead hazards. This is also a key component of the City's Housing Rehabilitation Loan Program.

### **Actions planned to reduce the number of poverty-level families**

The City of La Crosse and its partners support a diverse range of programs and services funded through multiple sources to help low income families.

1. Assist families and individuals access resources that may help them move into self-sufficiency (stable and affordable housing, neighborhood-based sources, after-school programs, job training) through a partnership with La Crosse County La Crosse Area Family Collaborative;
2. Prevent poverty through assistance to City of La Crosse's youth, building communities, and supporting affordable housing initiatives;
3. Alleviate poverty by improving family and individual economic opportunities that lead to a sustainable living wage.

### **Actions planned to develop institutional structure**

- The City of La Crosse will convene its affordable housing partners both formally and informally to enhance coordination and carry out joint projects.
- The City of La Crosse is also providing technical support to a non-profit organization, La Crosse Promise, to leverage private funds to re-develop its priority neighborhoods.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

The City of La Crosse will continue to improve its efforts to bring together multiple public and private housing and social service agencies for improved collaboration, to assist with strategy and policy-making, and leverage joint resources.

### **Discussion:**

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

#### Introduction:

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	75.00%

#### HOME Investment Partnership Program (HOME)

##### Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is

as follows:

None that have not already been described previously.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The La Crosse HOME Program/CHDO Loan Payment Repayment Agreement signed at closing will indicate which provision will apply to each property. The Agreement enforces the resale or recapture obligation through a lien, deed restriction, or covenant running with the land. The City's homes will use the recapture provision in the case that there is a second mortgage on the property. The CHDO homes will always use the recapture provision. In most cases, recapture will be used by the City but the resale provision will be used by the City of La Crosse in the case that there was no direct subsidy to the homebuyer.

The Declaration of Restrictive Covenants (Deed Restrictions) requires that units utilizing HOME funds meet the affordability requirements of the HOME program at 24 CFR 92.254 for homeowner housing. To ensure affordability, recapture or resale restrictions will be triggered by any transfer of title, either voluntary or involuntary, during the established HOME period of affordability. A copy of the recorded deed restrictions will be on file with the City.

1. In the event that the property is sold during the affordability period, the following recapture conditions will be met:
  - a. Under the recapture option, the period of affordability is based upon the direct HOME subsidy provided to the homebuyer that enabled the homebuyer to purchase the unit.
  - b. The CHDO and/or PJ will recapture the full amount of the HOME direct subsidy out of the net proceeds of the sale of the property. The net proceeds mean the sale price minus non-HOME loan repayment and closing costs.
  - c. If there are no net proceeds or insufficient proceeds to recapture the full amount of HOME investment due, the amount subject to recapture must be limited to what is available from net proceeds.
  - d. If the net proceeds are not sufficient to recapture the full amount of HOME investment plus enable the homeowner to recover the amount of the homeowner's down payment and any capital improvements made to the property during the period of occupancy, the homeowner's investment will be repaid in full before any HOME funds are recaptured.
  - e. If no direct subsidy is provided to the homebuyer to allow for the purchase of the unit, then

the resale provisions must be imposed.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

A resale provision will be used for projects that involve HOME assistance paid to the CHDO/PJ, but with no additional assistance to the buyer, meaning no direct subsidy was provided to the homebuyer that enabled the homebuyer to purchase the unit. This is because there are no funds that are subject to recapture.

- a. The affordability period will be based on the total amount of HOME funds used to assist the property and the buyer. The homebuyer must sell to another Low-Income homebuyer who earn less than 80% of the CMI, with the new home being affordable to the new buyer. The new homebuyer may not pay more than 33 percent of gross income for Principal, Interest, Taxes and Insurance (PITI).
- b. In the event that the resale provisions will be used, the CHDO/PJ must inform the homebuyer prior to the closing of the sale of the property and incorporate the resale provisions in the written agreements with the homebuyer.

In certain circumstances, the CITY may permit a new homebuyer to assume the City/CHDO loan and affordability restrictions, i.e., the CITY will not require the full repayment of the initial HOME subsidy. The HOME subsidy would be transferred to the new buyer and the remaining affordability period will remain with the property unless additional HOME assistance is provided to the new buyer.

The homebuyer for whom a resale restriction is enforced will be allowed a fair return when selling to another income eligible buyer. The seller (i.e., the original buyer) will be allowed to retain their original investment in the property (i.e., down payment) plus the cost of any improvements made to the property.

During the period of affordability, the last recorded purchase price will generally be the minimum restricted price at the time of resale. Neither the minimum nor the maximum restricted resale price is guaranteed to the owner. If the restricted price exceeds the actual market value, the owner may have to accept the lower price. HOME-assisted units must be maintained in good condition receive the maximum restricted price.

Foreclosure and Resale – Foreclosure also triggers Resale provisions. Under a foreclosure scenario the CHDO/PJ must ensure the house is sold to another low-income buyer, as defined by HUD, at an affordable price. The CITY has a right of first refusal under a foreclosure scenario.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

N/A



# **CITY OF LA CROSSE**

**400 La Crosse Street  
La Crosse, Wisconsin 54601  
(608) 789-CITY  
[www.cityoflacrosse.org](http://www.cityoflacrosse.org)**

## LEGISLATION STAFF REPORT FOR COUNCIL

File ID            Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0160

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**Agenda Date:** 3/2/2023

**Version:** 1

**Status:** New Business

**In Control:** Finance & Personnel Committee

**File Type:** Resolution

**Agenda Number:**

Resolution authorizing a Substantial Amendment of the 2021 Action Plan and Allocation of HOME-ARP Funds.

RESOLUTION

WHEREAS, the City of La Crosse received notification from HUD that it will receive a special allocation of HOME – American Rescue Funds to assist individuals or households who are homeless, at-risk of homelessness and other vulnerable populations in the amount of \$1,097,432; and

WHEREAS, to accept these funds, it requires a substantial amendment to our 2021 Action plan; and

WHEREAS, HUD has identified eligible populations to be served by this funding and eligible activities; and

WHEREAS, staff have conducted the required consultation with partner agencies and reviewed data to determine the best use of these funds.

NOW, THEREFORE BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF LA CROSSE, that the 2021 Action Plan is hereby amended to include undertaking the activities in the Substantial Amendment, attached in this legislation.

BE IT FURTHER RESOLVED, that these activities shall have oversight by the Economic and Community Development Commission.

BE IT FURTHER RESOLVED, that the Mayor is designated as the authorized representative of the City of La Crosse to act in connection with the Substantial Amendment to the 2021 Action Plan and to provide such additional information as may be required.

BE IT FURTHER RESOLVED, that the Mayor is authorized to execute any documents with are necessary for the implementation of activities funded by this resolution.

BE IT FURTHER RESOLVED, that City staff is hereby authorized to take any and all steps necessary to effectuate this resolution.



# **HOME – American Rescue Program (ARP) Allocation Plan**

## **COMMUNITY DEVELOPMENT**

400 LA CROSSE ST. – LA CROSSE, WI 54601 PHONE: (608) 789-7512  
FAX: (608) 789-7318

# TABLE OF CONTENTS

Introduction.....	3
Consultation.....	4
Public Participation.....	8
Needs Assessment and Gap Analysis.....	10
Housing Needs Inventory and Gap Analysis.....	11
Size and demographic composition of qualifying populations within the PJ’s boundaries.....	12
Gaps within the current shelter and housing inventory as well as the service delivery system.....	12
HOME-ARP Activities.....	16
HOME-ARP Production Housing Goals.....	18
Preferences.....	19
Referrals.....	21
Limitations in a HOME-ARP Rental Housing or NCR Project .....	22
HOME-ARP Refinancing Guidelines .....	23

## **INTRODUCTION**

Congress passed the American Rescue Plan which included \$5 billion to assist individuals or household's who are homeless, at-risk of homelessness and other vulnerable populations. The City of La Crosse has been awarded funding in the amount of \$1,097,432.

The City of La Crosse currently receives funding from the U.S. Department of Urban Development (HUD) to assist low-to-moderate income families that focus on priority needs for the city including poor quality of available housing, lack of affordable rental housing and a large homeless population. This plan will be submitted to the HUD as an amendment to our PY2021 Annual Action Plan.

### ***Eligible Populations***

The ARPA funding must be used to primarily benefit individuals or families from the following qualified populations:

- Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act
- At-risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homelessness Assistance Act
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking
- In other populations where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C 12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability
- Veterans and families that include a veteran family member that meet one of the preceding criteria

### ***Eligible Activities***

HOME-ARP funds may be used for four (4) eligible activities

- Acquisition and development of non-congregate shelter
- Provisions of supportive services
- Development and Support of affordable housing
- Tenant based rental assistance (TBRA)

## CONSULTATION

*Describe the consultation process including methods used and dates of consultation:*

The PJ reached out to the following agencies.

*List the organizations consulted:*

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
Coulecap, Inc	CoC and Permanent Supportive Housing Provider	Meeting – December 12, 2022	<ul style="list-style-type: none"> <li>• Lack of intensive on-site services and permanent and affordable housing</li> <li>• Address up-stream solutions to prevent homelessness</li> <li>• Barrier free entry into housing</li> </ul>
New Horizon	Domestic Violence Service Provider	Meeting – November 29, 2022	<ul style="list-style-type: none"> <li>• Lack of Affordable housing</li> <li>• Lack of communication and coordination for supportive services</li> <li>• Need for more transportation, childcare, outpatient therapy for mental health (people have to wait months).</li> <li>• Not enough space in DV shelter.</li> </ul>
Anthony - VA Services	Veterans Services	Emailed November 15, 2022 and January 11, 2023 - No response received	
Garden Terrace	Veterans Group/Consumers	Emailed January 11, 2023 – No response received	
La Crosse Housing Authority	Public Housing Agency	Meeting – November 30, 2022	<ul style="list-style-type: none"> <li>• Need for more supportive services to support tenants with tenant to tenant disputes, creating community, access to services, transportation and childcare.</li> </ul>

			<ul style="list-style-type: none"> <li>• Supportive services for seniors aging in place as their needs change. Ensure seniors are aware of resources available to them.</li> </ul>
Western Technical College	Public Agency	Email feedback received January 3, 2023	<ul style="list-style-type: none"> <li>• Identified need for more affordable housing and landlords willing to rent to underserved populations.</li> <li>• Identified a need for more case management/support staff once housing is secured.</li> <li>• Identified need to address housing for persons exiting incarcerating with criminal backgrounds.</li> <li>• Identified need for more support for substance abuse.</li> </ul>
La Crosse School District	Public School	Emailed November 15, 2022 and January 3, 2023. Met with them on January 30 <sup>th</sup> , 2023.	<ul style="list-style-type: none"> <li>• Biggest need is to get up stream and address root cause of homelessness. Need prevention funding to support families in current housing.</li> <li>• Need more supportive services of all types, especially mental health and Alcohol and Other Drug Abuse.</li> <li>• Families is an underserved population in our community.</li> </ul>
Human Rights Commission	Committee that addresses fair housing and civil rights	Emailed November 15, 2022 and January 11, 2023. Asked to attend meeting – Committee meeting was canceled	
YWCA	Homeless Service Provider	Emailed November 15, 2022 - No response received	
Catholic Charities	Homeless Service Provider	Emailed November 15, 2022 and January 11, 2023 –	

		No response received	
Gundersen Hospital	Public Agency that addresses needs of qualifying populations	Meeting November 22, 2022	<ul style="list-style-type: none"> <li>• Identified need for 24/7 shelter.</li> <li>• Prevention – should never have a child who is homeless.</li> <li>• Identified single site permanent supportive housing unit.</li> <li>• Identified a need for coordinated supportive services/case management</li> </ul>
Mayo Hospital	Public Agency that addresses needs of qualifying populations	Emailed November 15, 2022 – No response received	
WAFER Food Pantry	Public Agency that addresses needs of qualifying populations	Emailed January 15, 2023 – No response received	
Independent Living Resources	Public Agency that addresses needs of qualifying populations and agency that addresses persons with disabilities	Emailed November 15, 2022. Meeting cancelled on November 18, 2022. Emailed on January 11, 2023 – No response received	
YMCA	Public Agency that addresses needs of qualifying populations	Meeting on November 28, 2022	<ul style="list-style-type: none"> <li>• Identified a need for housing for people with barriers such as a past eviction.</li> <li>• Identified a need for housing for teenagers.</li> <li>• Identified need for a safe place for families in shelter. Families are not safe in shelters or hotels; lots of drug activity.</li> <li>• Need for more mental health services.</li> </ul>

Karuna	Homeless Service Provider and Organization that addresses needs of qualifying populations	Meeting December 7, 2022	<ul style="list-style-type: none"> <li>• Identified need for supportive services for permanent supportive housing.</li> <li>• Identified a need for more affordable housing options/units.</li> <li>• Identified a need for people with super high barriers, access to programs, but currently not enough adequate programming.</li> </ul>
La Crosse County Veterans Office	Veterans Groups	Emailed January 11, 2023 – No response received	
Consumer Advocacy Council	Consumer Advocacy	Meeting on January 12 <sup>th</sup> , 2023	<ul style="list-style-type: none"> <li>• Affordable housing and rehab is needed in the city. There’s a lack of housing options.</li> <li>• Supportive services, specifically around mental health and Alcohol and Other Drug Abuse.</li> <li>• There’s a lack of low-barrier shelters and not enough space in existing shelters.</li> </ul>

## **PUBLIC PARTICIPATION**

In accordance with Section V.B of the Notice (page 13), PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of **no less than 15 calendar days**. The PJ must follow its adopted requirements for “reasonable notice and an opportunity to comment” for plan amendments in its current citizen participation plan. In addition, PJs must hold **at least one public hearing** during the development of the HOME-ARP allocation plan and prior to submission.

PJs are required to make the following information available to the public:

- The amount of HOME-ARP the PJ will receive, and
- The range of activities the PJ may undertake.

Throughout the HOME-ARP allocation plan public participation process, the PJ must follow its applicable fair housing and civil rights requirements and procedures for effective communication, accessibility, and reasonable accommodation for persons with disabilities and providing meaningful access to participation by limited English proficient (LEP) residents that are in its current citizen participation plan as required by 24 CFR 91.105 and 91.115.

*Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:*

- *Date(s) of public notice: 2/1/2023*
- *Public comment period: start date – 2/1/2023 end date – 3/6/2023*
- *Date(s) of public hearing: 2/22/2023*

*Describe the public participation process:*

The public notice was published in the La Crosse Tribune on February 1, 2023. The notice directed interested persons to our city website. The website included a copy of our plan and an option to submit comments direct on the site. In addition, comments could be mailed or delivered to City Hall. Copies of the plan were also available for distribution at City Hall or upon request from the public. A public hearing was held on February 22, 2023.

*Describe efforts to broaden public participation:*

Efforts were made to broaden public participation by making the plan available at the public library and posts were made on social media. Special separate emails were sent to the shelter organizations making sure they were aware the plan was available and included an ask for them

to share it with people staying at the shelter. The plan was also shared with property management to distribute or post for veterans residing at Garden Terrace.

***Summarize the comments and recommendations received through the public participation process either in writing, or orally at a public hearing:***

Enter narrative response here.

***Summarize any comments or recommendations not accepted and state the reasons why:***

Enter narrative response here.

## NEEDS ASSESSMENT AND GAP ANALYSIS

In accordance with Section V.C.1 of the Notice (page 14), a PJ must evaluate the size and demographic composition of all four of the qualifying populations within its boundaries and assess the unmet needs of each of those populations. If the PJ does not evaluate the needs of one of the qualifying populations, then the PJ has not completed their Needs Assessment and Gaps Analysis. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services.

**Homeless Needs Inventory and Gap Analysis Table**

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	25	5	52 year around beds 34 seasonal beds	52 year around units, 34 seasonal units	0								
Transitional Housing	0	0	0	0	0								
Permanent Supportive Housing	0	0	43	43	0								
Other Permanent Housing	0	0	0	0	0								
Sheltered Homeless						16	53	4	16				
Unsheltered Homeless						1	135	0	11				
<b>Current Gap</b>										5	1	135	135

**Suggested Data Sources:** 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

# HOUSING NEEDS INVENTORY AND GAP ANALYSIS

The City of La Crosse has approximately 11,415 rental units and 9,770 owner occupied units.

## Income Distribution Overview

**Table 1**

Household Income	Owner	Renter	Total
<=30%	450	3,495	3,945
>30% - <=50%	970	2,510	3,480
>50% - <=80%	2,195	2,630	4,825
>80% - <=100%	1,325	1,380	2,705
>100%	4,830	1,400	6,230
Total	9,770	11,415	21,185

Source: HUD Comprehensive Housing Affordability Strategy (CHAS)

## Populations within the City of La Crosse Experiencing Severe Housing Problems

**Table 2**

	Owner	Renter	Total
Household has at least 1 of 4 <b>Severe Housing Problems</b>	600	3205	3805

Source: HUD Comprehensive Housing Affordability Strategy (CHAS)

## Income by Housing Problems

**Table 3**

Household Income	1-4 Housing Problems Renters	1-4 Housing Problems Owners
<=30%	2,985	395
>30% - <=50%	1,840	455

>50% - <=80%	465	695
>80% - <=100%	30	105
>100%	50	130

Source: HUD Comprehensive Housing Affordability Strategy (CHAS)

## Housing Cost Burden

**Table 4**

Household Income	Owner	Renter	Total
Cost Burden <=30%	8,020	5,970	13,990
Cost Burden >30% - <=50%	1,195	2,325	3,520
Cost Burden >=50%	529	2,915	3,444

Source: HUD Comprehensive Housing Affordability Strategy (CHAS)

## Income by Cost Burden

**Table 5**

Income by Cost Burden	Cost burden >30%		Cost Burden >50%	
	Owner	Renter	Owner	Renter
<=30%	395	2,965	245	2,370
>30% - <=50%	455	1,830	190	505
>50% - <=80%	695	435	90	40
>80% - <=100%	105	10	0	0
>100%	74	0	4	0

Source: HUD Comprehensive Housing Affordability Strategy (CHAS)

*Describe the size and demographic composition of qualifying populations within the PJ's boundaries:*

### *Homeless as defined in 24 CFR 91.5*

The Point in Time (PIT) count from the summer of 2022 recorded 243 people that were homeless in the City of La Crosse. There is a significant gap between the population of people experiencing homelessness and the available shelter beds within the city.

### *At Risk of Homelessness as defined in 24 CFR 91.5*

Over 32% of households within the City of La Crosse have a cost burden greater than 30% of their income (16% greater than 50% of income). The City has a very low vacancy rate for rental properties and households that have limited income have even fewer choices. The City of La

Crosse Housing Authority has units for families, seniors, individuals and people with disability that have strict income restrictions. These units make up the majority of the affordable income units within the city. The Housing Authority often has waiting lists for tenants to access housing. In addition, the Housing Authority also runs the Section 8 voucher program and current has no available vouchers.

The City works in partnership with many organizations locally to prevent homelessness. We believe prevention is key and getting upstream solutions is critical to stabilizing some of our most vulnerable citizens. Much work is currently being done to provide supportive services to tenants, but the need is greater than what we currently have available. The REACH Services and Resource Center has been a critical partner to assist with housing navigation, homeless prevention, mental/AODA support, healthcare and violence prevention. A critical partnership has also been formed between La Crosse County-La Crosse Area Family Collaborative, La Crosse School District and the City to support households in two of the housing authority neighborhoods. This partnership has provided a social worker and community impact coordinator to reduce evictions, unplanned moveouts, calls to the police department and child protective services, and increase school attendance and participation in afterschool programming. While we have seen great success with these programs, there is much more work to be done.

The Wisconsin Rental Assistance Program has been supporting thousands of households with rent assistance through the pandemic. These funds are running out and no new applications will be accepted for assistance after January 31, 2023. Currently Couleecap, Inc is serving 3,634 households in the Crawford, La Crosse, Monroe and Vernon Counties. While it is unclear how many households are being served within the city, La Crosse is the largest city in the 4-county area.

### ***Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking***

In the PIT count, 16 people were fleeing domestic violence that were currently being sheltered and additional 11 were unsheltered. This number is likely understated because some individuals do not wish to identify or disclose this information.

### ***Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability***

Local data is not available to accurately quantify this population. However, from our consultations we have heard great concerns for insufficient availability of permanent supportive housing. Many of the clients served by the CoC that have accessed housing have not stabilized successfully in these units due to lack of supports. Many clients served have severe and persistent mental health and substance abuse disorders. The City has been following the Housing First model, but to really support these clients to be housed successfully for the long-term demands more permanent supportive housing as well as housing options that currently do not exist in our community.

An additional challenge that our community experiences is housing people with certain criminal records and exiting incarceration. Many housing options have restrictions in place that prevent

access to housing to protect the current residents. This makes it virtually impossible to find decent housing options within the city.

***Identify any gaps within the current shelter and housing inventory as well as the service delivery system:***

There are significant gaps in affordable housing, shelter and service delivery.

**Shelters**

The City of La Crosse has 94 (34 of these beds are only available in the winter months) available shelter beds within the community provided by four partner agencies to assist individuals experiencing homelessness:

- Catholic Charities
- New Horizons
- Salvation Army
- YWCA

In addition, one agency provides 25 beds for adults with children fleeing domestic and/or sexual violence or human trafficking.

June 2022 PIT count identified 243 individuals experiencing homelessness in the City of La Crosse. During this time, the State of Wisconsin was still providing housing/hotel vouchers through the Wisconsin Emergency Rental Assistance Program. Therefore, the need for shelter beds far exceeds the current availability within the City.

**Affordable Housing**

There is a significant gap in both availability and safe affordable housing in the market. According to data provided above in Table 1 - 12,250 households have income at or below 80% of the area median income. In addition, Table 5 further exasperates this concern showing 6,775 households pay over 30% of their income on housing and 3,440 pay over 50% of their income on housing.

The data further shows that almost 18% of our housing inventory has at least one severe housing problem. Severe housing problems consist of overcrowding, lack of kitchen or bathroom facilities, or severely cost burden.

The La Crosse Housing Authority has the majority of affordable units in the market place. There portfolio contains nine hundred seventy-one units of combined Public Housing, Housing Choice Voucher, Mainstream Voucher, Section 8 New Construction and Project-Based VASH Voucher Programs. They often have long waiting lists for households to access these units.

Through the consultations conducted in developing this plan, many expressed that there were no or very few options for individuals exiting homelessness to even consider for housing. In addition, individuals may want to stay close to family, friends, health care and transportation

options, but due to the market this was often not an option. Unfortunately, this often negatively impacts the likelihood that a person will stay housed.

### **Supportive Services**

Through the consultation process, supportive services were identified as a need for individuals experiencing homelessness. In addition, the housing authority identified a need for supportive services to assist individuals in staying housed. A pilot project in two of the housing authority's properties assisting families stay housed has been extremely successful. There was a need identified to expand this to all housing authority properties including those for seniors and individuals with disabilities. As needs change for seniors and individuals with disabilities, they often are unaware of resources or how to access those resources for simple things like a walker to assist them moving around the apartment. Additional supportive services would ensure these resources were known and available to residents.

#### ***Identify Priority Needs for Qualifying Populations:***

The priority needs identified for the qualifying population for the HOME ARP plan include production and preservation of affordable housing and supportive services for those experiencing homelessness as well as working upstream to prevent homelessness.

#### ***Explain how the PJ determined the level of need and gaps in the PJ's shelter and housing inventory and service delivery systems based on the data presented in the plan***

The city used data from the Point in Time Count, Comprehensive Housing Affordability Strategy data, Census data, the city's 2020-2024 Consolidated Plan and outreach and consultation.

## HOME-ARP ACTIVITIES

*Describe the method(s) that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:*

The City of La Crosse will utilize a Request for Proposals process for both developers and service providers. All requests will be reviewed by staff and awarded through a committee process within the city. Development projects will follow existing processes of underwriting, contract management and monitoring.

*If any portion of the PJ's HOME-ARP administrative funds are provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program*

Not applicable

### Use of HOME-ARP Funding

	Funding Amount	Percent of Grant	Statutory Limit
Supportive Services	\$329,230		
Development of Affordable Housing	\$658,459		
Administration and Planning	\$109,743	10%	15%
Total HOME ARP Allocation	\$1,097,432		

*Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:*

Through consultation developing this plan, review of data, and feedback provided through the public comment period, the highest priority for HOME-ARP funding is development of affordable housing. Developing affordable housing is expensive and when tenant rents are restricted to ensure they are affordable, it becomes difficult for developers to cash flow projects. Therefore 60% of the funding is committed to this goal. The second need identified was supportive services. Once households identify housing it is critical that supportive services are available to ensure the proper supports are available to keep people housed. The most cost effective and least burdensome way to prevent homelessness is to get up stream and help ensure

households don't become homeless to begin with. 30% of the funding is directed at this goal. The remaining funding of 10% is allocated to administration. In the event that the PJ does not use all the administration funds, these funds will be utilized for additional supportive services.

***Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:***

The low vacancy rates for rental property, especially affordable rental demonstrates the need for additional affordable housing units. The La Crosse Housing Authority usually had significant wait lists as well for their units. Ending homelessness in our community is not obtainable without additional units. The current PIT count identified 243 people experiencing homelessness in our community. The current market does not have availability for these individuals. The community also utilizes the Housing First model which prioritizes individuals experiencing homelessness have access to stable housing first. Therefore, creating additional affordable housing is the highest priority and weighted accordingly in this proposed plan.

Supportive services are also a critical part of ensuring people remain housed. These services may include, but are not limited to: access to food, transportation, job training, mental health and substance abuse treatment options, childcare and case management. It can further support tenant and landlord mitigation, tenant to tenant disputes, and provide resources when a tenant feels they have been discriminated against.

## **HOME-ARP PRODUCTION HOUSING GOALS**

***Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:***

Developers are estimating the cost of developing affordable units in our city at approximately \$240,000 per unit. Based on this project cost, the PJ estimates that 3 units would be developed with HOME-ARP funding.

***Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how the production goal will address the PJ's priority needs:***

The PJ anticipates additional affordable housing to be constructed in our city utilizing other resources in conjunction with HOME-ARP funds. Developers will access programs such as Tax Increment Financing, Tax Credits, the PJ's Community Development Block Grant funds and other sources. Construction of affordable housing is our most critical need, but supportive services to ensure households remain funded is also critical. The HOME-ARP funds are a vital resource for supportive services because few other resources are available to meet this need.

## PREFERENCES

A preference provides a priority for the selection of applicants who fall into a specific QP or category (e.g., elderly or persons with disabilities) within a QP (i.e., subpopulation) to receive assistance. A *preference* permits an eligible applicant that qualifies for a PJ-adopted preference to be selected for HOME-ARP assistance before another eligible applicant that does not qualify for a preference. A *method of prioritization* is the process by which a PJ determines how two or more eligible applicants qualifying for the same or different preferences are selected for HOME-ARP assistance. For example, in a project with a preference for chronically homeless, all eligible QP applicants are selected in chronological order for a HOME-ARP rental project except that eligible QP applicants that qualify for the preference of chronically homeless are selected for occupancy based on length of time they have been homeless before eligible QP applicants who do not qualify for the preference of chronically homeless.

Please note that HUD has also described a method of prioritization in other HUD guidance. Section I.C.4 of Notice CPD-17-01 describes Prioritization in CoC CE as follows:

“Prioritization. In the context of the coordinated entry process, HUD uses the term “Prioritization” to refer to the coordinated entry-specific process by which all persons in need of assistance who use coordinated entry are ranked in order of priority. The coordinated entry prioritization policies are established by the CoC with input from all community stakeholders and must ensure that ESG projects are able to serve clients in accordance with written standards that are established under 24 CFR 576.400(e). In addition, the coordinated entry process must, to the maximum extent feasible, ensure that people with more severe service needs and levels of vulnerability are prioritized for housing and homeless assistance before those with less severe service needs and lower levels of vulnerability. Regardless of how prioritization decisions are implemented, the prioritization process must follow the requirements in Section II.B.3. and Section I.D. of this Notice.”

If a PJ is using a CE that has a method of prioritization described in CPD-17-01, then a PJ has preferences and a method of prioritizing those preferences. These must be described in the HOME-ARP allocation plan in order to comply with the requirements of Section IV.C.2 (page 10) of the HOME-ARP Notice.

In accordance with Section V.C.4 of the Notice (page 15), the HOME-ARP allocation plan must identify whether the PJ intends to give a preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project.

- Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).
- The PJ must comply with all applicable nondiscrimination and equal opportunity laws and requirements listed in 24 CFR 5.105(a) and any other applicable fair housing and civil rights laws and requirements when establishing preferences or methods of prioritization.

While PJs are not required to describe specific projects in its HOME-ARP allocation plan to which the preferences will apply, the PJ must describe the planned use of any preferences in its HOME-ARP allocation plan. This requirement also applies if the PJ intends to commit HOME-ARP funds to projects that will utilize preferences or limitations to comply with restrictive eligibility requirements of another project funding source. **If a PJ fails to describe preferences or limitations in its plan, it cannot commit HOME-ARP funds to a project that will implement a preference or limitation until the PJ amends its HOME-ARP allocation plan. For HOME-ARP rental housing projects, Section VI.B.20.a.iii of the HOME-ARP Notice (page 36) states that owners may only limit eligibility or give a preference to a particular qualifying population or segment of the qualifying population if the limitation or preference is described in the PJ's HOME-ARP allocation plan.** Adding a preference or limitation not previously described in the plan requires a substantial amendment and a public comment period in accordance with Section V.C.6 of the Notice (page 16).

*Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:*

The PJ has elected to incorporate a preference based on the data and consultation process. The PJ will implement a preference for supportive services for individuals or households exiting homelessness into permanent housing. The second preference will be for supportive services for individuals or households at risk of homelessness.

No preference has been identified for rental housing units and will be on a first come first served bases.

*If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:*

The PJ has identified individuals and households experiencing homelessness as a priority in our community. Homelessness will not end without supportive services to identify and address needs quickly to prevent homelessness. According to the CHAS data, over 2300 households with an AMI of 30% or below are spending over 50% of their income on housing, making them severely cost burdened. In addition, through the consultation process service providers identified challenges with finding affordable housing. This is especially true for individuals and households with an AMI of 30% or below.

## REFERAL METHODS

PJs are not required to describe referral methods in the plan. However, if a PJ intends to use a coordinated entry (CE) process for referrals to a HOME-ARP project or activity, the PJ must ensure compliance with Section IV.C.2 of the Notice (page10).

A PJ may use only the CE for direct referrals to HOME-ARP projects and activities (as opposed to CE and other referral agencies or a waitlist) if the CE expands to accept all HOME-ARP qualifying populations and implements the preferences and prioritization established by the PJ in its HOME-ARP allocation plan. A direct referral is where the CE provides the eligible applicant directly to the PJ, subrecipient, or owner to receive HOME-ARP TBRA, supportive services, admittance to a HOME-ARP rental unit, or occupancy of a NCS unit. In comparison, an indirect referral is where a CE (or other referral source) refers an eligible applicant for placement to a project or activity waitlist. Eligible applicants are then selected for a HOME-ARP project or activity from the waitlist.

The PJ must require a project or activity to use CE along with other referral methods (as provided in Section IV.C.2.ii) or to use only a project/activity waiting list (as provided in Section IV.C.2.iii) if:

1. the CE does not have a sufficient number of qualifying individuals and families to refer to the PJ for the project or activity;
2. the CE does not include all HOME-ARP qualifying populations; or,
3. the CE fails to provide access and implement uniform referral processes in situations where a project's geographic area(s) is broader than the geographic area(s) covered by the CE

If a PJ uses a CE that prioritizes one or more qualifying populations or segments of qualifying populations (e.g., prioritizing assistance or units for chronically homeless individuals first, then prioritizing homeless youth second, followed by any other individuals qualifying as homeless, etc.) then this constitutes the use of preferences and a method of prioritization. To implement a CE with these preferences and priorities, the PJ **must** include the preferences and method of prioritization that the CE will use in the preferences section of their HOME-ARP allocation plan. Use of a CE with embedded preferences or methods of prioritization that are not contained in the PJ's HOME-ARP allocation does not comply with Section IV.C.2 of the Notice (page10).

***Identify the referral methods that the PJ intends to use for its HOME-ARP projects and activities. PJ's may use multiple referral methods in its HOME-ARP program. (Optional):***

The PJ does not intend to use a referral method.

## LIMITATIONS IN A HOME-ARP RENTAL HOUSING OR NCS PROJECT

Limiting eligibility for a HOME-ARP rental housing or NCS project is only permitted under certain circumstances.

- PJs must follow all applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a). This includes, but is not limited to, the Fair Housing Act, Title VI of the Civil Rights Act, section 504 of Rehabilitation Act, HUD's Equal Access Rule, and the Americans with Disabilities Act, as applicable.
- A PJ may not exclude otherwise eligible qualifying populations from its overall HOME-ARP program.
- Within the qualifying populations, participation in a project or activity may be limited to persons with a specific disability only, if necessary, to provide effective housing, aid, benefit, or services that would be as effective as those provided to others in accordance with 24 CFR 8.4(b)(1)(iv). A PJ must describe why such a limitation for a project or activity is necessary in its HOME-ARP allocation plan (based on the needs and gap identified by the PJ in its plan) to meet some greater need and to provide a specific benefit that cannot be provided through the provision of a preference.
- For HOME-ARP rental housing, section VI.B.20.a.iii of the Notice (page 36) states that owners may only limit eligibility to a particular qualifying population or segment of the qualifying population if the limitation is described in the PJ's HOME-ARP allocation plan.
- PJs may limit admission to HOME-ARP rental housing or NCS to households who need the specialized supportive services that are provided in such housing or NCS. However, no otherwise eligible individuals with disabilities or families including an individual with a disability who may benefit from the services provided may be excluded on the grounds that they do not have a particular disability.

***Describe whether the PJ intends to limit eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:***

The PJ does not intend to limit eligibility.

## HOME-ARP REFINANCING GUIDELINES

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

- ***Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity***

The PJ will not be refinancing existing debt with HOME-ARP funds.



# **CITY OF LA CROSSE**

**400 La Crosse Street  
La Crosse, Wisconsin 54601  
(608) 789-CITY  
[www.cityoflacrosse.org](http://www.cityoflacrosse.org)**

## LEGISLATION STAFF REPORT FOR COUNCIL

File ID            Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0161

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**Agenda Date:** 3/2/2023

**Version:** 1

**Status:** New Business

**In Control:** Finance & Personnel Committee

**File Type:** Resolution

**Agenda Number:**

Resolution authorizing a Substantial Amendment of the 2022 Action Plan

RESOLUTION

WHEREAS, the City of La Crosse allocated \$250,000 of Community Development Block Grant funding for Business Assistance to expand licensed child care or early learning opportunities in its 2022 Action Plan; and

WHEREAS, the City of La Crosse has received American Rescue Plan Act Funding and has since dedicated \$2 million to address the need to increase childcare and learning opportunities; and

WHEREAS, the City of La Crosse has prioritized quality affordable housing as one of the greatest needs within the city; and

WHEREAS, the City of La Crosse has two anticipated Low-Income Housing Tax Credit (LIHTC) projects that need additional financial support to ensure affordable housing units are built in the city; and

WHEREAS, these LIHTC projects are anticipated to leverage over \$24 million in LIHTC credits; and

WHEREAS, a substantial amendment is required when a change in scope of an activity exceeds 25% of the funding allocation.

NOW, THEREFORE BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF LA CROSSE, that the 2022 Action Plan is hereby amended.

BE IT FURTHER RESOLVED, that these activities shall have oversight by the Economic and Community Development Commission.

BE IT FURTHER RESOLVED, that the Mayor is designated as the authorized representative of the City of La Crosse to act in connection with the Substantial Amendment to the 2022 Action Plan and to provide such additional information as may be required.

BE IT FURTHER RESOLVED, that the Mayor is authorized to execute any documents with are necessary for the implementation of activities funded by this resolution.

BE IT FURTHER RESOLVED, that City staff is hereby authorized to take any and all steps necessary to effectuate this resolution.

# SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022



## Executive Summary

### AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

#### 1. Introduction

The City of La Crosse (the City) anticipates expending nearly \$1.2 million in HUD Community Development Block Grant and HOME Investment Partnership (CDBG/HOME) resources this year to address housing and community needs in La Crosse. In particular, with the pandemic, the City focused on providing funds to non-profit organizations to help people in need. These funds will be expended in accordance with both City and CDBG/HOME goals, and the purpose will be to positively impact low-and-moderate income residents. These investments will leverage over \$8 million in other sources of funding, resulting that every \$1 spent in CDBG will leverage \$6.78. In addition, the city will also be focusing on childcare needs within our community. This industry has been struggling for a number of years and the

## **SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022**

pandemic has further negatively impacted this situation. Employers continue to be engaged in this important conversation because when parents do not have safe and stable childcare their employees are less productive. In addition, when childcare centers loose staff or close parents often miss critical time at work. In La Crosse, childcare providers have expressed concern regarding staff turnover, licensing requirements as well as parents ability to pay timely. This has led to closures for both home-based as well as childcare centers in our community. The City has allocated \$2 million dollars of it's ARPA funding to this effort. Therefore, CDBG funds will be redirected to multi-family housing.

In year three of the City's Consolidated Plans, the City of La Crosse will continue to prioritize and fund:

1. Neighborhood revitalization through acquisition and demolition of blighted structures, improving housing structures, in-fill ownership housing, and code enforcement.
2. Creation of Affordable housing through the development of mixed income, mixed use rental housing focused on meeting the needs of low-income families, ending homelessness, and housing for persons with disabilities.
3. Support businesses that create economic opportunity for LMI persons and in LMI neighborhoods, and focus on expanding access to licensed child care or early learning opportunities for LMI persons.

### **2. Summarize the objectives and outcomes identified in the Plan**

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

See goals below.

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

5-YEAR GOALS	5-YEAR NRSA OUTCOMES	NRSA 2021 Goal
<b>Housing Quality and Affordability</b>		
1. Increase safety and maintenance of homes through code enforcement	2000 housing units make repairs as a result of code enforcement	500
2. Repair aging housing infrastructure, both rental and owner-occupied.	25 units of homeowner housing are improved to meet Housing Quality Standards.	5
	25 units of rental housing are improved to meet HQS standards.	
3. Address lead-based paint hazards in homes with children.	10 rental units pass a lead clearance test.	5
4 Build mixed-income, affordable multi-family rental housing, with set-aside units for formerly homeless individuals.	50 units of affordable rental housing built or significantly rehabbed (priority 50% CMI)	25
	35 long-term units for persons transitioning out of homelessness added (30% AMI units).	
<b>Neighborhood Capital Improvements</b>		
5. Rebuild public infrastructure to improve livability and attractiveness of Neighborhood Strategy Areas for families.	Hamilton Elementary School completes capital improvements to enhance learning for its low-income students and surrounding neighborhood.	1
<b>Community Economic Development</b>		
6. Support businesses that create economic opportunity in LMI neighborhoods, with an emphasis on food access.	50 businesses receive technical assistance or financial assistance for start-up or expansion. 100 jobs created as a result. Launch public food market.	30/10

### Neighborhood Revitalization Strategy Area (NRSA) Goals

#### 3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The global pandemic has caused the City of La Crosse to focus on support non-profit organizations to deliver needed services to low-income families this year. The City, however, will continue to operate its Housing Rehabilitation program, as households find themselves trying to make even more improvements to their homes, due to staying at home. Neighborhood revitalization is still a need and the City's Replacement Housing Program won a state-wide award in November 2019. This successful program will be continued.

#### 4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

## **SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022**

On February 1, 2023, the City noticed in the newspaper the substantial amendment of the City's annual action plan for comment until March 6, 2023. The legal ad also notified the public that a public hearing would take place on February 22, 2023 at the Economic and Community Development Commission. A twenty-two day notice was given for the public hearings. It also informed the public that they could comment on the plan.



**Public Services Partners**

### **5. Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

### **6. Summary of comments or views not accepted and the reasons for not accepting them**

### **7. Summary**

The City of La Crosse continues to maintain focus on achieving the goals outlined in its Consolidated Plan. See charts above.

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

### PR-05 Lead & Responsible Agencies – 91.200(b)

#### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	LA CROSSE	Planning and Development Department
HOME Administrator	LA CROSSE	Planning and Development Department

**Table 1 – Responsible Agencies**

#### Narrative (optional)

The City of La Crosse was the lead agency that prepared this Action Plan.

#### Consolidated Plan Public Contact Information

For questions or comments about the Annual Action Plan, please contact Diane McGinnis Casey, Community Development Administrator, [mcginniscaseyd@cityoflacrosse.org](mailto:mcginniscaseyd@cityoflacrosse.org) or 608-789-7362.

# SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

## AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

### 1. Introduction

On February 1, 2023, the city noticed in the newspaper the Amended Action Plan with public comment period of February 1, 2023 through March 6, 2023. The legal ad also notified the public that a public hearing would take place on February 22, 2023 at the Economic and Community Development Commission. A twenty two day notice was given for the public hearing.

On December 20, 2021, the City noticed in the newspaper the availability of the City's annual action plan for comment until January 21, 2022. The legal ad also notified the public that a public hearing would take place on January 11, 2022 at the Community Development Committee. A twenty day notice was given for the public hearings. It also informed the public that they could comment on the plan. The public was given 32 days to comment on the Action Plan.

### **Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))**

The City of La Crosse works with a variety of agencies to coordinate public and assisted housing providers, and others. The City serves as a member of the La Crosse Collaborative to End Homelessness which seeks to coordinate these efforts.

### **Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

The City coordinates with the Continuum of Care through its participation in the Coulee Collaborative to End Homelessness.

### **Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

N/A, the City does not receive ESG funds.

### 2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	COULEECAP INC
	<b>Agency/Group/Organization Type</b>	Services-homeless Service-Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Agency attended a public hearing and commented how CDBG funds were instrumental in addressing homelessness in the City of La Crosse. Agency has been instrumental in encourage the City to consider allocating funds for affordable rental housing.
2	<b>Agency/Group/Organization</b>	Catholic Charities
	<b>Agency/Group/Organization Type</b>	Services - Housing Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City of La Crosse frequently partnered with Catholic Charities and consulted with them on homeless needs in the community, during the pandemic.
3	<b>Agency/Group/Organization</b>	INDEPENDENT LIVING RESOURCES
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-homeless

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	City of La Crosse staff met with Independent Living Resources to discuss closer coordination with police for homeless outreach and also discuss community needs.
4	<b>Agency/Group/Organization</b>	La Crosse County
	<b>Agency/Group/Organization Type</b>	Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Anti-poverty Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City of La Crosse staff met with the La Crosse Area Family Collaborative to discuss homeless prevention, public housing, and how to help low-income families in La Crosse.
5	<b>Agency/Group/Organization</b>	La Crosse Public Housing Authority
	<b>Agency/Group/Organization Type</b>	PHA
	<b>What section of the Plan was addressed by Consultation?</b>	Public Housing Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Staff met with the Executive Director of La Crosse Public Housing Authority and also spoke with residents living in public housing.

**Identify any Agency Types not consulted and provide rationale for not consulting**

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

### Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Couleecap	Our goals coincide with addressing homelessness and creating more affordable housing.

Table 3 – Other local / regional / federal planning efforts

### Narrative (optional)

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

### AP-12 Participation – 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation  
Summarize citizen participation process and how it impacted goal-setting**

The City of La Crosse used an intensive Citizen Participation process to identify its goals for its Consolidated Plan. Citizens overwhelmingly wanted to see the city to continue its efforts to stabilize neighborhoods through investment in housing- especially affordable housing. The public participation process also had active participation from homeless advocates and social workers. They both noted the need for affordable rental housing and code enforcement. Supporting child care also emerged as a priority.

#### Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Hearing	Non-targeted/broad community	No public comments were received			
2	Public Hearing	Non-targeted/broad community	On February 3, 2022 a second public hearing was available at the Finance and Personnel Meeting. No comments were received on the Action Plan.	No comments were received on the Action Plan.	All comments were accepted.	

# SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

Table 4 – Citizen Participation Outreach

Annual Action Plan  
2022

11

# SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

The City anticipates a balance of \$400,000 in revolving loan for its housing rehabilitation loan program. The demands for the CDBG program were greater than what was available. The Community Development Committee prioritized projects based on need.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	859,504	430,000	200,000	1,489,504	2,600,000	The City of La Crosse shall set aside 20% of its receipted program income funds for Administration and Planning and then receipt the balance of funds to the respective revolving loans.

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	339,663	300,000	0	639,663	0	The City of La Crosse will expend the Program Income as it is received on its Replacement Housing Program.

**Table 5 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

The City of La Crosse anticipated leveraging CDBG/HOME funds with approximately \$8.3 million on local funds, private donors, Continuum of Care Funding, city funding, loans and state resources. The City will continue its history of matching nearly \$6.76 for every \$1 of CDBG investment. One advantage for the City of La Crosse looking at the next five years is the energy and commitment to affordable housing and neighborhood revitalization from all public agencies (county, city, council and boards), the private sector, and non-profit organizations. The City has committed \$1.7 million in TIF funds towards neighborhoods and affordable housing and \$1.2 million was committed in County Grant Funding towards the revitalization of neighborhoods. In addition, the City of La Crosse has also received a grant from the State of Wisconsin for

## **SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022**

Lead Abatement. HOME Match requirements will be satisfied through donated time and labor from our technical college partner who builds homes. In 2021, HOME match exceeded \$90,000 of donated labor hours. Additionally, the City's strategy of leverage CDBG/HOME funds with housing tax credits has been very successful.

## **SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022**

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

The City of La Crosse is looking at under-utilized land and considering options for new affordable housing development.

### **Discussion**

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

### Annual Goals and Objectives

#### AP-20 Annual Goals and Objectives

##### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Repair aging housing infrastructure	2020	2024	Affordable Housing	City-Wide Area Northside Neighborhood Revitalization Strategy Area Southside Neighborhood Revitalization Strategy Area	Improve housing quality	CDBG: \$305,969	Homeowner Housing Rehabilitated: 15 Household Housing Unit
2	Replace or rehab dilapidated housing structures	2020	2025	Affordable Housing	City-Wide Area Northside Neighborhood Revitalization Strategy Area Southside Neighborhood Revitalization Strategy Area	Improve housing quality	CDBG: \$42,331 HOME: \$575,697	Homeowner Housing Added: 2 Household Housing Unit

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Increase affordable housing	2020	2025	Affordable Housing Homeless	City-Wide Area Northside Neighborhood Revitalization Strategy Area Southside Neighborhood Revitalization Strategy Area	Affordable Rental Housing (In-fill or rehab)	CDBG: \$610,476	Rental units constructed: 40 Household Housing Unit
4	Increase economic opportunities	2020	2025	Non-Housing Community Development	City-Wide Area	Economic Development: Food Access and Child Care	CDBG: \$100,000	Businesses assisted: 62 Businesses Assisted
5	Prevent and end homelessness	2020	2025	Homeless	City-Wide Area	Poverty Alleviation	CDBG: \$88,000	Tenant-based rental assistance / Rapid Rehousing: 75 Households Assisted Homeless Person Overnight Shelter: 100 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 330 Beds
6	Alleviate poverty and increase self-reliance.	2020	2025	Non-Housing Community Development	City-Wide Area	Poverty Alleviation	CDBG: \$102,000	Public service activities for Low/Moderate Income Housing Benefit: 1600 Households Assisted

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Administer CDBG/HOME Program	2015	2020	Administration	City-Wide Area	Housing and Neighborhood Plans	CDBG: \$240,728 HOME: \$63,966	Other: 1 Other

Table 6 – Goals Summary

### Goal Descriptions

1	<b>Goal Name</b>	Repair aging housing infrastructure
	<b>Goal Description</b>	These funds will be used to fund the City's Housing Rehabilitation Loan Program. In addition, the City will leverage these funds to bring up to 8 units of housing in lead-safe home compliance. It is expected that about 30% of the Housing Rehabilitation Loans will be for homes in a NRSA.
2	<b>Goal Name</b>	Replace or rehab dilapidated housing structures
	<b>Goal Description</b>	Increase the number of quality and affordable owner-occupied homes in target neighborhoods. This will be accomplished through single-family owner-occupied development by Couleecap and the City of La Crosse.
3	<b>Goal Name</b>	Increase affordable housing
	<b>Goal Description</b>	Build mixed-income, affordable, multi-family housing, with set-aside units for homeless individuals
4	<b>Goal Name</b>	Increase economic opportunities
	<b>Goal Description</b>	In addition to the CDBG Entitlement indicated below, the City will also undertake activities related to supporting Women and Minority-Owned Business previously described in its 2020 Action Plan. The activities will principally benefit low-and-moderate income families.

## SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

<b>5</b>	<b>Goal Name</b>	Prevent and end homelessness
	<b>Goal Description</b>	
<b>6</b>	<b>Goal Name</b>	Alleviate poverty and increase self-reliance.
	<b>Goal Description</b>	
<b>7</b>	<b>Goal Name</b>	Administer CDBG/HOME Program
	<b>Goal Description</b>	

# SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

The projects listed below are aimed at achieving the City's Consolidated Plan goals

#### Projects

#	Project Name
1	Housing Rehabilitation
2	Replacement Housing
3	Affordable Multi-Family Housing
4	Micro-Entrepreneurship Assistance
5	Homeless Assistance
6	Poverty Alleviation
7	Administration and Planning
8	2022 La Crosse CHDO

Table 7 - Project Information

#### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities were based on priorities identified in the Consolidate Plan. A lack of resources and high needs of the homeless population are obstacles to addressing underserved needs.

# **SUBSTANTIAL AMENDMENT – PROGRAM YEAR 2022**

## **AP-38 Project Summary** **Project Summary Information**

<b>1</b>	<b>Project Name</b>	Housing Rehabilitation
	<b>Target Area</b>	City-Wide Area Northside Neighborhood Revitalization Strategy Area Southside Neighborhood Revitalization Strategy Area
	<b>Goals Supported</b>	Repair aging housing infrastructure
	<b>Needs Addressed</b>	Affordable Rental Housing (In-fill or rehab)
	<b>Funding</b>	CDBG: \$305,969
	<b>Description</b>	15 units of homeowner housing rehabbed to meet housing quality standards (HQS).8 units of housing will be improved to pass lead safety standards.
	<b>Target Date</b>	3/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	15 low-moderate income households will benefit for critical rehabilitation in their homes.
	<b>Location Description</b>	Citywide
	<b>Planned Activities</b>	Housing Rehabilitation
<b>2</b>	<b>Project Name</b>	Replacement Housing
	<b>Target Area</b>	Northside Neighborhood Revitalization Strategy Area Southside Neighborhood Revitalization Strategy Area
	<b>Goals Supported</b>	Replace or rehab dilapidated housing structures
	<b>Needs Addressed</b>	Improve housing quality
	<b>Funding</b>	CDBG: \$42,331 HOME: \$524,747
	<b>Description</b>	Two dilapidated homes will be acquired, demolished, and replaced with new affordable housing. Two will be built by the City of La Crosse through partnership with Western Technical College. A third project will begin in partnership with Central High School, but these projects are completed over a two year program.
	<b>Target Date</b>	3/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	2 Low-Moderate income households

	<b>Location Description</b>	The city will target properties in the NRSA.
	<b>Planned Activities</b>	
<b>3</b>	<b>Project Name</b>	Affordable Multi-Family Housing
	<b>Target Area</b>	Northside Neighborhood Revitalization Strategy Area Southside Neighborhood Revitalization Strategy Area
	<b>Goals Supported</b>	Increase affordable housing
	<b>Needs Addressed</b>	Affordable Rental Housing (In-fill or rehab)
	<b>Funding</b>	CDBG: \$610,476
	<b>Description</b>	City is setting aside \$410,476 for a multi family project. In PF21 properties were acquired and demolished. The City is working with a developer to finalize planning and underwriting for an affordable housing project.
	<b>Target Date</b>	3/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	
	<b>Planned Activities</b>	
<b>4</b>	<b>Project Name</b>	Micro-Entrepreneurship Assistance
	<b>Target Area</b>	City-Wide Area
	<b>Goals Supported</b>	Increase economic opportunities
	<b>Needs Addressed</b>	Economic Development: Food Access and Child Care
	<b>Funding</b>	CDBG: \$100,000
	<b>Description</b>	Funds to operate programs at Wisconsin Women's Business Initiative and Couleecap to provide technical assistance to businesses that are majority LMI micro-enterprises or have 51% or more of employees that are LMI.
	<b>Target Date</b>	3/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This project will assist 50 business with technical assistance and start up business loans.

	<b>Location Description</b>	
	<b>Planned Activities</b>	
<b>5</b>	<b>Project Name</b>	Homeless Assistance
	<b>Target Area</b>	City-Wide Area
	<b>Goals Supported</b>	Prevent and end homelessness
	<b>Needs Addressed</b>	Poverty Alleviation
	<b>Funding</b>	CDBG: \$88,000
	<b>Description</b>	Grants provided to homeless agencies to operate programs that provide emergency shelter, homelessness prevention, and homeless services.
	<b>Target Date</b>	3/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	
	<b>Planned Activities</b>	
<b>6</b>	<b>Project Name</b>	Poverty Alleviation
	<b>Target Area</b>	City-Wide Area
	<b>Goals Supported</b>	Alleviate poverty and increase self-reliance.
	<b>Needs Addressed</b>	Poverty Alleviation
	<b>Funding</b>	CDBG: \$102,000
	<b>Description</b>	This project will fund the Family Advocacy Program (Family and Children's Center), the La Crosse Area Family Collaborative, Marine Credit Union Increasing Homeownership Diversity with Finding HOME, the Kane Street Community Garden, La Crosse County Hintgen-Huber Collaborative.
	<b>Target Date</b>	3/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	

	<b>Planned Activities</b>	
7	<b>Project Name</b>	Administration and Planning
	<b>Target Area</b>	City-Wide Area
	<b>Goals Supported</b>	Administer CDBG/HOME Program
	<b>Needs Addressed</b>	Improve housing quality Affordable Rental Housing (In-fill or rehab) Economic Development: Food Access and Child Care Poverty Alleviation Housing and Neighborhood Plans
	<b>Funding</b>	CDBG: \$240,728 HOME: \$63,966
	<b>Description</b>	- Develop a regional affordable housing plan and housing market analysis and the Comprehensive Plan - administer the CDBG and HOME programs
	<b>Target Date</b>	3/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	
	<b>Planned Activities</b>	
8	<b>Project Name</b>	2022 La Crosse CHDO
	<b>Target Area</b>	City-Wide Area
	<b>Goals Supported</b>	Replace or rehab dilapidated housing structures Increase affordable housing
	<b>Needs Addressed</b>	Improve housing quality
	<b>Funding</b>	HOME: \$50,950
	<b>Description</b>	HOME CHDO project
	<b>Target Date</b>	3/31/2023
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	One or two households will benefit from activity
	<b>Location Description</b>	Within the City of La Crosse

<b>Planned Activities</b>	
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## **AP-50 Geographic Distribution – 91.220(f)**

### **Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

The City of La Crosse will concentrate its effort in Census Tract 4, 9, and 2. These areas are known locally as Washburn, Powell Poage Hamilton, and Lower Northside Neighborhoods. These areas are of the greatest priority for the City.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
City-Wide Area	41
Northside Neighborhood Revitalization Strategy Area	41
Southside Neighborhood Revitalization Strategy Area	18

**Table 8 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

Research demonstrates that concentrating resources in smaller areas creates the largest impact on home values and neighborhoods. Additionally, the NRSA areas represent the City's areas of greatest need and potential to impact low-moderate income households.

### **Discussion**

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

The goals are also listed under the goals section of the Consolidated Plan.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	515
Non-Homeless	32
Special-Needs	0
Total	547

**Table 9 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	75
The Production of New Units	62
Rehab of Existing Units	15
Acquisition of Existing Units	0
Total	115

**Table 10 - One Year Goals for Affordable Housing by Support Type**

#### Discussion

Assistance will be provided to households through the construction of new affordable housing, housing rehabilitation programs, and code enforcement.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The City of La Crosse continues to improve its level of collaboration with the public housing authority but does not directly fund their projects. The City will collaborate with the Housing Authority on advancing the analysis of impediments to fair housing, working with landlords, and addressing homelessness.

### **Actions planned during the next year to address the needs to public housing**

The City of La Crosse Public Housing Authority has obtained 40 additional Section 8 Vouchers to help prevent families from becoming homeless during Covid-19. The City of La Crosse supported and advocated for this effort.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

No action being undertaken.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

N/A

### **Discussion**

The City of La Crosse's relationship with the City of La Crosse Housing Authority has significantly improved.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

The City of La Crosse, in addition to the actions listed below, coordinates with the Continuum of Care which is led by the La Crosse Collaborative to End Homelessness and CouleeCap.

- Independent Living Resources (ILR) will operate an Outreach Worker Program. ILR will provide assistance to homeless persons or persons at risk of being homeless.
- Additionally, studies show there is a strong correlation between homelessness and domestic violence victims. The City of La Crosse's will help New Horizons shelter provided emergency shelter to homeless women.
- The YWCA Ruth House will help women transition into a drug-free independent lifestyle by providing them transitional housing services.
- Couleecap will operate a Permanent Housing Program which will provide case management and housing for homeless persons.
- Funding is being provided to the Warming Center to provide emergency services during the winter.
- In 2021 the REACH center opened. This center includes multiple service providers in one location to better serve our homeless population.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The City of La Crosse is funding Independent Living Resources to provide homeless outreach services. It is anticipated that they will serve 110 people.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The City is funding Catholic Charities Warming Center and New Horizons Domestic Violence Shelter. It is anticipated that they will serve 330 people.

#### **Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were**

### **recently homeless from becoming homeless again**

The City of La Crosse will support the Couleecap program to transition individuals to permanent supportive housing (110 people served).

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

The City of La Crosse will support the ILR to operate an outreach worker program that anticipates serving 120 individuals to undertake these activities.

### **Discussion**

## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction:**

The City of La Crosse will continue its strong efforts to support affordable housing opportunities in the region, continue to de-concentrate pockets of poverty and create mixed-income neighborhoods, promote home ownership for minorities, collaborate with the Housing Authority, and continue to promote housing for all abilities. The onset of Covid-19 made it difficult to achieve its goals but it is making significant progress through promoting minority homeownership and promoting fair housing education.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

- Develop a regional affordable housing plan to examine these issues in the ex-urban areas of La Crosse such as Onalaska, Holmen, Town of Shelby
- Examine ways to increase the number of rental housing vouchers available in the region
- Work with landlords to participate in the Housing Choice Voucher program
- Examine ways to reinstate the rental registration and rental inspection program
- Deliver annual fair housing education
- Use CDBG funds to support the construction of affordable housing
- Review family definitions and review permitted locations of housing serving people recovering from alcohol or substance abuse
- Examine a local code amendment that would provide an alternative to a variance application for people requesting modifications related to a disability

### **Discussion:**

The City recently completed its analysis of impediments to fair housing. It is located at <https://www.cityoflacrosse.org/your-government/departments/community-development-and-housing/fair-housing/fair-housing-study>. At this time, the City is committing \$25,000 towards encouraging minority homeownership (as indicated in its Fair Housing Analysis) and \$410,476 towards creating affordable multi-family housing. These funds will help leverage a similar program utilizing TIF financing to assist developers in developing both affordable units and units targeting our homeless

population. In addition, the City of La Crosse anticipates utilizing some of the ARPA funds the city received toward affordable housing projects.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

There are a variety of other initiatives that the City is undertaking as part of its Action Plan.

### **Actions planned to address obstacles to meeting underserved needs**

Cuts to HUD funding has meant that it's more difficult to address underserved needs. The City is addressing this issue by prioritizing its funds towards only projects that meet a high priority in its Consolidated Plan. It also evaluates applicants for funding based on whether applicants are using CDBG funds to leverage additional funds. Finally, the City this year is starting a revolving loan fund dedicated to meeting one of the highest underserved needs- affordable housing for renters. Currently, there is legislation being written to provide non-HUD capital towards this fund, which will leverage HUD funds.

### **Actions planned to foster and maintain affordable housing**

As noted in previous sections, the City is bolstering its efforts to promote affordable housing by creating a capital funds, currently anticipated to be capitalized at \$1.7 million in addition to the \$410,476 outlined in this plan towards affordable multi-family housing. The City also funds its Housing Rehabilitation Loan program and Replacement Housing program also aimed at fostering and maintaining affordable housing.

### **Actions planned to reduce lead-based paint hazards**

The City of La Crosse applied for and received a grant from the State of Wisconsin to reduce lead-based paint hazards in homes and completely abate lead hazards. This is also a key component of the City's Housing Rehabilitation Loan Program.

### **Actions planned to reduce the number of poverty-level families**

The City of La Crosse and its partners support a diverse range of programs and services funded through multiple sources to help low income families.

1. Assist families and individuals access resources that may help them move into self-sufficiency (stable and affordable housing, neighborhood-based sources, after-school programs, job training) through a partnership with La Crosse County La Crosse Area Family Collaborative;
2. Prevent poverty through assistance to City of La Crosse's youth, building communities, and supporting affordable housing initiatives;
3. Alleviate poverty by improving family and individual economic opportunities that lead to a sustainable living wage.

### **Actions planned to develop institutional structure**

- The City of La Crosse will continue to support a strategic planning process to explore the viability of a La Crosse Neighborhood Development Corporation.
- The City of La Crosse will convene its affordable housing partners both formally and informally to enhance coordination and carry out joint projects.
- The City of La Crosse is also providing technical support to a non-profit organization, La Crosse Promise, to leverage private funds to re-develop its priority neighborhoods.
- The City plans to update its Neighborhood Revitalization Strategy Area to HUD in the near future.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

The City of La Crosse will continue to improve its efforts to bring together multiple public and private housing and social service agencies for improved collaboration, to assist with strategy and policy-making, and leverage joint resources.

### **Discussion:**

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

#### Introduction:

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	75.00%

#### HOME Investment Partnership Program (HOME)

##### Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is

as follows:

None that have not already been described previously.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The La Crosse HOME Program/CHDO Loan Payment Repayment Agreement signed at closing will indicate which provision will apply to each property. The Agreement enforces the resale or recapture obligation through a lien, deed restriction, or covenant running with the land. The City's homes will use the recapture provision in the case that there is a second mortgage on the property. The CHDO homes will always use the recapture provision. In most cases, recapture will be used by the City but the resale provision will be used by the City of La Crosse in the case that there was no direct subsidy to the homebuyer.

The Declaration of Restrictive Covenants (Deed Restrictions) requires that units utilizing HOME funds meet the affordability requirements of the HOME program at 24 CFR 92.254 for homeowner housing. To ensure affordability, recapture or resale restrictions will be triggered by any transfer of title, either voluntary or involuntary, during the established HOME period of affordability. A copy of the recorded deed restrictions will be on file with the City.

1. In the event that the property is sold during the affordability period, the following recapture conditions will be met:
  - a. Under the recapture option, the period of affordability is based upon the direct HOME subsidy provided to the homebuyer that enabled the homebuyer to purchase the unit.
  - b. The CHDO and/or PJ will recapture the full amount of the HOME direct subsidy out of the net proceeds of the sale of the property. The net proceeds mean the sale price minus non-HOME loan repayment and closing costs.
  - c. If there are no net proceeds or insufficient proceeds to recapture the full amount of HOME investment due, the amount subject to recapture must be limited to what is available from net proceeds.
  - d. If the net proceeds are not sufficient to recapture the full amount of HOME investment plus enable the homeowner to recover the amount of the homeowner's down payment and any capital improvements made to the property during the period of occupancy, the homeowner's investment will be repaid in full before any HOME funds are recaptured.
  - e. If no direct subsidy is provided to the homebuyer to allow for the purchase of the unit, then

the resale provisions must be imposed.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

A resale provision will be used for projects that involve HOME assistance paid to the CHDO/PJ, but with no additional assistance to the buyer, meaning no direct subsidy was provided to the homebuyer that enabled the homebuyer to purchase the unit. This is because there are no funds that are subject to recapture.

- a. The affordability period will be based on the total amount of HOME funds used to assist the property and the buyer. The homebuyer must sell to another Low-Income homebuyer who earn less than 80% of the CMI, with the new home being affordable to the new buyer. The new homebuyer may not pay more than 33 percent of gross income for Principal, Interest, Taxes and Insurance (PITI).
- b. In the event that the resale provisions will be used, the CHDO/PJ must inform the homebuyer prior to the closing of the sale of the property and incorporate the resale provisions in the written agreements with the homebuyer.

In certain circumstances, the CITY may permit a new homebuyer to assume the City/CHDO loan and affordability restrictions, i.e., the CITY will not require the full repayment of the initial HOME subsidy. The HOME subsidy would be transferred to the new buyer and the remaining affordability period will remain with the property unless additional HOME assistance is provided to the new buyer.

The homebuyer for whom a resale restriction is enforced will be allowed a fair return when selling to another income eligible buyer. The seller (i.e., the original buyer) will be allowed to retain their original investment in the property (i.e., down payment) plus the cost of any improvements made to the property.

During the period of affordability, the last recorded purchase price will generally be the minimum restricted price at the time of resale. Neither the minimum nor the maximum restricted resale price is guaranteed to the owner. If the restricted price exceeds the actual market value, the owner may have to accept the lower price. HOME-assisted units must be maintained in good condition receive the maximum restricted price.

Foreclosure and Resale – Foreclosure also triggers Resale provisions. Under a foreclosure scenario the CHDO/PJ must ensure the house is sold to another low-income buyer, as defined by HUD, at an affordable price. The CITY has a right of first refusal under a foreclosure scenario.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

N/A

N/A





# **CITY OF LA CROSSE**

**400 La Crosse Street  
La Crosse, Wisconsin 54601  
(608) 789-CITY  
[www.cityoflacrosse.org](http://www.cityoflacrosse.org)**

## LEGISLATION STAFF REPORT FOR COUNCIL

File ID            Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0162

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**Agenda Date:** 3/2/2023

**Version:** 1

**Status:** New Business

**In Control:** Finance & Personnel Committee

**File Type:** Resolution

**Agenda Number:**

Resolution approving American Rescue Plan Act (ARPA) Funding to Conduct a Housing Study.

WHEREAS, the City Council has identified the need for additional housing within the City of La Crosse as a priority; and

WHEREAS, the city is currently working on the Comprehensive Plan to provide a vision for the future of the city, but this plan will not provide a detailed analysis of housing needs; and

WHEREAS, according to the HUD Comprehensive Housing Affordability Strategy:

- Of the 21,185 dwelling units in the city, over half (12,250) are occupied by households making equal to or less than 80 percent of the county median income
- Over 32 percent of households within the city have a cost burden greater than 30 percent of their income and 16 percent are greater than 50 percent of their income
- The June 2022 Point in Time Count identified 243 people that were homeless in the city

WHEREAS, a housing study will analysis the demographic and economic characteristics of the city, review of existing housing stock, assessment of affordability for both for-sale properties and rental units, and a vision and recommendation of the number and types of housing the city will want to consider for the next 10+ years; and

WHEREAS, a study provides developers confidence in building housing in the city by demonstrating the needs as well as the type of housing to construct to meet the current and future demands.

NOW, THEREFORE BE IT RESOLVED by the Common Council of the City of La Crosse to allocate up to \$75,000 of the ARPA "Lost Revenue" funds to complete a comprehensive housing study.

BE IT FURTHER RESOLVED that Planning, Development and Assessment Department is authorized to effectuate this resolution.



# **CITY OF LA CROSSE**

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(608) 789-CITY  
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## LEGISLATION STAFF REPORT FOR COUNCIL

File ID            Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0181

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**Agenda Date:**

**Version:** 1

**Status:** Agenda Ready

**In Control:** Economic and Community Development Commission

**File Type:** General Item

**Agenda Number:**



# **CITY OF LA CROSSE**

**400 La Crosse Street  
La Crosse, Wisconsin 54601  
(608) 789-CITY  
[www.cityoflacrosse.org](http://www.cityoflacrosse.org)**

## LEGISLATION STAFF REPORT FOR COUNCIL

File ID            Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0182

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**Agenda Date:**

**Version:** 1

**Status:** Agenda Ready

**In Control:** Economic and Community Development Commission

**File Type:** General Item

**Agenda Number:**



To Whom It May Concern:

Habitat for Humanity La Crosse Area proposes the construction of two modular homes at 2706 Onalaska Avenue in La Crosse, Wisconsin. This project would include the purchase and set of the Red Rock and Pacific Lodge models (please see attached elevations and brochures). Due to the width of the lot, the homes would be installed lengthwise on the lots, with the narrower end facing the street. The front entrances to the homes would be through the utility rooms as per the floor plans. Habitat would construct large front porches with overhang roof over each entrance.

Thank you for your consideration,

Kahya Fox  
Executive Director

**\*\*Habitat will construct one modular home on the parcel (Red Rock Model)\*\***

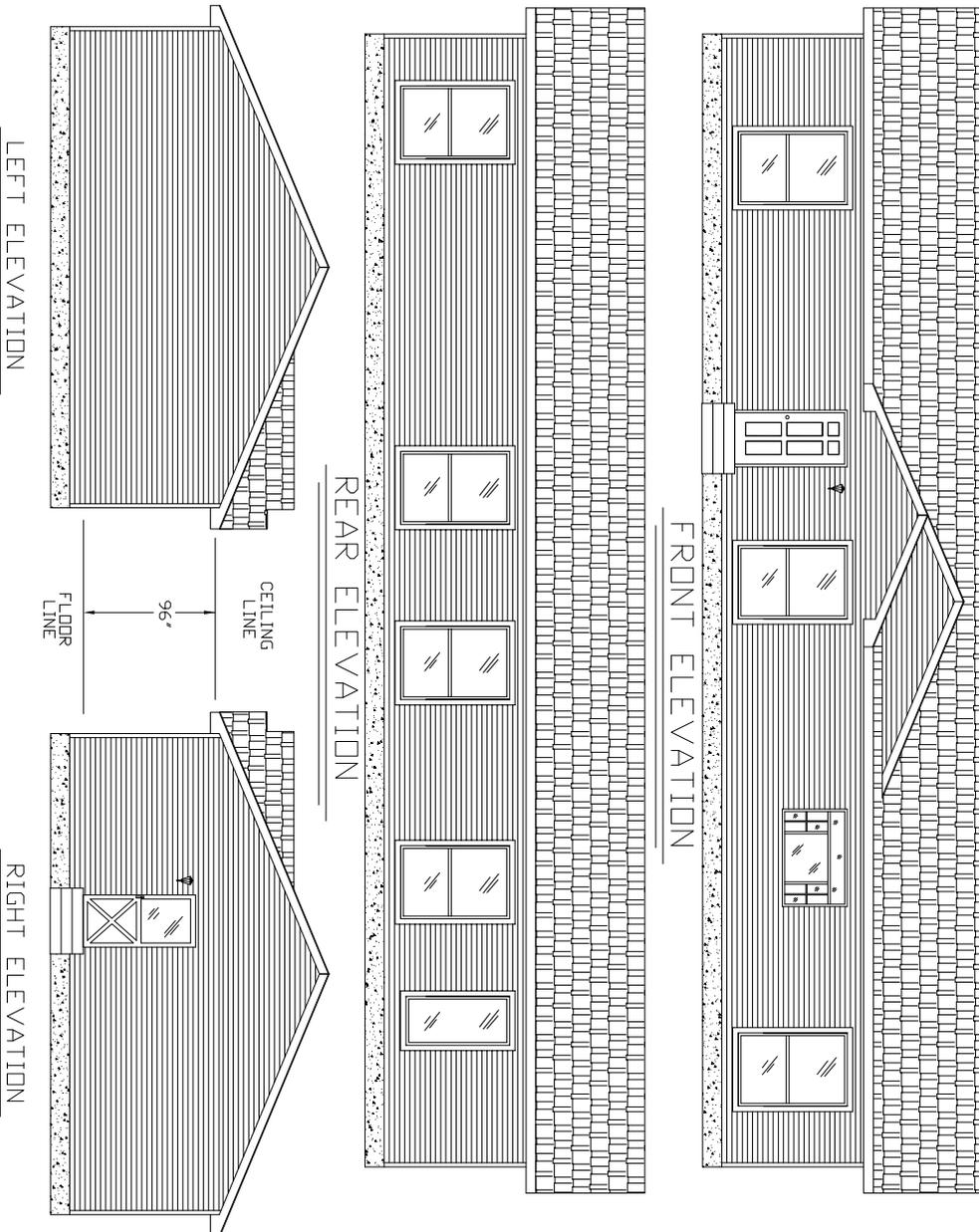
3181 Berlin Drive, La Crosse, WI, 54601 • Phone: 608.785.2373  
[www.habitatlacrosse.org](http://www.habitatlacrosse.org) • [info@habitatlacrosse.org](mailto:info@habitatlacrosse.org)  
*Providing Families With a Place to Call Home*





# Red Rocks Elevation

Right Elevation will face  
Onalaska Ave with porch and  
Roof structure built over entry door



TECHNICAL DRAWING  
BY FRIENDSHIP HOMES INC.  
COMPUTER AIDED SYSTEM

SYSTEM AND GENERAL CONSTRUCTION SUBJECT TO FLOOR PLAN MODIFICATIONS AND PRODUCT SUBSTITUTES ISSUED SINCE DATE OF PRINTS  
SOME OPTIONAL ITEMS ARE SHOWN AND PRICES ARE SUBJECT TO CHANGE WITHOUT NOTICE.

**FRIENDSHIP HOMES INC.**  
815 BUDD RD. MONTEVIDEO, MN 56265

EXTERIOR  
ELEVATIONS

REVISION	DATE	REVISION	DATE

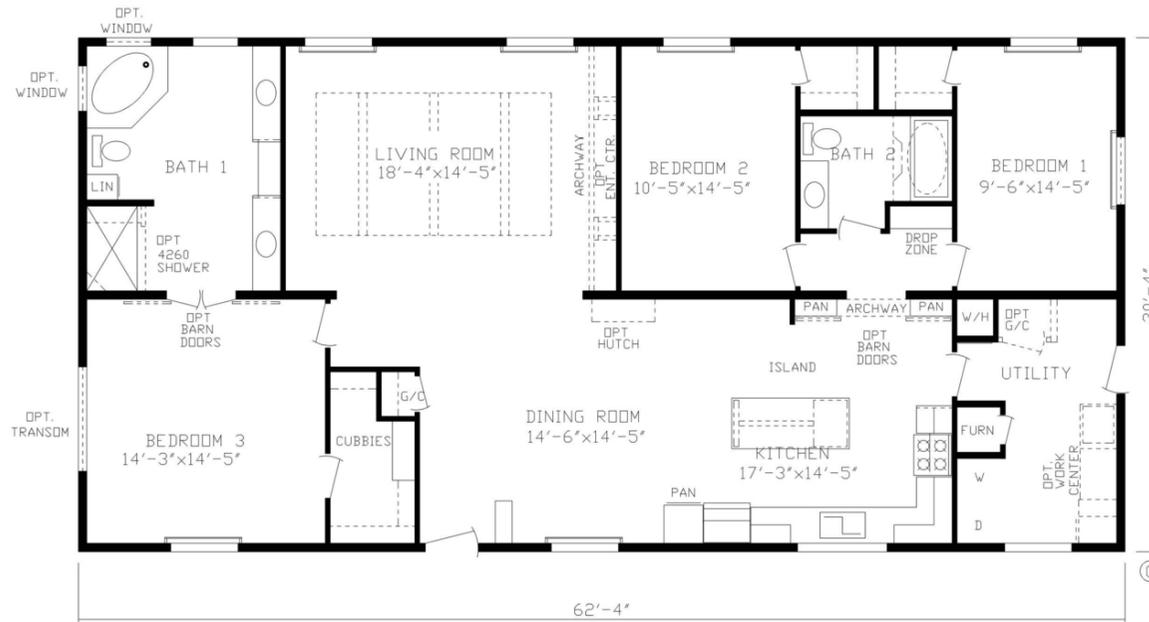
A-4  
185020MKZ

Floor Plan: The Red Rock 185020  
 3 Bedrooms, 2 Bathrooms, 1891 Square Feet  
 Series: Showcase (MW) | Type: Manufactured | Sections: Double-wide



SCAN FOR  
 MORE DETAILS

## FLOOR PLAN



Because we continuously update and modify Friendship Homes products it is important for you to know that our brochures and literature are for illustrative purposes only. All information contained herein may vary from the actual home we build. Dimensions are nominal and length and width measurements are from exterior wall to exterior wall. The right is reserved to make changes at any time, without notice or obligation, in prices, colors, materials, specifications, features and models. Please check with your retailer for specific information about the home you select. (Add approximately four feet to determine transportable length.)

\*Although we work to ensure pricing online is as correct as possible, prices may change at any time and without notice or obligation. Please contact us for the most current price. Pricing may not include taxes, site preparation costs beyond the services listed or delivery outside of the certain delivery area. Nothing contained herein or on the Web Site constitutes an offer to sell any product or service, and no binding obligations will arise until you and your retail model center have executed final sales documents. Not responsible for typos.

Montevideo  
 815 Budd Rd,  
 Montevideo, MN 56265



friendshiphomesmn.com

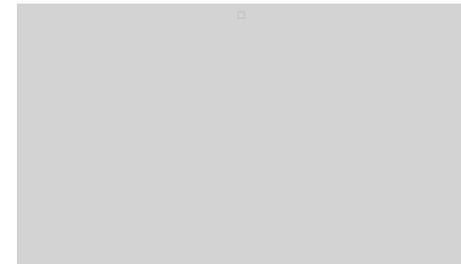
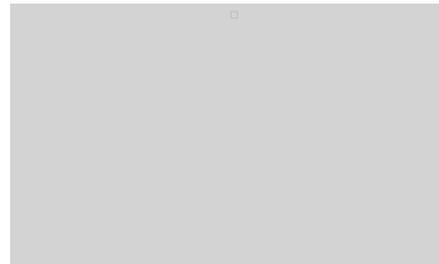
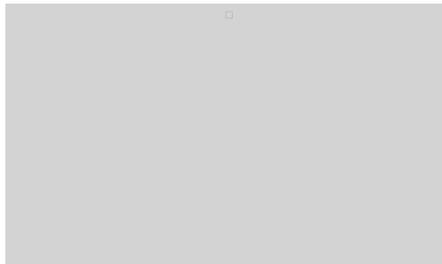
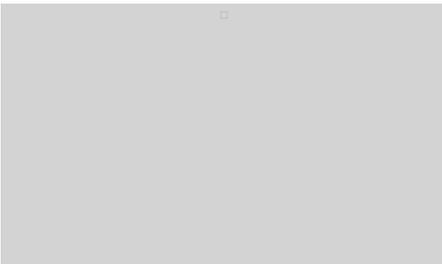
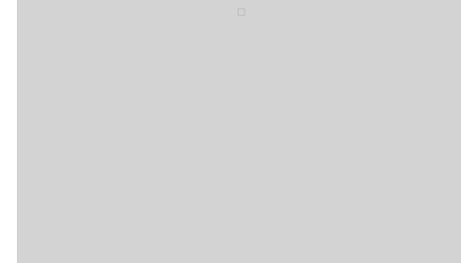
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Floor Plan: The Red Rock 185020  
3 Bedrooms, 2 Bathrooms, 1891 Square Feet  
Series: Showcase (MW) | Type: Manufactured | Sections: Double-wide

SCAN FOR  
MORE DETAILS



## PHOTOS AND RENDERINGS



Montevideo  
815 Budd Rd,  
Montevideo, MN 56265



[friendshiphomesmn.com](http://friendshiphomesmn.com)

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## SHOWCASE SECTIONAL STANDARDS

### General:

Recessed Frame  
 Cross-Members/Out-Riggers- 4' O.C.  
 Energy Heel Truss Rafters  
 Energy Truss Rafters – 24" O.C  
 8' Flat Ceiling  
 Heavy 10" Steel I-Beam Frame - 28'  
 Heavy 12" Steel I-Beam Frame - 32'  
 Double Marriage Wall – 6"  
 Transverse Floor Joists – 16" O.C.  
 2X6 Exterior Wall Studs – 16" O.C.  
 In Floor Cross-Over Heat Ducts  
 Unitized Floor/Wall Construction  
 With Steel Straps – 4' O.C.  
 Glued & Screwed Flooring System  
 Seamless Bottom Underlayment  
 (Nylon Re-Inforced)  
 3/12 Roof Pitch  
 Tongue & Groove OSB Floor Decking

### Furnace:

Gas furnace w/Electric Ignition  
 Perimeter Heating  
 Positive Operating System  
 Insulated Heat Ducts

### Carpet:

**Shaw** 15 oz. Carpet w/Tack Strip  
 5lb Carpet Pad  
**Beauflor** Roll Goods



### Electric:

100 Amp  
 LED Can Lights  
 Wire & Vent For Dryer  
 Exterior Recept on Sidewall  
 Light At Front & Rear Doors  
 Smoke Alarms

### Plumbing:

Plumb for Washer  
 40 Gallon Dual Element Electric Water Heater  
 Decorative Water Heater Access  
 Water Shut-off Valves Thru-out  
 Stainless Steel Farmers Sink-Kitchen  
 Metal Faucets  
 Hi-Arc Kitchen Faucet

### Baths:

Exhaust Fan w/Light MBA  
 36" High Bath Lavs  
 Fiberglass Tubs  
 Porcelain Bath Lavs  
 Framed Bath Mirrors  
 Furniture Style Bath Lavs (Most Models)

### Insulation:

R-11 Insulation in Floor  
 2 x 6 Sidewalls with R-19  
 R-21 Available  
 R-25 Insulation in Ceiling  
 R-33,44, or 50 Available  
 Foam Gasket at Marriage Line

### Cabinetry:

Hardwood Cabinet Doors  
 Hardwood Stiles w/Concealed Hinges  
 Self-Edge Countertop Edge  
 Seamless Countertops  
 Cabinet Over Refrigerator  
 Shelf in Washer/Dryer Area  
 Center Shelf in Kitchen Cabinets  
 Roller Guide Drawer System  
 42" Cabinets in Kitchen  
 Drawer Bank in Kitchen  
 Entertainment Center (Per Print)  
 Drawers Above Cabinet Doors  
 Full Wall Backsplash in Kitchen  
 Paneled Backs on Cabinets  
 Laminate Backsplash in Baths

### Décor:

Textured Ceiling  
 Venetian Blinds Throughout  
 Cornice Boards Window Treatment  
 Tape & Textured Walls  
 Double Shelving in MBR Closet  
 Tray Ceiling w/Beams in Liv Rm  
 Tray Ceiling in MBR  
 Wire Shelving in Closets  
 2 Can Lights in Din Rm

### Exterior:

**Royal** Double 4 Dutch Lap Vinyl Siding  
 7/16 OSB Exterior Sheathing  
 Exterior Accent Treatment  
 Lineals on DS  
 Energy Seal Windbreaker  
**Owens Corning** Oakridge Architectural Shingles  
 Dormer



### Doors:

3 Hinges on Interior Doors  
 Full Door Stop Molding  
 Brushed Nickel Door Knobs  
 34 x 82 9 Lite Rear Door W/Larson Storm  
 38 x 82 Decorator Front Door W/Larson Storm  
 Keyed Alike Locksets  
 White 6-Panel Interior Doors  
 Metal Furnace Door

### Windows:

**Kinro** 72" Vinyl Windows  
 Kinro Heritage Series Optional



### Appliances:

18 CF 2-Door Refrigerator  
 30" Gas Range w/Elec. Ignition  
 Stainless Steel Linear Range Hood



\* Friendship Homes prides itself in continuous improvement to ensure the highest quality. Products, standards and specifications are subject to change without notice



A Family of Housing Companies, Housing America's Families.  
 815 Budd Road, Montevideo, MN 56265  
[www.friendshiphomesmn.com](http://www.friendshiphomesmn.com)

Property Address: 2706 Onaska Avenue

Buyer: Habitat for Humanity La Crosse Area

**SINGLE FAMILY DESIGN GUIDELINES - Please self-score your anticipated single family home designs.**

**Provide both front, side, and rear elevations, with dimensions**

Staff will also prove staff score.

**\*\*Self Scoring By Habitat\*\***

INCENTIVE	POINTS Achieved	POINTS AVAILABLE	Check If Meet Criteria	INCENTIVE DESCRIPTION
EXTERIOR MATERIALS (Select 1 option only)	2	4		Exterior materials are primarily brick, wood, cement board, smart board, stucco, stone and/or other natural material
		2		Exterior materials are primarily premium vinyl (.044 thickness), with some brick or stone (may be cultured), vinyl only will not receive any points
WINDOWS	3	1		Elevations facing a street have a minimum of 20% area as window
		1		Elevations not facing a street have a minimum of 10% area as window
		1		Windows on a street elevation are double/single hung or picture/fixid appropriate to the style of the house design. Sliding, casement & awning windows on a street elevation shall contain a grid system.
WINDOW TRIM/PROJECTION	2	2		Building facades visible from a public street employ techniques to recess or project individual windows at least two inches from the façade or incorporate window trim at least four inches in width that features color that contrasts with the base building color
GARAGE	3	1		Vehicular access shall be from alley if present
		1		Exterior materials are compatible with the house
		1		Front wall is set back a min. of 5 feet from the front elevation of the house
		REQUIRED IF FACING STREET	Check which apply	If garage is facing street, must include 2 of the following: <input type="checkbox"/> Decorative trellis over entire garage <input checked="" type="checkbox"/> Decorative windows <input type="checkbox"/> 2 separate doors for 2-car garage <input type="checkbox"/> Decorative details on garage door (standard squares on garage door will not qualify) <input checked="" type="checkbox"/> A garage door color (not white) that complements house color
BASEMENT	0	1		The house provides a basement as defined by the building code
		2		Stubbed plumbing and egress window(s) for future use
PORCH	2	2		An unenclosed front porch/front entry comprising of at least 30% of the front elevation
ARCHITECTURAL DETAILS (Can only meet one point category)	4	4		Design has 4 or more Architectural Details (listed below)
		3		Design has 3 Architectural Details
		2		Design has 2 Architectural Details
		Check which Architectural Details Apply		<input type="checkbox"/> Bay windows or bumpouts <input type="checkbox"/> Decorative door design including transom and/or side lights <input type="checkbox"/> Decorative roofline elements including brackets, multiple dormers, eyebrows or chimney. <input type="checkbox"/> Decorative building materials including decorative masonry such as brick, tile, stone, or other materials with decorative qualities <input type="checkbox"/> Frieze Board (broad horizontal bands) under eaves facing the street <input type="checkbox"/> Uses roof returns <input type="checkbox"/> Uses corner trim <input type="checkbox"/> Distinctive paint schemes (3 or more exterior colors) <input type="checkbox"/> Shake or shingles are incorporated <input type="checkbox"/> Decorative porch design, decorative columns or railings
HISTORICAL STYLE	0	2		Home meets all of the criteria listed under that specific Historic Style in the Single Family Design Guide: <input type="checkbox"/> Bungalow <input type="checkbox"/> Cape Code <input type="checkbox"/> Four Square <input type="checkbox"/> Colonial <input type="checkbox"/> Gambrel <input type="checkbox"/> Craftsman <input type="checkbox"/> Farmhouse <input type="checkbox"/> Tudor/European <input type="checkbox"/> Shingle Style <input type="checkbox"/> Prairie Style

FRONT ENTRY	2	2		Primary entrance is on the front elevation and faces the street, front entry is not set back more than 5 ft from front façade
ROOF	7	①		Gable roofs are 6:12 pitch or steeper; Hip roof* is 4:12 pitch or steeper
		①		Roofs are shingle (wood/asphalt), metal or standing seam roofs
		①		Roof overhangs extend a minimum of 12 inches on all elevations
		④		Any large roofs are broken up with shifts in height, cupolas, eyebrows, chimneys, dormers, bumpouts or other features that minimize the apparent bulk of the building and provide character. A large roof is defined as a roof of 40 feet or greater in length. (One of two side elevations and front elevation must meet criteria)
LANDSCAPE	1	①		The front yard of the property shall be landscaped with shrubs or sod (grass seed only, will not receive a point)
Focus on Energy Certified	△	④		Builder receives Focus On Energy Certified Home Recognition, currently that the home is certified as being 25% - 100% more energy efficient than Wisconsin Uniform Dwelling Code. **
	0	37		

**Project must score at least 31 points or greater to be built on a city-owned vacant lot. (In addition to meeting other criteria)**

If there are changes in exterior materials and color, they should occur between horizontal bands and be used to establish a base, middle, or top portion of the house.  
No vinyl less than .044 or concrete block used as a finish material.

Exceptions to basement criteria may be made for accessibility concerns or for flood plain concerns.

Exceptions will be considered where buildings employ other distinctive window or face treatment that adds depth and visual interest to the building.

\*When utilizing a hip roof, the ridgeline shall be broken up or front porch shall have a separate roof

Exceptions to the roof ridgeline requirement may be made for narrow properties. For large roof requirement this applies to all side elevations facing a street.

\*\*An analysis based on plans will be done to verify the home will meet the Focus on Energy Certification. Then two sites visits will be conducted to verify. The costs for these tests will be covered by the City of La Crosse and performed in-house. Buyer will forfeit security deposit if the final test does not show that their home meets Focus on Energy standards.

Total = 30-

Cannot have basement due to  
flood plain



# **CITY OF LA CROSSE**

**400 La Crosse Street  
La Crosse, Wisconsin 54601  
(608) 789-CITY  
[www.cityoflacrosse.org](http://www.cityoflacrosse.org)**

## LEGISLATION STAFF REPORT FOR COUNCIL

File ID            Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation



# City of La Crosse, Wisconsin

City Hall  
400 La Crosse Street  
La Crosse, WI 54601

## Text File

File Number: 23-0180

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**Agenda Date:**

**Version:** 1

**Status:** Agenda Ready

**In Control:** Economic and Community Development Commission

**File Type:** General Item



# **CITY OF LA CROSSE**

**400 La Crosse Street  
La Crosse, Wisconsin 54601  
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