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RECEIVED
DEC 27 2013

December 23, 2013

Tim Kabat
Mayor
City of La Crosse
400 La Crosse Street
La Crosse, WI 54601

Dear Mayor Kabat:

Enclosed is the Executed Trane Redevelopment Agreement. On behalf of Trane U.S., Inc. our thanks to you personally, Stephen Matty, Wayne Delagrave, Larry Kirch, Amy Paterson, City Council President Swantz and other members of the City Council and of course Heidi Larson for their efforts.

Very truly yours,

MICHAEL BEST & FRIEDRICH LLP



Peter L. Coffey

PLC:ck

Enclosure

cc: Brad Tacheny
David Modi
Alan Marcuvitz

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TRANE REDEVELOPMENT AGREEMENT

This Trane Redevelopment Agreement ("Agreement") is made by and between the City of La Crosse, Wisconsin, a Wisconsin municipal corporation, with offices at 400 La Crosse Street, La Crosse, Wisconsin 54601 ("City") and Trane U.S., Inc. a Wisconsin corporation, with offices at 3600 Pammel Creek Road, La Crosse, Wisconsin 54601 ("Trane").

WITNESSETH:

WHEREAS, Trane proposes to rehabilitate, modernize and redevelop certain of its properties in the City as described in Exhibit A, ("Properties"), to install new equipment in the Properties and to retrain and enhance the workforce employed to work in the Properties ("Project");

WHEREAS, Trane will provide financing for the Project, in accordance with the approved Project Plan for Tax Incremental District No. 15 ("TID #15").

WHEREAS, the City's goals for the Properties include encouraging private redevelopment for desirable and sustainable uses and to retain and enhance a skilled work force, to serve the needs of the City and its residents;

WHEREAS, the City has created TID #15, in order to prevent blight, grow the tax base and provide places of good employment for citizens of Wisconsin and the City;

WHEREAS, Section 66.1105, Wis. Stat., empowers cities to assist redevelopment projects by repayment of developer financing, lending or contributing funds, as well as by 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 Properties is essential to the economic health of the City and other taxing jurisdictions within the City; (2) the proposed redevelopment of the Properties will provide a more skilled workforce and a place of employment for City residents and residents of the surrounding area; and (3) the benefits to be gained by the City as a result of the Project are greater than the amounts to be paid by the City under this Agreement;

WHEREAS, the City desires the Project to proceed for the reasons set forth above, and because the Project will ultimately provide increased tax revenues for the City and other taxing jurisdictions authorized to levy taxes within TID #15;

WHEREAS, in order to induce Trane to undertake and finance the Project, the City has agreed to assist Trane in accordance with the terms and conditions of this Agreement.

WHEREAS, the City finds and determines that certain payments, as detailed in this Agreement, are necessary for the implementation of the TID Project Plan and the Project;

WHEREAS, Trane has declared that, "but for" this Agreement, it would not undertake the Project described in this Agreement;

WHEREAS, the City and Trane 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 City and Trane hereby agree as follows:

ARTICLE I

PURPOSE; PROPERTIES; DEFINITIONS; EXHIBITS

1.1 **Properties Affected.** The parties acknowledge that the Project will encompass and affect the following real property, all of which are within the boundaries of TID #15.

The Properties described in Exhibit A.

1.2 **Purpose of the Agreement.** In order to cause the Project to occur and to induce Trane to undertake the Project, to finance the Project, promote community development, industry and job creation and to expand and enhance the tax base within the City, the City will support the Project, in the manner as set forth in this Agreement. The City intends to obtain the funds to be provided under this Agreement, only by increased tax revenues generated by the Properties. 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.

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 Trane Redevelopment Agreement by and between the City and Trane, as amended and supplemented from time to time.

(b) "City" means the City of La Crosse, Wisconsin, a Wisconsin municipal corporation.

(c) "Monetary Obligation" means a limited and conditional monetary obligation from the Tax Increment generated from the Project in a maximum aggregate amount of \$5,500,000, to be incurred in installments, and payable over a period not to exceed the duration of TID #15; more specifically:

1. **Calculation.** Notwithstanding any other provision of this Agreement, and commencing with the collection of taxes from the Properties for tax year 2015, the City shall annually pay to Trane an amount calculated to be equal to the lesser of: (1) the Tax Increment resulting from an increase in the Real Property Tax Base from the Properties for the tax years 2015-2036, less 10% to be retained by the City, pursuant to para. 8, below; or (2) the actual Tax Increment resulting from an increase in the Real Property Tax Base from the Properties for

the life of TID #15, less 10% to be retained by the City, pursuant to para. 8, below.

2. Disbursement Date. After determining the actual applicable Tax Increment, the City shall make its payment of the Monetary Obligation annually on or before September 1 following each respective tax year, until payment of the maximum amount defined in Article I Section 1.3(d) above and Article III Section 3.1 below, or until 2037, whichever occurs first.

3. Conditions. The City's obligation to make payments of the Monetary Obligations is conditioned on:

- (a) The determination by the City Assessor of compliance with Article II Section 2.5 of this Agreement, below;
- (b) Trane's timely payment of property taxes and any Differential Payments when due;
- (c) Continued compliance with the provisions of this Agreement by Trane; and
- (d) The use of payments for the financing provided by Trane, as permitted under the Tax Incremental Law.

4. Example Exhibit. An example of the Monetary Obligation is attached as Exhibit B.

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 a judicial 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, Trane has no right to accelerate the payment of the Monetary Obligation. The only remedy of Trane in the event of nonpayment shall be legal proceedings to collect the amount of the Monetary Obligation that is due and

payable. Trane may only institute legal proceedings after first 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 an amount equal to 90% of the Tax Increments that have been collected, and allocated from the Project in TID #15 as provided by 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 Trane fails to comply with any provision of this Agreement, the City may withhold any payment that is otherwise due and payable and may further seek the recovery of any payment that has already been paid or disbursed.

8. Administration. The parties acknowledge and agree that the City will incur continuing administrative and professional service costs under this Agreement. Notwithstanding any provision of this Agreement, after payment to Trane as required in Article I Section 1.3(d)1 above, the City shall retain the remaining ten percent (10%) of the Tax Increment resulting from an increase in the Real Property Tax Base from the Properties for tax years 2015-2036, to offset said costs.

(d) "Payment(s)" means the amount(s) paid through this Agreement to partially reimburse Trane to undertake the redevelopment and to provide City assistance to the Project.

(e) "Project" means the rehabilitation, modernizing and redevelopment of the Properties, installation of new equipment and retaining and enhancing the workforce employed to work in the Properties.

(f) "Properties" means the real property described in Exhibit A.

(g) "Real Property Tax Base" means the value of the Properties for the year 2013.

(h) "Signature Date" has the same meaning as provided in Section 6.22 of this Agreement.

(i) "Tax Increment" means all property taxes and Differential Payments received from the Project, over and above the base value of the Properties of \$10,949,100.

(j) "Tax Incremental Law" means Section 66.1105, Wis. Stats., as amended.

(k) "TID Project Plan" means the plan, created in accordance with the Tax Incremental Law, for TID #15, including all approved amendments.

(l) "Trane" means Trane U.S., Inc.

EXHIBIT B
Monetary Obligation Example
(Trane TID Agreement)

Tax Year (Valuation Date)	1/1/2013	1/1/2014	Typical Year 2015-2035	Cumulative Totals 2015-2035
Base Value of Property	\$ 10,949,100	\$ 10,949,100	\$ 10,949,100	
Assessed Value of Property	\$ 10,949,100	\$ 10,949,100	\$ 19,751,400	
Total Value Increment	\$ -	\$ -	\$ 8,802,300	
Mill Rate (2012)	28.78	28.78	28.78	
Tax Increment Revenue	\$ -	\$ -	\$ 253,330	\$ 5,573,264
City's Retainage of Cash Grant Disbursements:				
City's Allocation of Tax Increment (10%)	\$ -	\$ -	\$ 25,333	\$ 557,326
Trane's Cash Grant Disbursements:				
Trane's Allocation of Tax Increment (90%)	\$ -	\$ -	\$ 227,997	\$ 5,015,938
Payment Date	N/A	N/A	9/1/2016	

ARTICLE II

TRANE OBLIGATIONS

Trane shall:

- 2.1 Rehabilitate, modernize and redevelop the Properties.
- 2.2 Install new equipment in the Properties.
- 2.3 Retrain and grow the workforce employed to work in the Properties.
- 2.4 Commit, by January 1, 2015, to expend a minimum of Fifty-Five Million Dollars (\$55,000,000) to accomplish the foregoing obligations.

2.5 Guarantee that the taxable value of the Properties, beginning with tax year 2015 and ending with tax year 2036 or through the life of TID #15, whichever is longer, shall not be less than Nineteen Million Seven Hundred Fifty-One Thousand Dollars (\$19,751,000). Trane agrees that, in the event the property taxes due for any year covered by this Agreement shall be based on a value less than the aforesaid taxable value, City shall submit a bill to Trane for the Differential ("Differential Payment"). For example, if the amount which would be due on a value of \$19,751,400 would be \$568,445, and the amount of property taxes billed is on a value of \$14,000,000, or \$402,920, the billable Differential Payment is \$165,525. Such a billing shall be submitted to Trane by the City Treasurer by December 31 of the relevant tax year and shall be paid in full by Trane, without interest thereon, by March 31 of the following year.

2.6 **Insurance.** For a period of twenty-two (22) years or the life of TID #15, whichever is longer, Trane shall maintain, and shall require that any purchasers or transferees of any portion of the Properties maintain insurance in such amounts and against such risks both generally and specifically with respect to the Properties, 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, Trane shall carry casualty insurance for the Properties 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 Properties to apply, any and all insurance proceeds to rebuild area, maintain the Properties and to name the City as an additional insured to the extent of this covenant provided in this Section. Trane shall provide to the City certificates of all such insurance.

2.7 **Restrictions.** Trane agrees to neither use nor allow a third-party to use the Properties for adult entertainment, pawnshops, mini-warehouses, car title loan business, payday lenders, tattoo parlors, and/or off-premise signs for a period of twenty-two (22) years or the life of TID #15, whichever is longer. Payday lenders and car title loan business do not include banks or credit unions.

2.8 **Record Retention.** Trane understands and acknowledges that the City is subject to the Public Records Law of the State of Wisconsin. As such, Trane 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 Trane agrees to assist the City in complying with any public records request that it receives pertaining to this Agreement. Additionally, Trane 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 Trane's actions or omissions which contribute to the Indemnified Party's inability to comply with the Public Records Law. In the event Trane decided 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.

2.9 Repair and/or Replacement of Infrastructure. Trane 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.

2.10 Trane shall, subject to its ability to locate experienced and firms able to competitively complete the tasks, engage local subcontractors and 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. Trane further agrees the City Engineer may review a list of all subcontractors and it further agrees that a target (subject to the conditions in the first sentence) of 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%) target threshold has been met, the parties shall measure based upon the dollar values of said work. If Trane 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 consultants, fixtures, furnishings, equipment, controls and the design and installation thereof.

ARTICLE III

CITY OBLIGATIONS

3.1 Conditional Contributions.

(a) For each tax year, commencing with tax year 2015, and ending with tax year 2036, City shall pay to Trane, no later than September 1 of the year following each respective tax year, beginning September 1, 2016 and ending September 1, 2037, a Repayment equal to 90% of the Tax Increment received from the Properties, but not more than a cumulative maximum of Five Million Five Hundred Thousand Dollars (\$5,500,000) subject to Article I, Section 1.3(c)(1) of this Agreement. See Exhibit B for an illustrative example of these yearly payments.

(b) Each payment is contingent on Trane's compliance with all of its obligations set forth in this Agreement.

3.2 **Assistance with TID #15 Extension.** If necessary and in accordance with applicable law, the City shall initiate the process to attempt to extend the duration of TID #15. Trane acknowledges that various undertakings of the City described in this Agreement may require approvals from the City Council (and other City bodies) and other public or governing bodies, some of which approvals may require public hearings and other legal proceedings as conditions precedent thereto. The City's obligations under this Agreement 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.

ARTICLE IV

REPRESENTATIONS, WARRANTIES AND COVENANTS

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

4.1 **Financial Statements / No Material Change.** All copies of published financial statements, are true and correct. There has been no material change in the business operations of Trane since the date of the last published financial statement except pursuant to the conduct of its ordinary business.

4.2 **Taxes.** Trane has paid, and shall pay when due, taxes, and shall promptly prepare and file returns for accrued taxes.

4.3 **Compliance with Zoning.** Trane covenants that the Properties, 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.

4.4 **Payment.** All work performed and/or materials furnished for the Project shall be fully paid for by Trane.

4.5 **Certification of Facts.** No statement of fact by Trane contained in this Agreement and no statement of fact furnished or to be furnished by Trane 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.

4.6 **Good Standing.** Trane is a corporation 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. Trane 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.

4.7 **Due Authorization.** The execution, delivery and performance of this Agreement and all other agreements requested to be executed and delivered by Trane hereunder have been duly authorized by all necessary corporate actions of Trane and constitute valid and binding obligations of Trane, 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 Trane 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.

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

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

ARTICLE V

DEFAULT

5.1 Trane's Default.

(a) **Remedies.** In the event (i) any representation or warranty of Trane 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 Trane's default hereunder which is not cured within thirty (30) days after written notice thereof to Trane, 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 Properties 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%) compounded monthly, shall be paid by Trane to the City immediately upon demand;
2. Injunctive relief;
3. Action for specific performance;
4. Action for money damages;

5. Repayment by Trane of any incentives and damages via special assessment or special charge under Section 66.0627, Wis. Stats., prior to any first mortgage lien on the property. The owners of the Properties 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; and

(b) Reimbursement. Any amounts expended by the City in enforcing this Agreement and the obligations of Trane hereunder, including reasonable attorney's fees, and any amounts expended by the City in curing a default on behalf of Trane, together with interest at one and one-half percent (1.5%) per month, shall be paid by Trane to the City upon demand and shall constitute a lien against the Properties 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 of 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.

5.2 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, Trane shall have all rights and remedies available under law or equity with respect to said default. In addition, and without limitation, Trane 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 Trane to enforce any provision contained herein shall not be deemed a waiver of Trane's rights to enforce such provision or any other provision in the event of a subsequent default.

5.3 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 VI

MISCELLANEOUS PROVISIONS

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

6.2 **Nondiscrimination.** In the performance of work under this Agreement, Trane 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 and 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.

6.3 **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.

6.4 **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, 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.

6.5 **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.

6.6 **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, except that the Disbursement Date of September 1st as defined in Article I Section 1.3(d)2 may never be postponed. The Board of Public Works shall otherwise oversee the day-to-day operations of this Agreement.

6.7 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 Attorney
 City of La Crosse
 400 La Crosse Street
 La Crosse, Wisconsin 54601

To the Trane: Trane U.S., Inc.
 3600 Pammel Creek Road
 La Crosse, Wisconsin 54601

6.8 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.

6.9 Conflict of Interest. Trane shall avoid all conflicts of interest or the appearance of a conflict of interest in the performance of this Agreement. Trane 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 2.48 of the City of La Crosse Municipal Code. Trane 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 Trane. 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.

6.10 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.

6.11 Disclaimer Relationships. Trane acknowledges and agrees that nothing contained in this Agreement or any contract between Trane 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 Trane, in the performance of the work and services of this Project shall not act as an agent or employee of the City and neither Trane 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 Trane 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.

6.12 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.

6.13 Termination. Except for Sections 2.8 (Record Retention) and 6.5 (Survival), which shall survive the termination of this Agreement, this Agreement and all obligations hereunder, shall terminate after twenty-two (22) years or the life of TID #15, whichever is longer. This Agreement may also be terminated as provided in Section 6.9 (Conflict of Interest) hereof.

6.14 Memorandum of Agreement. Promptly upon its acquisition of the Properties and prior to the recording of any mortgage or other security instrument against any portion of the Properties, Trane 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 Trane.

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

6.16 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 Trane.

6.17 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.

6.18 **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.

6.19 **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 context 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.

6.20 **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 Trane whether or not herein enumerated.

6.21 **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.

6.22 **Execution of Agreement.** Trane shall sign, execute and deliver this Agreement to the City on or before the close of regular City Hall business hours forty-five (45) days after its final adoption by the City, whichever occurs later. Trane'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 Trane 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").

12.12.13

Dated this 18 day of DECEMBER, 2013

TRANE U.S., INC.

By: Keith A. Sultana

Name: KETH A. SULTANA

Title: VP OPERATIONS TRANE

North Carolina
STATE OF WISCONSIN)
Mecklenberg COUNTY) SS.

Personally came before me this 18th day of December, 2013, the above-named Keith A. Sultana, the VP, Operations of the Trane U.S. Inc., a municipal corporation, to me known to be the person who executed the foregoing instrument and acknowledged the same, as the act and deed of said corporation, by its authority.

Deann Robin Denzer
Notary Public, State of ~~Wisconsin~~ North Carolina

My Commission expires: 7-7-2018

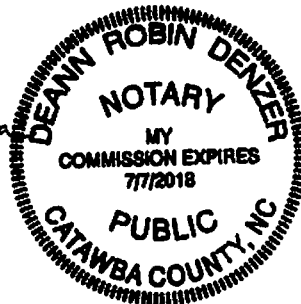


EXHIBIT A

Parcel #	Property Address
17-50323-156	2860 21st Pl S
17-50055-20	2502 East Ave. S
17-50017-10	2302 19th St. S
17-50294-50	2200 21st St. S
17-50285-10	2301 16th St. S
17-50284-100	2300 East Ave. S
17-50298-25	2527 21st Pl. S, a/k/a 2603 21st
17-50297-110	2351 Ward Ave.
17-50106-60	2504 Losey Blvd., S.
17-50013-90	1700 Horton St.
17-50296-30	2411 East Ave., S

EXHIBIT B
Monetary Obligation Example
(Trane TID Agreement)

Tax Year (Valuation Date)	1/1/2013	1/1/2014	Typical Year 2015-2036	Cumulative Totals 2015-2036
Base Value of Property	\$ 10,949,100	\$ 10,949,100	\$ 10,949,100	
Assessed Value of Property	\$ 10,949,100	\$ 10,949,100	\$ 19,751,400	
Total Value Increment	\$ -	\$ -	\$ 8,802,300	
Mill Rate (2012)	28.78	28.78	28.78	
Tax Increment Revenue	\$ -	\$ -	\$ 253,330	\$ 5,573,264
City's Retainage of Cash Grant Disbursements:				
City's Allocation of Tax Increment (10%)	\$ -	\$ -	\$ 25,333	\$ 557,326
Trane's Cash Grant Disbursements:				
Trane's Allocation of Tax Increment (90%)	\$ -	\$ -	\$ 227,997	\$ 5,015,938
Payment Date	N/A	N/A	9/1/2016	