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October 22, 2014

Mr. Dale Hexom Director of Public Works City of LaCrosse 400 LaCrosse Street, 5th Fl. LaCrosse, Wisconsin 54601 Otto Bosshard (1876-1943)
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Re: 434 Holdings, Inc. and LaCrosse County Tax Parcel No. 17-20028-80.

Dear Director Hexom,

I am making this submission on behalf of my clients, Ronald and Beverly Brown, and their corporation 434 Holdings, Inc. Ronald and Beverly Brown currently have agreements in place to purchase the properties comprising the east half of the block and located primarily at 434 3rd Street. This would be the Habitat for Humanity, Hilton Medical and Chapter II properties. One of the purchases will be completed in 2014 and the other in 2015. At this time, we are requesting as Step 1, that the Board of Public Works approve and direct the Public Works Department to take this proposal to the Wisconsin DOT for review and approval.

434 Holdings, Inc. has been approved by a major national franchisor to build a 92 room hotel on that location. In order to fit the hotel onto the lot with the required number of parking spaces, and to attempt to be in compliance with the City's new green space requirements, they are making this request of the City of LaCrosse. There exists a stub road next to the Cass Street bridge and adjacent to this property. The stub road is a parcel of land owned by the City of LaCrosse, having a tax parcel id no 17-20028-80. We would ask for a lease from the City for the land comprising the East ½ of the stub road, ie that portion immediately adjacent to this parcel of land to be developed. Please see the attached engineer's rendering for a visual representation of my client's proposal for how the ½ block and the City's parcel would be developed.

The parcel being leased would have a restricted use of parking and/or green space. The intended use as shown on the rendering is access to parking and part of the parking spaces. The proposed lease is modelled after the City's existing lease with the Courtyard by Marriott property for their parking lot underneath the Cass Street Bridge. I am enclosing a copy of that Courtyard by Marriott lease and my client's draft lease for your reference. The lease provisions are nearly identical, including the rental rate (brought current for past CPI increases); however, in speaking with Assistant Director of Public Works, Robert Haines, we have added several provisions relating to

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the Wisconsin DOT. The proposed lease provides that the Wisconsin DOT would have access to these parking spaces at any time (with prior notice) for purposes of their bridge maintenance and inspections. We would further ask the DOT to allow us to "beautify" the area from the DOT signs to the parking spaces, to better enable this project to be in compliance with the new green space requirements. Any green space use would be limited and would not interfere with the signage or use of the bridge.

Please note that the engineering rendering is preliminary and has not yet been approved by the Planning Department. If the Board of Public Works approves this lease, then the final plans and renderings will be submitted to the Planning Department, etc., for approval, as necessary.

My clients are only offering to pay a lease rate that is the same as what the Courtyard by Marriott pays, with the same inflationary increases built in. The City of LaCrosse would approve this request, not for financial gain from the lease, but rather to aid this developer in the construction of another new hotel in the City of LaCrosse, which helps for the viability of the LaCrosse Center, and also increases the property tax base for the City.

To summarize, we believe that Step 1 is for the Public Works Department, on behalf of the City, to seek the approval of the Wisconsin DOT on this lease adjacent to the bridge. Then upon DOT approval, Step 2, would be for the Board of Public Works to approve the request. And finally once Steps 1 and 2 have been accomplished, then, Step 3, would be for the City Attorney to approve the proposed lease form.

Thank you for your consideration and please do not hesitate to contact me with any questions or concerns.

Very truly yours,

BOSSHARD PARKE, ltd.

Darla A. Krzoska

DAK/sgb

Encls.

cc:

Mayor Timothy Kabat (w/ encls)

City Attorney Stephan Matty (w/ encls)

