

Submitted 2/21/18

CITY OF LA CROSSE REPLACEMENT HOUSING PURCHASE AGREEMENT (VACANT LAND)

WHEREAS, the City of La Crosse operates a Market-Rate Housing Replacement and Housing RENEW Program with the use of capital borrowing and TIF funds, and

WHEREAS, the City of La Crosse purchased property at **1007 25th Street** for the purposes of said program, and

WHEREAS, the City of La Crosse advertised the sale of said property in accordance with the guidelines provided in the program, the land was offered at fair market value and an offer was received in accordance with said guidelines,

NOW, THEREFORE, IT IS AGREED by and between the City of La Crosse, Wisconsin hereinafter referred to as "City", and **Kratt Lumber Co**, hereinafter referred to as "Purchaser" that the City hereby agrees to convey to Purchaser, upon the following terms and conditions:

1. Real Estate: City agrees to sell and Purchaser agrees to purchase the real estate in fee simple located at **1007 25th Street**; Tax Parcel No.: **17-40101-122** more specifically described as follows:

**LOT 2 OF LA CROSSE COUNTY CERTIFIED SURVEY MAP FILED ON MARCH 30, 2017
IN VOLUME 17 OF CERTIFIED SURVEY MAPS, PAGE 41, AS DOCUMENT NO. 1691106,
BEING LOCATED ON LOT 14 OF BOULEVARD ADDITION, CITY OF LA CROSSE,
LA CROSSE COUNTY WISCONSIN**

2. Purchase Price: The purchase price shall be **Twenty three thousand** Dollars and no cents (\$23,000.00).
4. Deposit: A good faith deposit of **Three thousand four hundred fifty** Dollars and no cents (\$3,450.00) shall be paid upon execution of the Agreement. The deposit shall be in addition to the purchase price. The deposit will be returned to Purchaser if all conditions outlined in this agreement are satisfied.
5. The purchaser agrees to the following conditions for the sale of this land.
 - A. The Warranty Deed transferring the property to the Purchaser must contain a restriction with the following language: The above-described property **shall remain and be used only as an owner-occupied, single-family residential dwelling in perpetuity.**
 - B. The house shall be built in accordance with the plans known as **Home Cottage by Donald F. Evans, AIA for Mike Kratt** approved by the Community Development Committee on **July 11, 2017** and which meet the City's single family home design standards.
 - C. Building Permits must be obtained and construction within six (6) months of closing, and the project must be completed within twelve (12) months of the start date of construction.
 - D. Purchaser must allow assessor's office to assess the property at the completion of construction.
 - E. Landscaping (graded to match adjacent grades, seed or sod) must be completed 30 business days from receipt of certificate of occupancy.
6. Conveyance: This fee simple conveyance is to be made by a Warranty Deed, free and clear of all assessments, taxes, liens, encumbrances, easements or other servitude except zoning and municipal ordinances and the provision in the conveyance that the Purchasers must comply with City of La Crosse

Replacement Housing Purchase Agreement (Vacant Land). Taxes are to be prorated as of the date of closing. The following language shall be added to the deed:

The above-described property shall remain and be used only as an owner-occupied, single-family dwelling in perpetuity. This conveyance is subject to a certain Replacement Housing Purchase Agreement (Vacant Land), which is attached hereto and made a part of this deed

7. Evidence of Title: City shall obtain an owner's policy of title insurance prior to closing in the amount of the full purchase price, naming the Purchaser as the insured, as its interest may appear, written by a responsible title insurance company licensed by the State of Wisconsin, which policy shall guarantee the City's title to be in condition called for by this Agreement, except for mortgages, judgments or other liens, which will be satisfied out of the proceeds of the sale. A commitment by such title company, agreeing to such title policy upon the proper recording of the proper document as agreed herein, shall be deemed sufficient performance.
8. Closing and Possession: The transaction shall close at City Hall or at the title company or at such other place as mutually agreeable to all parties. Possession of the premises shall be delivered to the Purchaser at closing.
9. Breach/Right to Cure. In the event of a breach of one of the conditions specified above, the City shall provide written notification of the breach no later than thirty (30) days after said breach and provide for a thirty-day right to cure. If the breach is not cured within thirty (30) days, the City may, at its option bring an action for reversion of the property. Purchaser shall be responsible for all fees and costs incurred by the City to enforce this Agreement.
10. Notices. Any notice, demand or other communication under this Agreement shall be given in writing and shall be deemed effective when (a) personally delivered; (b) three days after deposit in the United State Postal Service, postage prepaid, certified, return receipt requested; or (c) one 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: Department of Planning & Economic Development
 City of La Crosse
 400 La Crosse Street,
 La Crosse, WI 54601

To the Purchaser: Kratt Lumber Co.
 1714 16th Street S
 La Crosse, WI 54601
 Ph. 608-788-2600
11. Sale of Constructed Home: In the event of the sale of the constructed home, Purchaser must comply with the fair housing and marketing regulations.
12. Governing Law. This Agreement shall be governed by the laws of the State of Wisconsin, with venue in La Crosse County, Wisconsin.
13. Entire Agreement: This Agreement contains the entire agreement of the City and Purchaser regarding this transaction. All prior negotiations and discussions have been merged into this Agreement.

IN WITNESS WHEREOF, the said City and Purchaser have here unto set their hands and seals this 22 day of August, 2017.

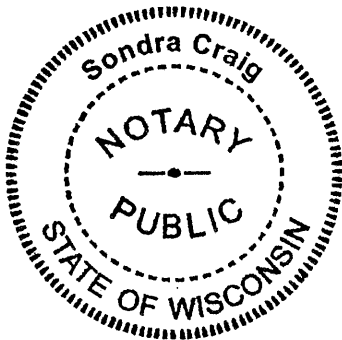
CITY OF LA CROSSE, WISCONSIN

BY: Timothy Kabat
Timothy Kabat, Mayor

BY: Nikki M. Elsen
~~Teri Lehrke, City Clerk~~ Nikki M. Elsen
deputy city clerk

STATE OF WISCONSIN)
) ss.
LA CROSSE COUNTY)

Personally came before me this 22nd day of August, 2017 the above named Timothy Kabat, Mayor, and ~~Teri Lehrke~~ ^{Nikki Elsen}, City Clerk, to me known to be the persons who executed the foregoing instrument and acknowledged the same.



Sondra Craig
Notary Public, La Crosse County, WI
Print: Sondra Craig
My commission expires: 11/11/2017

KRATT LUMBER

By: Eric Torgerud
Eric Torgerud, President
By: _____

STATE OF WISCONSIN)
) ss.
LA CROSSE COUNTY)

Personally came before me this 1 day of September, 2017 the above named Eric Torgerud, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.



Kim Burrichter
Notary Public, La Crosse County, WI
Print: Kim Burrichter
My commission expires: 4/26/21

Drafted By: Dawn Reinhart

CITY OF LA CROSSE REPLACEMENT HOUSING PURCHASE AGREEMENT (VACANT LAND)

WHEREAS, the City of La Crosse operates a Market-Rate Housing Replacement and Housing RENEW Program with the use of capital borrowing and TIF funds, and

WHEREAS, the City of La Crosse purchased property at **1003 25th Street** for the purposes of said program, and

WHEREAS, the City of La Crosse advertised the sale of said property in accordance with the guidelines provided in the program, the land was offered at fair market value and an offer was received in accordance with said guidelines,

NOW, THEREFORE, IT IS AGREED by and between the City of La Crosse, Wisconsin hereinafter referred to as "City", and **Kratt Lumber Co**, hereinafter referred to as "Purchaser" that the City hereby agrees to convey to Purchaser, upon the following terms and conditions:

1. Real Estate: City agrees to sell and Purchaser agrees to purchase the real estate in fee simple located at **1003 25th Street**; Tax Parcel No.: **17-40101-121** more specifically described as follows:

**LOT 1 OF LA CROSSE COUNTY CERTIFIED SURVEY MAP FILED ON MARCH 30, 2017
IN VOLUME 17 OF CERTIFIED SURVEY MAPS, PAGE 41, AS DOCUMENT NO. 1691106,
BEING LOCATED ON LOT 14 OF BOULEVARD ADDITION, CITY OF LA CROSSE,
LA CROSSE COUNTY WISCONSIN**

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5. The purchaser agrees to the following conditions for the sale of this land.
 - A. The Warranty Deed transferring the property to the Purchaser must contain a restriction with the following language: The above-described property **shall remain and be used only as an owner-occupied, single-family residential dwelling in perpetuity.**
 - B. The house shall be built in accordance with the plans known as **2922 22nd Street or 2502 14th Street** approved by the Community Development Committee on **July 11, 2017** and which meet the City's single family home design standards.
 - C. Building Permits must be obtained and construction started on or before May 1, 2018, and the project must be completed within twelve (12) months of the start date of construction.
 - D. Purchaser must allow assessor's office to assess the property at the completion of construction.
 - E. Landscaping (graded to match adjacent grades, seed or sod) must be completed 30 business days from receipt of certificate of occupancy.
6. Conveyance: This fee simple conveyance is to be made by a Warranty Deed, free and clear of all assessments, taxes, liens, encumbrances, easements or other servitude except zoning and municipal ordinances and the provision in the conveyance that the Purchasers must comply with City of La Crosse

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To the City: Attn: Department of Planning & Economic Development
City of La Crosse
400 La Crosse Street,
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CITY OF LA CROSSE, WISCONSIN

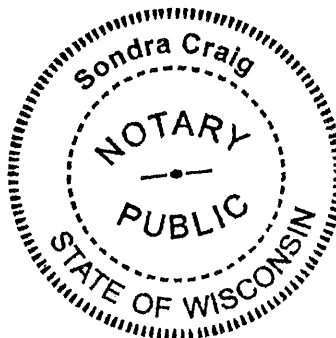
BY: Timothy Kabat
Timothy Kabat, Mayor

BY: Nikki M. Eisen
~~Teri Lehrke, City Clerk~~ Nikki M. Eisen
deputy city clerk

STATE OF WISCONSIN)
) ss.

LA CROSSE COUNTY)

Personally came before me this 22nd day of August, 2017 the above named Timothy Kabat, Mayor, and ~~Teri Lehrke~~, City Clerk, to me known to be the persons who executed the foregoing instrument and acknowledged the same. ~~Nikki Eisen, deputy~~



Sondra Craig
Notary Public, La Crosse County, WI
Print: Sondra Craig
My commission expires: 11/11/2017

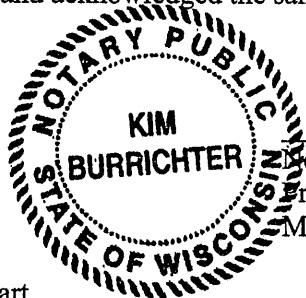
KRATT LUMBER

By: Eric Torgerud
Eric Torgerud, President
By: _____

STATE OF WISCONSIN)
) ss.

LA CROSSE COUNTY)

Personally came before me this 1 day of September, 2017 the above named Eric Torgerud, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.



Kim Burrichter
Notary Public, La Crosse County, WI
Print: Kim Burrichter
My commission expires: 4/26/21

Drafted By: Dawn Reinhart



City of La Crosse, Wisconsin

Submitted
2/21/18

City Hall
400 La Crosse Street
La Crosse, WI 54601

Meeting Minutes

Community Development Committee

Tuesday, July 11, 2017

4:00 PM

3rd Floor Conference Room

Call to Order, Roll Call

The meeting was called to order by Mayor Tim Kabat at 4:01PM.

Others present: Dawn Reinhart, Caroline Gregerson, Kevin Conroy, Jason Gilman, Kevin Clements, Jessica Olson, David Marshall, Mark Torgerud, Mallory Maxwell

Approval of Minutes

A motion was made by Hatfield, seconded by Ostrem, that the Minutes be APPROVED . The motion carried by voice vote.

Agenda Items:

17-0897

Approval of Revised City of La Crosse Guidelines for Vacant Land Property Sales

Attachments: Approval of Revised Vacant Land Guidelines

City of La Crosse Guidelines

Discussion about how to approach a reliable developer who would like to have more than 2 ongoing developments. It would be the exception, not the rule, that the committee would approve after developer seeking approval fulfills burden of proof. No changes made to guidelines other then grammatical.

A motion was made by Ostrem, seconded by Lee, that this Resolution be APPROVED with grammatical errors fixed. The motion carried by voice vote.

17-0898

Approval of Housing Renovation Program Guidelines

Attachments: Housing Renovation Program
 Housing Renovation Program Guidelines

Discussion was held regarding expanding the program City wide after identifying more funding. Additionally, although the loan must be payed back within 10 years, there was discussion in regard to adding interest, which is reflected in the Committee's motion.

A motion was made by Ostrem, seconded by Janssen, that this Resolution be APPROVED with 1% interst if loan is payed back within 5 years and 3% interest if loan is not payed back within 5 years. The motion carried by voice vote.

17-0899

Action on counter offer & offer to purchase 1003 & 1007 25th Street

Attachments: 7-6-17 Action on counter offer & offer to purchase 25th St lots

Discussion about sizing of lots in the City of La Crosse and the commonality of narrower lots. Additionally, the City requires building to being within 6 months of closing, but an exception, extension to May 1, 2018, will be made as building must being in spring.

A motion was made by Janssen, seconded by Ostrem, that this Resolution be APPROVED, accepting the second offer to resize the lots contingent on one of the two houses being built following the plans presented. The motion carried by voice vote.

17-0901

Overview of Replacement Housing Program & Housing Rehabilitation Program

Caroline and Dawn presented on the role of the Community Development Committee and the role of City staff.

Next Meeting Date/Agenda Items

The next meeting is August 8, 2017 at 4:00PM.

Adjournment

A motion was made by Ostrem, seconded by Lemmon, to adjourn the meeting at 5:16PM. The motion carried by voice vote.

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, with as much advance notice as possible.



PLANNING AND DEVELOPMENT

400 LA CROSSE STREET | LA CROSSE, WI 54601 | P: (608) 789-7512 | F: (608) 789-7318

Memorandum

To: Housing Rehabilitation Review Board
From: Dawn Reinhart
Date: 7/7/17
Re: Action on counter offer & offer to purchase 1003 & 1007 25th Street (17-0899)

Primary offer to purchase in related agenda item #17-0786: for \$23,000/lot, contingent upon resizing the lots and modifying the construction commencement date to allow for one home to be built in 2018.

Counter offer #1 written by Seller/City: Buyer may not resize lots, buyer must conform to the timeline in the vacant lot procedures and guidelines which state construction must commence 6 mos from the date of closing and be completed 12 mos from commencement.

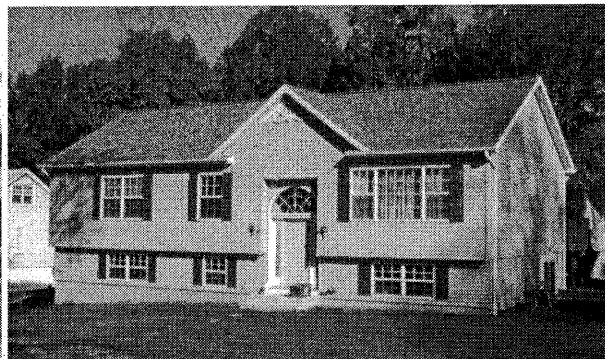
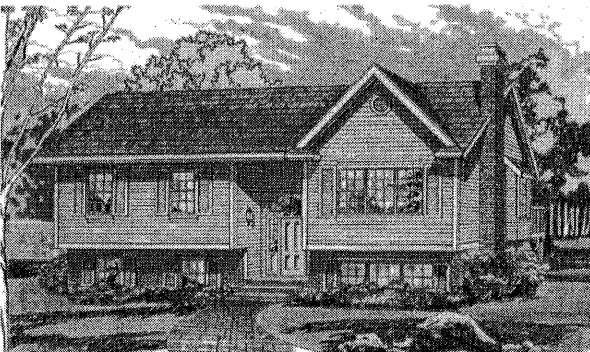
CDC has approved house plans submitted for lot 1, however buyer must go through necessary channels to have plans approved by FPBS and/or Public Works. Closing on lot 2 will not occur until house plans have been approved by the CDC.

Counter offer #2 written by purchaser: Purchaser rejects counter offer #1 written by City. Contingency: approval to construct one home in the fall of 2017 and construct one home in the spring of 2018.

- Request to resize lots to 45x150 and 55x150, in original OTP is still valid.

Secondary offer to purchase: \$19,900 for each lot, contingent upon CDC approval for a raised ranch. Floor concept plans were provided, NO exterior elevations.

Staff Concerns: with out exterior elevations, it is difficult to formulate an opinion on the house plans. Raised ranch is similar to a split level design, commonly used when lots have varying elevations, typically does not have a lot of architectural enhancements (see examples below)



PLANNING AND DEVELOPMENT

400 LA CROSSE STREET | LA CROSSE, WI 54601 | P: (608) 789-7512 | F: (608) 789-7318

Memorandum

To: Housing Rehabilitation Review Board
From: Dawn Reinhart
Date: 6/8/17
Re: Disposition of 1003 & 1007 25th Street (17-0786)

List price: \$23,000 for each lot

Lot Size: 50 x 150

Offer to purchase: \$23,000 for each lot; contingent upon resizing lots to 45x150 and 55x150, construction to start on one home in 2017 and the second in 2018.

House plan for home in 2017: 1 story, 3 Bedrooms, 2 ½ bathrooms, full basement, attached garage facing the street, approximately 1,850 sq ft. The attached front facing garage is important to the buyer as they would like to maximize the view of the bluff.

Staff concerns: Current building code (115-525 & 115-562) does not permit a front facing garage when an alley is present. There is one curb cut present from the street to the property as the previous structure had a front facing garage. Buyer was advised to consult Engineering regarding curb cuts and driveways.

