

HAVEN ON MAIN DEVELOPMENT AGREEMENT

This Haven on Main 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**"), the and **Haven on Main, LLC**, a Wisconsin limited liability company with principal offices located at 201 Melby Street, Westby, Wisconsin 54667 ("**Developer**").

WITNESSETH:

Whereas, Developer proposes to own, develop construct, improve and equip a multi-story, 70-unit low-income housing tax credit (LIHTC) building consisting of 1, 2 and 3-bedroom units and approximately 3,250 square feet of commercial space, more specifically described below as the "Project," within the City of La Crosse on property 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 proximity to Tax Incremental District Nos. 11 and 17, (respectively "TID #11" and "TID #17"), 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 and commercial 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 Design Review Committee;

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 proximity to TID #11 and TID #17;

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 #11 and TID #17 ("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 one-half mile of the boundaries of TID #11 and TID #17:

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 commercial and 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 Design Review Committee.

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 Haven on Main 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 incent Developer to undertake the development and assist the Project and for which the Monetary Obligation is incurred.
- e. "Developer" means Haven on Main, LLC, a Wisconsin limited liability company.
- f. "Master Plan" means the Final Implementation Plan for the Real Estate prepared by the Developer and approved by the City Design Review Committee as well as all subsequent revisions thereto that are prepared by Developer and approved by the City Design Review Committee. The Final Implementation Plan is in conformance with the approved General Development Plan for the Real Estate.
- g. "Monetary Obligation" means a limited and conditional monetary obligation of the Tax Increment generated from the Project in a maximum aggregate amount of seven hundred ninety-seven thousand dollars (\$797,000.00), that is incurred, in one or more installments, and that is payable over the time not to exceed the duration of the TID #11 and #TID #17; more specifically:
 - (1) Calculation. Effective September 1, 2027, 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 seven hundred ninety-seven thousand dollars (\$797,000.00), or (b) eighty-five percent (85%) of the actual Tax Increment resulting from an increase in the real property tax base from the Project for tax years 2027-2036 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 seven hundred ninety-seven thousand dollars (\$797,000.00), shall be retained by the City and other taxing jurisdictions.
 - (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 #11 and TID #17 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 materially in accordance with the Master Plan, Project Cost Breakdown and Construction Schedule but excluding "punchlist" items;
 - (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 and Community Development

Commission. Said submissions shall be in form and content acceptable to the Finance Director and Economic and Community 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 #11 and TID #17 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 and equipping a multi-story, 70-unit LIHTC building consisting of 1, 2 and 3-bedroom units and approximately 3,250 square feet of commercial space. The Project will serve adults with disabilities with incomes ranging between 30-60% of Area Median Household Income (AMI). Eleven units in the Project are set aside for market rate occupancy. The Project will be on the Real Estate as further 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 substantially 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 that permits tenants to occupy the residential. 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 and other taxing jurisdictions with respect to the Real Estate. Tax Increment, as used in this Agreement, is a means to calculate the Contribution to be paid by the City to Developer from TID #11 and TID #17.
- p. "Tax Incremental Law" means Section 66.1105, Wis. Stats., as amended and superseded.
- q. "TID #11" and "TID #17" mean the Tax Incremental Financing District Numbers 11 and 17, respectively, 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 #11 and TID #17, 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
- h. **Exhibit H.** Pro Forma Financial Statement
- i. **Exhibit I.** Sample Look Back Calculation

ARTICLE II

DEVELOPER OBLIGATIONS

2.1. Acquire the Real Estate. Within one hundred fifty (150) days of the Signature Date, Developer shall acquire fee simple title to the Real Estate, if necessary.

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 September 1, 2025 with Substantial Completion on or before December 1, 2026, 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 eleven million five hundred eighty-two thousand four hundred fifty dollars (\$11,582,450.00). 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.; provided, however, if after construction the City deems access necessary, the City and Developer shall work in good faith to ensure minimal disruptions to Developer's tenants and their use of the Real Estate; and provided, further, that the City shall repair, at the City's own cost and expense, and damage done to the Real Estate in connection with its inspections conducted in accordance with this section.
- 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.** Developer shall submit a Master Plan setting forth all the details of construction and development to the Commercial and Multi-Family Design Review Committee 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.

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 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 during the term of the Annual PILOT (as set forth below. 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, including those applicable to low-income housing tax credit properties – i.e., the income approach to valuation and capping rent in accordance with HUD-published rent schedules,) 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; and during such appeal the timeline for making the Annual PILOT payment shall be tolled pending completion of the appeal. During the appeal, all obligations of the City are also tolled. The parties agree that the Annual PILOT shall survive for a period of twenty (20) years or the life of the TID #11 or TID #17, whichever is longer. Notwithstanding the foregoing, 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 six million three hundred ninety-nine thousand four hundred dollars (\$6,300,400.00) beginning in tax year 2028 and for a period of twenty (20) years or the life of TID #11 or TID #17, 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 #11 or TID #17, whichever is longer.
- c. **Deficiency PILOT.** In the event the assessed value of the Project is less than six million three hundred ninety-nine thousand four hundred dollars (\$6,399,400.00) as of January 1, 2028, or for any tax year thereafter for a period of twenty (20) years or the life of TID #11 or TID #17, 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 #11 or TID #17, 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, or parking spaces. This section does not prevent Developer from transfers of its beneficial interests, including specifically (i) the transfer of up to 99.99% of Developer's membership interests to one or more low-income housing tax credit investors (whether singular or plural, the "Investor Member"); (ii) the transfer of the managing member interests to the Investor Member in accordance with Developer's operating agreement, as amended and restated from time to time; (iii) the transfer of the managing member interests so long as the managing member remains owned or controlled by Couleecap, Inc.; or (iv) the transfer of the Investor Member's interests to Couleecap, Inc. or an entity under its control on or after the expiration of the tax credit period as defined in Section 42 of the Internal Revenue Code.
- 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 and Community Development Commission providing for payments in lieu of taxes to the City. For the avoidance of doubt, the parties agree and acknowledge that Couleecap, Inc. or an entity entirely owned by it is expected to become the beneficial owner of the Real Estate. Couleecap, Inc. is the beneficial owner of Developer and, in such capacity, is aware and agrees to the PILOT provisions contained herein. Notwithstanding, Couleecap, Inc., or such other entity, will execute the written agreement described herein.
- 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 and Community Development Commission 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 #11 or TID #17, 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.** Other than as set forth on Exhibit D, 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.
- c. Utilities to be Dedicated to the Public.** As shown in Exhibit D (Public Improvements), Developer shall fund Developer-Funded Improvements and City-Funded Improvements at its own cost and expense until the City reimburses Developer in accordance with

Section 3.1(b) of this Agreement. Developer shall dedicate and convey such Public Improvements to the City. Developer will, at all times, maintain a full "open book process" and ensure that the requirements of payment and performance bonds are obtained as well as the payment of prevailing wages as required by law are followed so that the Public Improvements comply with the Wisconsin public construction requirements. All bids shall be publicly bid in accordance with §62.15, Wis. Stat., and opened in public at City Hall. After publicly opening the bids, Developer and City shall jointly review the bids. After Developer has an opportunity to provide its recommendation, the City shall decide to either award the bids, refer the bids for thirty (30) days, or reject all bids and publicly bid the project again. Developer shall furnish full access to the City upon ten (10) days notice to all internal cost accounting records and all supporting project records with respect to the Public Improvements. Any savings during construction shall be identified immediately after bidding and monthly through cost accounting thereafter. Savings shall be completely passed on to the City, reducing the construction cost by the amount of any such savings.

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 #11 or TID#17, 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.

2.15. Look Back. Developer shall provide documentation, as requested by the City at no cost, in order to allow the City, or its consultant, to review, analyze and make adjustments to the cash grant described in accordance with Section 3.1.

ARTICLE III

CITY OBLIGATIONS

3.1. Project Assistance. Developer agrees to advance funds on behalf of the City for project costs, which the City shall reimburse through Contributions under the terms of this Agreement. Developer has

requested a cash grant from TID #11 and TID #17, and the City may be required to make Contributions to Developer, up to an aggregate maximum seven hundred ninety-seven thousand dollars (\$797,000.00), subject to change based on the provision 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. More specifically,

- a. **Pay-As-You-Go Payment Schedule.** Effective September 1, 2027, 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 seven hundred ninety-seven thousand dollars (\$797,000.00), or (b) the sum of eighty-five percent (85%) of the actual Tax Increment resulting from an increase in real property tax base from the Project for tax years 2026-2035. An Illustrative example of the payment of cash grants is attached as Exhibit G.
- b. In addition to the payment noted in Section 3.1(a), and unless the City contracts directly with a general contractor or Section 4.14 applies the City shall provide a dollar-for-dollar payment to Developer for the City-Funded Improvements completed by the Developer in accordance with Exhibit D. Such payment shall be made as a reimbursement, after Developer provides written evidence to the City that the Public Improvements have been completed and have been dedicated to the City.
- c. **Review of Project Assistance.** The financial assistance to the Developer under this Agreement is based on certain assumptions regarding likely costs and expenses associated with constructing the Project as set forth in Exhibit E attached hereto. The City and Developer agree that the Developer's representations of the Total Development Costs will be reviewed at the time of completion of construction of the Project. Upon submitting the request for the Certificate of Completion under Section 3.2, the Developer will submit the final sources and uses for the Project in the form set forth in Exhibit E based on actual Total Development Costs as incurred and documented. If the actual Total Development Costs at completion decrease by more than one hundred thousand dollars (\$100,000.00) below the amount shown in Exhibit E, the Monetary Obligation will be reduced by 50% of the amount of the decrease in the Total Development Costs which exceeds \$100,000. Calculated in the manner the City, or its consultant, determines consistent with the sample look back calculation attached as Exhibit I, as approved by the City.
- d. **Definitions.** For the purposes of this Section, the following terms have the following meanings:

"Total Development Costs" means the total expenditures incurred to complete development of the Project inclusive of land acquisition, hard construction costs, soft costs and financing costs as approved by Developer's senior construction debt lender.

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. 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, they agree 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 Alley Vacating and Dedication. The City shall cause the vacation of that certain alley located on the Real Estate, as shown in the depiction on Schedule D-1, which shall be accomplished on or about the date of construction commencement contained in Exhibit F. Simultaneously, the City shall accept a dedication of real property to replace the vacated alley, also as shown in the depiction on Schedule D-1.

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, 2026, 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 eleven million five hundred eighty-two thousand four hundred fifty dollars (\$11,582,450.00). Said documents shall be acceptable in all respects to City, in the sole and absolute discretion of the Finance Director and Economic and Community Development Commission. 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 is acceptable in all respects to the City and has been approved by the City Plan Commission.

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 #11, TID #17 and TID Project Plan. The amendment of TID #11, TID #17 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 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. If necessary, the Developer shall have acquired fee simple title to the Real Estate in accordance with Section 2.1 of this Agreement. If this condition is not met, then the Agreement shall terminate without further action of the City or Developer. Upon such termination of this Agreement, the parties shall have no further obligations to each 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.

4.14. Public Improvement Reimbursement. Prior to any Public Improvements being reimbursed to the Developer pursuant to Section 3.1(b) of this Agreement, Developer shall ensure compliance with the

Wisconsin public bidding and public construction laws. Developer shall cooperate with the City's Engineering Department to ensure compliance.

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. If necessary, the Developer shall have acquired fee simple title to the Real Estate in accordance with Section 2.1 of this Agreement. If this condition is not met, then the Agreement shall terminate without further action of the City or Developer. Upon such termination of this Agreement, the parties shall have no further obligations to each other hereunder.

5.2. Amendment of TID #11, TID #17 and TID Project Plan. The amendment of TID #11, TID #17 and TID Project Plan shall be approved by the appropriate governmental entities, if necessary.

5.3 Vacation of Alley and Dedication of New Alley. The City shall vacate the alley and accept dedication of a new alley, all as more particularly described in Section 3.6 hereof.

5.4 Public Improvements. At the request of Developer, the City shall accept ownership of the Public Improvements that are constructed in compliance with the Wisconsin public bidding and public construction laws. The City's Engineering Department shall cooperate with the Developer to help ensure compliance with such requirements.

ARTICLE VI

REPRESENTATIONS, WARRANTIES AND COVENANTS

Developer represents and warrants to and covenants with the City, and the City represents and warrants to and covenant 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 they have 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.

- b. No Subordination.** The City shall not subordinate any interest they have 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. At the request of Developer's lender, the City will negotiate a collateral assignment of monetary obligation in favor of said lender, as it relates to the financing necessary to fund construction costs that will be repaid by the increment payments contained herein. Likewise, the City will negotiate in good faith such subordination agreements and/or estoppel certificates related to this Agreement as Developer's lender(s) or Investor Member may request from time to time. Nothing herein requires the City to finalize or execute any such agreements the City determines to be contrary to its own best interests as determined by the City in its sole and absolute discretion. 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 materially in accordance with the Master Plan and will promptly correct any defects in construction or substantial deviations from the Master Plan.

6.16. No Changes. Developer shall not, without the City's prior written consent: (i) consent to any amendments to any documents delivered to City pursuant to this Agreement; that would have the effect of impairing the City's rights or the substantially impairing the value of the Project; or (ii) approve any changes in the Project or the Master Plan or permit any work to be done pursuant to any changes, to the extent such changes materially impair the value of the Project as built.

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, provided the City can substantially ensure, but not guarantee, such books and records do not become subject to open records requests to fullest extent permitted by Wisconsin law. 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. 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 sixty (60) days after written notice thereof to Developer (provided, however, if the default is of a nature that is not curable within 60 days after written notice, then such longer period of time not to extend beyond 180 days so long as Developer diligently pursues a cure within 60 days after receipt of written notice from the City), 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, but only after providing to Developer (and its senior lender and Investor Member, if known,) 10 days written notice of City's intent to cure, then 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.

- e. **Investor Member's and Senior Lender's Right but not Obligation to Cure.** The City shall substantially provide copies of written notices required under this Section 7.1 to Developer's Investor Member and senior lender, if and to the extent Developer has provided such information to the City from time to time. The City will accept any cure proffered by Developer's Investor Member and/or senior lender as if such cure was proffered directly by Developer. The City agrees and acknowledges that the Investor Member and senior lender have the right, but not the obligation, to cure any such defaults on behalf of Developer.

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 (provided, however, if the default is of a nature that is not curable within 60 days after written notice, then such longer period of time not to extend beyond 180 days so long as City diligently pursues a cure within 60 days after receipt of written notice from the Developer), 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, 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 and Community Development Commission 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: Executive Director
Haven on Main, LLC
c/o Couleecap, Inc.

201 Melby Street
Westby, Wisconsin 54667

With copies to: Attn: Joseph D. Shumow
Reinhart Boerner Van Deuren s.c.
22 East Mifflin Street, Suite 700
Madison, Wisconsin 53703

Attn: Asset Management (Haven on Main)
Cinnaire Fund for Housing Limited Partnership
42 1118 South Washington Street
Lansing, Michigan 48910

Attn: Asher Ball Kutak Rock LLP
1650 Farnam Street, The Omaha Building
Omaha, Nebraska 68102-2103

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 this 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 another 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 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.

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 forty-five (45) 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 25 day of June, 2025
Haven on Main, LLC



Hetti Brown, Executive Director of Couleecap, Inc., the
Manager of the Managing Member

Dated this 26th day of June, 2025
City of La Crosse



Shaundel Washington-Spivey, Mayor



Nikki Elsen, City Clerk

Subscribed and sworn to before me this
25th day of June, 2025.



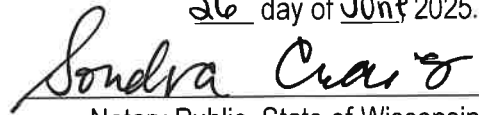
Notary Public, State of Wisconsin

My Commission: 08/23/2027



This document was drafted by:
Stephen F. Matty, City Attorney
City of La Crosse
400 La Crosse Street
La Crosse, WI 54601
608-789-7511

Subscribed and sworn to before me this
26 day of June, 2025.



Notary Public, State of Wisconsin

My Commission: 11/11/2025

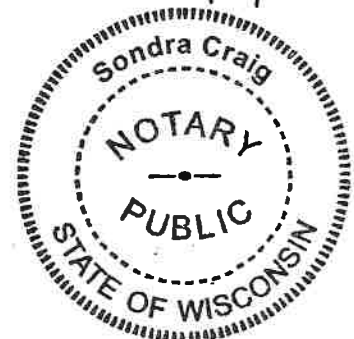


EXHIBIT A

Real Estate

Lot 1 of La Crosse County Certified Survey Map recorded on June 23, 2025 in Volume 20 of Certified Survey Maps, page 160, as Document No. 1835108, being located on Lots 1, 2, 9, 10, 11 and 12 and on parts of Lots 3 and 8 and that part of vacated alley in Resolution recorded on June 18, 2025 as Document No. 1834915, all in Metzger's Addition to the City of La Crosse, La Crosse County, Wisconsin.

EXHIBIT B

Description of Project

Construction and equipping of a multi-story, 70-unit low-income housing tax credit (LIHTC) project consisting of 1, 2, and 3-bedroom units and 3,200 square feet of commercial space. The project will serve adults with disabilities with incomes ranging between 30-60% of Area Median Household Income (AMI). Eleven units in the project are set aside for market rate occupancy.

EXHIBIT C

Restrictive Covenant

Lot 1 of La Crosse County Certified Survey Map recorded on June 23, 2025 in Volume 20 of Certified Survey Maps, page 160, as Document No. 1835108, being located on Lots 1, 2, 9, 10, 11 and 12 and on parts of Lots 3 and 8 and that part of vacated alley in Resolution recorded on June 18, 2025 as Document No. 1834915, all in Metzger's Addition to the City of La Crosse, La Crosse County, Wisconsin.

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, 2044. 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, 2046.

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, 2045 that the violator would have paid but for the granting of the tax exemption of the Property.

EXHIBIT D

Description of Public Improvements

Developer-Funded Improvements to be Dedicated to the Public:

A new section of alley and storm sewer from the end of the existing alley to the Right of Way line on State Street, as more fully depicted below.

City-Funded Improvements:

Starting at the Right of Way line on State Street, storm sewer upgrades, and sidewalk and road reconstruction to benefit new storm sewer construction on State Street as more fully depicted below.

SCHEDULE D-1

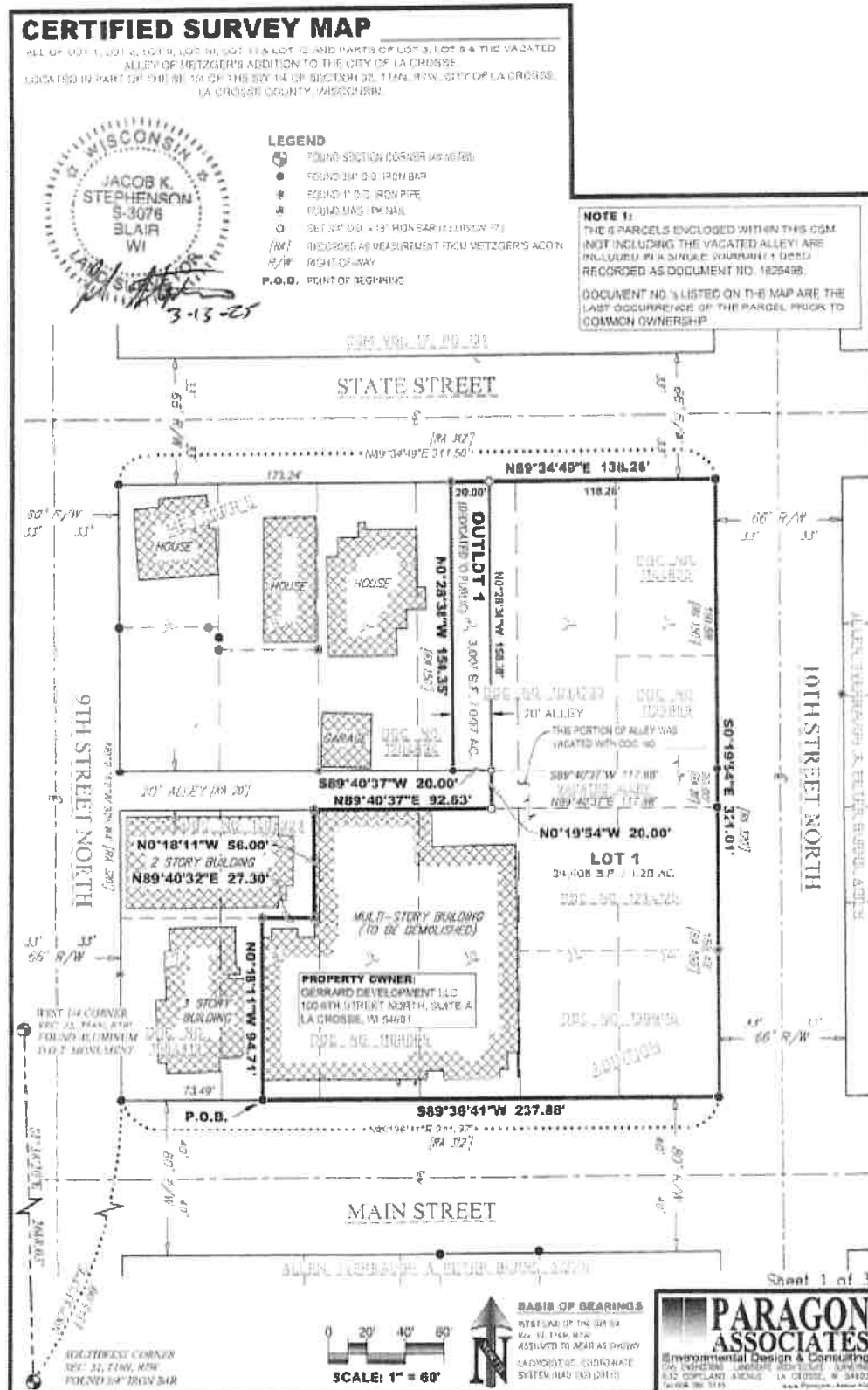


Exhibit E



Haven on Main City of La Crosse

Sources and Uses

70 Apartments; 3,200 sq. ft. office

SOURCES				
Debt		Amount	Percent	Per Unit
Debt A:	First Mortgage	4,500,000	21.2%	64,286
Debt B:	TIF Mortgage	575,000	2.7%	8,214
Debt C:	La Crosse Comm. Foundation	500,000	2.4%	7,143
		5,575,000	26.3%	79,643
Other Sources		Amount	Percent	Per Unit
Category	Sources			
WI_Public	WEDC CDI/LAX County	300,000	1.4%	4,286
Private	Fundraising	676,000	3.2%	9,657
WI_Public	Deferred Loan - Our Sheltered Friends	500,000	2.4%	7,143
Gap	Gap	1,699,000	8.0%	24,271
Tax_Credits	Low Income Housing Tax Credits	11,859,614	56.0%	169,423
Equity	Developer Cash	100	0.0%	1
Deferred_Fee	Developer Fee	577,236	2.7%	8,246
		15,611,950	73.7%	223,028
		21,186,950	100.0%	302,671

USES			
	Amount	% of Cost	Per Unit
ACQUISITION COSTS	1,700,000	8.0%	24,286
Land Cost	1,700,000	8.0%	24,286
CONSTRUCTION COSTS	14,477,450	68.3%	206,821
Residential Building	11,332,450	53.5%	161,892
Tenant Improvements: COULEECAP	250,000	1.2%	3,571
On-site Work	540,000	2.5%	7,714
General Requirements	630,000	3.0%	9,000
Builder's Overhead	265,000	1.3%	3,786
Builder's Profit	680,000	3.2%	9,714
Construction Contingency	740,000	5.4%	10,571
Landscaping	40,000	0.2%	571
ENVIRONMENTAL ABATEMENT/SOIL CORRECTION	0	0.0%	0
PERMITS/FEEES	5,000	0.0%	71
Other	5,000	0.0%	71
PROFESSIONAL SERVICES	1,690,000	8.0%	24,143
Accounting	50,000	0.2%	714
Appraisals	2,500	0.0%	36
Architectural & Engineering Fees	220,000	1.0%	3,143
Cost Certification/Audit	17,500	0.1%	250
Environmental Assessment Consultant	25,000	0.1%	357
FF&E	1,070,000	5.1%	15,286
Legal - Development	110,000	0.5%	1,571
Market Research	10,000	0.0%	143
Marketing/Leasing	80,000	0.4%	1,143
P&P Bond	35,000	0.2%	500
Soft Cost Contingency	50,000	0.2%	714
Survey	20,000	0.1%	286
FINANCING COSTS	1,337,500	6.3%	19,107
Construction Period Interest	775,000	3.7%	11,071
Insurance - Builder's Risk	130,000	0.6%	1,857
Lender Legal	10,000	0.0%	143
Loan Origination Fees	150,000	0.7%	2,143
Real Estate Taxes During Construction	60,000	0.3%	857
Syndication Fees	35,000	0.2%	500
Tax Credit & Compliance Fees	147,500	0.7%	2,107
Title & Recording	30,000	0.1%	429
DEVELOPER FEE	1,470,000	6.9%	21,000
Developer Fee	1,470,000	6.9%	21,000
CASH ACCOUNTS/ESCROWS/RESERVES	507,000	2.4%	7,243
Management Startup/Leasing	80,000	0.4%	1,143
Operating Reserves	427,000	2.0%	6,100
	21,186,950	100%	302,671

EXHIBIT F
Project Timeline

By May 1, 2025: Target Date for Architectural and Design Approvals Completed

By July 1, 2025: Acquire Property

By July 15, 2025: Commence Construction

By August 31, 2026: Substantial Construction Completion

By March 31, 2027: Fully Stabilized

City of La Crosse, WI
Tax Increment District No. N/A

Tax Increment Projection Worksheet - Haven on Main

Type of District	Blighted Area		Base Value
District Creation Date	November 9, 2024		Appreciation Factor
Valuation Date	Jan 1,	2025	Base Tax Rate
Max Life (Years)	27		Rate Adjustment Factor
Expenditure Period/Termination	22	11/9/2046	
Revenue Periods/Final Year	27	2053	
Extension Eligibility/Years	No	3	
Eligible Recipient District	Yes		Tax Exempt Discount Rate
			Taxable Discount Rate

DEVELOPER PAYGO		
	85%	15%
1	29,510	5,208
2	83,567	14,747
3	83,985	14,821
4	84,405	14,895
5	84,827	14,969
6	85,251	15,044
7	85,677	15,120
8	86,106	15,195
9	86,536	15,271
10	86,969	15,347
	796,832	140,617
	573,859	82,677

NPV

Construction		Inflation			Total		Tax	
Year	Value Added	Valuation Year	Increment	Increment	Revenue Year	Tax Rate	Tax Increment	
1	2025	1,751,500	2026	0	1,751,500	2027	\$19.82	34,717
2	2026	3,199,700	2027	8,758	4,959,958	2028	\$19.82	98,314
3	2027	0	2028	24,800	4,984,757	2029	\$19.82	98,806
4	2028	0	2029	24,924	5,009,681	2030	\$19.82	99,300
5	2029	0	2030	25,048	5,034,729	2031	\$19.82	99,796
6	2030	0	2031	25,174	5,059,903	2032	\$19.82	100,295
7	2031	0	2032	25,300	5,085,203	2033	\$19.82	100,797
8	2032	0	2033	25,426	5,110,629	2034	\$19.82	101,301
9	2033	0	2034	25,553	5,136,182	2035	\$19.82	101,807
10	2034	0	2035	25,681	5,161,863	2036	\$19.82	102,316
Totals		4,951,200	210,663		Future Value of Increment			937,449



Haven on Main
City of La Crosse

70 Mixed-Income Apts; 3,200 (sq) Commercial Space

Exhibit H

Multi-Year Operating Proforma

Income	Stabilized										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Rental Income											
Gross Potential Rent	843,372	860,239	877,444	894,993	912,893	931,151	949,774	968,769	988,145	1,007,908	1,028,066
Less: 5.0% Stabilized Vacancy	(42,169)	(43,012)	(43,872)	(44,750)	(45,645)	(46,558)	(47,489)	(48,438)	(49,407)	(50,395)	(51,403)
Less: Additional Pre-stabilization Vacancy											
Total Rental Income	801,203	817,227	833,572	850,243	867,248	884,593	902,285	920,331	938,737	957,512	976,662
Other Residential Income											
Other	9,960	9,960	10,159	10,362	10,570	10,781	10,997	11,217	11,441	11,670	11,899
Less: Additional Pre-stabilization Vacancy											
Total Other Residential Income	9,960	9,960	10,159	10,362	10,570	10,781	10,997	11,217	11,441	11,670	11,899
Net Residential Income (NRI)	811,163	827,187	843,731	860,606	877,818	895,374	913,282	931,547	950,178	969,182	988,332
Commercial Income											
Less: Commercial Vacancy - 0.0%	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200
Less: Expense on Commercial Vacancy	0	0	0	0	0	0	0	0	0	0	0
Less: Additional Pre-stabilization Loss	0	0	0	0	0	0	0	0	0	0	0
Net Commercial Income	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200
Effective Gross Income (EGI)	862,363	878,387	894,931	911,806	929,018	946,574	964,482	982,747	1,001,378	1,020,382	1,039,532
Expenses											
Rental Unit Expenses											
Operating Expenses	303,150	309,213	315,397	321,705	328,139	334,702	341,396	348,224	355,189	362,292	369,538
Management Fee: 4.9% of EGI	42,265	43,050	43,861	44,688	45,532	46,392	47,270	48,165	49,078	50,010	50,948
Property Taxes	101,765	103,600	105,476	107,394	109,354	111,357	113,404	115,496	117,634	119,816	122,044
Reserves: \$300 PUPY	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Modified Rental Expense During Stabilization											
Total Rental Unit Expenses	468,180	477,064	486,135	495,387	504,825	514,451	524,270	534,285	544,501	554,921	565,537
Total Expenses	468,180	477,064	486,135	495,387	504,825	514,451	524,270	534,285	544,501	554,921	565,537
NET OPERATING INCOME	394,183	401,324	408,796	416,419	424,193	432,123	440,212	448,462	456,878	465,461	473,995
Tax Increment Financing Revenue	86,500	86,500	86,500	86,500	86,500	86,500	86,500	86,500	86,500	86,500	86,500
ADJUSTED NET OPERATING INCOME	480,683	487,824	495,296	502,919	510,693	518,623	526,712	534,962	543,378	551,961	473,995
Debt Service											
Debt A: First Mortgage	307,902	307,902	307,902	307,902	307,902	307,902	307,902	307,902	307,902	307,902	307,902
Debt B: TIF Mortgage	76,604	76,604	76,604	76,604	76,604	76,604	76,604	76,604	76,604	76,604	76,604
Debt C: La Crosse Comm. Foundation	31,985	31,985	31,985	31,985	31,985	31,985	31,985	31,985	31,985	31,985	31,985
Total Debt Service	416,492	416,492	416,492	416,492	416,492	416,492	416,492	416,492	416,492	416,492	416,492
Debt Coverage	115%	117%	119%	121%	123%	125%	126%	128%	130%	133%	139%
Debt Coverage w/o Tax Increment Financing	95%	96%	98%	100%	102%	104%	106%	108%	110%	112%	119%
NET CASH FLOW	64,191	71,332	78,804	86,427	94,201	102,131	110,220	118,470	126,886	135,469	134,107
Expenses Paid from Net Cash Flow											
Asset Management Fee	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
Subtotal	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720
Deferred Developer Fees	59,191	66,182	73,500	80,963	88,574	96,335	104,250	112,420	120,950	129,940	139,400
Starting Deferred Fee Balance: \$577,236											
DEFERRED FEE BALANCE (Paid off in Year 8)	518,045	451,863	378,363	297,400	208,827	112,492	8,242	0	0	0	0
NET CASH FLOW AVAILABLE FOR DISTRIBUTION	0	0	0	0	0	0	0	104,079	120,552	128,946	127,387
Yield on Cost Annual Return	2.4%	2.4%	2.4%	2.5%	2.5%	2.5%	2.6%	2.6%	2.7%	2.7%	2.3%
Yield on Cost Average Annual Return	2.4%	2.4%	2.4%	2.5%	2.5%	2.5%	2.6%	2.6%	2.7%	2.7%	2.5%
Yield on Cost Annual Return (w/o TIF assistance)	1.9%	1.9%	2.0%	2.0%	2.1%	2.1%	2.2%	2.2%	2.3%	2.3%	2.3%
Yield on Cost Average Annual Return (w/o TIF assistance)	1.9%	1.9%	2.0%	2.0%	2.0%	2.0%	2.0%	2.1%	2.1%	2.1%	2.1%

Exhibit I

Page 1 of 1

Sample Lookback Calculation - Haven on Main

Total Development Costs	Projected		Actual		Difference	
	Amount	Pct.	Amount	Pct.	Amount	
Acquisition Costs	1,700,000	8.0%	1,700,000	8.1%	0	
Construction Costs	14,482,450	68.4%	14,180,000	67.9%	(302,450)	
Professional Services	1,690,000	8.0%	1,690,000	8.1%	0	
Financing Costs	1,337,500	6.3%	1,337,500	6.4%	0	
Developer Fee	1,470,000	6.9%	1,470,000	7.0%	0	
Cash Accounts/Escrows/Reserves	507,000	2.4%	507,000	2.4%	0	
Total	21,186,950	100%	20,884,500	100%	(302,450)	

Lookback Reduction Calculation

Projected Total Development Cost	21,186,950
Actual Total Development Cost	20,884,500
Total Development Cost Decrease	302,450

Amount of decrease exceeding \$100,000 202,450

50% of decrease exceeding \$100,000 101,225

Original Monetary Obligation	575,000
(less) adjustment	(101,225)

Revised Monetary Obligation 473,775