



City of La Crosse

Affordable Housing Revolving Loan Fund

Policy Guidelines

Approved by Community Development Committee

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Section 1. Introduction

1.1 Purpose

The purpose of the Affordable Housing Revolving Loan Fund (“the Fund”) is to assist developers in addressing the lack of quality and affordable housing stock available in La Crosse, especially for its lowest income citizens through incentivizing the construction of new multi-family units by non-profit or for-profit developers.

The Fund intends to revitalize distressed areas of the city through criteria that provides additional points to projects that redevelop in priority areas of the city, eliminate blight, or redevelop historic buildings. The Fund will prioritize projects that subsidize units and have units set-aside for people transitioning out of homelessness.

The Fund will promote racial equity and the City’s *Analysis of Impediments to Fair Housing* by ensuring that the funded projects include an affirmative marketing plan that identifies specific steps to reach out to historically marginalized that likely would not otherwise be aware of the housing opportunities.

1.2 Background

The City of La Crosse’s Affordable Housing Fund was established by the Common Council of the City of La Crosse in February 2021 under Legislation 21-0072 and expanded with the use of funds from the American Rescue Plan Act (ARPA) under Legislation 22-0259 in March 2022. All projects will be reviewed for approval by the Community Development Committee (CDC).

Section 2. Funding

2.1 Funding Available

\$2,031,000

- Funding Available as grants is \$1,025,000 – Source ARPA
- Funding Available as loans is \$1,056,010 - Source CDBG and TID 6 Capitalization to create a revolving loan fund program

2.2 Funding Amounts

- Maximum loan of \$65,000 per unit created or maximum of \$25,000 per renovated unit for individuals exiting homelessness¹
- Maximum loan of \$45,000 per affordable unit created or maximum of \$25,000 per renovated unit for individuals earning 120% La Crosse County Median Income or less
- Maximum loan of \$20,000 per market rate unit created where at least 75% of the units are set aside as affordable units (maximum funding available \$432,225)
- An additional loan of \$10,000 per unit may be considered when necessary for projects to provide for fully accessible units, high air quality, energy conservation or lead paint hazard reduction efforts.
- **Maximum amount per project: \$1,500,000**

2.3 Financing Terms for new construction units

- Units created for individuals exiting homelessness - \$45,000 per unit is a loan and \$20,000 per unit is a grant with ARPA funding.
- Affordable units created - \$25,000 per unit is a loan and \$20,000 per unit is a grant with ARPA funding.
- Market rate units created - \$10,000 per unit is a loan and \$10,000 per unit is a grant with ARPA funding.
- Accessible units created - \$5,000 per unit is a loan and \$5,000 per unit is a grant with ARPA funding.

2.4 Financing Terms for Renovated Units

- Units renovated - \$20,000 is a loan and \$5,000 is a grant with ARPA funding.

2.5 Loan Terms

- For all projects creating or rehabilitating units for individuals exiting homelessness, the loan shall be 1% simple interest due annually, with the principal deferred for 20 years or until sale.
- For projects that have 20% of total units set aside as affordable units, the loan shall be 1% simple interest due annually, with principal deferred for 20 years or until sale
- For all other projects, the loan shall be 2% simple interest due annually, with principal deferred for 20 years or until sale.
- Project must meet underwriting criteria, Attachment A of this document.
- A Land Use Restriction will be recorded and the affordability and income requirements will be in place as long as the funds are owed to the City.

¹ Units created for individuals exiting homelessness must be working in coordination with the Continuum of Care and maybe eligible for additional funding based on need for supportive services.

- City loan is in second position to the first mortgage holder and construction loan².
- Eligible costs are acquisition, demolition, site preparation, construction costs, architecture, and engineering.

Section 3. Affordability Definitions

The maximum program rents will not exceed 30% of tenant's gross income AND affordable units cannot exceed the current Section 8 Fair Market Rent for the Unit as determined by the Federal Department of Housing and Urban Development (HUD). Income limits established annually by HUD. Tenants to be qualified upon initial leasing of the unit and may be require to re-certify annually. The City of La Crosse retains the right to do a property inspection to ensure property is in good working order.

Section 4. Eligibility and Application

4.1 Applicant Eligibility

- For-profit and non-profit developers with demonstrated experience managing and developing multifamily projects; demonstrated experience developing affordable housing preferred.
- Project must be for developments located within the City of La Crosse and meet the affordability definitions in section 3 of this document.
- Projects where developer owns the land or has land under a binding offer to purchase.

4.2 Design Criteria and Goals

- Architectural plan should meet the City of La Crosse's Multi-Family Design Standards (<http://www.cityoflacrosse.org/DocumentCenter/Home/View/3486>). If the development includes commercial space, plans shall meet the City's Commercial Design Standards. If the project does not meet the standards, a variance must be approved.
- Plans should set a standard for quality design, through architecture and use of finishes and materials that are appropriate for the surrounding neighborhood and will be a visible and permanent expression of the historical character of La Crosse.
- The design should reinforce the public realm of open space and sense of community through appropriately scaled entries, porches, fenestration, landscaping, and architectural details.
- Primary ground floor entries to multifamily buildings should orient to street, not to interior blocks or parking lots.
- Project should agree to incorporate green-building elements greater than 150 points, as determined by Green Build and incorporate recommendations of Energy Design Assistance Program (Focus on Energy).

- Location should contribute to elimination of blight or in targeted areas for redevelopment by the City of La Crosse ([as identified in an approved City Plan](#)), preservation of historic building, or create significant additional tax base for the City (defined as over \$2 million in additional tax base).

4.3 Application Process

1. Meet with Planning & Community Development Staff (Staff) to determine eligibility.
2. Complete and submit application (Word Application, Excel Forms), pay the non-refundable application fee equal to 1% of funding request for each application.
3. Staff review of application, underwriting. Staff will score the application according to the criteria outlined below. Based on preliminary scoring, Staff will present applicant to Community Development Committee (CDC).
4. Evaluation of project by CDC and issues for deliberation are discussed. Approval or denial of project by CDC, commitment or rejection letter to Developer
5. Applicant secures all other sources of financing/funding.
6. Environmental Review (if ARPA and/or CDBG funds used) and approval of Development Agreement, Loan Repayment Note, Mortgage Lien, Land Use Restriction Agreement, by CDC.
7. Prior to final closing on the loan: Staff will collect the following documents:
 - A. Evidence of all secured financing, including terms and conditions
 - B. If equity is committed by the developer, evidence of available equity funds
 - C. Copy of partnership agreement or operating agreement if the applicant is a partnership or limited liability corporation. This should indicate the cash contributions by the partners or members.
 - D. Verifiable evidence of site control
 - E. Copy of construction cost estimates, construction contract, preliminary bid; and comparable to numbers presented in application
 - F. For LIHTC projects; documentation of the syndication costs (legal, accounting, tax opinion) from the organization/individuals who will syndicate and sell the offering to ensure that the project can support the fees necessary to syndicate/fund project
 - G. Agreements governing the various reserves which are capitalized at closing (to verify that the reserves cannot be withdrawn later as fees or distributions)
8. Staff receive draw requests and process loan disbursements

4.4 Application

To apply to the Fund, applicants should complete the Multi-Family Affordable Housing Project Application. The application will allow the developer to describe the proposed “development concept” and their experience both developing and operating multi-family projects. All application materials are posted on [the City’s website](#), under Community Development and Housing.

- a. For the application, complete the **WORD** document containing the Narrative Questions, divided into **SECTIONS**. (Example 3.1 Project Summary)
- b. The tabs in the **EXCEL DOCUMENT** that is divided into **Forms (Form 2, etc.)**.
- c. Add Attachments A-C in appropriate sections.

Project Summary

1. Describe basic information on project sponsors, proposed ownership.

Project Description

1. Project Narrative- Describe how the proposed project meets the City's goals.
2. Design Quality and Compatibility- Describe how concept would meet design criteria and green building standards.
3. Excel Tab 2a- Units by Bedroom Count and Income Levels
4. Excel Tab 2b- Project Schedule
5. Excel Tab 2c- Low Income Housing Tax Credit Self Score, if applying for LIHTC
6. Attachment A- concept plan/site and sample drawings or pictures of proposed concept.

Development Budget

1. Narrative of sources and uses budget.
2. Excel Tab 3- Proposed Development Sources and Uses Budget

Financing Sources

1. Financing Narrative
2. Excel Tab 4- Financing Sources

Project Operations

1. Operating Pro-Form Narrative
2. Supporting Housing Services, Case Management, and Residential Support Services
3. Excel Tab 5a- Proposed Rents
4. Excel Tab 5b- Operating, Service, and Rent Subsidy Sources
5. Excel Tab 5C- Operating Pro Forma

Organizational Capacity

1. General/Ownership Entity
2. Experience
3. Personnel
4. References
5. Property Management
6. Equal Opportunity/Section 3 Compliance
7. Excel Tab 6- Sponsor Experience
8. Attachment B- Up to four (4) photographs of similar projects carried out by developer.
9. Attachment C- Résumé for lead project manager

10. Attachment D- Copy of partnership agreement or operating agreement if the applicant is a partnership or limited liability corporation. This should indicate cash contributions by partners or members.
11. Attachment E- Copy of W-9 Form
12. Attachment F- If applicable, commitment letter from non-profit organization providing supportive services for the units targeted for very low-income populations.

Conflict of Interest Certification

5.0 Evaluation of RFP

5.1 Project description and Technical Approach (20 points)

Evaluation of organization's technical approach to the project, proposed design quality, and how well the plan meets the City's goals and vision for a multi-family development. Extent to which the project is a priority for revitalizing a distressed area of La Crosse, preserving a historic building, or adding new tax value.

- 5 Points given if supported by the recognized neighborhood association in the area (0 if not approved or not presented to neighborhood association).

5.2 Financial Soundness and Capacity to Obtain Funding for Project (10 points)

Evaluation of the financial soundness of proposed funding plan and the capacity of the developer to successfully obtain LIHTC and other funding for the project, including operating subsidies for subsidized units. If pursuing LIHTC, staff will evaluate the extent to which the self-score given for the LIHTC financing will likely to be a competitive score to receive funding.

5.3 Underwriting (15 points)

The City will analyze the proposed budget utilizing, Attachment A-Underwriting Criteria and evaluate how the proposal meets each of the criteria.

5.4 Property Management and Property Management Plan (15 points)

Reputation of the developer, owner, and/or property management company. This will be evaluated by reviewing history of orders to correct with the City, complaints, police calls to properties owned by the Developer. If proposing units for individuals who have experienced homelessness, documentation of experience with similar projects. If no previous experience in La Crosse, Staff will evaluate references provided and reputation in other communities.

Provide sufficient relevant experience and demonstrated reliable financial and organizational capacity to adequately execute property management responsibilities. Property managers should have a track record with the specific type of housing being proposed and should be guided by a sufficiently detailed property management plan that contains property and tenant

management policies and procedures including security measures to maintain a safe living environment.

5 points- Evaluation of the Developer’s plans to affirmatively market the availability of units in the project. Specific steps identified to reach out to marginalized and racially diverse groups in the community about the housing opportunity.

5.5 Supportive Housing Services (5 points)

Quality of plan to provide housing units intended for households who are homeless; where an adult in the household has a disability, including serious mental illness, chronic substance abuse, or other disabling conditions that require access to supportive services to maintain housing.

Quality of plan to establish a strong integrated referral system, including information and referral advocacy, case management, job training, self-reliance training, formation of resident association, community building activities, physical activity, GED classes, AODA meetings.

Plan to lower barriers for people experiencing homelessness (i.e. background, history, eviction)

Quality of plan to maintain property and provide services over 15-year period.

5.6 Organization Capacity (15 points)

The City is seeking to invest in a developer that represents a sound long-term investment of scarce housing resources. The City will evaluate whether sponsors have demonstrated experience to execute the project within budget, exercise independent judgment, and perform actions necessary to achieve the project directives, secure all the necessary funding, and operate the development over the long-term.

Total: 80 POINTS

(A MINIMUM POINT THRESHOLD OF 55 IS REQUIRED TO BE CONSIDERED FOR FUNDING)

5.7 Evaluation Conditions

The City reserves the right to reject any or all proposals or parts of proposals and to negotiate modifications of proposals submitted. All proposals become property of the City of La Crosse once submitted. The successful applicant will sign a contract including the standard terms and conditions (both city and federal) listed in Attachment B.

ATTACHMENT A. UNDERWRITING STANDARDS

1. **Ratio of Soft Costs to Total Project Costs-** The budget will be compared to other proposals based on ratio of soft costs to total project costs. 15% or less given highest score, over 30% costs which are soft costs will be given lowest score.
2. **Cost Reasonableness-** The development budget will be compared to similar projects based on a total cost per unit basis.
3. **Total professional soft costs** should not exceed 24% of the total project cost (professional soft costs are defined as the total architectural fees, survey costs, engineering fees, appraisal, market study, environmental report, title and recording fees)
4. **Maximum rents:** The project rents (plus utilities) for affordable units should fall at or below the maximum rent allowed for the targeted income as described in these policies.
5. **Developer fees may not exceed the following limits:**
 - For new construction- no greater than 15% of the total development costs, excluding the developer fee, construction consulting fee, and capitalized reserves for the first 50 units, and no more than 8% of the total development costs, excluding the developer fee, construction consulting fee, capitalized reserves for 51 units and over
 - For acquisition/rehabilitation, adaptive re-use projects, in which the ownership is not changing (including if the existing entity is an affiliate of the new entity), a maximum total development costs minus total developer fee as follows: first 50 units 10%, units 51 and over – 5%.
6. **General Contracting Fee Limits**
 - **Contractor's Profit:** The maximum contractor profit is 6% of net construction costs. Net construction costs defined as construction costs and on-site work, not including contractor profit, general requirements and overhead.
 - **General Requirements:** The maximum general requirements allowed are 6% of the net construction costs. Cost to be considered include: on-site supervision, signs, field office expenses, temporary sheds and toilets, temporary utilities, equipment rental, clean-up costs, rubbish removal, permits, watchmen's wages, material inspections and tests, all of the general contractor's insurance (except builders' risk), temporary walkways, fences, roads, and other similar expenses.
7. **Debt service coverage:** 1.15 minimum for year 1 and minimum of 1.00 for years 2-20. Should the project reflect a negative cash flow, an operating deficit reserve account will be required to be capitalized at the initial closing to satisfy any deficit.
8. **Vacancy Rate:** Expected to range from 5% - 7% for residential, 20% for commercial.

9. **Asset Management Fee:** Up to \$25 per unit per month, minimum of \$5,000 annually. This fee should be the last operating expense paid after debt service.
10. **Property Management Fee:** Up to \$60 per unit per month based on the size of development.
11. **Replacement Reserves:** Initial deposit- A replacement reserve analysis will include an inventory of the existing components in the development, their costs, effective ages, and effective useful lives. Ongoing deposits- \$300-\$450 per year.
12. **Operating reserves-** The minimum operating reserves is 4-6 months of operating expense, debt service, and replacement reserves.
13. **Underwriting projection period (to be show on the cash flow):** 15 years from stabilized occupancy.
14. **Sources and Uses Analysis:** All sources (both public and private) must be identified with dollar amounts and timing and availability of each source.
15. **Support services:** The appropriate level of support services for the homeless many need to be an ongoing operating expense. County/HUD/other funding should be identified by the developer.

ATTACHMENT B. CONTRACT TERMS AND CONDITIONS

* These terms and conditions are all inclusive. They may not apply depending on the source of funding.

1. **CDBG:** Eligible activities include: acquisition of property, relocation, moderate or substantial rehabilitation of units, and other reasonable expense (not associated with new construction) necessary for the development of affordable, non-luxury rental housing.
2. **ACCESSIBILITY REQUIREMENTS SECTION 504 (24 CFR PART 8):** New construction projects with 5 or more units or rehabilitation projects with 15 or more units and rehab costs of more than 75% of the replacement cost of the completed facility must have a minimum of 5% of the units (but at least one unit) be accessible to mobility-impaired and an additional 2% (but at least one unit) be accessible to sensory-impaired. Units in compliance with the Uniform Federal Accessibility Standards (UFAS) are deemed in compliance with Section 504. CPED encourages developers to use good faith efforts to follow Section 504 rules for those projects that are not required to comply with Section 504.

OTHER HUD STANDARD CONTRACT TERMS AND CONDITIONS

1. Title VI and Title IX of the Civil Rights Act of 1964 (Public Law 88-352)(42 U.S.C. 2008d et seq.); and implementing regulations issued at 24 CFR Part 1; as amended by Executive Order 11375 and 12086, and implementing regulations at 41 CFR Chapter 60, which prohibits discrimination in any activity receiving federal financial assistance.
2. Title VIII of the Civil Rights Act of 1968, (Public Law 90-284)(42 U.S.C. 3601 et seq.); as amended, which prohibits discrimination in housing on the grounds of race, color, religion, national origin, sex, disability, or familial status.
3. Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, (42 U.S.C. 5301 et seq.) which requires that no person will on the grounds of race, color, national origin or sex, be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity funded in whole or in part with Community Development Block Grant funds.
4. Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) which prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.
5. Section 504 of the Rehabilitation Act of 1973, (Public Law 93-112) as amended, and implementing regulations when published for effect. Said regulation provides for nondiscrimination based on disability in federally-assisted programs and activities.

6. Federal Executive Order 11246, as amended by Executive Order 12086 and regulations at 41 CFR Chapter 60, which require nondiscrimination in employment for federally-assisted contracts and assures that contractors are fully informed of affirmative action requirements.
7. Use of debarred, suspended, or ineligible contractors (24 CFR Part 24).
8. The Conflict of Interest provisions that no person who is an employee, agent, consultant, officer, elected official or appointed official of the City, who exercises or has exercised any functions or responsibility with respect to such funds being provided by the City or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, will obtain a personal or financial interest or benefit from the project, or have any interest in a contract, subcontract, or agreement with respect thereto, or the proceeds thereof, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter, except for approved eligible administration or personnel costs.

Attachment C. City of La Crosse Standard Contract Terms and Conditions

These are subject to modification at any time by the City of La Crosse and the final agreement with the City will include other provisions not in this agreement. Successful applicant will agree to abide by the City's Standard Contract Terms and Conditions.

1. DEFINITIONS. In this section "Contracting Party" shall mean any party that is entering into this Agreement with the City of La Crosse. "La Crosse" shall mean the City of La Crosse. These definitions shall apply only to this document titled "Standard Terms and Conditions (Service Contracts)" and shall not replace, modify or supersede any definitions used in other sections of this Agreement.

2. STANDARD OF PERFORMANCE. Contracting Party agrees that the performance of the services, pursuant to the terms and conditions of this Agreement, shall be in a manner at least equal to the degree of care and skill ordinarily exercised by members of the same professions currently practicing under similar circumstances providing like services

3. FULLY QUALIFIED. Contracting Party represents that all personnel engaged in the performance of the services set forth in this Agreement shall be fully qualified and, if applicable, shall be authorized or permitted under all applicable state and local laws and any other applicable laws or regulations to perform the services.

4. SCOPE OF SERVICES. Contracting Party is required to perform, do and carryout in a timely and professional manner the services set forth in this Agreement. The Contracting Party is required to furnish all services and labor necessary as indicated in this Agreement. The scope of services to be performed shall include, those services set forth in this Agreement. La Crosse may from time to time request the Contracting Party to perform additional services which are not set forth in this Agreement. In the event that such a request is made, the performance of such services shall be subject to the terms, conditions and contingencies set forth in this Agreement.

5. CHANGE OF SCOPE. The scope of service set forth in this Agreement is based on facts known at the time of the execution of this Agreement. The scope of service may not be fully definable during initial phases, and as the project progresses, facts discovered may indicate that the scope must be redefined. If mutually agreed to in advance in writing, Contracting Party shall make changes, furnish necessary materials, and perform the work that La Crosse may require, without nullifying this Agreement, at a reasonable addition to, or reduction from, the total cost of the project. Under no circumstances shall Contracting Party make any changes, either as additions or deductions, without the written consent of La Crosse, and La Crosse shall not pay any extra charges made by Contracting Party that have not been agreed upon in advance and documented in writing.

6. COMPENSATION. Contracting Party will be compensated by La Crosse for the services provided under this Agreement and subject to the terms, conditions and contingences set forth herein. Payments to Contracting Party for services rendered under this Agreement will be based on itemized invoices submitted on a monthly basis by the Contracting Party to La Crosse. These invoices, unless lump sum,

must be itemized to identify labor costs and the Contracting Party's direct expenses, including subcontractor and supplier costs. In addition, such invoices shall show the hours worked by the Contracting Party's staff and the amount of work completed as a percentage of the work to be performed. If payment is by lump sum, then only the percent complete will be invoiced. The final payment of the balance due the Contracting Party for the completed service shall be made upon completion and acceptance of the services performed by the Contracting Party under this Agreement. Without prejudice to any other right or remedy it may have, La Crosse reserves the right to setoff at any time any amount owing to it by Contracting Party against any amount payable by La Crosse to Contracting Party.

7. TAXES, SOCIAL SECURITY, INSURANCE AND GOVERNMENT REPORTING. Personal income tax payments, social security contributions, insurance and all other governmental reporting and contributions required as a consequence of the Contracting Party receiving payment under this Agreement shall be the sole responsibility of the Contracting Party.

8. TERMINATION FOR CAUSE. If, through its own fault, intentional misconduct, or the fault or intentional misconduct of its subcontractors, agents or volunteers, the Contracting Party shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Contracting Party shall violate any of the covenants, agreements, or stipulations of this Agreement, both as determined by La Crosse in its sole discretion, La Crosse shall thereupon have the right to terminate this Agreement by giving written notice to the Contracting Party of such termination and specifying the effective date. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports or other deliverables performed by the Contracting Party under this Agreement for which compensation has been made shall, at the option of La Crosse, become the property of La Crosse. Notwithstanding the foregoing, the Contracting Party shall not be relieved of liability to La Crosse for damages sustained by La Crosse by virtue of the Contracting Party's intentional misconduct or negligent performance of this Agreement, and La Crosse may withhold any payments to the Contracting Party for the purpose of setoff until such time as the exact amount of damages due to La Crosse from the Contracting Party is determined. Use of incomplete or unfinished work is at the sole risk of La Crosse.

9. TERMINATION FOR CONVENIENCE. Either Party may terminate this Agreement for convenience at any time and for any reason by giving sixty (60) days written notice to the other Party of such termination. If this Agreement is terminated by La Crosse pursuant to this provision, Contracting Party will be paid an amount which bears the same ratio to the total compensation as the services actually performed and accepted by La Crosse bear to the total services of the Contracting Party covered by this Agreement, less payments for such services as were previously made. The value of the services rendered and delivered by Contracting Party will be determined by La Crosse.

10. SAFETY. Unless specifically included as a service to be provided under this Agreement, La Crosse specifically disclaims any authority or responsibility for general job site safety, or the safety of other

persons or property. Except as otherwise provided in this Agreement, Contracting Party disclaims any authority or responsibility for general job site safety, or the safety of third-parties or their property.

11. DELAYS. If performance of Contracting Party's obligations under this Agreement is delayed through no fault of Contracting Party, Contracting Party shall be entitled to a reasonable extension of time as proposed by Contracting Party and as accepted or amended by La Crosse. If performance of La Crosse's obligations is delayed through no fault of La Crosse, La Crosse shall be entitled to an extension of time equal to the delay.

12. USE OF LA CROSSE PROPERTY. Any property belonging to La Crosse being provided for use by Contracting Party shall be used in a responsible manner and only for the purposes provided in this Agreement. No changes, alterations or additions shall be made to the property unless otherwise authorized by this Agreement.

13. INSURANCE. Unless otherwise specified in this Agreement, Contracting Party shall, at its sole expense, maintain in effect at all times during the Agreement, insurance coverage with limits not less than those set forth below with insurers and under forms of policies set forth below.

a. Worker's Compensation and Employers Liability Insurance. Contracting Party shall cover or insure under the applicable labor laws relating to worker's compensation insurance, all of their employees in accordance with the laws of the State of Wisconsin. Contracting Party shall provide statutory coverage for work related injuries and employer's liability insurance with limits of at least for employer's liability of one hundred thousand dollars (\$100,000.00) per each accident, one hundred thousand dollars (\$100,000.00) per each employee and five hundred thousand dollars (\$500,000.00) total policy limit.

b. Commercial General Liability and Automobile Liability Insurance. Contracting Party shall provide and maintain the following commercial general liability and automobile liability insurance:

i. Coverage for commercial general liability and automobile liability insurance shall, at a minimum, be at least as broad as the following:

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001).

2. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any vehicle).

ii. Contracting Party shall maintain limits no less than the following:

1. General Liability. One million dollars (\$1,000,000.00) per occurrence (\$1,000,000.00 general aggregate if applicable) for bodily injury, personal injury and property damage.

2. Automobile Liability. One million dollars (\$1,000,000.00) for bodily injury and property damage per occurrence covering all vehicles to be used in relationship to the Agreement.

3. Umbrella Liability. Six million dollars (\$6,000,000.00) following form excess of the primary General Liability, Automobile Liability and Employers Liability Coverage. Coverage is to duplicate the requirements as set forth herein.

c. Professional Liability Insurance. When Contracting Party renders professional services to La Crosse under the Agreement, Contracting Party shall provide and maintain two million dollars (\$2,000,000.00) of professional liability insurance. If such policy is a "claims made" policy, all renewals thereof during the life of the Agreement shall include "prior acts coverage" covering at all times all claims made with respect to Contracting Party's work performed under the Agreement. This Professional Liability coverage must be kept in force for a period of six (6) years after the services have been accepted by the La Crosse.

d. Required Provisions. The general liability, umbrella liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

i. La Crosse, its elected and appointed officials, officers, employees or authorized representatives or volunteers are to be given additional insured status (via ISO endorsement CG 2010, CG 2033, or insurer's equivalent for general liability coverage) as respects: liability arising out of activities performed by or on behalf of Contracting Party; products and completed operations of Contracting Party; premises occupied or used by Contracting Party; and vehicles owned, leased, hired or borrowed by Contracting Party. The coverage shall contain no special limitations on the scope of protection afforded to La Crosse, its elected and appointed officials, officers, employees or authorized representatives or volunteers. Except for the workers' compensation policy, each insurance policy shall contain a waiver of subrogation endorsement in favor of La Crosse.

ii. For any claims related to this Agreement, Contracting Party's insurance shall be primary insurance with respect to La Crosse, its elected and appointed officials, officers, employees or authorized representatives or volunteers. Any insurance, self-insurance, or other coverage maintained by La Crosse, its elected and appointed officers, officials, employees or authorized representatives or volunteers shall not contribute to the primary insurance.

iii. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to La Crosse, its elected and appointed officers, employees or authorized representatives or volunteers.

iv. Contracting Party's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

v. Coverage shall not be canceled by the insurance carrier or the Contracting Party, except after sixty (60) days (ten (10) days for non-payment of premium) prior written notice by U.S. mail has been given to La Crosse.

vi. Such liability insurance shall indemnify La Crosse, its elected and appointed officials, officers, employees or authorized representatives or volunteers against loss from liability imposed by law upon,

or assumed under contract by, Contracting Party for damages on account of such bodily injury, (including death), property damage personal injury, completed operations, and products liability.

vii. The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations. The automobile liability policy shall cover all owned, non-owned, and hired vehicles.

viii. All of the insurance shall be provided on policy forms and through companies satisfactory to La Crosse, and shall have a minimum AM Best's rating of A- VIII.

e. Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by La Crosse.

f. Evidences of Insurance. Prior to execution of the Agreement, Contracting Party shall file with La Crosse a certificate of insurance (Accord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this Agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative. Such evidence shall also include confirmation that coverage includes or has been modified to include all required provisions as detailed herein.

g. Sub-Contractor. In the event that Contracting Party employ other contractors (sub-contractors) as part of this Agreement, it shall be the Contracting Party's responsibility to require and confirm that each sub-contractor meets the minimum insurance requirements specified above.

h. Amendments. La Crosse may amend its requirements for insurance upon sixty (60) days written notice. Contracting Party shall procure updated insurance to comply with the new requirements of La Crosse if commercially available and at La Crosse's expense. Contracting Party may appeal any requirement to amend the insurance coverage to La Crosse's City Council who may, in its sole discretion, mutually agree to waive such changes.

14. INDEMNIFICATION. To the fullest extent allowable by law, Contracting Party hereby indemnifies and shall defend and hold harmless, at Contracting Party's expense, La Crosse, its elected and appointed officials, committee members, officers, employees, authorized representatives and volunteers ("La Crosse Indemnitees") from and against third party tort suits, actions, legal or administrative proceedings, claims, costs and expenses (including, without limitation, reasonable attorney and professional fees) to the extent caused by the negligent acts, errors or omissions of Contracting Party, its subcontractors or of anyone acting under its direction or control or on its behalf in the performance of this Agreement. Contracting Party's defense obligation shall not apply to professional liability claims. The aforesaid indemnity and hold harmless agreement shall not be applicable to any liability to the extent caused by La Crosse, its elected and appointed officials, officers, employees or authorized representatives, consultants, contractors or volunteers in the performance of this Agreement. Contracting Party's obligation to indemnify, defend and hold harmless shall not be restricted to insurance proceeds, if any, received by La Crosse, its elected and appointed officials, officers, employees, authorized representatives or volunteers. Nothing in this Agreement is intended or shall be

construed to be a waiver or estoppel of La Crosse or its insurer (or otherwise affect or alter their ability) to rely upon the limitations, defenses and immunities contained within Wis. Stat. §§ 345.05 and 893.80, or other applicable law. To the extent that indemnification is available and enforceable against La Crosse, (a) La Crosse or its insurer shall not be liable in indemnity, contribution, or otherwise for an amount greater than the limits of liability of municipal claims established by applicable Wisconsin or federal law; and (b) La Crosse's obligations under this Agreement are further conditioned upon the following: (i) the indemnified party shall promptly notify La Crosse in writing of any such claims, demands, liabilities, damages, costs and expenses within ten (10) days of discovery; (ii) La Crosse shall have sole control of, and the indemnified party shall reasonably cooperate in all respects, in the defense of the claims, demands, liabilities, damages, costs and expenses and all related settlement negotiations; and (iii) the indemnified party shall not make any admission or disclosure or otherwise take any action prejudicial to La Crosse except as required by law. Neither party shall be liable for indirect, special, exemplary, consequential or incidental damages, including, without limitation, any damages for lost profits, revenue or business interruption. The parties represent that, as of the effective date, neither party has any notice or knowledge of any claims, demands, liabilities, damages, costs and expenses asserted or threatened by any third party with respect to the matters contemplated in this Agreement. This indemnity provision shall survive the termination or expiration of this Agreement.

15. NO PERSONAL LIABILITY. Under no circumstances shall any trustee, officer, official, commissioner, director, member, partner or employee of either party have any personal liability arising out of this Agreement, unless an employee of the Contracting Party shall commit a criminal, fraudulent, malicious, or dishonest act which is excluded from Contracting Party's insurance coverage.

16. Intentionally omitted.

17. INDEPENDENT CONTRACTORS. The parties, their employees, agents, volunteers, and representative shall be deemed independent contractors of each other and shall in no way be deemed as a result of this Agreement to be employees of the other. The parties, their employees, agents, volunteers, and representatives are not entitled to any of the benefits that the other provides for its employees. The parties shall not be considered joint agents, joint ventures, or partners.

18. GOVERNING LAW. This Agreement and all questions and issues arising in connection herewith shall be governed by and construed in accordance with the laws of the State of Wisconsin. Venue for any action arising out of or in any way related to this Agreement shall be exclusively in La Crosse County, Wisconsin. Each party waives its right to challenge venue.

19. JURY TRIAL WAIVER. 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.

20. NOTIFICATION. Parties shall:

(1) As soon as possible and in any event within a reasonable period of time after the occurrence of any event of default by either party, notify the other Party in writing of such default and set forth the details thereof and the action which is being taken or proposed to be taken by defaulting party to cure or mitigate the default.

(2) Promptly notify the other Party of the commencement of any litigation or administrative proceeding that would cause any representation contained in this Agreement to be untrue.

(3) If related to the performance of services and work under this Agreement, notify the other Party, 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 a Party or any guarantor or an investigation, clean-up, removal, remedial action or other response by or on the part of a Party or any guarantor under any environmental laws, rules, regulations, ordinances or which seeks damages or civil, criminal or punitive penalties from or against a Party or any guarantor for an alleged violation of any environmental laws, rules, regulations or ordinances.

21. SEVERABILITY. The provisions of this Agreement are severable. If any provision or part of this Agreement or the application thereof to any person or circumstance shall be held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part thereof to other persons or circumstances shall not be affected thereby.

22. ASSIGNMENT, SUBLET, AND TRANSFER. A Party shall not assign, sublet, or transfer its interests or obligations under the provisions of this Agreement without the prior written consent of the other Party. This Agreement shall be binding on the heirs, successors, and permitted assigns of each party hereto. A Party shall provide not less than forty-five (45) days advance written notice of request to assign, sublet or transfer any services provided under this Agreement. The decision to allow an assignment by Contracting Party rests solely with La Crosse, in its discretion

23. NO WAIVER. The failure of any party to insist, in any one or more instance, upon performance of any of the terms, covenants, or conditions of this Agreement shall not be construed as a waiver, or relinquishment of the future performance of any such term, covenant, or condition by any other party hereto but the obligation of such other party with respect to such future performance shall continue in full force and effect.

24. SUBCONTRACTING. None of the services to be performed under this Agreement shall be subcontracted without the prior written approval of La Crosse. If any of the services are subcontracted, the performance of such services shall be specified by written contract and shall be subject to each provision of this Agreement. Contracting Party shall be as fully responsible to La Crosse for the acts and

omissions of its subcontractors and of person either directly or indirectly employed by them, as it is for acts and omissions of persons directly employed by it.

25. CONFLICTS OF INTEREST. Contracting Party covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. Contracting Party further covenants that in the performance of this Agreement no person having any conflicting interest shall be employed. Any interest on the part of Contracting Party or its employee must be disclosed to La Crosse

26. NON-DISCRIMINATION. Pursuant to law, it is unlawful and Contracting Party agrees not to willfully refuse to employ, to discharge, or to discriminate against any person otherwise qualified because of race, color, religion, sex, sexual orientation, age, disability, national origin or ancestry, lawful source of income, marital status, creed, or familial status; not to discriminate for the same reason in regard to tenure, terms, or conditions of employment, not to deny promotion or increase in compensation solely for these reasons; not to adopt or enforce any employment policy which discriminates between employees on account of race, color, religion, sex, creed, age, disability, national origin or ancestry, lawful source of income, marital status or familial status; not to seek such information as to any employee as a condition of employment; not to penalize any employee or discriminate in the selection of personnel for training, solely on the basis of race, color, religion, sex, sexual orientation, age, disability, national origin or ancestry, lawful source of income, marital status, creed or familial status. Contracting Party shall include or cause to be included in each subcontract covering any of the services to be performed under this Agreement a provision similar to the above paragraph, together with a clause requiring such insertion in further subcontracts that may in turn be made.

27. POLITICAL ACTIVITIES. Contracting Party employees shall not engage in any political activities within the City of La Crosse while in performance of any and all services and work under this Agreement. This does not apply to periods of time in which employee is not at work, or is billing other than La Crosse for his/ her time.

28. GOVERNMENTAL APPROVALS. Contracting Party acknowledges that various of the specific undertakings of La Crosse described in this Agreement may require approvals from the City of La Crosse Council, City of La Crosse bodies, and/or other public bodies, some of which may require public hearings and other legal proceedings as conditions precedent thereto. Contracting Party further acknowledges that this Agreement is subject to appropriation by the La Crosse Common Council. La Crosse's obligation to perform under this Agreement is conditioned upon obtaining all such approvals in the manner required by law. La Crosse cannot assure that all such approvals will be obtained, however, it agrees to use good faith efforts to obtain such approvals on a timely basis. . 2

9. ENTIRE AND SUPERSEDING AGREEMENT. This writing, all Exhibits hereto, and the other documents and agreements referenced herein, constitute the entire Agreement between the parties with respect to the subject matter hereof, and all prior agreements, correspondences, discussions and understandings of the parties (whether written or oral) are merged herein and made a part hereof. To the extent that any terms and conditions contained in this Agreement, all Exhibits hereto, and the other

documents and agreement referenced herein conflict with these Standard Terms and Conditions, the Standard Terms and Conditions shall take precedence.

30. AMENDMENT. This Agreement shall be amended only by formal written supplementary amendment. No oral amendment of this Agreement shall be given any effect. All amendments to this Agreement shall be in writing executed by both parties.

31. IMPLEMENTATION SCHEDULE AND TIME OF THE ESSENCE. Any and all phases and schedules which are the subject of approvals, or as set forth herein, shall be governed by the principle that modification or deviation from such schedules shall occur only upon approval of La Crosse or reasons of Force Majeure. Any phase or schedule that is determined to be "time of the essence" shall be specifically identified as such within the scope of services. 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 of ninety (90) days. If such delays cause additional cost, Contracting Party shall be reimbursed.

32. 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.

33. 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 Copy to: Attn. City Attorney City of La Crosse City of La Crosse 400 La Crosse Street 400 La Crosse Street La Crosse, WI 54601 La Crosse, WI 54601 Contracting Party shall identify in writing and provide to La Crosse the contact person and address for notices under this Agreement.

34. Intentionally omitted.

35. ACCESS TO RECORDS. Contracting Party, at its sole expense, shall maintain books, records, documents and other evidence pertinent to this Agreement in accordance with accepted applicable professional practices. La Crosse, or any of its duly authorized representatives, shall have access, at no cost to La Crosse, to such books, records, documents, papers or any records, including electronic, of Contracting Party which are pertinent to the hourly rates of pay and reimbursable costs under this Agreement, for the purpose of making audits, examinations, excerpts and transcriptions. Once deliverables are provided to La Crosse, additional copies will be provided for a fee.

36. PUBLIC RECORDS LAW. Contracting Party understands and acknowledges that La Crosse is subject to the Public Records Law of the State of Wisconsin. As such, Contracting Party 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 after the termination or expiration of this Agreement. Contracting Party agrees to assist La Crosse in complying with any public records request that La Crosse receives pertaining to this Agreement. If the requested record is not within that which is required to be produced by statute or other authority, then Contracting Party may object, and La Crosse will reject the request. Contracting Party shall seek to intervene in any subsequent public records lawsuit, writ of mandamus, or other action against La Crosse seeking to compel disclosure in order to dispute disclosure of the requested record. Contracting Party shall also cooperate and provide assistance to La Crosse, at no cost, in the defense of such lawsuit, writ or other action. If the request is upheld by a court of law, then Contracting Party will produce the records or indemnify and hold harmless La Crosse Indemnitees from any liability, including without limitation, attorney fees related to or in any way arising from Contracting Party's actions or omissions which contribute to La Crosse's inability to comply with the Public Records Law. In the event that Contracting Party decides not to retain its records for a period of seven (7) years, then it shall provide written notice to La Crosse whereupon La Crosse shall take custody of said records assuming such records are not already maintained by La Crosse. This provision shall survive the termination of this Agreement.

37. CONSTRUCTION. This Agreement shall be construed without regard to any presumption or rule requiring construction against the party causing such instrument to be drafted. This agreement shall be deemed to have been drafted by the parties of equal bargaining strength. The captions appearing at the first of each numbered section of this Agreement are inserted and included solely for convenience but shall never be considered or given any effect in construing this Agreement with the duties, obligations, or liabilities of the respective hereto or in ascertaining intent, if any questions of intent should arise. 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.

38. NO THIRD-PARTY BENEFICIARY. Nothing contained in this Agreement, nor the performance of the parties hereunder, is intended to benefit, nor shall inure to the benefit of, any third party.

39. COMPLIANCE WITH LAW. The parties shall comply in all material respects with applicable federal, state and local laws, regulations and ordinances.

40. FORCE MAJEURE. Neither Party shall be responsible 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, industrywide 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.

41. GOOD STANDING. Contracting Party affirms that it is a 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. Contracting Party is duly licensed or qualified to do business and is in good standing in the State of Wisconsin and in all other jurisdictions in which failure to do so would have a material adverse effect on its business or financial condition.

42. AUTHORITY. The persons signing this Agreement warrant that they have the authority to sign as, or on behalf of, the party for whom they are signing.

43. EXECUTION OF AGREEMENT. Contracting Party shall sign and execute this Agreement on or before sixty (60) days of its approval by the La Crosse Common Council, and Contracting Party's failure to do so will render the approval of the Agreement by the La Crosse Common Council null and void unless otherwise authorized.

44. COUNTERPARTS. This Agreement may be executed in one or more counterparts, all of which shall be considered but one and the same agreements and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

45. SURVIVAL. All express representations, indemnifications and limitations of liability included in this Agreement will survive its completion or termination.

46. COMPLIANCE WITH LAW. Contracting Party agrees to abide by applicable federal, state and local laws, regulations and ordinances, and all provisions of this Agreement.

47. RELIANCE. Contracting Party has the right to reasonably rely on information provided by or through La Crosse.

Revised: 06.21.19