

EXHIBIT A- Proposed scope of work for 921/23 5th Ave S

The City of La Crosse is selling 921 5th Ave S for \$20,000 with the requirement that the Purchaser must convert the structure back to a single-family dwelling and perform the renovations identified in the below scope of work **OR** to purchase the structure for \$1.00 to demolish the structure and construct a new single-family dwelling. Purchaser's wishing to acquire the property for demolition, please refer the City's Guidelines for Vacant Land Property Sales and the Single-Family Design Standards; found at: www.cityoflacrosse.org/lots.

The property is subject to an owner-occupied deed restriction, whether home is renovated or demolished. The City does allow Builders, Developers or Investors to purchase the property, perform the renovations and upon completion of the renovations, sell the property to an owner-occupied purchaser. The property may not be rented at any time.

Property has a non-exclusive easement for driveway purposes with the property to the North, 919 5th Ave S.

OFFERS TO RENOVATE

Purchasers interested in renovating the dwelling must complete, at minimum, the attached scope of work as part of the sale of the property. The City and the Purchaser reserve the right to modify the scope of work as part of negotiating the sale of the property. The City retains its right to approve or reject offers based on purchase price, the proposed scope of work, the estimated tax value and purchaser's capacity.

Offers to purchase to MUST include: proof of financing, detailed plans for the renovation such as bids/proposals/materials, floor plans and a written explanation of what the scope of work will entail. Please feel free to include anything else you deem as important for the Committee/Staff to know. Purchaser must contract with a licensed general contractor or demonstrate their ability to act as a general contractor by providing references and previous job history.

The City will collect a good faith deposit of \$5,000, the good faith deposit will be returned upon completion and inspection of the scope of work by Planning Staff. The Purchaser has 9 months from the date of closing to complete the below scope of work, unless a written extension is granted by the City. The completion timeline can be negotiated as part of the sale of the property. A fee of \$100.00 per week will be assessed and deducted from the good faith deposit for any work not completed by the established deadline.

Prior to closing: Purchasers will be asked to provide a copy of the contract with their General Contractor. If acting as their own General Contractor, Purchasers will be required to provide a detailed copy of the project cost breakdown, list all subcontractors and provide copies of the contracts with their subcontractor(s). If applicable, Purchaser's will need to demonstrate that a licensed structural engineer was consulted.

The Purchaser shall work with an Agency (financial institution or Title Company) to assist with the disbursement of payments. Purchasers with cash offers will be asked to submit their cost breakdown to the Agency along with the funds necessary to perform the renovations.

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The negotiated scope of work will become an exhibit of the Real Estate Purchase Agreement (renovate) (agreement). Purchaser must agree to execute the agreement at or prior to closing. The Community Development Committee (CDC) must approve all offers to purchase. CDC approval is for the sale of the property and proposed scope of work only. Purchaser must obtain necessary approvals and permits from other City and/or County Departments and Committees prior to commencing and upon completion of proposed work.

Questions contact Dawn Reinhart at 608-789-7360 or reinharda@cityoflacrosse.org or Caroline Gregerson at 608-789-7393 or gregersonc@cityoflacrosse.org.

A. LAYOUT AND ARCHITECTURE

Purchaser shall work with a licensed structural engineer and architect or designer to reconfigure the layout of the home. Create open concept living on the main floor, increase the size of the bathroom on the second floor and ensure all bedrooms have a closet. At the end of the project, there shall be a minimum of 3 bedrooms and 1 ½ bathrooms.

B. WINDOWS AND DOOR REPLACEMENTS -

1. Replace all windows,
2. Replace all exterior window trim with a trim that is two inches from the façade or at least four inches in width that features a color that contrasts the siding color
3. Replace all exterior doors, purchaser is encouraged to have a decorative front door.

C. KITCHEN –

1. Gut the Kitchen, down to the ceiling and wall studs
2. Properly insulate exterior walls
3. Update electrical to State and Municipal code standards
4. Update plumbing to State and Municipal code standards
5. Install new kitchen cabinets and counter tops
6. Remove Kitchen from the 2nd floor

D. BATHROOM (main floor)-

1. Gut bathroom on main floor down to the ceiling and wall studs.
2. Reconfigure bathroom layout (at minimum ½ bath)
3. Properly insulate the walls
4. Install new fixtures (toilet, bathtub/shower, etc.)
5. Install new gas water heater, plumbing shall meet State and Municipal code standards
6. Update electric to State and Municipal code standards

BATHROOM (2nd floor)-

1. Gut bathroom on 2nd floor, down to floor joists, ceiling and wall studs
2. Reconfigure bathroom layout
3. Properly insulate the walls
4. Install new fixtures (toilet, bathtub/shower, sink and vanity)
5. Update plumbing and electrical to State and Municipal code standards

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E. INTERIOR-

1. Ceilings, walls and floors must not have serious defects such as bulging, buckling or leaning, large holes, loose surface materials, or other serious damage
2. Ceiling and wall texturing shall be consistent throughout the home
3. Ceiling, walls and floors shall be free of water damage
4. All interior doors and trim shall be replaced or refurbished
5. Purchaser must consult a structural engineer if they are proposing to remove or add any structural components
6. Insulate side wall cavities to capacity, insulate attic to R50

F. FLOORING-

1. Install new or refurbish flooring throughout the structure

G. PORCHES-

1. Front and rear porches shall be removed and replaced; porch must be properly supported by an adequate foundation and footer
2. Front porch must be similar in size and nature

H. EXTERIOR

1. Replace any rotting or broken siding, fascia, soffit, trim boards, shakes, window casing and frieze board
2. Re-attach any loose siding, shakes or trim using
3. Replace fascia, soffit, trim boards, window casing and frieze board as necessary.
4. Remove any loose caulk and/or sealants
5. Prime and paint all wood surfaces using an exterior wood primer/paint
6. Home must include at least 2 of the following architectural design elements:
 - a. Use of multiple exterior colors (ex. siding one color & window trim second color, front door third color),
 - b. Decorative door designs, including transom and or side lights,
 - c. Decorative building materials (ex. Stone, tile, brick, brackets),
 - d. Shake or shingles
 - e. Windows with a grid system
7. Tuck point foundation as necessary
8. Recoat/seal roof

I. HVAC

1. Install duct work where necessary
2. Install new furnace, AFUE rating of 85% or greater
3. Install new A/C, 13 SEER or better

J. ELECTRIC

1. Upgrade to 200 AMP service, shall meet State and Municipal code standards
2. Knob and tube wiring shall be replaced and removed when possible

K. LANDSCAPING

1. Grading around the foundation of the home is recommended
2. Front yard shall be landscaped with sod or a combination of seed and shrubs

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3. Rear yard at minimum shall be landscaped with seed

L. GARAGE

1. Construct a new single car garage, consult Fire Prevention and Building Safety for state and municipal code requirements for size/location
2. Siding on garage should be of a similar material and color as the main structure.
3. Install driveway in accordance with municipal code standards

M. OTHER

1. Replacement of the 1st floor primary structural beam with a new engineered laminated veneer lumber (LVL) and steel post/concrete footing system sized adequately for the live and dead loads **is required.**
2. A wood destroying insect inspection report was conducted on July 16, 2019. No evidence of wood eating insects present. Report does note the old termite damage that was previously treated.
3. Current interior stair cases do not meet current municipal code standards, please note that it may be necessary to reconfigure stair cases to meet municipal code standards
4. The Purchaser is encouraged to obtain an asbestos inspection report prior to commencing any type of demolition. Any materials that contain asbestos shall be encapsulated or disposed of properly.

Purchaser is responsible to obtain all required permits prior to commencing work, is subject to all and any permit fees required to complete the scope of work, and is subject to any and all State and Municipal code standards. Approval of the renovation plans does not warrant approval from any other City or County Departments or Committees.

PLEASE SEE EXAMPLE OF REAL ESTATE PURCHASE AGREEMENT

CITY OF LA CROSSE REPLACEMENT HOUSING PURCHASE AGREEMENT (RENOVATE)

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

WHEREAS, the City of La Crosse purchased property at **PROPERTY ADDRESS** for the purposes of said program, and

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

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

1. Real Estate: City agrees to sell and Purchaser agrees to purchase the real estate in fee simple located at **ADDRESS**, **Tax Parcel No.:** _____ more specifically described as follows:

DESCRIPTION

CITY OF LA CROSSE, LA CROSSE COUNTY WISCONSIN

2. Purchase Price: The purchase price shall be **AMOUNT** Dollars (**\$0**).
3. The City's Right to Repurchase, Reverter and Deposit: Notwithstanding anything to the contrary contained herein, or in the Deed, if subsequent to conveyance of the Property to Purchaser and prior to issuance of the certificate of completion:
 - a. **A good faith deposit of AMOUNT Dollars (\$0)** shall be paid upon execution of the Agreement. The deposit shall be in addition to the purchase price. The deposit will be returned to Purchaser if all conditions outlined in this agreement are satisfied. The Purchaser has **six (6) months** from the date of closing to complete the attached scope of work (Exhibit A), unless a written extension is granted by the City. A fee of \$100.00 per week will be assessed and deducted from the good faith deposit.
 - b. Purchaser or any successor defaults on or violates its obligations under this Agreement with respect to the project, including the nature of, and the dates for beginning and completion there of construction thereof, or abandons or substantially suspends construction other than approved by the City, and any such default, violation, abandonment or suspension shall not be cured, ended or remedied within ninety (90) days after the City's written demand to do so; or
 - c. Buyer or any successor fails to pay real estate taxes, special assessment or special charges on the Property or any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by this Agreement, or shall suffer any levy, lien or attachment to be made, or any materialman, mechanic, or construction lien, or any other unauthorized encumbrance or lien to attach, and such taxes or assessment shall not have been paid, within 90 days after the City's demand to do so; or
 - d. There is any transfer of the Property or any part thereof in violation of this Agreement, and such violation shall not be cured within ninety (90) days after seller written demand;

The City shall have the option of repurchasing the Real Estate from the Purchaser. The repurchase shall occur within ninety (90) days of the delivery of the notice to exercise the right to repurchase. If the City exercises its option to repurchase, the Purchaser shall tender a warranty deed free and clear of all liens and encumbrances except municipal and zoning ordinances, recorded easements for public utilities and covenants approved by the City, in exchange for a sum equal to Purchaser's purchase price for the Real Estate less any unpaid real estate taxes, the proration for the current year's real estate taxes and the title insurance premium. Purchaser shall provide the City with a title insurance policy for the purchase price or minimum amount for which a policy can be written at the Purchaser's expense; or

The City shall have the right to **reenter and take possession of the Property and to record against the Property in the La Crosse County Register of Deeds office a "Notice of Reverter."** Purchaser agrees that the recording of such Notice of Reverter shall have the effect of delivering and recording a deed from Purchaser to City, and shall automatically terminate all of the Purchaser's rights, title and interest in and to the Property (and any interest of any successor that has taken title from or through Purchaser, except Permitted Successors) and revert in the City, subject to rights of Permitted Successors, the full estate conveyed by the Deed. If the City exercises its reversionary right as set forth above, City may also retain the Good Faith Deposit.

4. The purchaser agrees to the following conditions for the sale of this land.
 - a. The Warranty Deed transferring the property to the Purchaser must contain a restriction with the following language: The above-described property shall remain and be used only as an owner-occupied, single-family residential dwelling in perpetuity.
 - b. Repairs to the house shall be in accordance with the scope of work, set forth in Exhibit A, approved by the Community Development Committee (CDC) and the Purchaser on **DATE HERE**. The CDC approval is for the sale of the property. Purchaser must obtain necessary approvals and permits from any and all other City and County bodies prior to commencing work.
 - c. The purchaser has not made or created, and will not, prior to the completion of the project as certified by the City, make or suffer to be made any sale, assignment, conveyance, lease or transfer in any other form of or with respect to this agreement or the property or any part thereof or any interest therein, or contract or agree to any of the same, without the written approval of the City.
 - d. The Purchaser will ensure that the general and/or sub-contractors performing renovations are certified or registered as a contractor with the State of Wisconsin.
 - e. Building Permits must be obtained and construction started within **sixty (60) days** of closing, and the project must be completed within **six (6) months** of closing. Purchaser must allow Housing Rehabilitation Staff to perform progress and final inspections of the real estate.
 - f. Purchaser must allow assessor's office to assess the property at the completion of construction.
 - g. Landscaping (graded to match adjacent grades, seed or sod) must be completed 30 business days from receipt of certificate of occupancy.
5. Conveyance: This fee simple conveyance is to be made by a Warranty Deed, free and clear of all assessments, taxes, liens, encumbrances or other servitude except zoning and municipal ordinances and

the provision in the conveyance that the Purchasers must comply with City of La Crosse Replacement Housing Purchase Agreement (Renovate). Taxes are to be prorated as of the date of closing. The following language shall be added to the deed:

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

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

To the City: Attn: Department of Planning & Economic Development
 City of La Crosse
 400 La Crosse Street,
 La Crosse, WI 54601

To the Purchaser:
10. In the event of the sale, Purchaser must comply with the fair housing and marketing regulations.
11. Governing Law. This Agreement shall be governed by the laws of the State of Wisconsin, with venue in La Crosse County, Wisconsin.
12. Entire Agreement: This Agreement contains the entire agreement of the City and Purchaser regarding this transaction. All prior negotiations and discussions have been merged into this Agreement.

IN WITNESS WHEREOF, the said City and Purchaser have here unto set their hands and seals this _____ day of _____, 20__.

CITY OF LA CROSSE, WISCONSIN

BY: _____
Mayor

BY: _____
City Clerk

STATE OF WISCONSIN)
) ss.
LA CROSSE COUNTY)

Personally came before me this _____ day of _____, 20__ the above named _____, Mayor, and _____, City Clerk, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, La Crosse County, WI
Print: _____
My commission expires: _____

PURCHASER

By: _____
By: _____

STATE OF WISCONSIN)
) ss.
LA CROSSE COUNTY)

Personally came before me this _____ day of _____, 20__ the above named **PURCHASER**, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

Notary Public, La Crosse County, WI
Print: _____
My commission expires: _____

Drafted By: