

Dane County Contract Cover Sheet

Dept./Division	Administration	Contract # <small>Admin will assign</small>	13977
Vendor Name	Dane County Housing Authority	Addendum	<input type="checkbox"/> Yes <input type="checkbox"/> No
Vendor MUNIS #	1827	Type of Contract	
Brief Contract Title/Description	Agreements related to an affordable housing project at 4602 Cottage Grove Road.	<input type="checkbox"/>	Dane County Contract
Contract Term	30 years	<input checked="" type="checkbox"/>	Grant
Total Contract Amount	\$ 650,000	<input type="checkbox"/>	County Lessee
		<input type="checkbox"/>	County Lessor
		<input type="checkbox"/>	Intergovernmental
		<input type="checkbox"/>	Purchase of Property
		<input type="checkbox"/>	Property Sale
		<input type="checkbox"/>	Other

Purchasing Authority	<input type="checkbox"/> \$11,000 or under – Best Judgment (1 quote required)		
	<input type="checkbox"/> Between \$11,000 – \$37,000 (\$0 – \$25,000 Public Works) (3 quotes required)		
	<input checked="" type="checkbox"/> Over \$37,000 (\$25,000 Public Works) (Formal RFB/RFP required)	RFB/RFP #	119037
	<input type="checkbox"/> Bid Waiver – \$37,000 or under (\$25,000 or under Public Works)		
	<input type="checkbox"/> Bid Waiver – Over \$37,000 (N/A to Public Works)		
	<input type="checkbox"/> N/A – Grants, Leases, Intergovernmental, Property Purchase/Sale, Other		

MUNIS Req.	Org Code	Obj Code	Amount	\$
Req #	N/A			
Year				

Resolution	A resolution is required if the contract exceeds \$100,000 (\$40,000 Public Works). A copy of the Resolution must be attached to the contract cover sheet.			
	<input type="checkbox"/> Contract does not exceed \$100,000 (\$40,000 Public Works) – a resolution is not required.			
	<input checked="" type="checkbox"/> Contract exceeds \$100,000 (\$40,000 Public Works) – resolution required.	Res #	569	
	<input type="checkbox"/> A copy of the Resolution is attached to the contract cover sheet.	Year	2019	

Contract Review/Approvals				
Initials	Dept.	Date In	Date Out	Comments
MG	Received by DOA	3/26/20		
<i>ch</i>	Controller		3/26/20	approval via email
<i>ch</i>	Purchasing		3/26/20	approval via email
<i>SR</i>	Corporation Counsel		3/26/20	approval via email
<i>dl</i>	Risk Management		3/26/20	approval via email
	County Executive			

Dane County Dept. Contact Info		Vendor Contact Info	
Name	Chuck Hicklin	Name	
Phone #	266-4109	Phone #	
Email	hicklin@countyofdane.com	Email	
Address		Address	

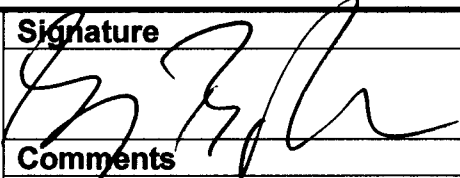
Certification: The attached contract is a:	
<input type="checkbox"/>	Dane County Contract <u>without</u> any modifications.
<input type="checkbox"/>	Dane County Contract <u>with</u> modifications. The modifications have been reviewed by:
<input checked="" type="checkbox"/>	Non-standard contract.

Contract Cover Sheet Signature

Department Approval of Contract		
Dept. Head / Authorized Designee	Signature	Date
	Printed Name	
	Charles Hicklin	

Contracts Exceeding \$100,000

Major Contracts Review – DCO Sect. 25.11(3)

Director of Administration	Signature	Date
		3.27.20
	Comments	
Corporation Counsel	Signature	Date
	<i>Susan Rauti</i>	3/26/20
	Comments	

1 **2019 RES-569**

2 **APRPOVING AGREEMENTS FOR AN AFFORDABLE**
3 **HOUSING PROJECT AT 4602 COTTAGE GROVE ROAD**
4 **IN THE CITY OF MADISON**
5

6
7 Non-profit housing developer Movin Out with its development partner Commonwealth
8 Companies have proposed an affordable housing project at the former Sentry grocery
9 store location on Cottage Grove Road in the City of Madison. The project was awarded
10 \$650,000 from the county’s affordable housing development fund.

11
12 The project consists of 70 units. Six units are restricted to 30% CMI, 40 units are
13 restricted to 50% CMI, and 13 units are restricted to 60% CMI.

14
15 The county’s support includes a grant from the county to the Dane County Housing
16 Authority. The housing authority will then make a loan to the project developers. The
17 terms of the loan include interest only payments of 1% for a 30 year term. The full
18 principal of \$650,000 is due to the housing authority at the end of the loan.

19
20 THEREFORE BE IT RESOLVED that the County Executive, County Clerk and County
21 Real Estate staff are authorized to execute the grant agreement and related documents
22 to support the affordable housing project at 4602 Cottage Grove Road in the City of
23 Madison.

AFFORDABLE HOUSING DEVELOPMENT FUND
GRANT AGREEMENT

This Agreement made and entered into this _____ day of _____, 2020 by and among the COUNTY of Dane, Wisconsin (“County”), a municipal corporation pursuant to chapter 59 of the Wisconsin Statutes, the Dane County Housing Authority (“DCHA”), a quasi-municipal corporation pursuant to section 59.53(22) of the Wisconsin Statutes, and Movin’ Out Madison Ace, LLC (“RECIPIENT”), a Wisconsin limited liability company (collectively the “Parties.”)

WHEREAS, in Fiscal Year 2019, the Dane County Capital Budget includes funding for the Affordable Housing Development Fund (“AHDF”). Pursuant to Wisconsin law, the COUNTY may make grants to the DCHA, who can then make loans directly to developers of affordable housing projects.

WHEREAS, the COUNTY and the DCHA have previously signed a Memorandum of Understanding dated June 8, 2015 to partner with the COUNTY to disburse ADHF monies to ADHF grant recipients.

WHEREAS, the City of Madison has passed a resolution declaring the need for the DCHA to exercise its powers within the City of Madison dated July 5, 2016.

WHEREAS, RECIPIENT has been awarded AHDF monies for the development of a multifamily residential building located at 4602 Cottage Grove Road, Madison, Wisconsin (“Property”) that has a legal description as described in Exhibit A.

WHEREAS, the proceeds of the grant will be loaned by DCHA to the RECIPIENT pursuant to the terms of a Promissory Note (the “Promissory Note”).

WHEREAS, as a condition of the COUNTY’S AHDF Award to RECIPIENT, pursuant to the structure set forth in these Recitals, the COUNTY requires and RECIPIENT agrees to restrict the use of the Property as hereinafter described (“Restrictions”). Such Restrictions are contained in this Agreement as well by the LURA (defined below) and are herein incorporated by reference.

NOW THEREFORE, in consideration of this agreement between the COUNTY, the DCHA, and RECIPIENT, the Parties agree as follows:

1. PURCHASE. The COUNTY agrees to grant to DCHA AHDF monies specifically for the DCHA to lend to RECIPIENT for the development of the Property in the sum of Six hundred and fifty thousand dollars and no cents (\$650,000) (the “Grant”). Upon receipt of the Grant, DCHA agrees and warrants to loan the Grant to RECIPIENT (the “Loan”), pursuant to that certain Promissory Note dated as of the date hereof by RECIPIENT in favor of DCHA. RECIPIENT agrees and warrants that it will as soon as practicable develop the Property using Loan proceeds, which DCHA funded via the Grant proceeds.

2. **USE OF PREMISES.** In consideration of DCHA accepting the Promissory Note, RECIPIENT agrees and warrants that it shall use the Property as affordable rental housing, and in consideration thereof agrees and warrants to the recording of a Land Use Restriction Agreement (“LURA”) in favor of Wisconsin Housing and Economic Development Authority (“WHEDA”), guaranteeing a period of affordability as set forth therein. RECIPIENT agrees and warrants that certain units will be leased to tenants with a household income as defined by the U.S. Department of Housing and Urban Development (“HUD”) at or below that certain Area Median Income (“AMI”), as calculated by HUD, more fully set forth in the LURA. The units shall be rent restricted as further set forth in the LURA.
3. **TERM.** The term of the warranties and covenants entered herein as a part of this Agreement shall be enforceable for a period of thirty years, commencing on the commencement date set forth in the LURA (“Commencement Date”) and terminating on thirtieth year anniversary thereof. The Loan shall be due and payable as set forth in the Promissory Note with final payment due and payable on the Maturity Date as defined in the Promissory Note.
4. **REPORTING REQUIREMENTS.** RECIPIENT shall provide to the COUNTY an annual written report which shall, at a minimum, include the following information: number of tenants, how many units are rented to tenants with household incomes at 60%, 50% and 30% of AMI, the number of eviction actions filed, the reason for eviction, the number of eviction notices, issued to the tenants in the twelve months preceding the eviction filing, the number of eviction judgments granted, writs executed, and/or other case resolution (e.g. vacated prior to execution of writ or allowed to stay with conditions) and any other information that may affect the status of the Premises. This report shall be due to the COUNTY no later than February 15 and shall reflect the period from January 1 to December 31 of the previous calendar year.
5. **LEASES.** RECIPIENT shall enter into leases with tenants that are consistent with the purpose of this Agreement.
6. **COMPLIANCE WITH LAWS.** RECIPIENT shall observe and promptly and effectively comply with all applicable statutes, rules, orders, ordinances, requirements and regulations of the City of Madison, the County of Dane, the State of Wisconsin, the federal government and any other governmental authority having jurisdiction over the Premises. RECIPIENT may, if in good faith and on reasonable grounds, dispute the validity of any charge, complaint or action taken pursuant to or under color of any statute, rule, order, ordinance, requirement or regulation, defend against the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same. RECIPIENT agrees that any such contest shall be prosecuted to a final conclusion as soon as possible and that it will hold the COUNTY harmless with respect to any actions taken by any lawful governmental authority with respect thereto.
7. **TAXES.** RECIPIENT covenants and agrees that it shall pay, before delinquency, all municipal, county and state or federal taxes assessed against the Property or any fixtures,

furnishings, equipment, merchandise, improvements, alterations, stock-in-trade or other personal property of any kind owned, installed or upon the Property. RECIPIENT covenants and agrees that it shall pay, before delinquency, all special assessments or special charges assessed against the Property.

8. INSURANCE AND INDEMNIFICATION.

- a. RECIPIENT shall indemnify, hold harmless and defend DCHA, its boards, commissions, agencies, officers, employees and representatives against any and all liability, loss (including, but not limited to, property damage, bodily injury and loss of life), damages, costs or expenses which the DCHA, its officers, employees, agencies, boards, commissions and representatives may sustain, incur or be required to pay by reason of any act, omission or negligence of RECIPIENT or its tenants, officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors in or about, or in relation to the Property, or resulting from this Agreement, however, that the provisions of this paragraph shall not apply to liabilities, losses, charges, costs, or expenses caused by or resulting from any act, omission or negligence of the DCHA, its agencies, boards, commissions, officers, employees or representatives. The obligations of the DCHA and RECIPIENT under this paragraph shall survive beyond the term of this Agreement for a period of five (5) years.
- b. RECIPIENT shall indemnify, hold harmless and defend the COUNTY, its boards, commissions, agencies, officers, employees and representatives against any and all liability, loss (including, but not limited to, property damage, bodily injury and loss of life), damages, costs or expenses which the COUNTY, its officers, employees, agencies, boards, commissions and representatives may sustain, incur or be required to pay by reason of any act, omission or negligence of RECIPIENT or its tenants, officers, contractors, licensees, agents, servants, employees, guests, invitees, or visitors in or about, or in relation to the Property, or resulting from this Agreement, however, that the provisions of this paragraph shall not apply to liabilities, losses, charges, costs, or expenses caused by or resulting from any act, omission or negligence of the COUNTY, its agencies, boards, commissions, officers, employees or representatives. The obligations of the COUNTY and RECIPIENT under this paragraph shall survive beyond the term of this Agreement for a period of five (5) years).
- c. In order to protect itself, DCHA, and COUNTY, its officers, boards, commissions, agencies, employees and representatives under the indemnity provisions of this Agreement, RECIPIENT shall obtain and at all times during the term of this Agreement keep in full force and effect comprehensive general liability policy issued by a company or companies authorized to do business in the State of Wisconsin and licensed by the Wisconsin Insurance Commissioner, with liability coverage provided for therein in the amounts of at least \$1,000,000.00 CSL (Combined Single Limits). Coverage afforded shall apply as primary. Upon execution of this Agreement, RECIPIENT shall furnish COUNTY and DCHA

with a certificate of insurance listing COUNTY and DCHA as an additional insured and, upon request, certified copies of the required insurance policies. If RECIPIENT'S insurance is underwritten on a Claims-Made basis, the Retroactive Date shall be prior to or coincide with the date of this Agreement. The Certificate of Insurance shall state that coverage is Claims-Made and indicate the Retroactive Date. RECIPIENT shall maintain coverage for the duration of this Agreement and for two years following the completion of this Agreement. RECIPIENT shall furnish COUNTY and DCHA, annually on the policy renewal date, a Certificate of Insurance as evidence of coverage. It is further agreed that RECIPIENT shall furnish the COUNTY and DCHA with a 30-day notice of aggregate erosion, in advance of the Retroactive Date, cancellation, or renewal. It is also agreed that on Claims-Made policies, either RECIPIENT or COUNTY may invoke the tail option on behalf of the other party and that the Extended Reporting Period premium shall be paid by RECIPIENT. In the event any action, suit or other proceeding is brought against COUNTY or DCHA upon any matter herein indemnified against, COUNTY shall give reasonable notice thereof to RECIPIENT and shall cooperate with RECIPIENT'S attorneys in the defense of the action, suit or other proceeding. RECIPIENT shall furnish evidence of adequate Worker's Compensation Insurance.

- d. The parties do hereby expressly agree that COUNTY, acting at its sole option and through its Risk Manager, may waive any and all requirements contained in this Agreement, such waiver to be in writing only. Such waiver may include or be limited to a reduction in the amount of coverage required above. The extent of waiver shall be determined solely by COUNTY's Risk Manager taking into account the nature of the work and other factors relevant to COUNTY's exposure, if any, under this Agreement.
9. EVENTS OF DEFAULT. If the COUNTY becomes aware of a violation of the provisions of this Agreement, the LURA, or the Promissory Note, it shall give written notice thereof to the RECIPIENT directing RECIPIENT to remedy the violation within a reasonable specified period of time. If any violation of this Agreement, the LURA or the Promissory Note is not corrected to the satisfaction of the COUNTY within the period of time specified by the COUNTY in notice described above, the COUNTY shall have the right, without further notice, to declare an event of default ("Event of Default") under this agreement; provided, however, the COUNTY must provide at least thirty (30) days written notice for a cure period, unless a cure cannot reasonably be achieved within thirty (30) days, in which case RECIPIENT shall have such reasonable time as required to cure the default, provided such time does not exceed one hundred eighty (180) days. For purposes of this Agreement, any cure of a default achieved by RECIPIENT under the LURA and accepted by WHEDA as a cure of such default, shall be deemed acceptable to COUNTY.
10. REMEDIES. Upon or after the occurrence of an Event of Default, and during the continuation thereof, the COUNTY shall have the right to apply to any court, for specific performance of this Agreement or LURA or for any injunction against any violation of

this Agreement or LURA, or any other remedies at law or in equity or any such other action as shall be necessary or desirable so as to cure or correct the Event of Default or other noncompliance with this Agreement or LURA. In addition to the remedies described above, the DCHA may, subject to the rights of any senior lender and RECIPIENT's investor member, at its discretion, recapture the AHDF Funds and demand repayment of any outstanding debt evidenced by the Note in accordance with the terms therein and not yet repaid to the DCHA by RECIPIENT.

11. CUMULATIVE REMEDIES. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.
12. COVENANTS AND CONDITIONS. Each provision of this Agreement performable by any Party shall be deemed both a covenant and a condition.
13. BINDING EFFECT; CHOICE OF LAW. This Agreement shall bind the Parties, their successors and assigns. This Agreement shall be governed by and be construed and interpreted in accordance with the laws of the State of Wisconsin.
14. AUTHORITY. The Parties represent and warrant that each party is a duly authorized and existing municipal, quasi-municipal, or private limited liability company, that each party has and is qualified to transact business in Wisconsin, that the each party has full right, authority and power to enter into this Agreement and to perform its obligations thereunder, that each person signing this Agreement on behalf of the organization is authorized to do so and that this Agreement is binding upon the organization in accordance with its terms.
15. SEVERABILITY. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.
16. AFFORDABILITY. During the period of affordability referenced in the LURA, 70 units will be comprised of a mix of 59 1, 2, 3 and 4 bedroom units affordable to individuals making between 30% and 60% of the County Median Income (CMI) and 11-units will be offered at market-rate. 14 of the units will have 3-4 bedrooms.
17. NOTICES. After any default, the COUNTY shall send a notice of such default in accordance with this Section and subject to the cure periods permitted under Section 9 hereof. The COUNTY and DCHA shall accept any cure proffered by RECIPIENT's senior lender and/or investor member as a cure proffered by RECIPIENT; provided, however, that neither RECIPIENT's senior lender nor its investor member shall be obligated to proffer a cure. Notices, reports and communications shall be in writing and shall be deemed to have been properly given when personally delivered to the Party, or three (3) days after the same is sent by certified or registered U.S. mail, postage prepaid,

or by overnight courier property addressed to the Party entitled to the receive such notice as set forth:

If to Recipient:

Movin' Out Madison Ace, LLC
c/o Movin' Out, Inc.
902 Royster Oaks Drive, Suite 105
Madison, WI 53714

With a copy to:

Commonwealth Development Corporation of America
7447 University Avenue, Suite 210
Middleton, WI 53562

With a copy to:

Foley and Lardner
150 East Gilman Street Suite 5000
Madison, WI 53703
Attn: Katherine Rist

With a copy to:

RSEP Holding, LLC
c/o Redstone Stone Equity Manager, LLC
1100 Superior Avenue, Suite 1640
Cleveland, OH 44114
Attn: General Counsel

With a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, IL 60605
Attn: Rachel Goetz

If to County:

Dane County
Attn: Affordable Housing Development Fund Staff
City-County Building Rm. 421
210 Martin Luther King Jr., Blvd.
Madison, WI 53703

If to DCHA:

Dane County Housing Authority
Attn: Executive Director
6000 Gisholt Drive, Suite 203
Monona, WI 53713

Any Party may, at any time, give notice in writing to the other Parties of a change of address for purposes of this paragraph.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.


RECIPIENT

MOVIN' OUT MADISON ACE, LLC
a Wisconsin limited liability company

By: Movin' Out Madison Ace MM, LLC,
a Wisconsin limited liability company, its
managing member

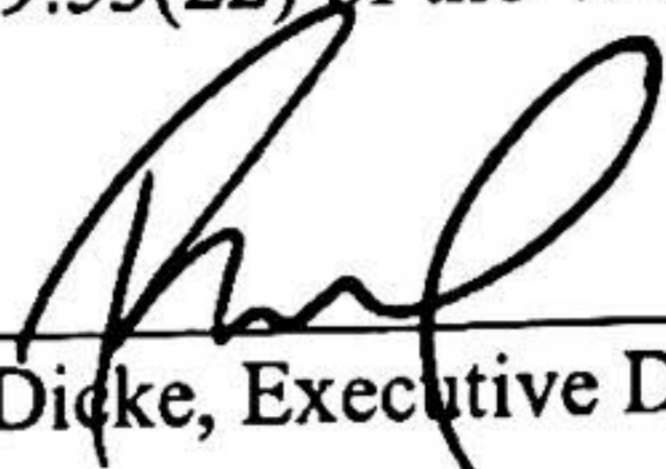
By: Movin' Out Taxable, LLC
a Wisconsin limited liability company, its
sole member

By: Movin' Out, Inc.,
a Wisconsin corporation, its sole member

By: 
Kathryne Auerback, Executive Director

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

DANE COUNTY HOUSING AUTHORITY,
a quasi-municipal corporation pursuant to
section 59.53(22) of the Wisconsin Statutes

By: 
Rob Dicke, Executive Director

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COUNTY OF DANE,
a Wisconsin County and body corporate
pursuant to Chapter 59 of the Wisconsin
Statutes.

By: _____
Joe Parisi, Dane County Executive

Exhibit A

Lot 2 of Certified Survey Map No. 312, recorded in Volume 2 of Certified Survey Maps of Dane County, Wisconsin, Pages 54 and 55, as Document No. 1250912, in the City of Madison, Dane County, Wisconsin.