



**COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF MADISON**

REQUEST FOR PROPOSALS



Revival Ridge Apartments

2313 Allied Drive, Madison WI 53711

Project Title: Property Management Services for Revival Ridge Apartments

Solicitation #: 8912

Issue Date: 2/21/2020

Submission Deadline: 3/12/2020

Pre-Proposal Property 3/05/2020

Walk Through: 10:00 AM

Revival Ridge Apartments

2313 Allied Drive, Madison WI 53711

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COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON

PROPERTY MANAGEMENT SERVICES

Request for Proposals No. 8912

The Community Development Authority of the City of Madison (CDA) is seeking proposals from qualified service providers to provide professional property management services to Revival Ridge Apartments. The CDA will accept hand-delivered proposals until **2:00 PM on Thursday, March 12, 2020**.

PROPOSAL SUBMITTAL

Proposals will be received for this project by CDA at its Central offices at 215 Martin Luther King Jr. Blvd. Suite 161, Madison WI 53703 only up to **2:00 PM on Thursday, March 12, 2020**. Hand delivery of proposals is preferred. The CDA's Central Offices are open from 8:00 AM through 4:30 PM, Monday – Thursday.

PRE-PROPOSAL PROPERTY WALK THROUGH

Attendance of a representative of the Proposer at the pre-proposal property walk through is not mandatory but is strongly encouraged. The pre-proposal property walk through of Revival Ridge Apartments will be on **Thursday, March 5, 2020** at 2313 Allied Drive at **10:00 AM**.

OBTAINING RFP DOCUMENTS

Print copies and electronic files of RFP documents may be obtained beginning 2/21/2020. RFP documents are available electronically at www.demandstar.com. Interested parties may view RFP documents without registering at DemandStar.com and download electronic RFP documents for a \$5 fee to the recipient. Interested parties may also request an electronic or print RFP packet by submitting an email request to ldaniels@cityofmadison.com.

If the RFP is obtained from any source other than via email request to the email address listed above, the Prospective Proposer should email the following information to ldaniels@cityofmadison.com in order to be added to the Prospective Proposers List and receive addenda:

- Primary Contact
- Agency Name
- Business Address
- Telephone
- Email

QUESTIONS

Please direct all questions in writing to:

- Lisa Daniels
- Community Development Authority
- 215 Martin Luther King Jr. Blvd. Suite 161
- Madison, WI 53703
- Email: ldaniels@cityofmadison.com

CONTRACT TERM

CDA intends to contract to a single provider beginning May 1, 2020. The contract for property management services will be an initial 3-year contract with two 1-year renewals to total a five-year contract term.

SOCIAL EQUITY CONTRACT REQUIREMENTS

The Community Development Authority strongly encourages Minority-Owned (MBEs) and Women-Owned (WBEs) Businesses, socially and economically disadvantaged businesses, and HUD Section 3 businesses to submit proposals or to participate in a subcontracting capacity on CDA contracts.

INTRODUCTION

1. Community Development Authority Background

The CDA is a separate body politic that provides affordable housing to nearly 3,000 households throughout the City of Madison. The purpose of the CDA is to carry out blight elimination, slum clearance, urban renewal programs and projects, and housing projects. The CDA functions both as a redevelopment authority and a housing authority.

The CDA was established by the City of Madison in April of 1978 under Madison General Ordinance 3.17 – Community Development Authority. The CDA is governed by a seven-member Board of Commissioners appointed by the Mayor of Madison and confirmed by the Common Council. The Executive Director is appointed by the CDA in consultation with the Mayor and the City’s Human Resources Department and acts as the chief administrative officer in accordance with the directives of the CDA and the Mayor.

The role of the CDA in affordable housing in the City of Madison is to ensure safe, decent, and affordable housing; create opportunities for residents’ self-sufficiency and economic independence; and assure fiscal integrity by all program participants. The CDA has approximately 50 employees and a total budget of \$26 million for calendar year 2020. The CDA owns and operates approximately 774 conventional public housing units, 116 Section 8 New Construction Multifamily housing units, and 24 Section 8 project based voucher units subsidized by the U.S. Department of Housing and Urban Development (HUD). CDA also administers approximately 1,700 Housing Choice Vouchers. The CDA prioritizes services for City of Madison residents who are elderly, disabled, or who have minor children in their households. In addition to the housing the CDA owns, it serves as the Managing Member for several Low Income Housing Tax Credit limited partnerships.

2. Property Descriptions

Revival Ridge Apartments

The CDA developed Revival Ridge Apartments in 2009 as Phase 1 of the Allied Drive Neighborhood redevelopment plan, and for the purpose of improving affordable housing opportunities in the Allied Drive neighborhood. Revival Ridge is located at 2313 Allied Drive, 2320-2334 Revival Ridge, and 4711 Jenewein Road in the Allied-Dunn’s Marsh Neighborhood of Madison, Wisconsin.

Revival Ridge is comprised of five (5) separate two-story buildings with 49 total rental dwelling units. The unit mix consists of (4) studio units, (9) one-bedroom, (11) two-bedroom, (20) three-bedroom garden-style apartment units and (5) three-bedroom townhouse style units. The buildings also include 49 underground and attached garage parking stalls. The apartment complex rests on three parcels of land totaling 1.75 acres, and the gross building area is 69,339 square feet with 52,265 square feet of net rentable square footage. HVAC includes heat provided by individual gas-fired, forced air furnaces and cooled by central air-conditioners. All units are individually metered for electric and gas.

Apartment amenities include premium energy-star appliances, in-unit washer/dryer, covered parking, forced air and gas heat, central air conditioning, controlled intercom access, elevator, balcony or patio, private entrances on select units, and additional on-site storage. The property includes an on-site property management office, one office for the neighborhood police officer, a resident business center, and a community room and common patio area, which hosts neighborhood events, Allied Neighborhood Association meetings, and Allied Stakeholder meetings.

All units, except one manager's unit, are offered to families with various income levels from 50% to 60% of the Dane County area median income (AMI) at restricted rent levels. Income restrictions are set for 24 units at 50% AMI, and 24 units at 60% AMI. As a result of the income and rent restrictions for its units, the ownership entity of Revival Ridge is entitled to a direct annual tax credit. In addition, the property retains a project-based allocation of Section 8 vouchers for 36 of its units.

The property was placed in service on 6/19/2009 and has maintained at or near 100% occupancy for the past two years. A single property management company has managed the property since initial lease-up in 2009, and the property holds a healthy waiting list. Revival Ridge promotes good will in the community, and makes a positive contribution to the community.

The Allied neighborhood includes the Boys & Girls Club of Dane County, a Dane County Joining Forces for Families office, learning and wellness centers, the Dunn's Marsh Conservancy, and a new park with small picnic shelter, basketball court and playground equipment. New single-family home building and sales have been taking place at the adjacent market lots since 2015. The neighborhood is considered stable and a safe community with a lot of community engagement.

SCOPE OF SERVICES

1. Administrative

- Collect rents (including delinquents), handle accounts payable, prepare monthly financial reports and analysis, annual budget projections, year-end or project-end reports, conduct market rental analysis, provide 5-15 year maintenance plan.
- Develop marketing plans and procedures for maintaining full occupancy, develop marketing materials such as ads, flyers or brochures, and perform cost analysis on marketing efforts.
- Review and become familiar with all contracts and agreements related to the development, including subsidy agreements.
- Procure contractors when necessary in accordance with CDA Procurement Policy on behalf of the CDA.
- Complete timely reports to the Owner Investor Member, the Community Development Authority, WHEDA, and other as needed.
- Know and comply with rules and requirements for the various housing and rent assistance programs such as Low-Income Housing Tax Credit, and Section 8 (both tenant and project based), etc.
- Responsible for low-income housing tax credit and WHEDA compliance.
- Maintain updated and accurate resident lease information, unit condition, contact with tenants for complaints or other reasons, maintenance needed and performed, other required documents.
- Manage property in accordance to the Wisconsin Landlord Tenant Rules, HUD, WHEDA, and LIHTC as appropriate.
- Review and maintain all hazard, liability, and other insurance carried for the account of the owner.
- Maintain and preserve all written records in connection with Low-Income Housing Tax Credit compliance.

- Full responsibility for hiring, supervision, training, and termination of staff (note staff will be employees of the management company).
- Other property management tasks as may be mutually agreed to.

2. Resident Services

- Screen, select, retain or evict tenants as necessary.
- Conduct certification and re-certification for LIHTC and Section 8 as required.
- Develop, disseminate and enforce tenant rules and regulations.
- Execute and enforce unit leasing and lease agreements.
- Maintain occupancy rates at competitive levels. Maintain an applicant waiting list. Manage timely unit turnover and re-occupancy.
- Respond timely to tenant concerns.
- Update and explain landlord disclosures as required by Madison Ordinance or State/Federal law.
- Ensure staff is available via telephone on 24 hour 7 day a week basis to coordinate emergency services.
- Perform site inspections as necessary.
- Develop and implement a resident services plan.
- Establish and maintain amicable and sound working relationships with neighbors and the community.

3. Building and Grounds

- Provide curb appeal.
- Develop baseline building and grounds condition reports.
- Develop and implement repair and maintenance plan.
- Complete capital improvement projects as directed. Develop an annual capital improvement budget and project plan in conjunction with a capital needs assessment if applicable.
- Identify and address any code violations or other immediate repair needs.
- Respond to resident/tenant needs and complaints in a timely basis.
- Ensure all maintenance, repairs and improvements are performed by skilled and appropriately trained workers in accordance with Building Inspection unit requirements.
- Ensure housing site and units are in good condition, meeting all local, state, and federal standards.

4. Safety and Security

- Develop a Safety and Security Plan for the property including emergency management and disaster planning.
- Provide information to residents on personal security and solicit resident assistance in identifying potential problems.
- Direct contact with residents violating property rule or city or state law.
- Establish and maintain CDA-owned properties as safe, secure, non-threatening and non-hazardous properties.

5. Monthly Reporting and Performance Standards

Reports including but not limited to the following shall be submitted to CDA's asset manager by the 15th of every month.

- Move In/Move Out report
- Rent Roll
- Monthly report form which includes residential unit performance data
- Police Calls for Service

- Detailed financial statements covering all income, expenses, assets, liabilities and other matters including a variance report describing ‘actual to budgeted’ results of operations
- Balance Sheet
- Schedule of accounts receivable and payable
- The CDA Asset Manager may require other reports as necessary.

Performance Standards

- Occupancy: minimum of 95% monthly occupancy
- Vacancy Turnaround: 30 days – including make ready and lease-up time.
- Turnover Rate: Less than 20% annually
- Emergency Work Orders: completed or abated within 24 hours
- Non-Emergency Work Orders: completed within 4 days.

SUBMISSION REQUIREMENTS

Brevity is strongly encouraged. Respond only to items listed below and include only relevant information. The reviewers will not consider materials that are not requested below. Limit your proposal to the equivalent of (20) single-sided pages. Page limit does not include cover letter and/or required attachments.

To be considered responsive and responsible, each respondent shall respond to the following requirements. Responses must be specific and complete unto themselves. Any submittal that, in the opinion of the CDA, does not fully and completely address these requirements will not be reviewed. The Selection Committee will look favorably upon succinct and direct language.

Minimum Requirements: To be qualified to respond, respondents must not be debarred, suspended, or otherwise ineligible to contract with the CDA and must have current and active State of Wisconsin business registration.

Submission Requirements:

1. Firm Description

- a. Discuss the firm’s history, organization and size including number of staff in each work area.
- b. Describe the overall staffing approach to be used in connection with this contract including property managers, field/regional supervisors, and administrative offices if applicable. Provide information regarding staff experience and qualifications that demonstrates the respondent’s capacity to perform required services. Provide the firm’s staff turnover rate for the past 5 years specific to key positions related to this contract. If the firm is multi-disciplinary, describe the resources and skills it brings. If the firm is small or is a sole proprietorship, please describe the approach to involve 3rd party contractors for completing required scopes.
- c. MBE/WBE or Section 3 status of firm or subcontractors.
- d. Provide a description of the firm’s workforce equity and diversity program accomplishments, if any.
- e. Provide (3) references, previous and/or current, including the name and title of the contact person, email address, and phone number. If available please provide one reference from a low-income housing tax credit property owner or a public agency.

2. Similar Project Experience

Describe your firm's relevant experience in managing affordable rental property, including:

- a. Your firm's relevant experience within the areas listed in the Scope of Services, above.
- b. Describe your experience managing Low-Income Housing Tax Credit Properties including your experience with WHEDA compliance.
- c. State whether or not you have received any 8823s. If yes, please provide an explanation.
- d. Describe your experience managing properties with diverse resident populations including the elderly and disabled. Include experience implementing State and local Landlord Tenant laws, Fair Housing laws, and the Violence Against Women Act (VAWA).
- e. Please describe your firm's approach to resident participation initiatives and the delivery of resident social supportive services.
- f. Describe your experience procuring and establishing teams of other business professionals as contractors/consultants or subcontractors/consultants who bring experience and services your company does not provide. Include any specific examples of contracting with government entities.
- g. Describe how your firm calculates, proposes, and implements rent increases.

3. Accounting Services

- a. Describe the accounting database and staffing you use to manage property books and records.
- b. Describe the internal controls built into your accounting system to ensure accuracy and integrity.
- c. State if your firm provides accrual or cash based financial statements.
- d. Describe your firm's ability to prepare and submit operating budgets on a CDA required timeline.

4. Low Vacancy Rate Maintenance

Provide a summary of the firm's experience in maintaining low vacancy rates in similar rental properties. Include examples of vacancy rates at currently managed properties, length of time these vacancy rates have been maintained, and the firm's internal direction on marketing of rental properties. Provide specific information, including but not limited to the firm's policies and other guidelines provided to employees on the firm's management practices as it relates to collection of rents and tenant issues, including but not limited to making rules and regulations and lease enforcement actions.

5. Price Proposal

The scope of work sets forth the services expected to be provide under the contract. Please state your monthly percentage fee for the provision of these services together with any expectations you wish noted. State your basis for calculation of the Management fee rates. With respect to office expenses, please state your proposed reimbursable expenses.

6. Attachments

Please include the following documents in your response packet:

- Organizational Chart
- Job descriptions for all relevant staff positions
- Resumes for key personnel named in your response. Resumes should include specific information regarding experience in providing the types of services outlined in the Scope of Services section.
- Sample Management Plan
- Sample monthly financial statement and report to the owner (names may be blocked)

Format Requirements

Each proposal shall be delivered to the Community Development Authority of the City of Madison Central Office located at 215 Martin Luther King Jr. Blvd Suite 161, Madison WI 53703. Proposals should comply with the following specifications:

- a. 8.5" x 11" format, either vertical or horizontal
- b. Font size no smaller than 10 points.
- c. Maximum of 20 pages, or 10 double-sided pages. Pages in excess will not be evaluated. The page limit does not include covers, cover letters, section dividers, or listed attachments (number 6 above).
- d. Submit three (3) hard copies.
- e. The cover page should clearly identify the property of the proposal.

PROPOSAL EVALUATION & AWARD

1. Evaluation Process

The following process will generally be followed for the evaluation and award of a contract.

- a. Determine if proposals meet minimum requirements;
- b. Selection committee to evaluate written proposals
- c. Selection Committee to conduct interviews if necessary
- d. Selection of most advantageous Proposer
- e. Contract approval by CDA Board of Commissioners

2. Evaluation Criteria

Evaluation Criteria	Maximum Points
Proposed Staff and Firm	30
Similar Project Experience	30
Accounting Services	5
Low Vacancy Rate Maintenance	5
Cost	30
Maximum Total Points	100

The CDA reserves the right to investigate the qualifications of all Proposers under consideration and to confirm any part of the information furnished by the Proposer, or to require additional evidence of managerial, financial, technical, or other capabilities that are considered necessary for the successful performance of the work.

The Selection Committee will employ only those evaluation criteria set forth in this RFP or in addenda that may be issued prior to receipt of proposals or interviews.

3. Proposal Evaluation & Award of Contract

A Selection Committee will be formed to evaluate responsive proposals and shall apply the evaluation criteria and scoring set forth above. The Committee may meet one or more times to discuss and rank proposals.

Proposals that do not adhere to all terms and conditions of this RFP or that are otherwise non-responsive may, in the sole discretion of the CDA, be found to not meet the minimum requirements and may be rejected or given a low rating in the evaluation process.

The Committee will rank the Proposers and based on final scores, recommend a contract be awarded to the candidate determined to be most qualified and advantageous to the CDA. The Selection Committee, at its discretion, may conduct interviews with any or all proposers during the course of their evaluation. CDA will issue a Notice of Intent to Award letter to each Proposer.

STATEMENTS & REQUIRED INFORMATION

1. Clarifications and Addenda

Proposers are cautioned not to make any assumptions as to the implied meaning or intent of any part of the RFP. Proposers should request clarification or additional information concerning the RFP in writing as soon as possible, but in no event will such requests be received by the Community Development Authority later than Monday March 9, 2020 at 3:00 PM. If, in CDA's opinion, additional information or interpretation is necessary, such information will be supplied in the form of an addendum that will be emailed to all individuals, businesses, etc., on the Prospective Proposers List. Such addenda shall have the same binding effect as though contained in the main body of the RFP. Corrections or clarifications made in any manner other than by written addendum addressed to all Proposers will not be binding on CDA and Proposers shall not rely thereon.

2. Clarification of Proposals

CDA reserves the right to seek clarification of written Proposals. Proposers will provide additional clarifying information in a timely manner.

3. References

CDA reserves the right to investigate references. Investigation may include past performance of the Proposer with respect to the successful performance of similar projects, compliance with specifications and contractual obligations, completion or delivery of a project on schedule or on budget, and lawful payment of subcontractors, employees, and workers.

4. Withdrawal or Revision of Proposals

Proposers may, without prejudice, withdraw Proposals submitted prior to the date and time specified for receipt of Proposals by requesting such withdrawal before the due time and date of the submission of Proposals. After the due date of submission of Proposals, no Proposals may be withdrawn for a period of 90 days or as otherwise specified or provided by law. Proposers may modify their Proposals at any time prior to opening of Proposals.

5. Acceptance/Rejection of Proposals

The CDA reserves the right to accept or reject any or all proposals submitted, in whole or in part, and to waive any informalities or technicalities, which at the CDA's discretion is determined to be in the best interests of the CDA. Further, the CDA makes no representations that a contract will be awarded to any proposer responding to this request. The CDA expressly reserves the right to reject any and all proposals responding to this invitation without indicating any reasons for such rejection(s).

The CDA reserves the right to postpone due dates and openings for its own convenience and to withdraw this solicitation at any time without prior notice.

6. Public Records

Proposers are hereby notified that all information submitted in response to this RFP may be made available for public inspection according to the Public Records Law of the State of Wisconsin or other applicable public records laws. Information qualifying as a “trade secret” – defined in State of Wisconsin Statutes – may be held confidential.

Proposers shall seal separately and clearly identify all information they deem to be “trade secrets,” as defined in the State of Wisconsin Statutes. Do not duplicate or co-mingle information, deemed confidential and sealed, elsewhere in your response.

S. 19.36(5)

(5) TRADE SECRETS. An authority may withhold access to any record or portion of a record containing information qualifying as a trade secret as defined in s. 134.90(1)(c).

s. 134.90(1)(c)

(c) “Trade secret” means information, including a formula, pattern, compilation, program, device, method, technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

The CDA cannot ensure that information will not be subject to release if a request is made under applicable public records laws. The CDA cannot consider the following confidential: a bid in its entirety, price bid information, or the entire contents of any resulting contract. The CDA will not provide advance notice to Proposers prior to release of any requested record.

To the extent permitted by such laws, it is the intention of the CDA to withhold the contents of Proposals from public view—until such times as competitive or bargaining reasons no longer require non-disclosure, in the CDA’s opinion. At that time, all Proposals will be available for review in accordance with such laws.

7. Tax Exempt

The Community Development Authority is exempt from payment of federal excise taxes and State of Wisconsin taxes. Federal Tax ID #39-6006968. A completed Wisconsin Department of Revenue Form S-211 (R.2-00) can be found on the City of Madison website. Our tax-exempt number is ES 42916.

8. Proposers Responsibility

Proposers shall examine this RFP and shall exercise their judgment as to the nature and scope of the work required. No plea of ignorance concerning conditions or difficulties that exist or may hereafter arise in the execution of the work under the resulting contract, as a consequence of failure to make necessary examinations and investigations, shall be accepted as an excuse for any failure or omission on the part of the Proposers to fulfill the requirements of the resulting contract.

EXHIBITS

A. Sample Property Management Agreement

**SAMPLE
PROPERTY MANAGEMENT AGREEMENT**

This Property Management Agreement (“**Agreement**”), dated as of April____, 2020, by and between _____ (“**Manager**”) and ALLIED DRIVE REDEVELOPMENT, LLC, a Wisconsin limited liability company (“**Owner**”);

W I T N E S S E T H

WHEREAS, Owner owns a 49 unit multifamily housing apartment complex, including one residential manager’s unit, commonly referred to as Revival Ridge Apartments, located at 2320 Revival Ridge, 2329 Allied Drive, and 4711 Jenewein Road, also known as Phase I of the Allied Drive Neighborhood Redevelopment and legally described in the attached **Exhibit A** (“**Property**”); and

WHEREAS, all of the apartment units at the Property are to be occupied by low-income residents, and operated in compliance with the requirements of Section 42, Internal Revenue Code of 1986, as amended, in order to allow Owner to claim low-income housing credits; and

WHEREAS, Owner wishes to engage Manager to perform the services described herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements contained herein, the sufficiency of which are hereby acknowledged by the parties hereto, the parties agree as follows:

1. DEFINITIONS.

The following are definitions of certain terms used in this agreement, in addition to other terms defined herein:

- a. “**Asset Manager**” is National Equity Fund, Inc.
- b. “**Code**” is Section 42, Internal Revenue Code of 1986, as the same may be amended from time to time (or any corresponding provisions of any successor law.)
- c. “**HUD**” is the U.S. Department of Housing and Urban Development.
- d. “**Investment Owner**” is National Equity Fund, Inc. Assignment Corporation or any Person who becomes a Substituted Investor Member.
- e. “**IRS**” is the U.S. Internal Revenue Service.
- f. “**Lease**” is any rental agreement whereby Owner has agreed to let and Tenant has agreed to accept a Rental Unit in the Property identified in the Lease in accordance with the terms of the Lease.

- g. **“Manager”** is the property management agent as is selected by Owner, who shall have primary responsibility for overseeing the management of the Property under the Property Management Agreement.
 - h. **“Marketing Plan”** is a comprehensive and detailed written account and timetable of the objectives and methods to be used to achieve the Property’s marketing goals.
 - i. **“Owner”** is the Community Development Authority of the City of Madison.
 - j. **“Property Rules”** are certain rules attached to the Lease that describe applicable property guidelines to the Tenants, i.e., parking rules and playground rules.
 - k. **“Rental Unit”** is a dwelling unit at the Property rented and to be rented to residential Tenants.
 - l. **“Tax Credit”** or **“Credit”** is the low income housing tax credit under §42 of the Code.
 - m. **“Tenant”** is one or more persons occupying a Rental Unit pursuant to Lease.
 - n. **“Tenant Deposit”** is any security deposit, cleaning deposit, prepaid rent deposit, or other sum advanced by a Tenant under terms that may require repayment by Owner or application against a future liability of such Tenant.
 - o. **“Tenant Selection Plan”** is the set of policies and procedures for processing and selecting applicants for Rental Units at the Property. It includes any establishment of preferences and priorities, occupancy standards, rejection standards, reviews and appeals of rejection decisions, and notice requirements.
 - p. **“WHEDA”** means the Wisconsin Housing and Economic Development Authority.
2. OWNER’S GOALS AND PLAN OF OPERATION. Owner’s goals with respect to the Property are to make a positive contribution to the community in which the Property is located, promote goodwill in the community, and help fulfill the need for affordable housing in the community for its lower-income residents. In addition, Owner seeks to claim the Credits, passive loss and depreciation deductions, cash flow, and appreciation on the sale of the Property contemplated in the financial analysis (**“Financial Forecast”**) prepared by Owner’s accountants. In order to achieve these goals, Manager is to fulfill the duties and provide the service identified herein, communicate on a regular basis with and cooperate with community officials and leaders, and operate, manage, maintain and administer the Property in the highest and best manner to serve the interest of the Property residents, the community and Owner in the most efficient and expeditious, and noncontroversial, manner possible.

3. APPOINTMENT AND ACCEPTANCE. Owner hereby appoints Manager as the sole and exclusive managing agent for the Property. Manager hereby accepts such appointment, subject to the terms and conditions set forth in this Agreement.
4. TERM OF AGREEMENT. Subject to the termination rights set forth in Section 11 herein, the term of this Agreement shall be for three (3) years, commencing on May 1, 2020 and expiring on April 30, 2023 (“**Term**”).
5. RENEWAL. This Agreement may be renewed upon the same terms for two (2) subsequent one (1) year terms upon the written agreement of the parties. If the parties renew this Agreement, then said time period will become part of the Term.
6. SERVICES OF MANAGER. Manager shall on behalf of Owner perform all services required in connection with the operation of the Property subject at all times to Owner’s general supervision and control.

Manager represents:

- i. That it is experienced in professional management of property of the character and nature similar to the Property;
- ii. That it is legally authorized to manage such property in the state of Wisconsin;
- iii. That it will manage the Property in accordance with the highest professional standards for such property;
- iv. That it confers fully and regularly with owner in the performance of its duties and to continue to remain informed regarding the property.

It shall be the duty and responsibility of Manager:

- a. Operation. As soon as practicable, Owner shall furnish Manager with a complete set of general plans and specifications for the Property and copies of all warranties and warranties pertinent to construction and fixtures and equipment of the Property. Manager shall utilize this information along with inspections from appropriate staff to thoroughly familiarize itself with the character, construction, layout, and plans of the Property, including the electrical, heating, plumbing, and ventilating systems and all other mechanical equipment. Upon receipt of the documents listed in this section, manager shall submit a preventative maintenance schedule in accordance with the manufacturer’s instructions to Owner within 30 days.
- b. Development Agreements and Financial Forecast. Review and become familiar with all contracts and agreements related to the Property, including (i) Owner’s organizational documents, (ii) any disclosure documents provided to Owner’s members in connection with their investment in Owner, (iii) the Financial Forecast, (iv) all Property financing agreements (including without limitation all promissory notes, mortgages, loan agreements, disbursement agreements, security agreements and UCC financing statements), (v) Property title insurance commitments and policies (and all restrictive covenants and agreements and other matters affecting title to the Property that may be disclosed therein), and (vi) all other Property related documentation such

as grant agreements, Credit applications and related materials, and all others, copies of which Manager has obtained from Owner. Manager shall fulfill Owner's responsibilities under the foregoing documents that are related to the management, maintenance and operation of the property. Manager shall inform the Owner within thirty (30) days of any issue or inability to comply with this Section.

- c. HUD Requirements and Subsidy Agreements. Review and become familiar with any operating subsidy agreements related to the Property, including without limitation any housing assistance payments contracts or other rent subsidy agreements, and fulfill all of Owner's obligations therein related to Property management, maintenance, operations and reporting. Manager shall be responsible for or shall assist Owner in the certification and recertification of tenants covered by any Housing Assistance Payments Contract that may be applicable to the Property with respect to federal Section 8 subsidies, following procedures required HUD.
- d. Applicable Laws and Regulations. Review and become familiar with federal, state, county, and local laws and regulations that relate to Property and its management, maintenance or operation, including but not limited to those related to minimum set-asides, rent restrictions, annual re-certifications, zoning, building construction and operation, fair housing, equal opportunity and nondiscrimination, landlord-tenant relations, energy efficiency, recycling, trash disposal, the Americans and Disabilities Act of 1990 (as it may be amended from time to time), and all others, and manage, maintain and operate the Property in accordance with all of the foregoing.
- e. Tax Code and WHEDA Compliance, and Project Requirements. Ensure the Property is operated and managed in compliance with all Property financing, ownership, and acquisition documents, and any regulations promulgated thereunder related to the Credit, and on a continuing basis familiarize itself with any amendments or changes thereto and any announcements or rulings that may be made by the Treasury Department or IRS in connection therewith, and any rules, regulations, announcements or distribution materials that may be made or made available by WHEDA in connection with the Credit; ensure the Property is operated and managed in compliance with all of the foregoing; cooperate with the IRS and WHEDA in connection therewith; and inform Owner of any such information that may become available during the term of this Agreement and that may be material to the management, maintenance or operation of the Property and/or Owner's investment therein.

Manager will perform all Project Requirements for Owner, including the certification and recertification of low-income residents, consisting but not limited to: (i) verification of resident income sources and resident assets; (ii) the effect of filling vacancies in market-rate units or low-income units; (iii) permissible forms of discrimination under the applicable HUD handbook; (iv) utility allowances; (v) certain categories of residents that are not permitted to occupy units; and (vii) maintain originals of all records described herein. Manager shall cooperate with Owner and their representatives to ensure satisfaction by such parties of manager's management plan and rental criteria.

Manager shall maintain copies of the First Year Tenant Files in a secure location under its control in accordance with the requirements of the Code. Manager shall retain all documentation with respect to initial and continuing qualification of the Property as a qualified Tax Credit Project for as long as is required under the Code and applicable law.

The Manager shall cooperate fully and in good faith with the Investment Owner and Investment Owner's Asset Manager with respect to their monitoring of the operation of the Property, including annual audit or review and on-site inspection of the Property.

Manager shall deliver or cause to be delivered to the Investment Owner's Asset Manager any periodic financial or performance report provided to any federal, state, or local governmental agency or to the any lender or any compliance monitoring report provided to WHEDA. Manager shall deliver any such report to the Asset Manager within twenty (20) days after such report is filed with any such government agency or lender or Owner.

Manager shall also prepare and deliver to the Investment Owner's Asset Manager quarterly management report, annual budget, abatement and property tax exemption report if applicable, and other information and reports as may be reasonably requested with respect to the Property as required in the Operating Agreement.

- f. Rental of Units. Manager shall offer for rent and shall rent the Rental Units at the Property in compliance with the Code and in accordance with all Project Requirements, the Management Plan (**Exhibit B**), the Property Rules, the Lease, and a rent schedule, including required deposit amounts and conditions, approved in writing by Owner.

Manager shall rent all units to residents whose income, or family income, does not exceed the tenant income limitations required for credit qualification, and rent all such units at rents, including utilities, not in excess of those allowed by the Code. Manager shall not enter into any lease on behalf of Owner at a rental amount exceeding the applicable maximum.

Pursuant to its rental responsibilities, Manager shall:

- i. Carry out marketing in accordance with the approved Tenant Selection and Marketing Plans, and in compliance with all applicable federal, state, and local housing laws and regulations and in compliance with the Code.
- ii. Apply affirmative marketing techniques, and practice nondiscrimination in tenant selection pursuant to Section 16 (k) of this Agreement, to attract all segments of the population as recommended by HUD.
- iii. Maintain a current list of acceptable prospective tenants and undertake all arrangements necessary and incidental to the acceptance of rental applications

and the signing of leases. Manager shall market the rental units in accordance with the Marketing Plan, if any, and maintain records of the marketing activity for compliance review purposes. Manager shall exercise its best efforts (including, but not limited to, placement of advertising, interview of prospective Tenants, assistance and counseling in completion of rental applications and signing of leases, processing of documents and credit and employment verifications, and explanation of the program and operations of Owner) to effect the leasing of rental units and the renewal of leases in accordance with the terms of each lease and the Project Requirements so that the Property is occupied as fully as possible.

- iv. Show rental units at the Property to all prospective tenants.
- v. Take and process applications and application fees, if any, for rentals, including interviewing and screening prospective tenants to determine if they meet the Leasing Guidelines and Tenant Selection Criteria.

Applicants shall be selected from the waiting list in chronological order. If an application is rejected, the applicant shall be advised in writing of the reasons for rejection. If the rejection is based on information from a credit bureau, the source of the report must be revealed to the applicant pursuant to the Fair Credit Reporting Act, under 15 USC § 1681, et seq. The rejected applicant, together with the written notice of the rejection and any other related correspondence, shall be kept on file for seven years following the rejection.

- vi. Comply with the Leasing Guidelines and use a lease form that complies in all respects with State and local residential tenant/landlord laws, which lease shall be subject to the approval of the Owner and shall be consistent with Project Requirements.
 - vii. Institute rules and regulations for Property residents, as approved by Owner, and diligently enforce such rules.
 - viii. Certify or re-certify Tenants as required by the Project Requirements, by obtaining tenant certifications and third party verification(s) of tenant income and assets.
 - ix. Sign all leases in Manager's name, identified as agent for Owner, subject to prior written approval by Owner of any deviation from Owner's approved rent schedule, lease forms and Leasing Guidelines.
 - x. Collect, deposit, and disburse tenant deposits, if required, in accordance with the terms of the Lease and Section 6 hereof.
- g. Rent Collection. Manager shall collect, when due, all rents, charges and other amounts receivable on Owner's account in connection with the management and operation of

the Property. Such receipts shall not be commingled with other funds and shall be deposited by Manager for or on behalf of Owner and held in the Operating Account in accordance with the provisions of Section 8.

- h. Lease Enforcement. Manager is authorized to sign and serve such notices, as Manager deems necessary for lease enforcement, including the collection of rent or other income. Subject to the approval of the City Attorney's Office, and, to institute, in the Owner's name, legal actions or proceedings for collection of delinquent rents and other income and for the dispossession of tenants and other persons therefrom, and to engage attorneys in connection with such actions or proceedings. Reasonable attorneys' fees, filing fees, court costs, and other necessary expenses incurred in connection with such actions and not recovered from tenants shall be paid out of the Operating Account or reimbursed directly to Manager by the Owner. Manager may select the attorney of its choice to handle such litigation, which may be subject to the approval of the Office of the City Attorney.
- i. Maintenance. Manager will ensure that the Property is maintained and repaired in accordance with the owner's specifications and applicable state and local health and building codes. Manager shall, at Owner's expense, maintain the Property in a decent, safe, and sanitary condition. Manager will ensure that the site will be kept in a condition acceptable to the Owner, including but not limited to cleaning, painting, decorating, plumbing, carpentry, grounds care, and such other maintenance and repair work as may be necessary. The following provisions apply:
 - i. Special attention shall be given to preventative maintenance.
 - ii. Subject to Owner's prior written approval, Manager shall contract with qualified independent contractors for the maintenance and repair of major mechanical systems, and for the performance of extraordinary repairs beyond the capability of regular maintenance personnel. Prior to commencement of any work Manager shall obtain appropriate written evidence of such contractor's liability and worker's compensation insurance.
 - iii. Manager shall systematically and promptly receive and investigate all service requests from Tenants, take such action thereon as may be justified, and keep records of the same. Manager shall coordinate emergency services, as needed on a twenty-four (24) hour, seven (7) days a week basis. Manager agrees to provide an emergency telephone services on a twenty-four (24) hour, seven (7) days a week basis and provide this phone number to all tenants. Complaints of a nature that pose an immediate safety risk to tenants, or a significant financial risk to the Owner shall be reported to Owner after investigation. At Owner's request, Owner shall receive all service requests and the reports of action thereon.
 - iv. Manager shall take such action as may be necessary to comply with any and all orders and requirements of federal, state, county, and municipal authorities and

of any board of fire underwriters, insurance companies, and other similar bodies pertaining to the Property.

- v. Except as otherwise provided in this Section, Manager is authorized to purchase, at Owner's expense, all materials, equipment, tools, appliances, supplies and services necessary for proper maintenance and repair of the Property. Manager shall obtain bids for all contracts, materials, equipment, and supplies exceeding \$25,000 per item for those items that can be obtained from more than one source.
- vi. Notwithstanding the foregoing, the prior written approval of the Owner will be required for any contract that exceeds one year in duration, or expenditure that exceeds \$25,000 in any one instance for labor, materials, or otherwise in connection with the maintenance and repair of the Property, except for emergency repairs involving manifest danger to persons or property, or required to avoid suspension of any necessary service to the Property.
- vii. In the event of emergency repairs, Manager shall notify Owner promptly, and in no event later than 72 hours from the occurrence of the event.
- viii. If Manager uses its own employees to perform maintenance, the charge for such employees shall be the payroll salary identified in the budget including all fringe benefits and payroll taxes.
- ix. Manager shall use its best efforts to re-rent vacant units within 20 business days.
- x. Contract for electricity, gas, water, sewer, oil, telephone, window cleaning, pest control, trash removal, repairs, maintenance and such other utilities and services as shall be necessary and advisable for the property management, maintenance and operations of the Property; provided, however, that Manager shall not contract for any services the estimated cost of which would exceed the cost specified therefor in the Approved Budget, defined below, without the Owner's prior written consent thereto.
- xi. Furthermore, notwithstanding anything to the contrary, unless Owner otherwise agrees in writing, all contracts entered into by Manager for the Property (including, without limitation, any contracts for maintenance, repair, utilities, services, materials, or supplies) (i) must have a term not to exceed one (1) year, and (ii) must be subject to termination upon no more than thirty (30) days prior notice to the contracting third party. Manager shall disclose to Owner any affiliate relationship or other identity of interest between Manager and any other service provider, and such contracts shall be subject to Owner's prior written approval and must be subject to immediate termination in the event that this Agreement is terminated.

Manager will contract in Owner's name for all goods and services necessary and advisable for the proper operation of the Property and in accordance with the Owner's Procurement Policy. Manager shall not contract for any goods or services the estimated cost of which would exceed the cost specified therefor in the Approved Budget without the Owner's prior written consent.

- j. Community and Public Relations. Manager shall establish and maintain amicable and sound working relationships with Property residents, lenders, subsidy providers, WHEDA, neighbors, local government representatives and the community in general, including attendance at neighborhood meetings and community events.
- k. Operating and Capital Improvement Budget.
 - i. Manager shall prepare an annual operating budget and projected rental rates for the Property each fiscal year during the term of this Agreement ("**Annual Operating Budget**"). The Property fiscal year begins on January 1 and ends on December 31 ("**Fiscal Year**"). Manager shall prepare and submit a proposed Operating Budget and capital improvement budget annually for the ensuing year. The proposed budget shall be subject to approval by Owner. The Operating Budget submission process and timeline is as follows:
 - 1) No later than September 15th of each calendar year, Manager shall prepare and submit a proposed Annual Operating Budget and capital improvement budget for the ensuing calendar year to the Owner for Owner's approval. Owner shall inform Manager of any changes incorporated in the approved Annual Operating Budget within 20 days after receipt from Manager.
 - 2) No later than October 15th of each calendar year, Manager shall submit Annual Operating Budget as approved by Owner, and most recent rent roll, to Investment Owner for review and approval ("**Approved Budget**") per the operating agreement.
 - ii. The Annual Operating Budget shall include a schedule of recommended rents to be charged for each rental unit, including recommended Rent increases with respect to Lease renewals and new Leases. The recommended rents shall be in compliance with the Project Requirements, including consideration of changes in median family income and utility allowances.
 - iii. In preparing each proposed Annual Operating Budget, Manager shall use its best efforts to take into account anticipated increases in utility charges and other operating costs. To the extent feasible, Manager shall support anticipated increases with written evidence or documentation.
 - iv. At the same time Manager prepares the Annual Operating Budget, Manager shall prepare for Owner's approval an assessment of the capital needs of the

Property for the coming year and for the two years following the coming year, the capital improvement budget.

- v. Except as otherwise provided in the Agreement or as may be approved in writing and in advance by the Owner, Manager shall incur no expenses in connection with the Property that are not provided for in the Annual Operating Budget, except as permitted for emergency repairs involving manifest danger to persons or property, or required to avoid suspension of any necessary services to the Property.
- vi. Included in the Annual Operating Budget, shall be an asset management fee in the amount of \$4,800 per year, increasing annually thereafter by 3%, which Manager shall pay annually to Investment Owner as defined in the Operating Agreement.
- vii. Included in the Annual Operating Budget, shall be an Owner's management fee in the amount of \$20,000 per year, increasing annually thereafter by 3%, which Manager shall pay annually to Owner as defined in the Operating Agreement. If Cash Flow is not sufficient to pay the Owner's management fee in any fiscal year, the fee shall accrue and be payable during the following fiscal year until paid in full.

1. Escrow Payments, Operating Reserves, and Replacement Reserves.

- i. Manager shall make monthly escrow payments in accordance with Project Requirements and sufficient to allow Manager to pay all annual real estate taxes, assessments and similar charges expected to be levied against the Property for the current year, plus annual insurance premiums on any policies of insurance required to be carried hereunder, each as reasonably estimated from time to time by Manager on the basis of assessments and bills therefor and as provided in the Approved Budget.
- ii. Manager shall maintain an operating reserve ("**Operating Reserve**") to fund operating deficits incurred by the Property. The Operating Reserve shall be held in a separate bank account. To the extent funds are available, Manager shall replenish the Operating Reserve up to the Operating Reserve Target Amount out of Cash Flow. Withdrawals from the Operating Reserve will require the written approval of the Owner.
- iii. Manager shall fund a property replacement reserve ("**Replacement Reserve**") in the amount of \$300 per unit per year (to be increased annually by 3%), in equal monthly installments beginning on January 1, 2020, from Gross Cash Receipts prior to distribution of Cash Flow. Manager shall utilize amounts in the Replacement Reserve to fund repairs, capital expenditures and other costs in the Annual Operating Budget. The Replacement Reserve shall be deposited

into a segregated interest-bearing account at Johnson Bank. Interest earned on the Replacement Reserve shall be added to the Replacement Reserve.

Withdrawals from the Replacement Reserve Account in excess of Five Thousand and No/100 Dollars (\$5,000) in the aggregate in any given month will require the written approval of the Owner.

- m. Permits and Licenses. Manager shall acquire and keep in force at Owner's expense any and all licenses and permits required for the operation of the Property as rental housing.
- n. Reports. Manager shall prepare all reports required by the Project Requirements.
 - i. Reports will be prepared, distributed and maintained in a manner satisfactory to Owner. Manager shall provide Owner with a copy of all such reports.
 - ii. Manager shall establish and maintain a system of records, books, and accounts in a manner satisfactory to Owner and in accordance with generally accepted accounting principals, which is consistent with and for the durations mandated by the Project Requirements. Said books and records, together with supporting documents, including correspondence, shall be deemed to be the property of the Owner and shall be available to the Owner and any of its authorized representatives for inspection upon reasonable notice at any reasonable time during regular business hours.
 - iii. On or before the 20th day of each month during the term of this Agreement, Manager shall prepare and provide to Owner monthly report in a form satisfactory to Owner, including at least the following:
 - 1) A statement of income and expenses for the preceding month and year-to-date, including a comparison with the approved budget for the same periods; the income portion of the statement shall include, a statement of gross potential rental income (i.e., rental income if the Property were at 100% occupancy for the months), vacancy loss, actual rental income collected and an itemized statement of other income received.
 - 2) An itemized list of all delinquent rents as of the 10th day of such month, as well as a report of action taken thereon by Manager; a rent roll/cash receipts form for the previous month, including the number of occupied and vacant units and the physical vacancy rate;
 - 3) A summary of disbursements and adjusting journal entries for the previous month;
 - 4) A balance sheet for the preceding month, including accounts receivable and payable, and cash balances in bank accounts (including separate security

account balance), and a report on aged receivables and action taken thereon by Manager; and

5) A narrative addressing:

- a) Any unusual actions taken or emergencies responded to, and any accidents, claims, and potential claims for the previous month, and any outstanding maintenance requests,
 - b) Turnovers during the month,
 - c) An explanation for any expense items varying by more than 10% from the budget,
 - d) A statement of the number of leases expiring in the upcoming month and whether Tenant has given or been given notice to vacate or has been recertified for lease renewal; and
 - e) Any other information required by the Project Requirements.
- iv. Manager shall prepare, sign, and file all forms, reports, and returns required by law in connection with Manager's employment of personnel, unemployment insurance, workers' compensation insurance, disability benefits, social security, and other similar insurance and all other benefits or taxes now in effect or hereafter imposed.
- v. Unless otherwise agreed and delineated in Section 8, all bookkeeping, data processing services, report preparation and management overhead expense shall be paid for by Manager from the Management Fee.
- vi. Manager shall submit, on or before the 20th day of each month, a copy of the statement of income and expenses (on both a cash and accrual basis) to Investment Owner.
- vii. Manager shall promptly furnish such additional information (including monthly occupancy reports, Property's balance sheets, monthly budgeted and actual income and expense reports, and tenant eligibility reports) as may be requested from time to time by the Owner or the WHEDA with respect to the leasing, financial, physical, or operational condition of the Property.
- viii. Manager shall establish and maintain complete and orderly tenant files containing copies of leases, records of tenant family income and size, certification forms, notices, rent records and other documentation required by Owner as necessary to conform to the Project Requirements and the Code throughout the term of the Agreement, and shall turn all such records over to Owner upon the termination or expiration of the Agreement.
- ix. As additional support to the monthly financial statement, Manager shall provide, upon Owner's request and as an expense to the Property, copies of the following:

- 1) All bank statements, bank deposit slips, and bank reconciliations;
 - 2) Detailed cash receipts and disbursement records;
 - 3) Detailed trial balance;
 - 4) Paid invoices; and
 - 5) Tenant eligibility reports.
- o. Meetings. Manager shall be available for communication with Owner and shall keep Owner advised of items materially affecting the Property. Manager and Owner shall establish a planned schedule for communications. However, Manager also agrees to cause a representative of Manager to attend meetings with Owner at any times reasonably requested by Owner.
- p. Contracts. Manager shall review existing Property-related service contracts and make recommendations to Owner on necessary improvements, when such contracts should be bid, and develop and implement bid specifications in compliance with Owner's procurement policy.
- q. Notification of Owner of Material Events.
- i. Promptly notify Owner of any material events, occurrences, damage, or destruction to or of the Property, and notify Owner immediately by telephone, with prompt confirmation by mail and/or telecopy (including any document received by Manager) of the service upon Manager of any summons subpoena or similar document including, without limitation, any notices, letters or other communications setting forth or claiming any actual or alleged potential liability of Owner or any of its affiliates, or the Property, or of the receipt by Manager of any material notice, demand, request, or other communication from any resident, any part to a contract or agreement related to the Property, any insurer, or notice of any code violation.
 - ii. Manager shall promptly notify Owner of receipt of any notice, including any Form 8823, Report of Noncompliance or Building Disposition from WHEDA; or receipt of any notice of any IRS or WHEDA audit or proceeding.
- r. Management Unit. Manager shall maintain a suitably equipped management office at 2313 Allied Drive. The Owner shall provide Manager with such site office at no cost to Manager. Manager shall have sufficient personnel available on the Property for the full and efficient performance of its duties under this Agreement, including the physical presence of responsible persons at such times as reasonably requested by Owner.
- s. Staff. Manager is authorized to hire and supervise employees (resident managers, housing counselor, maintenance employees, etc.) to perform required maintenance, rental, repair, and other services for said premises. All such persons shall be employed by Manager and shall not be deemed employees of Owner or the Property. However, Manager and Owner agree that charges for such employees during the term of this

Agreement shall be an operating expense against the Property based upon the actual time employees are engaged in such work at the premises, or for work performed on behalf of Owner. The cost of transportation for the business of the property shall be an operating expense of the property.

- t. Records. Establish and maintain in Manager's office, in a manner satisfactory to Owner, complete and orderly files containing correspondence, rent records, a complete record of the occupancy history of each unit to be taken into consideration by Owner (including, but not limited to names, income questionnaires, leases and dates of occupancy of all residents, and efforts to fill vacancies), payroll records, insurance policies, leases, receipts, unpaid bills, and all other documents and papers pertaining to the Property and the management, maintenance and operation thereof, all of which shall be and remain the property of Owner and shall be available to Owner and its representatives for inspection at any reasonable time during regular business hours.

- u. Management Plan.
 - i. If not attached hereto, then within 30 days from the date of this Agreement, Manager shall provide Owner with a copy of the Management Plan for the Property. The Management Plan provides a comprehensive and detailed description of the policies and procedures to be followed in the management of the Property. Owner shall review and approve the Management Plan within 45 days after Owner receives the Plan from Manager.

 - ii. Manager shall conduct its management activities in accordance with the policies and procedures set forth in the Management Plan. In addition, Manager will carry out the tasks and responsibilities set forth in Section 6 of this agreement. The Management Plan will be reviewed annually at the time the annual budget is being created to assure owner's objectives for the Property are clear and being achieved.

 - iii. An identification of duties and supervisor relationship for Property site-assigned staff and Manager's office staff are described in the Management Plan as is the pro rata division of singularly incurred operating expenses common to Manager and Owner.

- v. General. Perform all other services reasonably necessary or convenient for the care, protection, management, maintenance, and operation of the Property, particularly in compliance with all applicable environmental protection laws, and the prevention of waste, damage or injury there to, and take all action necessary, convenient or advisable to operate the Property in compliance with Project Requirements, historic rehabilitation credits, if applicable, passive loss and depreciation deductions, cash flow, and appreciation of the Property on sale as may be reasonably possible within Owner's plan of operation for the Property, and in amounts not less than those assumed therefore in the Financial Forecast.

7. MANAGEMENT AUTHORITY

- a. Manager's authority is expressly limited to the provisions contained herein, as they may be amended in writing from time to time in accordance with the provisions of this Agreement. Owner expressly withholds from Manager any power or authority to make any structural change in the Property or to make any other major alterations or additions in or to the Property or fixtures or equipment therein, or to incur any expense chargeable to Owner other than expenses related to exercising the express powers granted to Manager by the terms of this Agreement, without the prior written consent of Owner.
- b. Manager shall have the right to engage independent contractors for performance of such of its duties hereunder as Manager deems necessary, but Manager shall have the responsibility for supervision of the performance of such duties. All contracts with independent contractors in excess of \$25,000 shall be subject to the prior written consent of Owner. Expenses associated with such delegation of Manager's duties shall be solely the responsibility of Manager and payable solely out of the management fee set forth in Section 8.
- c. Manager shall comply fully with all federal, state, county, municipal and special district laws, ordinances, rules, regulations, and orders relative to the leasing, use, operation, repair, and maintenance of the Property. Manager shall promptly remedy and violation of any such law, ordinance, rule, or regulation which comes to its attention and shall notify Owner by the end of the next business day after Manager becomes aware of any violation for which Owner may be subject to penalty. Manager shall take no action so long as Owner is contesting or has affirmed its intention to contest any such order or requirement.
- d. In the performance of its obligations under this agreement, Manager will comply with the provisions of any Federal, State, or local Fair Housing law prohibiting discrimination in housing or employment on the grounds of race, color, religion, sex, familial status, National origin, or handicap, and other nondiscrimination laws such as Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Americans with Disabilities Act, as applicable. Notwithstanding the foregoing, Manager may discriminate in the selection of Property residents on the basis of age, handicap or income level in relation to housing specifically designed to meet the needs of elderly (62 years of age or more), handicapped or lower-income individuals, and as required by the Code and any federal or state subsidy program which benefits the Property.

8. REMITTANCE OF FUNDS

- a. Manager shall deposit immediately upon receipt all rents, gross rents, gross collections and other funds collected from the operation of the Property, including any and all advance funds, in a bank account in the name of Owner. Any monies held by Manager for Owner's account shall in no event be commingled with Manager's own funds or with funds held by Manager for the account of other parties, all such funds so held for

Owner's account shall be trust funds in the hands of Manager, and Manager shall have no right of set-off against any such funds. All accounts shall remain FDIC insured accounts. Owner will name at least two (2) representatives from Manager as the authorized signers for all Property accounts.

- b. Manager shall deposit immediately upon receipt all Tenant Deposits in a separate bank account. Such account shall be in the name of Owner for the benefit of Owner and designated of record as "Security Deposit Account." The amount of each Tenant Deposit shall be held in an account, separate from all other accounts and funds. Interest on Tenant Deposits shall be paid according to State law and Manager shall maintain detailed records of all Tenant Deposits and such records shall be open for inspection by Owner's employees or appointees.
 - c. Manager shall review all bills, invoices, and statements received for services, utilities, labor, supplies, materials and other expenditures incurred by or on behalf of Owner in connection with the management, maintenance or operation of the Property, and pay or cause to be paid when due all expenses, including property taxes, specified in the Approved Budget or otherwise approved by Owner. Any disbursements made by Manager pursuant to this Agreement shall be made out of the Operating Account, except as otherwise designated as expenses of Manager. If at any time the gross income from the Property shall not be sufficient to pay the bills and charges which may not have been incurred by Manager, as authorized by the terms of this Agreement, Manager shall submit to Owner a statement of such unpaid bills and Owner shall disburse promptly to, or as directed to, Manager sufficient monies to pay such unpaid bills. Manager shall not advance its own funds to pay Property expenses, except in case of emergency, in which case Manager shall notify Owner within five (5) business days after doing so.
 - d. Notwithstanding any of the foregoing provisions or any similar provisions that follow, the prior written approval of Owner will be required for any expenditure which exceeds \$25,000 in any one instance for labor, materials, or otherwise in connection with the maintenance and repair of the Property (including withdrawals from the replacement reserve fund for maintenance and repair the Property). This limitation is not applicable for recurring expenses within the limits of the operating budget or emergency repairs involving manifest danger to persons or property, or that are required to avoid suspension of any necessary service to the property. In the latter event, Manager will inform Owner of the facts as promptly as possible.
 - e. Manager will secure and credit to Owner all discounts, rebates and commissions obtainable with respect to purchases, services, contracts and all other transactions on Owner's behalf.
9. COMPENSATION. In return for Manager's services to be provided hereunder, Manager shall be paid a management fee in the amount of XXXX percent (X%) of Gross Rental Income from the Property collected in such month, which shall be due and payable as of the first day of each month for services rendered during the prior month. "Gross Rental

Income” shall include all rental and other incidental income received (on a cash basis) by Owner including, without limitation, any rent subsidies, to the extent available, forfeited deposits, rental loss insurance proceeds, application fees, late payments and proceeds from laundry facilities, but shall in no event include proceeds from the sale of property, interest income, or security deposits. Owner shall reimburse Manager for its reasonable out-of-pocket expenses incurred in connection with fulfilling its duties hereunder, excluding Manager’s general overhead expenses. Copies, postage, resident manager training, personnel costs in the absence of a resident manager and supplies used, for and at the property are expenses of the property. Manager and its Affiliates shall not solicit or receive, directly or indirectly, any commission, bonus, gratuity, fee or any other payment, other than those described herein, from any person with respect to their duties described herein and business related thereto.

10. INSPECTIONS.

- a. Manager shall permit Owner and any of its invitees or representatives to have reasonable access to the Property and any Property records, including those required to be maintained under terms of this Agreement. Manager shall cooperate with respect to any on-site evaluations of the Property and its management, maintenance, operation and administration. Manager shall further provide Property residents with at least 24 hours notice prior to any inspections or repairs of resident occupied units. Manager shall correct within 30 days any failure to fulfill its obligations regarding management, maintenance, operation, or administration of the Property identified to Manager by Owner, and shall report to Owner in writing any such deficiencies and the results of Manager’s remedial actions.
- b. Owner shall have the right, within ten (10) days advance written notice to Manager, to audit all files and accounts pertaining to the Property at Manager’s principal office during normal business hours.
- c. Manager shall inspect the Property at least once annually for the presence of any mold, fungus or moisture buildup in or on the Property. In the event any mold, fungus or moisture buildup is identified in or on the Property, Manager shall promptly notify Owner and shall consult with Owner regarding the need to hire a qualified consultant to evaluate such presence and the need to prepare and implement a remediation plan.

11. TERMINATION. This Agreement shall be terminated:

- a. Immediately, without notice, in the event a petition in bankruptcy is filed by or against Manager, or if Manager makes an assignment for the benefit of creditors or takes advantage of any insolvency act.
- b. With Cause. Owner may terminate this Agreement if cause for such termination exists 30 days after Manager receives written notice of such cause. As used herein, “cause” shall include, but not be limited to, any of the following:

- i. Manager's failure to promptly or competently perform any of its duties hereunder;
or
 - ii. Manager's material mismanagement of the Property.
- c. Without Cause. At any time during the Term, either party may terminate this Agreement without cause upon sixty (60) days written notice.

In the event this Agreement is terminated, whether with or without cause, Manager shall promptly turn over to Owner all keys, books, contracts, leases, deposit receipts, unpaid bills, deposit account records, and all other records related to the Property, and all funds of Owner and then remaining in Manager's possession together with such authorizations and letters of direction addressed to residents, occupants, suppliers, employees, financial institutions, governmental entities, and other parties as Owner may reasonably require; and Manager shall cooperate with Owner in the transfer of management responsibilities to Owner or its designee. A final accounting of unpaid fees (if any) due to Manager hereunder for services rendered prior to termination shall be made within sixty (60) days after the effective date of termination, and Owner shall have no obligation to pay Manager for any amounts for invoices received after such date. Such accounting shall be based upon the financial performance of the Property for the period prior to the effective date of termination and on the number of calendar days elapsing prior to such date adjusted pro rate.

12. INTEREST OF MANAGER. Manager covenants that it has no personal interest, direct or indirect, in any property or business of any kind, and shall not acquire any such interest, which would conflict in any manner or degree with the performance of services under this Agreement.

13. INDEMNIFICATION AND INSURANCE.

- a. Indemnification. Manager shall be liable to and hereby agrees to indemnify, defend and hold harmless Owner, the City of Madison, and their respective officers, officials, agents, and employees against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon Owner or the City of Madison and their respective officers, officials, agents or employees for damages because of bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from Manager's and/or Subcontractor's acts or omissions in the performance of this Agreement, whether caused by or contributed to by the negligence of Owner or the City of Madison, and their respective officers, officials, agents, or its employees. This paragraph will survive termination, assignment or transfer of the lease.
- b. Hazardous Substances; Indemnification. Manager represents and warrants that its use of the Property will not generate any hazardous substance, and it will not store or dispose on the Property nor transport to or over the Property any hazardous

substance in violation of any applicable federal, state or local law, regulation or rule. Manager further agrees to hold Owner harmless from and indemnify Owner against any release of such hazardous substance and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof except any release caused by the sole negligence or intentional acts of Owner, its employees or agents. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease or damage to or loss of use of real or personal property.

c. Insurance.

i. Required Insurance. Manager will insure, and will require each subcontractor to insure, as indicated, against the following risks to the extent stated below. Manager shall not commence work under this Agreement, nor shall Manager allow any Subcontractor to commence work on its Subcontract, until the insurance required below has been obtained and corresponding certificate(s) of insurance have been approved by Owner.

1) Commercial General Liability. During the life of this Agreement, Manager shall procure and maintain Commercial General Liability insurance including, but not limited to, bodily injury, property damage, personal injury, products and completed operations in an amount not less than \$1,000,000 per occurrence. This policy shall also provide contractual liability in the same amount. Manager's coverage shall be primary and noncontributory, and list Owner, its officers, officials, agents and employees as additional insureds. Manager shall require all subcontractors under this Agreement (if any) to procure and maintain insurance meeting the above criteria, applying on a primary and noncontributory basis and listing Owner, its officers, officials, agents and employees as additional insureds.

2) Automobile Liability. During the life of this Agreement, Manager shall procure and maintain Business Automobile Liability insurance covering owned, non-owned and hired automobiles with limits of not less than \$1,000,000 combined single limit per accident. Manager shall require all subcontractors under this Agreement (if any) to procure and maintain insurance covering each subcontractor and meeting the above criteria.

3) Worker's Compensation. During the life of this Agreement, Manager shall procure and maintain statutory Workers' Compensation insurance as

required by the State of Wisconsin. Manager shall also carry Employers Liability limits of at least \$100,000 Each Accident, \$100,000 Disease - Each Employee, and \$500,000 Disease - Policy Limit. Manager shall require all subcontractors under this Agreement (if any) to procure and maintain such insurance.

- 4) Umbrella Liability. During the life of this Agreement, Manager shall procure and maintain Umbrella Liability coverage at least as broad as the underlying Commercial General Liability and Employers Liability with minimum limits of \$2,000,000 per occurrence and aggregate.
 - 5) Property Insurance. Manager shall be solely responsible for carrying personal property insurance sufficient to cover loss of Manager's personal property on the Property. Owner shall not be liable for any damage to or loss of property of Manager or others located on the Property except to the extent such damage or loss was caused by Owner's sole negligence or willful act.
 - 6) Fidelity Insurance. Manager shall maintain Fidelity coverage against dishonest acts by any person, responsible for handling funds belonging to or administered by Owner. The amount of such coverage shall not be less than the estimated maximum amount of funds, including reserves, in the custody of Manager at any time.
- ii. Acceptability of Insurers. The above-required insurance is to be placed with insurers who have an A.M. Best Financial Strength Rating of no less than A~ (A minus) and a Financial Size Category of no less than VII.
 - iii. Proof of Insurance, Approval. Manager shall provide Owner with certificate(s) of insurance showing the type, amount, class of operations covered, effective dates, and expiration dates of required policies prior to commencing work under this Agreement. Manager shall provide the certificate(s) to Owner upon execution of the Agreement, or sooner, for approval by Owner. Manager shall provide copies of additional insured endorsements or insurance policies, if requested by Owner.
 - iv. Notice of Change in Policy. Manager and/or Insurer shall give Owner thirty (30) calendar days advance written notice of cancellation, non-renewal or material changes to any of the above-required policies during the term of this Agreement.
 - v. Increased Risk. Manager shall give Owner written notice if any facts of which Manager is aware evidence an increase in the risk of casualty loss or a claim of liability in connection with the Property or its operation. Such notice shall be given as soon as Manager has knowledge of such facts.

- d. Other. Manager shall maintain all certificate of insurance forms for the tenants and contractors performing work at the Property, and monitor the terms so they comply with the leases/contracts.

14. AFFIRMATIVE ACTION.

- A. **The following language applies to all contractors employing fifteen (15) or more employees (MGO 39.02(9)(c). In this section, the term “Contractor” shall mean “Manager”:**

The Contractor agrees that, within thirty (30) days after the effective date of this Contract, Contractor will provide to the City of Madison Department of Civil Rights (the “Department”), certain workforce utilization statistics, using a form provided by the City.

If the Contract is still in effect, or if the City enters into a new Agreement with the Contractor, within one year after the date on which the form was required to be provided, the Contractor will provide updated workforce information using a second form, also to be furnished by the City. The second form will be submitted to the Department no later than one year after the date on which the first form was required to be provided.

The Contractor further agrees that, for at least twelve (12) months after the effective date of this Contract, it will notify the Department of each of its job openings at facilities in Dane County for which applicants not already employees of the Contractor are to be considered. The notice will include a job description, classification, qualifications, and application procedures and deadlines, shall be provided to the City by the opening date of advertisement and with sufficient time for the City to notify candidates and make a timely referral. The Contractor agrees to interview and consider candidates referred by the Department, or an organization designated by the Department, if the candidate meets the minimum qualification standards established by the Contractor, and if the referral is timely. A referral is timely if it is received by the Contractor on or before the date stated in the notice.

The Department will determine if a contractor is exempt from the above requirements (Sec. 13.A.) at the time the Request for Exemption in 13.B.(2) is made.

- B. **Articles of Agreement, Request for Exemption, and Release of Payment:
The “ARTICLES OF AGREEMENT” beginning on the following page, apply to all contractors, unless determined to be exempt under the following table and procedures:**

NUMBER OF EMPLOYEES	LESS THAN \$50,000	\$50,000 OR MORE
	Aggregate Annual Business with the City*	Aggregate Annual Business with the City*
14 or less	Exempt**	Exempt**
15 or more	Exempt**	Not Exempt

*As determined by the Finance Director

**As determined by the Department of Civil Rights

(1) Exempt Status: In this section, “Exempt” means the Contractor is exempt from the Articles of Agreement in section 13.B.(5) of this Contract and from filing an Affirmative Action plan as required by Section IV of the Articles of Agreement. The Department of Civil Rights (“Department”) makes the final determination as to whether a contractor is exempt. If the Contractor is not exempt, sec. 13.B.(5) shall apply and Contractor shall select option A. or B. under Article IV therein and file an Affirmative Action Plan.

(2) Request for Exemption – Fewer Than 15 Employees: (MGO 39.02(9)(a)2.) Contractors who believe they are exempt based on number of employees shall submit a Request for Exemption on a form provided by the Department within thirty (30) days of the effective date of this Contract.

(3) Exemption – Annual Aggregate Business: (MGO 39.02(9)(a)c.): The Department will determine, at the time this Contract is presented for signature, if the Contractor is exempt because it will have less than \$50,000 in annual aggregate business with the City for the calendar year in which the contract is in effect. **CONTRACTORS WITH 15 OR MORE EMPLOYEES WILL LOSE THIS EXEMPTION AND BECOME SUBJECT TO SEC. 13.B.(5) UPON REACHING \$50,000 OR MORE ANNUAL AGGREGATE BUSINESS WITH THE CITY WITHIN THE CALENDAR YEAR, BEGINNING IN 2019.**

(4) Release of Payment: (MGO 39.02(9)(e)1.b.) All non-exempt contractors must have an approved Affirmative Action plan meeting the requirements of Article IV below on file with the Department within thirty (30) days of the effective date of this Contract and prior to release of payment by the City. Contractors that are exempt based on number of employees agree to file a Request for Exemption with the Department within thirty (30) days of the effective date and prior to release of payment by the City.

(5) Articles of Agreement:

ARTICLE I

The Contractor shall take affirmative action in accordance with the provisions of this Contract to insure that applicants are employed, and that employees are treated during employment without regard to race, religion, color, age, marital status, disability, sex, sexual orientation, gender identity or national origin and that the employer shall provide harassment-free work environment for the realization of the potential of each employee. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship insofar as it is within the control of the Contractor. The Contractor agrees to post in conspicuous places available to employees and applicants notices to be provided by the City setting out the provisions of the nondiscrimination clauses in this Contract.

ARTICLE II

The Contractor shall in all solicitations or advertisements for employees placed by or on behalf of the Contractors state that all qualified or qualifiable applicants will be employed without regard to race, religion, color, age, marital status, disability, sex, sexual orientation, gender identity or national origin.

ARTICLE III

The Contractor shall send to each labor union or representative of workers with which it has a collective bargaining Agreement or other Contract or understanding a notice to be provided by the City advising the labor union or workers representative of the Contractor's equal employment opportunity and affirmative action commitments. Such notices shall be posted in conspicuous places available to employees and applicants for employment.

ARTICLE IV

(This Article applies to non-public works contracts.)

The Contractor agrees that it will comply with all provisions of the Affirmative Action Ordinance of the City of Madison (MGO 39.02) including the Contract compliance requirements. The Contractor warrants and certifies that one of the following paragraphs is true (**check one**):

- A. Contractor has prepared and has on file an affirmative action plan that meets the format requirements of Federal Revised Order No. 4, 41 CFR part 60-2, as established by 43 FR 51400 November 3, 1978, including appendices required by City of Madison ordinances or it has prepared and has on file a model affirmative action plan approved by the Madison Common Council.
- B. Within thirty (30) days after the effective date of this Contract, Contractor will complete an affirmative action plan that meets the format requirements of Federal Revised Order No. 4, 41 CFR Part 60-2, as established by 43 FR 51400, November 3, 1978, including appendices required by City of Madison ordinance or within thirty (30) days after the effective date of this Contract, it will complete a model affirmative action plan approved by the Madison Common Council.
- C. Contractor believes it is exempt from filing an affirmative action plan because it has fewer than fifteen (15) employees and has filed, or will file within thirty (30) days after the effective date of this Contract, a form required by the City to confirm exempt

- status based on number of employees. If the City determines that Contractor is not exempt, the Articles of Agreement will apply.
- D. Contractor believes it is exempt from filing an affirmative action plan because its annual aggregate business with the City for the calendar year in which the contract is in effect is less than fifty thousand dollars (\$50,000), or for another reason listed in MGO 39.02(9)(a)2. If the City determines that Contractor is not exempt, the Articles of Agreement will apply.

ARTICLE V

(This Article applies only to public works contracts.)

The Contractor agrees that it will comply with all provisions of the Affirmative Action Ordinance of the City of Madison, including the Contract compliance requirements. The Contractor agrees to submit the model affirmative action plan for public works Contractors in a form approved by the Director of Affirmative Action.

ARTICLE VI

The Contractor will maintain records as required by Section 39.02(9)(f) of the Madison General Ordinances and will provide the City's Department of Affirmative Action with access to such records and to persons who have relevant and necessary information, as provided in Section 39.02(9)(f). The City agrees to keep all such records confidential, except to the extent that public inspection is required by law.

ARTICLE VII

In the event of the Contractor's or subcontractor's failure to comply with the Equal Employment Opportunity and Affirmative Action provisions of this Contract or Sections 39.03 and 39.02 of the Madison General Ordinances, it is agreed that the City at its option may do any or all of the following:

- A. Cancel, terminate or suspend this Contract in whole or in part.
- B. Declare the Contractor ineligible for further City contracts until the Affirmative Action requirements are met.
- C. Recover on behalf of the City from the prime Contractor 0.5 percent of the Contract award price for each week that such party fails or refuses to comply, in the nature of liquidated damages, but not to exceed a total of five percent (5%) of the Contract price, or ten thousand dollars (\$10,000), whichever is less. Under public works contracts, if a subcontractor is in noncompliance, the City may recover liquidated damages from the prime Contractor in the manner described above. The preceding sentence shall not be construed to prohibit a prime Contractor from recovering the amount of such damage from the noncomplying subcontractor.

ARTICLE VIII

(This Article applies to public works contracts only.)

The Contractor shall include the above provisions of this Contract in every subcontract so that such provisions will be binding upon each subcontractor. The Contractor shall take such action with respect to any subcontractor as necessary to enforce such provisions, including sanctions provided for noncompliance.

ARTICLE IX

The Contractor shall allow the maximum feasible opportunity to small business enterprises to compete for any subcontracts entered into pursuant to this Contract. (In federally funded contracts the terms "DBE, MBE, and WBE" shall be substituted for the term "small business" in this Article.)

15. AUDIT. Owner may, at Owner's expense, conduct or cause to be conducted an audit or review of the operation of the Property and Manager's compliance with this Agreement. Such audit shall be conducted upon not less than twenty (20) days prior written request. Manager shall cooperate with such audit or review by making appropriate personnel of Manager and all books and Records relating to the Property available to Owner or its representatives at Manager's office during regular business hours. Should Owner's employees or appointees discover either weaknesses in internal control or errors in record keeping, Manager shall correct such discrepancies either upon discover or within a reasonable period of time. Manager shall inform Owner in writing of the action taken to correct such audit discrepancies.
16. NOTICES. All notices, consents, request, authorizations and approvals (collectively "Notices") permitted or required under this Agreement shall make specific reference to the fact that the Notice is made pursuant to the Agreement, and shall be in writing, signed, and personally delivered, or sent by confirmed facsimile copy, or registered or certified mail, return receipt requested. The date of personal delivery or telecopy, or date of mailing by United States Postal Service registered or certified mail shall be considered the date of the Notice.

If to Owner: Community Development Authority of the City of Madison
 215 Martin Luther King Jr Boulevard
 Room 161
 Madison, Wisconsin 53703
 Facsimile: (608) 264-9291

If to Manager: Xxxx
 Xxxx
 Xxxx
 Facsimile:
 Attention:

17. SPECIAL PROVISIONS
 - a. Wisconsin Law. This Agreement shall be deemed to have been made in the State of Wisconsin and its validity, construction, performance, breach and operation shall be governed by the laws of the State of Wisconsin. No provision of this Agreement shall be construed to require Owner or Manager to take any action in violation of law.
 - b. Remedies Not Exclusive. No right or remedy conferred hereunder is exclusive of any other right or remedy, but each such right or remedy is cumulative and, in addition, to any other right or remedy under or by law provided, and may be exercised without exhausting and without regard to any other such right or remedy.

- c. Waivers. No waiver by Owner of any defect shall affect any subsequent default or breach of duty or contract or shall impair the exercise or any right or remedy accruing upon any default or the exercise thereof, nor shall it be construed as a waiver of any such default or breach of duty or contract or acquiescence therein. Failure of Owner to insist upon the strict performance of any of the terms, covenants or conditions here to be performed by Manager shall not be deemed a waiver of any rights or remedies which Owner shall have and shall not be deemed a waiver of any subsequent default of any such terms, conditions and covenants to be performed by Manager. Every right or remedy conferred herein upon Manager or Owner may be enforced and exercised as often as Manager or Owner may deem expedient.
- d. Severability. If any term or provision of this Agreement, or any exhibit thereto, or the application thereto to any person or circumstance, shall, to any extent, be invalid, unlawful or otherwise unenforceable, the remainder of this Agreement and exhibits, or the application of such term or provisions to the persons or circumstances other than those as to which it is invalid, unlawful or otherwise unenforceable shall not be affected thereby and every other term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- e. Approvals. Whenever under this Agreement approvals, authorizations, determinations, satisfactions, or waivers are authorized or required, such approvals, authorizations, determinations, satisfactions or waivers shall be effective and valid only when given in writing, by the officers of Owner authorized by law to give such approval and delivered to the party to whom it is directed at the address specified hereunder.
- f. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute an original.
- g. Amendments, Supplements. This Agreement may be supplemented or amended only by written instrument executed by the parties hereto.
- h. Benefit, Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto.
- i. No Private Right or Cause of Action. Nothing contained herein shall be interpreted or construed to create any right or any cause of action by or on behalf of any person not a party hereto, except as provided in the Agreement.
- j. Assignment. This Agreement is personal to Manager. Manager shall not assign this Agreement or subcontract the performance of its duties hereunder without Owner's prior written consent. Any assignment or subcontracting without such consent shall be void.
- k. Non-Discrimination. In the performance of work under this Agreement, Manager agrees not to discriminate against any employee or applicant for employment because of race, religion, marital status, age, color, sex, handicap, national origin or ancestry,

income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, gender identity, political beliefs or student status. Manager further agrees not to discriminate against any subcontractor or person who offers to subcontract on this Agreement because of race, religion, color, age, disability, sex, sexual orientation, gender identity or national origin.

1. Authority. Manager represents that it has the authority to enter into this Agreement. If Manager is not an individual, the person signing on behalf of Manager represents and warrants that he or she has been duly authorized to bind Manager and sign this Agreement on Manager's behalf.

SIGNATURES ON THE FOLLOWING PAGE

IN WITNESS WHEREOF, the parties hereto have entered into this Property Management Agreement as of the first date set forth above.

PROPERTY MANAGEMENT COMPANY

By: _____
XXXX, Principal

**COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF MADISON**

By: _____
Claude Gilmore, Chair

By: _____
Matt Wachter, Secretary

Execution of this Property Management Agreement is authorized by CDA Resolution No. XXXX adopted by the CDA Board on _____.

**EXHIBIT A
LEGAL DESCRIPTION**

LOTS ONE (1), TWO (2), AND THREE (3), CERTIFIED SURVEY MAP NO. 12506, RECORDED JULY 31, 2008 IN THE OFFICE OF THE REGISTER OF DEEDS FOR DANE COUNTY, WISCONSIN IN VOLUME 78 OF CERTIFIED SURVEY MAPS, PAGES 138 THROUGH 145, INCLUSIVE, AS DOCUMENT NUMBER 4455511, IN THE CITY OF MADISON, DANE COUNTY, WISCONSIN.

Tax Parcel Identification Numbers and associated Tax Roll Addresses:

Lot #1: 251-0609-052-1501-3 – 4711 Jenewein Road, Madison, Wisconsin 53711

Lot #2: 251-0609-052-1601-1 – 2320 Revival Ridge, Madison, Wisconsin 53711

Lot #3: 251-0609-052-1701-9 – 2329 Allied Drive, Madison, Wisconsin 53711

**EXHIBIT B
MANAGEMENT PLAN**