

The Heights Apartments

City of Madison AHF Presentation

August 23, 2021



Development Team

- **Mark Hammond** – VP Development & Project Director
- **Alyssa Klecker** – Development Associate
- **Liz Johnson** – MSP Area Property Manager
- **Melissa Sorensen** – Executive Director of Social Services, The Salvation Army



MSP COMPANIES

REAL ESTATE

CONSTRUCTION

DEVELOPMENT

PROPERTY MANAGEMENT

HERITAGE SENIOR LIVING



TAX CREDIT Elderly (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Units</u>	<u>Financing</u>	<u>Completion Date</u>
<i>The Oscar Senior Apartments</i> , Madison	55	Bank	Summer 2022
<i>River Parkway Apartments</i> , Wauwatosa	118	Bank	August 2021
<i>Normandy Square Apartments</i> , Madison	58	Bank	August 2019
<i>Middleton Senior Apartments</i> , Middleton	56	Bank	October 2012
<i>New Berlin Senior II</i> , New Berlin	34	Bank	December 2021
<i>Chippewa Senior Apartments II</i> , Chippewa Falls	24	HOME	October 2011
<i>West Allis Senior Apartments</i> , West Allis	122	WHEDA Bond	April 2009
<i>Monona Senior Apartments</i> , Monona	88	WHEDA Bond	September 2009
<i>Lincoln Village</i> , Port Washington	49	Bank	December 2002
<i>Homestead Village</i> , Chippewa Falls	48	Bank	February 2000
<i>Deer Creek Village</i> , New Berlin	145	Bank	October 2001
<i>Silver Creek Village</i> , Glendale	65	WHEDA Bond	August 2000
<i>Lexington Village</i> , Greenfield	120	Bank	December 1998
<i>Silver Lake Pointe</i> , Moundsview MN	83	Bank	September 1995
<i>Courtyard</i> , West Allis	63	Bank	September 1995
<i>Mill View</i> , Kiel	24	Rural Development	March 1995
<i>Station House</i> , Antigo	40	Rural Development	1991
<i>Village Plaza</i> , Paddock Lake	24	Rural Development	1991
Total Completed	1,043		
Total In Progress	173		
Total Units	1,216		

TAX CREDIT Family (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Units</u>	<u>Financing</u>	<u>Completion Date</u>
<i>The Oscar Family Apartments</i> , Madison	55	Bank	Summer 2022
<i>Taylor Pointe Apartments</i> , McFarland	51	Bank	Spring 2022
<i>River Parkway Townhomes</i> , Wauwatosa	18	Bank	May 2021
<i>The Grove Apartments</i> , Madison	112	Bank	September 2020
<i>The Landing</i> , Chippewa Falls	40	Bank	June 2016
<i>Meadow Ridge Apartments</i> , Waukesha	70	Bank	October 2014
<i>New Berlin City Center</i> , New Berlin	102	Bank	December 2012
<i>Silverlake Commons</i> , Moundsview MN	50	MHFA	Feb. 1999 - Sold 2017
<i>Cityside Townhomes</i> , Marshall MN	50	MHFA	Apr. 1997 - Sold 2017
<i>Parkside Townhomes</i> , Redwood Falls MN	30	FNMA	Feb. 1997 - Sold 2017
<i>Valley Farms Apartments</i> , Westfield IN	92	Rural Development	May 1996
<i>Lincoln Square Apartments</i> , Chisholm MN	38	Bank	Aug. 1995 - Sold 2013
Total Completed	602		
Total In Progress	106		
Total Units	708		



Normandy Square Senior Affordable Apartments

Madison, WI – Completed Fall 2019



Normandy Square Senior Affordable Apartments

Madison, WI – Completed Fall 2019



The Grove Affordable Apartments

Madison, WI – Completed Fall 2020



THE GROVE

BEST NEW DEVELOPMENT OR RENOVATION-RESIDENTIAL (MULTIUNIT)



The Grove Affordable Apartments

Madison, WI – Completed Fall 2020



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BEST NEW DEVELOPMENT OR RENOVATION-RESIDENTIAL (MULTIUNIT)



The Grove Affordable Apartments

Madison, WI – Completed Fall 2020



THE GROVE

BEST NEW DEVELOPMENT OR RENOVATION-RESIDENTIAL (MULTIUNIT)

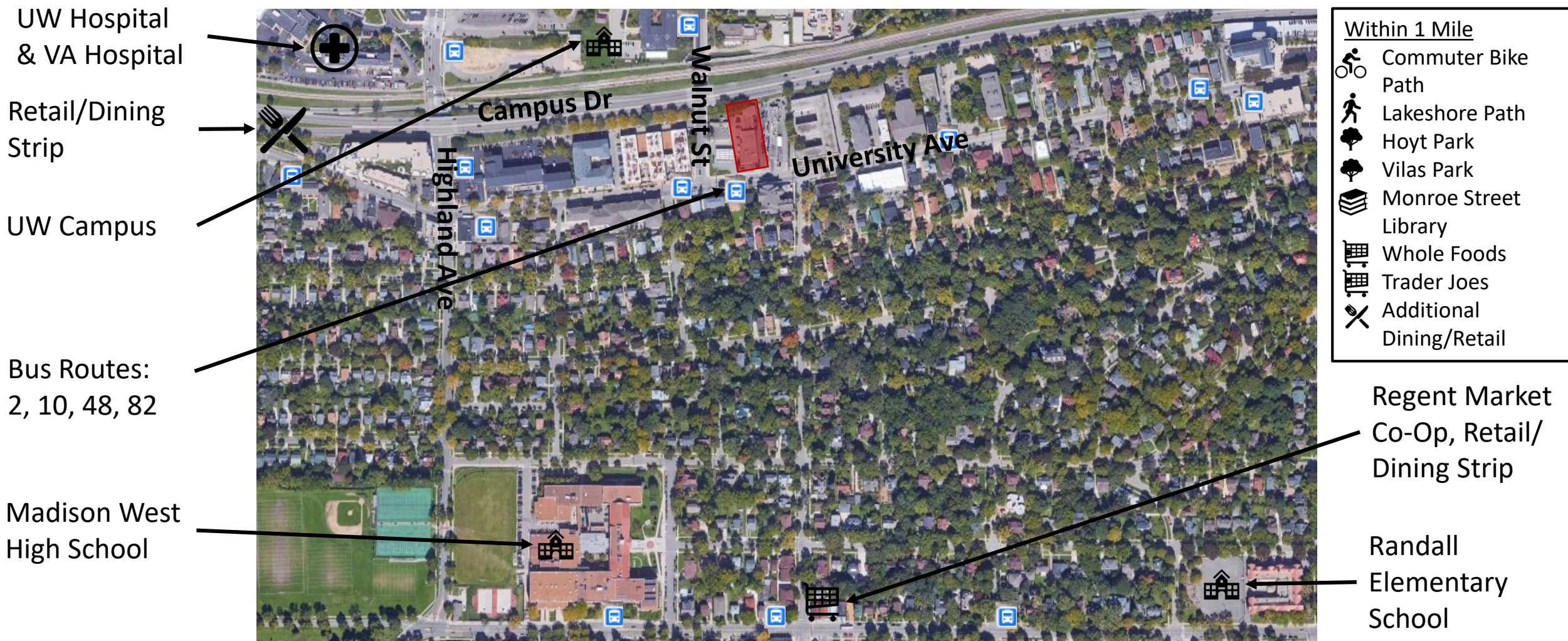


The Grove Affordable Apartments

Madison, WI – Completed Fall 2020

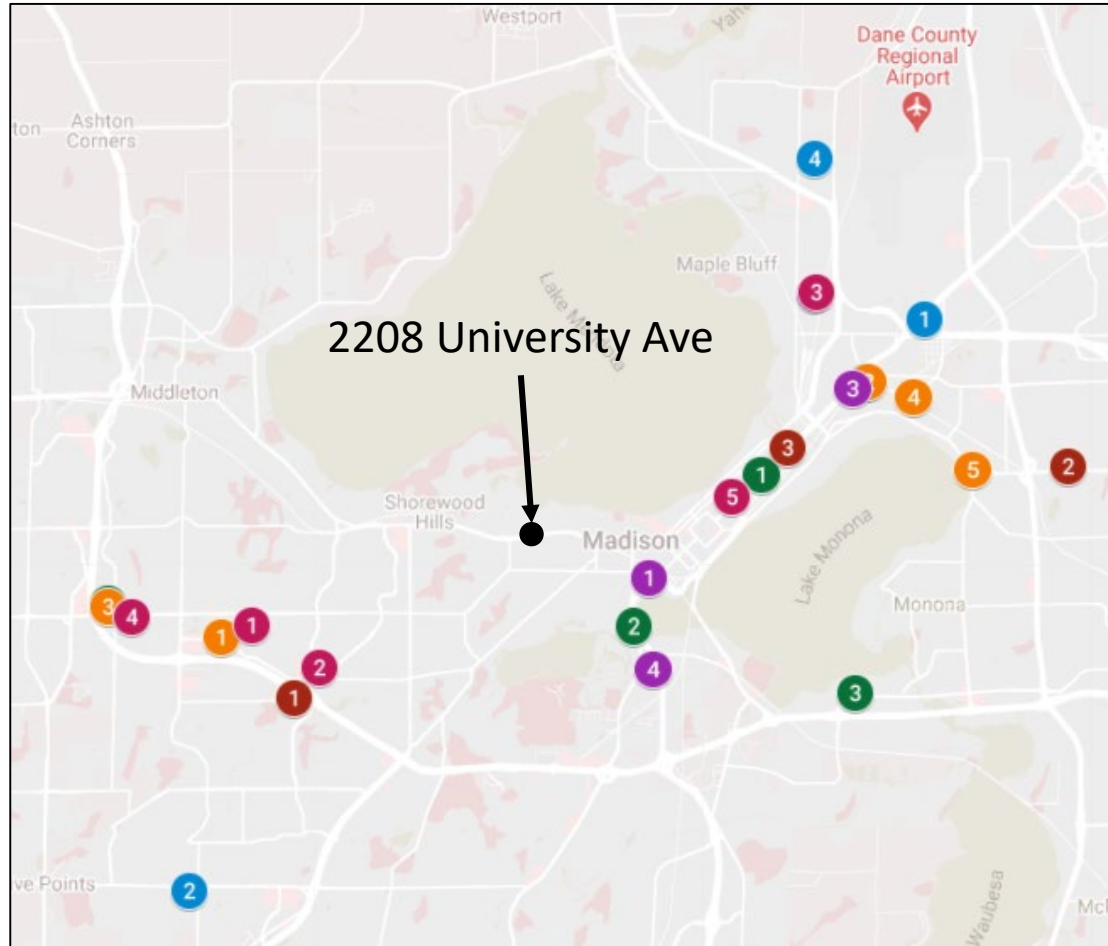


Project Location: 2208 University Ave (Don the Car Care Man)



Very Walkable (Walk Score of 78) and Biker's Paradise (Bike Score of 94)

City of Madison Affordable Housing Fund –Tax Credit Projects



Completed (Awarded 2014 AHF):

- 1 Rethke Terrace
- 2 Maple Grove Commons
- 3 Carbon at Union Corners
- 4 Tennyson Ridge Apartments

Underway:

- 1 Schroeder Road Apartments
- 2 The Ace Apartments
- 3 Valor on Washington

Completed (Awarded 2015 AHF):

- 1 The Breese
- 2 8Twenty Park
- 3 The Royal
- 4 Tree Lane Apartments

Planned:

- 1 Bayview Townhouses
- 2 The Oscar Apartments
- 3 Red Caboose Apartments
- 4 Fourteen02 Park

Completed (Awarded 2016-17 AHF):

- 1 Normandy Square
- 2 Generations at Union Corners
- 3 Point Place Apartments
- 4 Fair Oaks Apartments
- 5 The Grove Apartments

Awarded 2020 AHF:

- 1 AgeBetter Community Living
- 2 Westgate Commons
- 3 The Madisonian
- 4 Uno- Madison
- 5 The Shield



Project Overview: 2208 University Ave

- 1 Building (6 stories above grade – 3 stories along University Ave with a step back up to 6 stories, 2 stories of underground parking)
- Approximately 79 apartments (1, 2, & 3 bedroom units)
 - 16 (20% of total units) 3-bedroom units
- 80% of units will be affordable housing; 20% market rate
 - >25% of affordable units are for households with incomes at or below 40% CMI
 - >40% of affordable units are for households with incomes at or below 50% CMI
- Play area for school-aged children
- Leasing office & fitness center on 1st Floor
- Community room with balcony on 6th Floor
- Community-enhancing commercial space on 1st Floor
- Ample bike parking – outdoor and indoor



Sustainable Features

- WI Green Built Certified
- Focus on Energy Design Assistance Program
 - 20% savings of projected energy usage calculated via Focus on Energy's program baseline
 - Bundle 1 selection
- EV-Ready Parking Stalls
- Highly Efficient Shell
- Potential Solar Array



Alignment with University Avenue Corridor Plan 2014

- Maintaining the neighborhood character of a “vibrant mix of residential, university, and business locations” and “mixed-use development”
- Use of “sustainable practices” in building development & addressing “social sustainability” (Page 28)
- Contributing to “a range of housing types for students and long-term residents”
- “Emphasizes human scale” & design guidelines through “step back after 3rd story up to 6 stories” (Page 33)
- “...this intersection would be a prime site for mixed-use development with neighborhood-oriented businesses situated on the street level.” (Page 12)



Project Overview: 2208 University Ave



MSP Property Management

- Managing our own apartments since 2006
- Experienced professional management company
 - Strong on-site management presence
- Strong application/tenant selection process to vet residents. Screening will include:
 - Criminal background checks
 - Rental History
 - Credit
- Our goal is a safe and inclusive community!



Tenant Selection

- Market rate & tax credit units at or above 40% CMI:
Criteria 'A' screening tool
 - Based on income, credit worthiness, and prior housing references
- 30% CMI Supportive Housing Units: Less stringent Criteria 'B' screening tool
- Perform outreach in accordance with the Affirmative Fair Housing Marketing Plan and the City's best practices



Integrated Supportive Services

- 16 units at 30% CMI will have integrated supportive services provided by outside agencies with case management services available
 - 5-10 units for homeless/risk of homeless (The Salvation Army)
 - DAWNS & RISE programs
 - Since inception in 2016, the DAWNS program has served 612 people and 166 households with an 89.03% success rate into permanent housing
 - Since inception in 2014, the RISE program has served 435 people and 116 households with an 89.17% success rate into permanent housing
 - Referrals & Intensive Case Management
 - 5-10 units for Veterans (Dane County Veterans Service Office)
 - Referrals



Community-Enhancing Commercial Tenant

- Anesis Therapy
 - Black-owned mental health outpatient clinic
 - “Helping people navigate the mental health and wellness aspects of their life in a way that honors culture, family, community, and faith.”
 - Mental health, substance abuse, and case management services
 - Fees starting at \$5/visit for the lowest income resident
 - MSP will lease the space to Anesis Therapy at well below market rate rents



Project Development Timeline

- 2020 – Site Control, Initial Design, Neighborhood Meeting, WHEDA Application
- 2021 – March – Land Use Application Submittal
- 2021 – April – WHEDA Award, Plan Commission Meeting
- 2021 – Summer – Application to City for City Financial Participation
- 2021 – Fall – Finalize Design and Project Financing
- 2021/2022 – Winter – Construction Start
- 2023 – Summer – Construction Completion



Questions?



Tenant Selection – Criteria B

Tenant Selection – Criteria B

Income

Test – Monthly Income > 2 Times Rental Amount

If No, other considerations:

- Co-signor
- Ability to provide proof of past ability to pay amount of rent
- Verification of ability to pay through case manager or program source acceptable to landlord

Prior Tenant History

Test – Less than 3 eviction filings in the last 5 years

Test – Only 1 eviction judgement in the last 5 years accepted if has the following:

- Co-signor
- Written payment plan with landlord owed money and proof that payment plan is being adhered to

Behavioral Evictions – Denial if within the last 5 years. No Co-signor opportunity is available to applicants denied for this reason.

Landlord References

Test – Need 1 year of satisfactory landlord reference or 3 years of satisfactory reference in the last 5 years.

- If no history will need co-signor
- Multiple adult member households with only one member references acceptable application may be approved
- 5 day notices for rent can be disregarded with applicant if they have HUD-VASH Voucher
- 5 day for drugs/alcohol or other behavior acceptable with written verification of case management support

Criminal Background Check

Test – Deny for violent felony convictions within the last 50 years but allow for appeals and consideration for extenuating circumstances

Test – Deny for non-violent felony convictions within the last 15-30 years but allow for appeals and consideration for extenuating circumstances

Test – Use in-house Yardi criteria for misdemeanor convictions that require a 5, 7, 15, or 30 year lookback (see table next page).

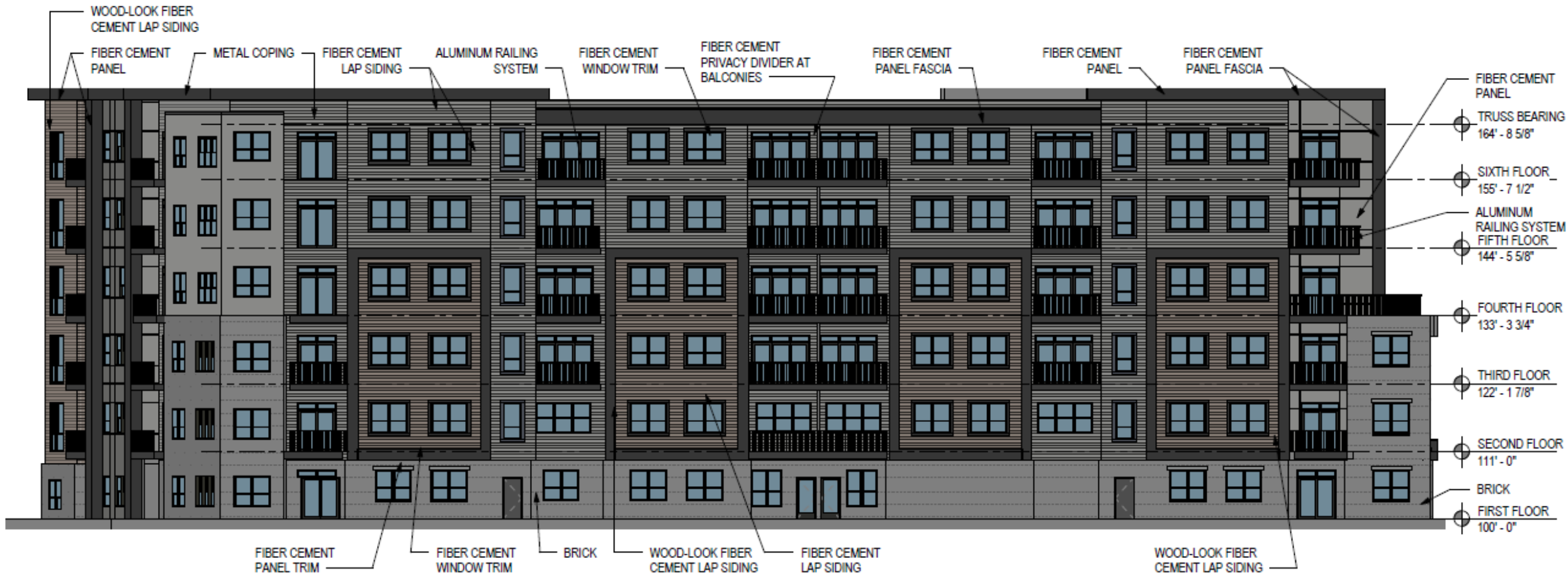
Test – All registered Sex Offenders/Sex Crimes will be denied



Building Elevation – View from University Avenue



Building Elevation – View from the West



Building Elevation – View from Campus Drive



Building Elevation – View from the East

