

For convenience, CDD questions are restated in *italics*. MSP responses are presented directly below each restated question.

1. *You project the number of school children is expected to increase by 4 with a total of 12-16 children in the development. This seems like an under-projection with 17 2-BR units and ten 3-BR units. There's an established demand for larger units for households with the potential for 4-5+ children in some of those units. What would you need to adjust if the development attracts a significant number of larger households?*

We agree that the projection included in our application likely underestimates the number of children—both school-aged and not—that will live at Normandy Square. However, from the onset, we have been committed to ensuring that we provide meaningful spaces for school-aged children to recreate at the property. Throughout the building's exterior open space, we will incorporate (1) a traditional playground; (2) a natural play area with berms, boulders, tree groves, and wildflowers; (3) extensive open space with turf for play that will likely be over 200' long and 30' wide; and (4) an asphalt pad for small children to safely ride their bikes, scooters, etc.

Additional children will also require additional bike storage areas, which the project will have both indoors and outdoors. We already intended to design the project's community room so that it is family-friendly.

We will have an on-site management office at Normandy Square regardless of the number of children that reside here. Over time there may be some increased costs related to turnover, additional wear and tear and higher utility costs (owner pays heat and hot water) that may affect budgeting these are the only items that we could anticipate needing to adjust should more total residents live at the property, but we do not believe these will be substantial enough to have a meaningful impact on the annual operating budget.

2. *Proposal states "free internet connection." Does this mean in-unit free internet?*

Yes, as condition of scoring points under Category 14, 'Opportunity Zones' we will provide In-Unit free internet at no cost to residents.

3. *Do the supportive services proposed by CAC, MOM and MUM include only coordination of existing services these agencies already provide in the community or is there an increase in the services they propose? If there's an actual increase of services from partner agencies, how will those services be paid for?*

MUM has agreed to provide monthly direct on-site case management visits as a condition of Normandy Square accepting their referrals. This will be provided at no additional cost. MUM's services already include a lengthy follow-up for period, typically ranging from 6 months to a year and sometimes up to 2 years for prison reentry individuals. MUM also agreed to only refer individuals to Normandy Square that are active participants in their "Circles of Support" program.

MOM has agreed to a minimum of one proactive follow-up call for every referral within the first three months of their tenancy at Normandy Square as a condition of Normandy Square accepting their referrals. This is at no additional cost. This should be seen as a minimum because MOM's case management outreach always includes a detailed initial assessment that determines how they will case manage each family, and so many families will receive additional active case management than the minimum noted above based on their initial assessment. This is MOM's standard program. The only deviation is the minimum of one check-in call during the first three months regardless of the initial assessment.

CAC supportive services includes only coordination of existing services that CAC already provides in the community.

4. *Your application includes a letter from CAC that states they hope to rent unit(s) for their PSH program. Do you anticipate this will happen would these units be eligible for for a tax credits?*

At this time, all information we have received indicates that we cannot rent tax credit units to CAC under their PSH program because the tax credit rules require us to rent to individuals and the PSH program requires CAC to be the leaseholder of the unit, effectively rendering those units under the PSH program not tax credit eligible. We recently had separate conversations with both HUD Milwaukee and the IRS to confirm this understanding and that there are currently no work-a-rounds.

In our earlier conversations with CAC, we had hoped for some work-a-round of the known rules to allow these two programs to work together and deliver more targeted housing to those that need it most.

5. *Your application states Shawn will be transitioning the entire Oakbrook portfolio properties to be managed under MSP Property Management. What is the reason for this transition?*

This transition was completed in April 2016. This was the completion of a longer-term strategy of the ownership to control all facets from development/construction to ongoing management of the properties. The Oakbrook managed properties were a subset of properties originally 'managed' by Oakbrook as part of the WHEDA scoring process. MSP Property Management has the experience and expertise to ensure

ongoing compliance with tax credit compliance and provide decent safe sanitary housing and not impact the WHEDA scoring process under the new scoring criteria.

6. *The development will have commercial on the first floor. What kind of tenants are you anticipating? Please describe the experience of MSP in marketing and managing commercial property.*

MSP Real Estate currently owns and manages over 400,000 square feet of commercial property. Mark Hammond previously asset-managed a 150,000 square foot commercial portfolio that included a small retail strip center. Mark also pre-leased over 20,000 square feet of ground floor commercial in a previous capacity.

We anticipate the approximately 2,000 square feet of commercial space at Normandy Square to be leased to one or two tenants. The use will likely be complimentary to other adjacent commercial space in the area. This includes retail, medical/dental, or a small office user like insurance sales that will have minimal requirements for off-street parking.

7. *Will there be adequate free surface parking for all lower income tenants?*

Yes. The site plan currently provides 46 off-street free parking stalls. In addition, Normandy Square benefits from the ample unrestricted on street parking on both Normandy Lane and Yellowstone Drive, which, based on our experience, will be needed more for visitors than residents. Considering only at the 500-foot stretch of Normandy Lane in front of the subject site running from Yellowstone Drive to Grand Canyon Drive, and assuming 20' parking spaces, there is room for about 50 cars. If we consider the 1,000 length of Normandy Lane from Yellowstone Drive to Grand Canyon Drive, that doubles to 100 cars. Of course, during the winter, these figures will be halved due to the alternate side parking.

8. *The project includes 40 1-bedroom units. Other than the 10 one-bedroom 30% units, is there a target population for these units? Is there a way to decrease the number of 1-bedrooms and include more 3-bedroom units?*

Yes. To help this project better align with the City's objectives, we are willing to decrease the number of 1-bedrooms by five (5) and increase the number of 3-bedrooms by three (3). This means we will have (35) 1-Bedroom units, (25) 2-Bedroom units, and (13) 3-Bedroom units at Normandy Square.

9. *Do the rents you list under question 34 include electric or does the tenant pay for electric in addition to rent?*

The rents listed in question 34 do not include tenant electric, but they do include tenant heat. Please note we did include a comment that the utility allowances were for a 1 BR:

\$60, 2 BR: \$71 and 3 BR \$84 so the rents listed in question 34 would need to be reduced by this utility allowance from that listed above for the rent we would actually charge and receive from the tenant.