

May 27, 2025

## **Letter of Intent**

### **1802 Roth Street**

Housing Initiatives is seeking demolition of the existing building at 1802 Roth Street in Madison, WI to allow for the construction of a 3-story multifamily building. The building shall be wood framed with slab on grade foundation. Exterior materials will include masonry veneer, fiber cement siding and prefinished windows and doors. The building will be 11,660 square feet, which includes a covered porch, and will be comprised of (16) 1-bedroom and Efficiency units with office space on the first level. A new drive way with (2) surface parking spaces and trash enclosure will be constructed on the site.

The existing site is applying for a CSM to combine the parcels at 1802 and 1804 Roth Street. The existing 2-story townhome to be demolished is located at 1802. The 1804 portion contains only vegetation.

The project team consists of S3 Housing, LLC (developer), Engberg Anderson Architects (architecture and design), Burse Engineering (civil engineering), and Paul Skidmore (Landscape Design).

The proposed project schedule is approximately 12 months, starting in November 2025. Construction will commence immediately after demolition of the existing building is complete.

Concerning the type of housing, the proposed project will provide exclusively Permanent Supportive Housing. This type of housing has two defining characteristics: firm qualifications on who is accepted to live there, and the supportive services offered to those qualified residents.

First, the qualified applicants will be low-income clients who make less than 50% of County Median Income (CMI), have a history of chronic homelessness, and who live with a serious & persistent mental illness that has been clinically diagnosed. Such clients will be predominantly drawn from the Dane County Continuum of Care Coordinated Entry system. Some clients may also come from the Veterans Administration but must meet the same prequalifications for admittance.

Second, the housing is supportive in the sense that Housing Initiatives employees several case managers with a variety of skills who provide direct supportive services to clients who live in the agency's housing. Case managers provide direct service, and also network with other organizations and services throughout the city & county to build individualized support networks around individual residents. The provision of supportive services is made available to all clients, not just those at the proposed property, though there will be some staff based at the new location to provide much more immediate response and service.

Overall, this project will be considered 'purpose-built' housing in the sense that it will incorporate design features meant to accommodate the needs and behaviors of the vulnerable population that will be housed there. A central piece of that will be the provision of on-site staff offices and programming space to provide services and support to clients who live on-site, as well as to others who may travel there for specific sessions. The schedule for staffing will largely reflect the typical work week, M-F, 8 am – 5 pm. The number of

employees on-site will be 4-5, though some of them will travel during provide services at other locations during part of each day. There will typically be at least 2 staff on-site at any time.

A public subsidy request was made to the City of Madison for funding through the 2024 Non-Tax Credit Request for Proposals. A request was made – and the City of Madison Common Council approved – awarding up to \$4, 160,497 in federal HOME Investment Partnerships Program funds. These are funds from the American Rescue Plan Act. Of those funds, \$3M is capital funding for building construction, and \$1.16M is for supportive services staffing over a five-year timeline.