



City of Madison  
Community Development Division  
Attn: Matt Frater  
Suite 300, 215 Martin Luther King, Jr. Blvd.  
Madison, WI 53703-3348  
RFP # 14052-2025

Affordable Rental Housing Development:  
Tax Credit Developments  
8/28/2025

Dear Mr. Frater,

Volker Development Inc., LSS, and Edifici, LLC are pleased to present this proposal for the consideration of gap financing to help develop a 4% LIHTC, new construction, and affordable housing community on the SWC of N Fair Oaks Avenue and E Washington Avenue, in the City of Madison.

The project's location was strategically picked and is situated near amenities such as public transportation, schools, library, jobs, childcare, parks and nearby retail, which will all complement the number of amenities that the project will provide for its residents and the surrounding community.

The proposed project looks to redevelop several blighted commercial buildings, an old tire shop, and several outdated single family (rental) homes, into a well-located, sustainable, accessible, and mixed-use, affordable housing community.

Made up of a unit mix consisting of larger unit types (2 & 3 bedrooms), the project will provide supportive housing and will offer supportive services to its individuals and households with incomes at or below 30% of Dane County's area median income (AMI).

The project team consists of experienced and local experts, that are committed to transforming their community by providing high quality, sustainable and equitable affordable housing.

Thank you in advance for your consideration. We look forward to working with you on this project and others to help bring affordable housing to the City of Madison.

Please let us know if you have any questions.

Sincerely,

Travis Fauchald  
Volker Development, Inc.  
[t.fauchald@volker.co](mailto:t.fauchald@volker.co)

Dennis Hanson  
LSS  
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## Application for 2025 Affordable Rental Housing Development: Tax Credit Development (AHF-TC) RFP

This application form should be used for proposals to Affordable Rental Housing Development: Tax Credit Development in the 2025 application cycle. See RFP for deadline and submission instructions.

### Key Information:

Lead Applicant/Developer:	Volker Development Inc.		
Name of Development:	Volker / LSS / Edifici - Fair Oaks 4%		
Site Address:	SWC of N Fair Oaks & E Washington Avenue	Amount of Funds Requested:	\$\$2,500,000
Total Number of Units:	177	Number of Units 60% AMI or less:	96
LIHTC Application Type:	<input checked="" type="checkbox"/> 4% only <input type="checkbox"/> 4+4% <input type="checkbox"/> 9%		
Mailing Address:	464 S Hickory St, Ste C, Fond du Lac, WI 54935		
Telephone:	952-334-7294		
Admin Contact:	Adam Hanson	Email Address:	a.hanson@volker.co
Lead Project Contact:	Travis Fauchald	Email Address:	t.fauchald@volker.co
Financial Contact:	Travis Fauchald	Email Address:	t.fauchald@volker.co
Website:	www.volker.co		
Legal Status of Maj. Owner:	<input checked="" type="checkbox"/> For-profit <input type="checkbox"/> Non-profit		
Federal EIN:	93-2833865	SAM/UEI #:	*
		* If seeking federal funds	

### **AFFIRMATIVE ACTION**

If funded, applicant hereby agrees to comply with the City of Madison Ordinance 39.02 and file an Individual Developer Affirmative Action Plan with the Department of Civil Rights. A Model Affirmative Action Plan and instructions are available at <https://www.cityofmadison.com/civil-rights/contract-compliance/affirmative-action-plan/individual-developers>.

### **LOBBYING RESIGTRATION**

Notice regarding lobbying ordinance: If you are seeking approval of a development that has over 40,000 gross square feet of non-residential space, or a residential development of over 10 dwelling units, or if you are seeking assistance from the City with a value of over \$10,000 (this includes grants, loans, TIF, or similar assistance), then you likely are subject to Madison's lobbying ordinance, sec. 2.40, MGO. You are required to register and report your lobbying by registering with the City Clerk's at <https://www.cityofmadison.com/clerk/lobbyists/lobbyist-registration>. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of \$1,000 to \$5,000.

### **CITY OF MADISON CONTRACTS**

If funded, applicant agrees to comply with all applicable local, state and federal provisions. A sample contract that includes standard provisions may be obtained on the Community Development Division Funding Opportunities Website for this RFP. If funded, the City of Madison reserves the right to negotiate the final terms of a contract with the selected agency.

### **SIGNATURE OF APPLICANT**

Enter Name: Travis Fauchald Date: 8/27/2025

By submitting this application, I affirm that the statements and representations are true to the best of my knowledge.

By entering your initials in this box TWF you are electronically signing your name as the submitter of the application and agree to the terms listed above.

## **Preferences Summary**

Mark a summary selection of the RFP preferences you are committing to as part of this application, above and beyond baseline RFP requirements. You will have the opportunity to further describe your commitments in subsequent application questions.

### **Geographic Eligibility**

- ☒ Preferred TOD Area

### **Unit Mix & Affordability:**

- ☒ Permanent Period of Affordability
- ☒ Maximum points obtained in “Serves Lowest Income Families” category
- ☒ At least 40% of units income- and rent-restricted under 50% AMI
- ☐ 50% and 60% AMI rents modeled at no more than 90% of maximum
- ☒ Unit mix includes income- and rent-restricted units at 40% AMI level

### **Supportive Housing:**

- ☒ Units set-aside for households with homeless experience
- ☐ Hard set-aside units for households with homeless experience
- ☒ Dedicated space onsite for provision of supportive services

### **Sustainability & Resilience:**

- ☐ Full electrification of HVAC systems and appliances
- ☒ Points obtained for WHEDA Advanced Sustainability certification
- ☒ EPA Indoor airPLUS certification
- ☒ Photovoltaic array sized to offset 20% of building annual load or 70% common area annual load
- ☒ Building designed for future photovoltaic array expansion
- ☒ Additional energy efficiency, renewable, or decarbonization features

### **Design & Accessibility:**

- ☒ Unique & creative use of commercial space and/or community service facility
- ☒ As many units meeting WHEDA Universal Design requirements as is feasible
- ☒ Low- or no-cost commercial space leased to a neighborhood-enhancing tenant (pre-identified)
- ☒ Creative outdoor amenities as usable open space

### **Development Team & Financing:**

- ☐ Minimum 24% stake for emerging developers and/or ACRE graduates
- ☒ Local non-profit ownership involvement, option, or controlling interest

## **Overview**

1. Describe the following aspects of the proposed development:

Type of Construction: ☒ New Construction

☐ Acquisition/Rehab or Preservation

Type of Project: ☒ Family

☐ Senior

Total number of units: 177

Total number of affordable units ( $\leq 60\%$  AMI): 96

Percentage of units that are affordable ( $\leq 60\%$  AMI): 96

Total amount of AHF requested per affordable unit: \$26,042

Number of units supported by Project-Based Vouchers (PBV): 0

PBV Issuing Agency: N/A

2. Period of Affordability Commitment:

☒ Permanent Affordability (electing waiver of shared appreciation in long-term deferred note)

☐ 40 years – Baseline requirement

3. Provide a brief overview of the intent of your proposal. Why are you proposing this specific development? What aspects of your proposal do you consider to be unique and creative components that advance goals of the City's guiding policy documents (Section II of RFP)?

Volker Development, Edifici, LLC (Gabe Fritz) and Lutheran Social Services of Wisconsin and Upper Michigan, Inc. (LSS) are grateful for the opportunity to apply for gap financing to present a project that addresses the goals and vision of the City's Comprehensive Plan and 2025 Affordable Rental Housing Development: Tax Credit RFP, to help build affordable housing at scale in the City.

This development provides a direct response to these long-standing goals that have been years in the making. In addition to supporting the broader City of Madison's Comprehensive Plan, the proposal directly addresses the priorities outlined in the Northeast Area Neighborhood Plan. This local plan emphasizes the need for more infill affordable housing along the East Washington Avenue corridor in high intensities at major transit corridors, including a diverse mix of unit sizes to accommodate multigenerational and larger families. The Fair Oaks projects will fulfill that request by offering larger units to those with children and/or multigenerational families, as well as smaller 1 and 2 bedroom units for individuals and couples. Furthermore, the project incorporates ground-floor commercial space, directly responding to the Plan's call for enhanced access to onsite support services and community partnerships that enable residents to thrive.

This project not only provides housing and supporting housing for Individuals and families experiencing homelessness, those that are at risk of experiencing homelessness and those with lived experience of homelessness (having a history of housing instability or in shelters / temporary housing), but it builds upon an existing housing partnership and helps increase the number of nonprofit and underrepresented developers working in the City.

This project is another private-public partnership that bring private funds and resources to the table, by participating in a housing program that provides a housing focused solution for residents experiencing homelessness.

There are several aspects of this development proposal that are unique and creative. Those include:

- 1) 2,700 sf of community-focused commercial space (in addition to supportive service provider) that will be provided to a neighborhood organization to benefit residents and broader community.
- 2) Homeownership Program where the project owner shall enter into a binding contract with all tenants of Low-Income Housing Tax Credit (LIHTC) units as part of their initial lease agreement, which will include a provision for a rent rebate of 5% that accrues for the tenant's entire term of occupancy, where the rent rebate will be paid back to the tenant should the tenant household enter into home ownership upon vacating the project within one year of exiting property. A \$150,000 homeownership reserve will be funded for this purpose. Any vesting period shall not exceed one year of continuous occupancy.
- 3) The project seeks to build and incorporate the "missing middle" with the inclusion of rental townhomes, which are not only a unique product type to LIHTC new construction in Madison, providing a nice buffer to neighbors to south and west, but also provide for a unique walkable pedestrian network for residents.
- 4) Permanent affordable housing new construction at scale.
- 5) Planning consistency and project aligning with all relevant local plans and visions for ideal projects in the community.

4. Describe how this development fills gaps or addresses barriers that are otherwise not being addressed, including through other tax credit development:

This development provides the a number of townhome units considered to be the "missing middle", includes true commercial space to provide genuine mixed-use affordable housing and lastly provides the opportunity to build affordable housing at lower set-asides at scale. Other tax credit development in the area has not addressed the need for lower income set-asides, nor have they provided services to such residents.

5. Describe the potential financial risks associated with this development, and how you plan to proactively address those risks:

The only financial risks associated with this development are associated with obtaining gap financing to cover necessary financing, construction and soft costs associated with providing this deeply affordable housing.

The way the project is proactively addressing those risks is aligning the project's location, design features, set-asides, supportive services, it's development approach with the City and County's programs goals, objective and preferences.

## **Location / Geographic Eligibility**

6. Address of Proposed Site: **3357, 3359 3361, 3365, 3371, 3375 E Washington Avenue and 922, 930, 936 N Fair Oaks Avenue**

7. In which areas on the Affordable Housing Targeted Area Map is the site located? Select all that apply.

- ☐ Preferred TOD Area  
☐ Eligible Core Transit Area  
☐ Preservation & Rehab Area  
☒ Limited Eligibility Area

8. Neighborhood the site is located in: Carpenter-Ridgeway Neighborhood Association

9. Date Site Control Secured: November 2, 2024

10. Explain why this site was chosen. How does it align with the Program Goals and Objectives (Section III of the RFP), and how will it benefit residents living in this location?

The site was chosen for a number of reasons, including but not limited to the following:

- 1) located along BRT line providing proximity to public transportation
- 2) located in QCT, allowing for basis boost and additional LIHTC equity
- 3) located near amenities, schools, services
- 4) assemblage provides opportunity to provide multiple housing types and allows for the development at scale, stretching one soft fund award across more units
- 5) located on East Washington, in a growth corridor which also provides for visibility, access, improving infrastructure, etc.

This project is in alignment by the Program Goals and Objectives of the Housing Forward Initiative by:

- 1) Increasing Housing Choice by working within the City's CUP process to add new types of housing (both apartments and townhomes)
- 2) Create Affordable Housing Throughout the City with transit access and that delivers permanent affordability.
- 3) Combats Displacement and Segregation by creating more housing options for people of color and those with lower incomes on the East Side and by providing relocation assistance to those living on site to combat and address permanent displacement of those living on site. The project's homeownership reserve will also provide homeownership assistance for residents moving into home ownership after renting.
- 4) Ensuring residents can stay in their homes by providing services to promote stability, prevent evictions to allow the right to keep living in their safe and affordable housing.
- 5) Works to end homelessness by having 20+% of units prefer individuals and families experiencing homelessness with supportive services to support those residents be successful after move-in through strategic and experienced partners.

11. If the site is in a Limited Eligibility Area, describe how the relevant concerns will be addressed:

The project and it's design team are dedicated to addressing noise concerns by the project's proximity to the airport. The project has planned to incorporate various noise-attenuating measures throughout the building and is committed to working with CDD, Planning, Building Inspection departments throughout the planning, design and permitting process.

These measures include, but are not limited to, enhanced window glazing, sound mats within the walls, the installation of resilient channels, solid core doors, and improved gypsum drywall throughout building.

The project team intends on working extremely closely with the City to address noise outside of the building, to ensure a peaceful and enjoyable environment for seniors living on site.

12. Family Proposals only; respond to the following questions on potential impact to schools:

Describe the connectivity of the site for children to get to elementary and middle schools if MMSD [Yellow Bus Service](#) is not provided. Describe the Metro Transit Route for middle and high school students.

Elementary School (Hawthorne Elementary)

Hawthorne Elementary School is located directly across the street from the Fair Oaks project. With the exception of one street crossing required (N Fair Oaks Ave), a sidewalk and pathway lead directly into school grounds. This exceptional proximity (less than 0.1 miles) allows children the ability to easily walk to school without any need for public transportation. MMSD Yellow Bus Service is not necessary for these students due to the school's immediate accessibility from the project site.

Middle School (O'Keeffe Middle)

For middle school students, public transit to and from school is accessible and convenient. From the project's nearby stops (#10117 and #10118 at Wright & Fair Oaks), students can take Metro's Rapid Route A westbound along East Washington Avenue, alighting at E. Washington & First Street for a short walk (approximately 0.6 miles) to O'Keeffe Middle School.

High School (East High)

East High School is well-served by Madison Metro. From stops #10117 and #10118, students can take Route 602, a school-day-only supplemental route timed to arrive at East High just before the morning bell and depart immediately after dismissal. Travel time is about 10 minutes with no transfers. Students also have access to Rapid Route A, which runs every 15 minutes on weekdays and provides a direct trip to East High's vicinity in under 10 minutes. Both routes are fixed-route, fully accessible, and reliable options for high school students.

Describe the anticipated impact this development will have on the schools in the catchment area. What are the 5-year projected capacities for these schools, and are they projected to be at, above, or below capacity? Reference the MMSD 2024 Long Range Facilities [Plan](#) (pgs. 12-14) or Wisconsin Wise Data Portal

At all three school levels (elementary, middle, and high), current and projected enrollment in the assigned attendance area falls well below the Madison Metropolitan School District's targeted utilization rate, with every level facing further declines over the next five years. The Fair Oaks family project directly addresses this challenge by introducing new families into the community, increasing student enrollment, and improving utilization rates at Hawthorne Elementary, O'Keeffe Middle, and East High School.

Hawthorne Elementary School currently enrolls 289 students, utilizing just 73% of its 396-student capacity, which is well below MMSD's 90% target. Five-year projections anticipate enrollment dropping to 257 students, lowering utilization to 65%. The Fair Oaks project will help boost enrollment toward the district's target and counteract the projected decline.

O'Keeffe Middle School has current enrollment of 439 students, or 46% of its 963-student capacity. Five-year projections indicate a decrease to 404 students, with utilization falling to 42%. The addition of new families from Fair Oaks will help reverse this trend and improve alignment with MMSD's utilization goals.

East High School enrolls 1,650 students today, which represents 62% of its 2,666-student capacity. In five years, enrollment is projected to fall to 1,506 students, reducing utilization to 56%. The Fair Oaks project will help offset this decline by contributing to higher enrollment and stronger utilization at the high school level.

Approximately how many elementary and middle school children do you anticipate based on your proposed unit mix:

13. Identify the distance from the proposed site to the nearest of the following amenities. Use MMSD's [Find My School](#) as the closest school is not always assigned.

Type of Amenity	Name of Facility	Distance from Site (in miles)
Full Service Grocery Store	Hy-Vee Grocery Store	.4
Public Elementary School	Hawthorne Elementary School	.1
Public Middle School	Sherman Middle School	1.5
Public High School	Madison East High School	1.4
Full Service Medical Clinic or Hospital	Access Community Health Center	.1
Public Library	Hawthorne Public Library	.9
Public Park with playground equipment or athletic facilities, or hiking/biking trail	Hawthorne Elementary School Park	.1
Job-Training Facility, Community College, or Continuing Education Programs	Madison College / Madison Area Technical College	.5
Childcare	Sunny Ridge Kids Childcare	.1

## **Planning Principles & Plan Consistency**

14. Current zoning of the site: CC-T and TR-V1

Generalized Future Land Use designation of the site: CMU - Community Mixed Use

15. Will the proposed development need a Zoning Map Amendment and/or a Conditional Use Permit?

☐ Zoning Map Amendment    ☒ Conditional Use Permit    ☐ To be determined

16. Describe the proposed project's consistency with the land use recommendations and goals and objectives of relevant Plans, including the Imagine Madison, Area Plans, the Generalized Future Land Use Map, and any other relevant Planning documents:

Regarding the future land use of the site recommends Community Mixed Use (CMU) development. Generally, development within the CMU land use category is intended to support intensive growth, encompassing both commercial and residential uses. CMU areas are designed to feature buildings ranging from two to six stories in height, with a greater emphasis on residential space compared to commercial space. Development and design within CMU areas should promote walkability and be transit-oriented, ensuring strong connectivity to surrounding developments. This project provides the mixed use element and transit oriented development being called for in the comprehensive plan.

More granularly, the project provides a number of elements that have been discussed and called for, after years of neighborhood planning sessions, public meetings and community feedback. The most notable pieces of feedback that worked their way into the Northeast Area Plan were regarding walkable neighborhoods, high intensity and compact development on major transit corridors and at activity centers, a mix of housing types, supporting a wider mix of housing options and costs. This project provides what the neighborhood has been discussing for years.

The development provides a direct response to these long-standing goals that have been years in the making. In addition to supporting the broader City of Madison's Comprehensive Plan, the proposal directly addresses the priorities outlined in the Northeast Area Neighborhood Plan. This local plan emphasizes the need for more affordable housing along the East Washington Avenue corridor in high intensities at major transit corridors, including a diverse mix of unit sizes to accommodate multigenerational and larger families. The Fair Oaks projects will fulfill that request by offering larger units to support larger units and multigenerational families, as well as smaller 1-bedroom units for individuals and couples. Furthermore, the project incorporates ground-floor commercial space, directly responding to the Plan's call for enhanced access to onsite support services and community partnerships that enable residents to thrive.

17. Briefly detail staff comments during your Pre-application meeting with City of Madison Planning and Zoning staff and at Development Assistance Team. How have you adjusted or refined your proposal in response?



The project team met with Planning and Zoning on 10/29/2024. Staff was okay with 5 stories, encouraged design team to push parking ratio below 1:1, encouraged project team to connect with traffic engineering due to proximity to school and two access points. Staff also encouraged team to enhance the architecture of the E Wash and Fair Oaks corner to help make project look more interesting and have the building "pop" and stand out on East Washington when anyone may be entering the City. The project was extremely well received and staff was overall very excited about the project, it's preliminary design and allowed us to move forward to a DAT meeting.

The project's DAT meeting was equally encouraging where Staff offered up a number of design improvements (12.5.2025) was very positive. Those improvements included requests for: a bus stop, pedestrian crossing to school, a distribution of guest parking throughout building, unit entrances along Fair Oaks, ADA access at corner, pads for BRT stop, etc. Staff had a few follow up requests like: sending wastewater flow calcs to examine offsite sewer capacity, ordering of traffic study and tree survey, working with traffic engineering on construction staging and sequencing, etc.

All recommendations and requests have been incorporated into the plans. There have been some recommendations or requests that will be incorporated down the road (development agreement, construction coordination, easement removals via CSM, payment of impact fees, utility relocation, etc.).

18. Describe the response of the alder(s), neighborhood association, and/or residents at the neighborhood meeting to your proposal. Were any issues or concerns identified? How have you adjusted or refined your proposal in response?

There were no concerns from Alder Amani when initial outreach was made (November 26, 2024) and the project concept and design was discussed (December 23, 2024). Alder Amani was very supportive of the project but wanted to ensure neighborhood meeting was scheduled to collect and incorporate feedback.

At the neighborhood meeting (January 23, 2025), residents and neighbors at the neighborhood meeting had the following concerns and desires regarding the project:

- 1) Concerns about traffic on Fair Oaks avenue
- 2) Desires for more commercial and retail space on corner
- 3) Requests for project to step back building and build buffer to single family homes on SW corner of site
- 4) Requests for fencing on south parcel boundaries
- 5) Requests for crosswalks across Fair Oaks Avenue

The following revisions were made to the plan in response:

- 1) Additions of second access point along E Wash to minimize traffic to the extent possible on Fair Oaks
- 2) Several units were eliminated and there were additions of more retail space (2,700 sf) that will be leased at no cost to a neighborhood organization, fair trade coffee shop or restaurant, community or advocacy group, etc. to benefit neighborhood
- 3) Acquisition of more land to enlarge buffer and the addition of townhome style units to better transition to single family homes.
- 4) Increased fencing and landscape screening to southern neighbors
- 5) Additions of bus stop and crosswalk to improve safety for pedestrians looking to cross street.

19. Enter the site address(es) of the proposed development and complete rows for each site:

	# of Units Prior to Purchase	# of Units Post-Project	# Units Occupied at Time of Purchase	# Business or Residential Tenants to be Displaced	Current # of Units Accessible	Number of Accessible Units Post- Project	Current Appraised Value (Or Estimated)	Appraised Value After Project Completion (Or Estimated)	Purchase Price
Address:	See supplemental workbook (due to number of parcels under contract)								
Address:									
Address:									

parcel	# of residential units prior to purchase	# of residential units post-project	# of residential units occupied at time of purchase	# business or residential tenants to be displaced	current # of residential units accssible	number of accessible residenital units post-project	current appraised value	appraised value after project completion	purchase price
3357 E Washington Ave, Madison, WI 53704	4	19.67	4	4	0	9.83	375,000	7,111,111	625,000
3359 E Washington Ave, Madison, WI 53704	4	19.67	4	4	0	9.83	375,000	7,111,111	625,000
3361 E Washington Ave, Madison, WI 53704	0	19.67	0	1	0	9.83	343,000	7,111,111	442,857
3365 E Washington Ave, Madison, WI 53704	0	19.67	0	1	0	9.83	487,300	7,111,111	442,857
3371 E Washington Ave, Madison, WI 53704	0	19.67	0	1	0	9.83	394,700	7,111,111	442,857
3375 E Washington Ave, Madison, WI 53704	0	19.67	0	1	0	9.83	407,000	7,111,111	442,857
922 N Fair Oaks Ave, Madison, WI 53704	1	19.67	1	0	0	9.83	249,300	7,111,111	442,857
926 N Fair Oaks Ave, Madison, WI 53704	1	19.67	1	1	0	9.83	244,800	7,111,111	442,857
930 N Fair Oaks Ave, Madison, WI 53704	0	19.67	0	1	0	9.83	157,300	7,111,111	442,857

Comments

\* post project units / total # of parcels

\* post project accessible units per parcel / total # of parcels

\* TDC / # of parcels

\* TDC of assemblage / # of parcels

For units currently occupied and identified as potentially displaced above, describe relocation requirements, plan, and assistance that will be implemented:

Some permanent displacement of residential and commercial tenants will be necessary as part of this redevelopment. The project will offer relocation services and assistance to residents currently residing on-site, in accordance with a relocation plan that complies with Wisconsin State Statute, the Uniform Relocation Act (URA), HUD Handbook 1378, and Section 104(d) of the Housing and Community Development Act.

This assistance will involve interviewing residents, collecting necessary information, determining eligibility, providing referrals for replacement housing, offering and processing relocation payments, collecting bids from professional moving companies, facilitating the moving process, and finally, monitoring, maintaining, and closing relocation files upon successful relocation.

A relocation specialist is currently analyzing data provided by Seller and will be estimating costs of relocation assistance benefits for each tenant, and is also estimating URA and Section 104(D) benefits.

It is expected that relocation assistance be around \$250,000.

20. Describe the existing use of the site, and identify if a Phase I Environmental Site Assessment has been completed. Identify any environmental remediation activities planned, completed, or underway, and/or any existing conditions of environmental significance:

Current uses on site include two 4-unit residential apartments, two residential homes, three commercial buildings, and one storage facility and one commercial tire and auto repair shop.

A Phase 1 ESA was commissioned in July of 2025 and two recognized environmental conditions were found.

1) Based on the historic use of the Subject Property as an Historic Auto Station, this historic use is indicative of being a recognized environmental condition.

2) In 2003, a Phase II was commissioned prior to the roadway reconstruction along E. Washington Ave. Three soil-borings were advanced in the right-of-way near the intersection of E. Washington and Fair Oaks Ave. Fuel like odor was observed and VOCs were also detected in the samples collected from the borings in the ROW; however, there were no exceedances. The presence of fuel odor and VOCs in the ROW of the Subject Property is indicative of being a recognized environmental condition.

The project will be commissioning a Phase II ESA, taking soil borings, etc. but has already planned and budgeted for the removal of contaminated soils of the tire and auto repair shop's parcel, an passive / active vapor mitigation system in the proposed building and anticipates working closely with the DNR and obtaining their formal approval before commencing construction on the redevelopment of the subject site.

## Unit Mix & Affordability

21. Provide the following information for your proposal. If this is a scattered site or phased proposal, list each address or phase in its own table by attaching additional pages.

<b>ADDRESS #1:</b>		<b>SWC of N Fair Oaks Ave and E Wash Avenue</b>					<b>Projected Monthly Unit Rents, Including Utilities</b>				
							<b>Utilities included:</b> <input checked="" type="checkbox"/> Water/Sewer <input type="checkbox"/> Electric <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Free Internet In-Unit <input checked="" type="checkbox"/> Washer/Dryer <input type="checkbox"/> Other: _____				
		<b># of Bedrooms</b>									
<b>% of Area Median Income (AMI)</b>	<b>Total # of units</b>	<b># of Studios</b>	<b># of 1 BRs</b>	<b># of 2 BRs</b>	<b># of 3 BRs</b>	<b># of 4+ BRs</b>	<b>UA Studio:</b>	<b>UA 1 BR:</b>	<b>UA 2 BR:</b>	<b>UA 3 BR:</b>	<b>UA 4 BR:</b>
							<b>\$</b>	<b>\$85</b>	<b>\$105</b>	<b>\$130</b>	<b>\$</b>
							<b>\$ Rent Studios</b>	<b>\$ Rent 1 BRs</b>	<b>\$ Rent 2 BRs</b>	<b>\$ Rent 3 BRs</b>	<b>\$ Rent 4 BRs</b>
≤30%	36	0	15	14	7	0		645	771	882	
40%	0	0				0					
50%	60	0	26	23	11	0		1132	1355	1557	
60%	0	0	0	0	0	0					
<b>Affordable Sub-total</b>	<b>96</b>	<b>0</b>	<b>26</b>	<b>23</b>	<b>11</b>	<b>0</b>					
80%	81	0	35	31	15	0		1615	2164	2569	
<b>Market*</b>	0	0	0	0	0	0					
<b>Total Units</b>	<b>177</b>	<b>0</b>	<b>76</b>	<b>68</b>	<b>33</b>	<b>0</b>	Notes/Utility Allowance Assumptions: Energy Consumption Model (ECM) Utilities Allowance Used: <input type="checkbox"/> CDA <input type="checkbox"/> DCHA				

\*40% = 31-40% AMI; 50% = 41-50% AMI; 60% = 51-60% AMI; 80% = 61-80% AMI; Market = >81% AMI.

**Note:** For proposals contemplating project-based vouchers (PBVs), list vouchered units under the same AMI designation that you will be representing to WHEDA. Include a comment in the Notes, e.g., Eight (8) 50% CMI units will have PBVs.

22. At what percentage of maximum LIHTC rents will rents be set for 50% and 60% AMI units? Will any other levels of income- and rent-restricted units have rents set below the maximum allowable?

At this time, it is anticipated the project's proposed 50% units will be rented at 90-100% of net max rents, based upon Dane County's area median income, as supported by a Baker Tilly market study.

The project's proposed 80% AMI units will likely be rented at a larger discount to ensure the leasing of such units and to avoid competition with rents of market rate units across different unit types.

At this time, the proposed project anticipates leasing 1 bedroom and 2 bedroom 80% AMI units at a 5-15% discount to maximum allowable rents, to ensure lease-up and avoid competition with market rate units in the area.

## **Property Management**

23. Confirm that Applicant has read and submitted with this application a Tenant Selection Plan consistent with RFP Attachment C-1 and will submit before closing an Affirmative Marketing Plan consistent with RFP Attachment C-2.

☒ Yes, I confirm

24. Describe the proposed property management entity's experience with the unique needs of the Madison affordable housing market. If the property management entity does not have experience in the Madison market, describe experience in similar markets.

Volker's Vice President of Property Management, Mary Wangerin, has extensive, hands-on experience in the Madison affordable housing market, having successfully leased up 903 units across 11 properties in Madison and the surrounding areas. These communities included a wide range of program types such as LIHTC, workforce housing, project-based vouchers, the 811 program, HOME, supportive services, Housing Choice Vouchers, market rate, and AHP-funded units.

This work reflects more than 23 years of affordable housing expertise, with the past decade heavily focused on affordable lease-ups and rehabilitation projects prior to starting with Völker in May of 2024. Her Madison-area experience encompasses everything from initial marketing and compliance setup to full stabilization, while maintaining strong relationships with local housing authorities, service providers, and municipal partners. Outside of Madison, she has overseen successful tax credit lease-ups throughout Wisconsin, bringing more than 3,200 units online statewide in addition to her stabilized property management experience. Mary has roots in Madison, went to college in Madison and lived there for 12 years before relocating to Milwaukee.

Volker's property management team's Madison market knowledge is further enhanced by the experience of Raymond Sartler, Regional Manager. Raymond worked under the Mary Wangerin at ACC, successfully leasing and stabilizing a number of affordable housing projects in the City. He also spent extensive time at Maple Lawn Apartments, training site staff and assisting with operations as an Area Manager. His on-the-ground leasing, training, and operational oversight experience in Madison adds depth and continuity to our ability to serve the City's and project specific affordable housing needs.

This depth of experience — paired with proven results in high-demand, policy-forward markets — ensures Volker will meet and exceed the City of Madison's unique affordable housing needs with precision, compliance, and a strong and intentional resident-focused approach.

Additionally, Volker benefits by partnering with LSS who has been successfully managing HUD properties for over 40 years; for the past five years LSS has also been certified to manage LIHTC properties in Wisconsin. The agency's vast experience as a property manager has resulted in the creation of a housing services team that is well versed in development. The team has also developed expertise in following Affirmative Fair Housing Marketing Plans aimed at reaching those populations least likely to apply for housing opportunities. LSS team members actively engage with local community-based service agencies to perform outreach and to market available units.

25. Describe the planned approach/relationship between the Property Manager and the Supportive Service Coordinator(s) for both lease-up and ongoing service provision and coordination. Describe how these entities will collaborate to ensure ongoing success of the development and increased resident stability, including proactively addressing concerns prior to eviction filing:

Volker and LSS look to continue their collaborative approach on another project. Though Volker and LSS will both be on-site with permanent space within feet of each other, they will have a clear division of roles responsibility during lease-up and after stabilization within the community, to ensure both groups are focused on ensuring positive outcomes for everyone.

During lease-up, coordination between LSS, PM, Development, Volker's compliance team will occur on a weekly or biweekly basis. LSS will be requesting referrals from Coordinated Entry Housing Priority List (CE) by appropriate bedroom size, will be working to contact referral, will obtain interest and schedule a potential appointment, assist in submitting application and will pass along necessary information to property management. Once property management quickly completes their screening, they will meet with applicant, work with LSS and applicant on approval or potential modifications to application, work through any appeal process if denied, and once approved will work to set up resident with lease, etc. This process and data will be shared and tracked.

At lease-signing and move-in, Volker and LSS will clearly communicate expectations, terms of the lease, payment due dates, available payment plans and grace period, available rent assistance programs or financial counseling services, but also consequences of lease violations, etc.

Thereafter, coordination amongst groups will occur on a daily basis to ensure residents are safely and comfortably housed, problems are identified and promptly addressed, tenant resources are made available to all residents, etc.. Both groups will be constantly sharing information (while abiding by all federal, local, and state laws and protections) to ensure both groups can better track and understand things like: status of applications, timing of lease signings and notices-to-vacate, lease violations, rent payment status, safety concerns, behavior challenges, etc.

By sharing information such as intake assessments, incidents on site, payment status, collaborative approach will allow for better monitoring, intervention, problem solving and will help maintain stability throughout the community and to prevent issues but also to quickly address issues when they come up. For example, Volker's property management issues such as lease violations, missed or late rent payments, behavioral challenges will be met with proactive and informed, tailored trauma-informed care or third-party / community assistance from the LSS' supportive service provider.

LSS and Volker will be working together to get ahead of any potential issues, solve them with the residents in mind as they come up, but also care and provide resources to residents if eviction needs to occur.

26. Describe the affirmative marketing strategy to engage target populations. Have you engaged with community organizations that provide services to historically peripheralized households in development of this proposal?

Volker and LSS will proactively engage not only the target population, other groups that might not be likely to apply and also community organizations to cast the widest net possible to ensure as much engagement with the target population and historically peripheralized groups. Whether it be via referral sources, signage, websites, social media, SMS, marketing flyers, targeted emails (all in inclusive language with images,), it is intended that the targeted populations be engaged a number of ways. This outreach will constantly be done (prior to and during lease-up, and when units are becoming available after stabilization) LSS and Volker will engage the community and notify local community organizations of upcoming available units, to get referrals, solicit applications and bring the target population to the top of the waiting list and into housing quickly.

Both LSS and Volker have experience working with local community organizations and resources providers that are routinely providing referrals, housing navigation services, connecting individuals and families with housing programs, etc., especially the organizations that make up Dane County's Homeless Services Consortium, the City of Madison and Dane County's Housing Authorities, etc.

27. Address the experience of the Property Manager in implementing inclusive, trauma-informed property management practices, including language access, community building, conflict resolution, and making reasonable accommodations:

Volker's property management team has a history of working with residents to accommodate vulnerable populations living on-site at their projects. With a majority of Volker's portfolio being 9% LIHTC projects with lower set-asides, Volker has 17+ projects with homeless or veteran units and with a number of projects with LSS involvement to cater to their 30% and 40% AMI residents, many of Volker's property management team members are trained in de-escalation, utilize empathetic communication strategies and are accustomed to offering flexible lease structures and payment plans to provide reasonable accommodations where possible.

On-site staff seek to build relationships with residents that transcend a typical "resident & property manager" relationship and try their best to personally engage residents to foster accountability, through personal interactions on site, the hosting of resident events, cooking of meals in a community room, and meetings to build community and to foster connectivity amongst staff, other residents and their families.

For example, as a developer and property manager owned by a disabled Veteran, with a number of veteran units throughout the portfolio with supportive services, certain PTSD triggers and stressors are acknowledged and addressed to accommodate such residents.

28. Describe staffing challenges or shortages that the Property Management company has recently experienced at the on-site level. Describe the Management's standard retention policies, and response to staffing issues as they arise:

In recent months, the property management company has faced persistent staffing challenges at the site level, particularly within maintenance roles. The ongoing labor shortage in the trades has made it difficult to attract and retain qualified maintenance personnel, which occasionally places increased pressure on existing team members and risks operational disruptions.

In response, management has proactively adopted a regional team model, allowing maintenance staff and other operational resources to be shared across multiple properties with a lead position in each area. This strategy ensures consistent coverage and a higher level of service even when individual sites face staffing shortfalls.

Beyond immediate operational adjustments, the company is committed to long-term employee retention and satisfaction. To this end, enhanced onboarding and training programs have been implemented to support skill development and career progression. Regular company-wide meetings and recognition initiatives help foster a culture of appreciation, improve communication, and ensure employees feel valued and supported.

Together, these efforts represent a comprehensive approach to addressing staffing shortages—balancing short-term operational needs with a strategic focus on employee engagement and retention to maintain a stable, motivated workforce.

29. What percentage of on-site staff turnover has the PM experienced in 2024? +/- 40%

## **Supportive Housing**

30. Confirm that Applicant has read and submitted with this application a Supportive Services Plan developed jointly with the Support Service Coordinator(s) and Property Manager  
☒ Yes, I confirm
31. Confirm that a letter from the Supportive Service Provider(s) affirming the services they intend to provide to residents of the supportive housing units, the cost of those services, and how the structure of financial support is attached to this application.  
☒ Yes, I confirm
32. Is the Applicant willing to commit to obtaining points in the WHEDA MFA for these units in the Supportive Housing category (Appendix S and/or T units)?
- ☐ Yes
 ☒ No
 ☐ No, but will commit to a City hard set-aside for a portion of the units
- If yes, number of units:                      Percent of Supportive Housing Units:
33. Describe the supportive services agency's experience providing services in Madison to the target population. If applicable, list other similar projects the support services agency is involved with:

Lutheran Social Services (LSS) has a proven track record of delivering supportive services in Madison, helping residents achieve stability and independence. LSS serves diverse populations, including those experiencing homelessness, older adults, veterans, and people with disabilities. Our collaborative, person-centered approach connects residents to vital resources and develops long-term housing success.

In just 2024, LSS provided services to 718 individuals in Dane County, the majority of whom were Madison residents. A significant number of the services LSS provides in Madison and Dane County include a housing component which requires agency staff to understand local housing markets and individual and family housing needs. LSS programs and services provided in the Madison area include Comprehensive Community Services (CCS), Forensic services, resource and recovery services including those focused on individuals addressing mental health issues and those who are unhoused, and Refugee resettlement services. LSS also has extensive experience delivering Service Coordination in housing communities throughout the state of Wisconsin.

In Madison and the Dane County area, LSS provides services at the following properties:

-	The Canyons	Lincoln Avenue Capital	Madison, WI
-	Life at the Derby	Lincoln Avenue Capital	Madison, WI
-	Sky Ridge	Northpointe	Sun Prairie, WI
-	Broadway Lofts	Northpointe	Monona, WI
-	CC Lane	Northpointe	Oregon, WI
-	RISE	Wisconsin Housing Preservation Corp. (WHPC)	Madison, WI
-	Valor on Washington	Gorman and Co.	Madison, WI
-	Carbon	Gorman and Co.	Madison, WI
-	Generations	Gorman and Co.	Madison, WI
-	Landsby Ridge	Gorman and Co.	Fitchburg, WI
-	Prairie Creek	Northpointe	McFarland, WI
-	Klassik	Northpointe	Verona, WI
-	University Park Commons	JT Klein	Madison, WI
-	Autumn Ridge	JT Klein	Madison, WI

34. Describe briefly the Developer's experience with developing integrated supportive housing, including number of projects, number of units, and location:

Volker Development Inc. has incorporated supportive services in 31 of the 61 total projects completed or awarded to date, nearly half of Volker's currently owned properties.

Of the projects that have designated supportive housing units (16 of the 31 projects with an incorporated supportive service program), the supportive housing units make up on average 22% of total units of each project. Of the 16 projects that have designated supportive housing units, 12 are located in WI, the other 4 projects are located in UT, IN, OR and MN.

Edifici, LLC (Gabe Fritz) comes to this project with decades of development experience in deeply affordable housing as well. See Edifici Memo.

35. Provide the number of Integrated Supportive Housing Units proposed:

Total # of Homeless Supportive Housing Units (CE Referral )	Total # of Veteran Supportive Housing Units	Total # of Homeless Veteran Supportive Housing Units	Total # of Disabled/Other Supportive Housing Units	Minimum # of Supportive Housing Units
36	0	[0]	0	36



36. Describe the target population(s) for Supportive Housing units, including both homeless and any other categories:

Individuals and families experiencing homelessness, those that are at risk of experiencing homelessness and those with lived experience of homelessness (having a history of housing instability or in shelters / temporary housing).

37. Due to the transient nature of homelessness, there may be challenges when connecting with households referred from Coordinated Entry (contact information changes, brief stay in institutional setting, etc). Describe how the property management entity will work with the supportive services agency to proactively address challenges and ensure that units set aside for households with homeless experience will be filled.

Proactive communication and connection maintenance with homeless individuals and households referred through Coordinated Entry will be done a number of ways.

On the front end, Volker, Edifici and LSS will be transparent with referral agencies to communicate information needed, application processing timelines, etc. to set upfront expectations and a standard practice that can be followed to proactively address challenges that exist when leasing to homeless individuals and families.

Thereafter, when engaging prospective residents, the team will be: 1) creative and flexible as it relates to communication, appointment scheduling, extending or modifying office hours, provide off-site application assistance or off-site information collection, and will 2) provide equal determination when following up, logging of information into a shared system and internal status updates to dual track process.

Volker, Edifici and LSS plan to provide written and electronic contact information to applicant and referral agency that will include phone numbers, email, physical addresses, referral contact information, and will maintain a number of communication channels ( through referral agencies, SMS, Email, written correspondence, phone call, etc.).

This consistent approach will provide routine, will ensure the next step is always known, will clear up responsibility and accountability and will minimize gaps and headaches when obtaining and engaging referrals and completing and processing applications.

38. Describe how the property management entity will coordinate with the supportive service agency to ensure referrals from Coordinated Entry are able to be filled, even if households referred are above 30% AMI:

Volker alongside LSS will be clear and transparent with referral providers on upcoming available units, their set-asides and associated income restrictions. Volker will continue to order and communicate rent projections and estimates for the forthcoming year to better plan upcoming income restrictions.

That said, Volker's PM team and LSS will have an understanding of available rental assistance in the community that can be made available for renters. That understanding and the relationships / connections made will allow for rental subsidies, resources, vouchers, state or local rental assistance to be brought to the resident table, in an attempt to assist resident with payment assistance, prevent cost-burdening a referral to bring a potential 30% AMI resident into a 60% AMI unit.

That said, there are several ways avoid a quick denial due to being over-income. With this project being income averaged, there is some flexibility within Section 42 of the IRS code, WHEDA, Volker and the LIHTC investor's rules and compliance procedures to re-assign unit designations and AMI tiers.

Project specific bi-weekly calls will occur to collaborate on issues like these with Edifici, LSS and Volker's property management, asset management, development, and compliance team (and likely a third party compliance specialist).

Volker, LSS and Edifici may also be able to check for other openings in area and refer that referral to another project with an available unit (due to their footprint and involvement on sheer number of other LIHTC projects in the area).

39. Identify the partnership(s) that the Applicant has fostered with the supportive service agency(ies) supporting this application, and describe the alignment between ideals of the development team and the agency(ies). Describe the shared philosophy in approaching operation of this development:

The partnership between LSS and Volker is an established one. Volker and LSS have been working together to provide housing and supportive services to homeless individuals and their families in Wisconsin for more than 10 years. Volker and LSS looks to continue their collaborative approach on another project.

LSS empowers people to live their best lives, whose vision is (to build) healthy communities filled with people using their God-given gifts to serve, and whose mission is to act compassionately, serve humbly and lead courageously.

Volker's mission is (to provide) high-quality affordable housing to better places and people. Volker is a vertically integrated organization looking to make a real difference in the lives of our residents and the communities they live in.

These philosophies can be seen in the proposed project: choosing to provide safe, high quality housing to those who need it most. Once housed, Volker, LSS and the project are providing services to our residents, to enhance their lives and in doing so, provide grace, assistance and flexibility. Once on their feet, with peace of mind, support and in a place they are proud to call home, the project provides the resources and opportunity for upward economic mobility.

40. Briefly describe the type (e.g., assessment and referral, on-site intensive case management, etc.) and level of supportive services that will be provided to residents of the proposed project:

LSS will be providing a number of supportive services to residents over the course of the project.

Early on, services will be come in the form of requesting referrals, gauging interest of potential applicants, assistance gathering information and completing applications.

After an approved application is processed, LSS will complete intake assessments, outline available resources to resident, develop a case management and service plan that is individual / family specific, and continue engage and link residents to programs that support their independence and well-being. These services may come as referrals to mental health help, addiction and recovery services, employment help, financial literacy and budgeting, coordination of services for those with physical disabilities, etc.

LSS' Service Coordinator will maintain a recurring newsletter to inform residents of the services and schedule of programming each month. LSS will also act as a barrier and resource to residents outside of property management, to identify issues, assist residents in overcoming barriers as identified, etc.

\$5,000 per supportive housing unit, \$180,000, will be paid annually to LSS (with annual escalations) to support 1.45 full time supportive service providers, who will be working 56 hours per week on-site with options for virtual counseling and assistance if needed.

41. How is the development paying for the supportive services committed to the project?

☒ Operating Expense    ☐ Deferred Developer Fee or Cash Flow    ☒ Services Reserve    ☐ Other

Describe:

The proposed supportive services on site conducted by LSS will be directly paid by the project as part of the project's direct operating expenses (above the line) starting at \$180,000 annually with annual escalations.

Additionally, as part of the project's financing, a \$150,000 supportive housing reserve will be created, reserved for ongoing, annual supportive service expenses, to ensure adequate compensation and ongoing support for LSS that is independent of project's financial performance, in the event there are more services needed in a given year, etc..

In combination, the project will be contributing more than \$5,000 of supportive service assistance per 30% AMI unit, demonstrating it the project's commitment to adequately fund and aid LSS's supportive service staff but also to assist, aid and lift up it's targeted populations.

42. Amount of annual funding allocated to Supportive Service Coordination as a guaranteed commitment: \$180,000

Amount per unit of supportive housing: \$5,000

Support services FTE equivalent dedicated to this development: 1.45 FTE

If the caseload is anticipated to be greater than 12 families or 20 individuals per 1.0 FTE (below HUD recommended case management ratios), briefly detail how adequate and timely services will be provided/coordinated:

This is what the supportive service reserve is intended for. If needed, ongoing supportive service expenses can be increased to accommodate project and resident needs. With a reserve established, Volker, Edifici and LSS are positioned to provide the necessary services without being constrained by costs.

If ongoing needs exceed the current allocation, supportive service expenses can be adjusted based on project performance and resident needs. Volker remains committed to ensuring that resident and community needs are met.

To maximize service delivery without increasing costs, Volker's property management team—experienced in working with vulnerable populations can take non-clinical or administrative tasks from LSS, allows supportive service specialists to focus on high-impact functions without incurring additional costs. Volker, Edifici and LSS can also continue to engage other community-based organizations, nonprofits, and faith-based groups that offer free or grant-funded services such as job training, financial counseling, and wellness programming. These partnerships could enhance resident support without impacting the project budget.

Lastly, through Volker and LSS's partnership on multiple properties, we can leverage shared staffing models or coordinated service delivery to distribute costs and increase efficiency. This includes shared supportive service coordinators and rotating specialized providers.

Through these strategies—combined with the flexibility of supportive service reserve and the partnership with LSS—Volker ensures that residents receive the support they need while maintaining a responsible budget.

43. Is the Applicant requesting a portion of the AHF Award be used to fund a capitalized support service and/or operating reserve?

☒ Yes

☐ No

44. Will WHEDA require this development to fund a capitalized support service and/or operating reserve as a condition of financing/credit award?

☐ Yes

☒ No

## **Sustainability & Resilience**

45. Will the proposed development claim points in the WHEDA MFA for Stretch or Advanced goals in this category?

☐ Yes

☒ No

46. Check all applicable Energy Efficiency & Sustainability third-party certifications that will be sought.

Program			
Wisconsin Green Built	<input type="checkbox"/> Gold Standard	<input checked="" type="checkbox"/> Gold Plus	<input type="checkbox"/> Gold Zero Energy
Enterprise 2020 Green Communities	<input type="checkbox"/> Criteria	<input type="checkbox"/> Certification	<input type="checkbox"/> Certification Plus 5.4b Criterion
ENERGY STAR Multifamily New Construction	<input type="checkbox"/> Equivalency	<input type="checkbox"/> Certification	
EPA AirPLUS	<input type="checkbox"/> Equivalency	<input checked="" type="checkbox"/> Certification	
LEED®	<input type="checkbox"/> LEED Silver	<input type="checkbox"/> LEED Gold/Platinum	<input type="checkbox"/> LEED Zero Energy
Passive House (PHIUS)	<input type="checkbox"/>	<input type="checkbox"/> PHIUS Core	<input type="checkbox"/> PHIUS Zero
WELL	<input type="checkbox"/>		
Other:	<input type="checkbox"/>		

47. Briefly describe your organization's approach to developing projects that incorporate extraordinary sustainability, energy efficiency, decarbonization/electrification, and/or green building design. List any third-party certifications or awards achieved on projects developed in the past five years:

The project seeks to incorporate as many renewable and energy efficient features to the extent possible, and is accustomed to obtaining green building certifications.

These effort include electrifications of all systems on site, high performance insulation and windows to minimize heating and cooling consumption, energy efficient appliances, LED lighting fixtures and HVAC systems to reduce energy demand, low flow fixtures to reduce water use, green roofs, solar systems, locally sourced materials, natural ventilation, etc.

Of the projects that have been completed or awarded in the last five years, the following third party certifications have been committed to or obtained:

2 have been Earth Advantage certified

3 will be Department of Energy Net Zero Ready Home (ZERH) certified

6 have been or will be Enterprise Green Communities (EGC) certified

2 have been Wisconsin Green Built Homes Standard certified

1 will be National Green Building Standard (NGBS) certified

3 will be LEED Silver certified

48. Confirm that the Focus on Energy Energy Design Assistance Initial Application or Express EDA submittal confirmation page has been submitted with this application.

☒ Yes, I confirm

49. If applicable, describe below any other renewable energy systems to be included in the development:

- Locally sourced materials (where applicable), with preference for recycled materials if possible.
- All electric, ENERGY STAR appliances
- ECM motors in HVAC system
- Very large Solar (PV) system on roof, consisting of 800+ panels,
- Water-conserving fixtures in all units and in common areas
- ION meters in all units and in common areas (to monitor water consumption, detect leaks and generate automated work orders to stop water loss)
- LED light fixtures with reduced lighting power and light controls by occupancy sensors in garage and common areas
- Infrastructure to incentivize biking mobility and car share services
- EV parking stalls and EV ready parking stalls
- MagicPak HVAC units
- High efficiency heat pumps and water heaters
- Enhanced window glazing, window frames, insulation

50. Size of solar array commitment (in Kw): **338.76**

Percentage of total building annual load to be offset via solar: **70%**

Percentage of common area annual load to be offset via solar: **45%**

Describe, if necessary:

See solar panel layout ( approx. 855 panels) that has been planned as part of site plan and building design.

51. Indicate sustainable design features and equipment included in the proposed development that will help to reduce fossil fuel consumption, achieve decarbonization, and improve air quality:

Sustainability Design Features & Equipment	YES	Comments
a. Air-source or ground source heat pumps	<input checked="" type="checkbox"/>	Air Source Heat Pump
b. Full electrification of all appliances and HVAC systems	<input type="checkbox"/>	All appliances will be electric and ENERGY STAR
c. Electric or heat-pump water heaters	<input type="checkbox"/>	
d. Electric stoves	<input checked="" type="checkbox"/>	
e. Installed EV charging station(s)	<input checked="" type="checkbox"/>	
f. Battery storage	<input checked="" type="checkbox"/>	Connected to Solar system
g. Other:	<input type="checkbox"/>	
h. Other:	<input type="checkbox"/>	

52. Parking:

Total number of parking stalls:	161
i. Underground/Wrapped/Podium stalls	120
ii. Surface stalls	41

Parking ratio	.90
Monthly parking cost	\$75 for garage stalls
Will parking cost vary by AMI level	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

## **Design & Accessibility**

53. What type of required onsite play space will the development have?

☐ Indoor ☒ Outdoor ☐ Both

54. Describe other interior common area amenities that will be available to tenants and guests (e.g., community room(s), lounges on individual floors, additional play spaces, exercise room, business center, etc.):

Bike parking, storage lockers throughout building for residents, community room with kitchenette, lobby, pet clean up and car cleaning stations, free-wifi in community room package and mail room, exercise room, on-site property management suites, secure underground garage parking, commercial and retail space within building.

55. Describe other exterior amenities that will be available to tenants and guests (e.g., community gardens, patio, green space, etc.):

Dog run, Bicycle bike station(s), guest bike storage, Bus stop, community garden at outdoor plaza, patios and/or balconies in all units, playground and child play area, outdoor grilling stations, fire place, outdoor patio with outdoor games and multiple seating areas, landscaping and green space will be abundant through plaza as well

A bus stop and pedestrian crossing will also be created on N Fair Oaks Ave as part of project, benefitting residents and neighborhood.

56. For proposals with first floor commercial space, has a use and/or tenant of the space been pre-identified?

☒ Yes ☐ No

If yes, identify the use and describe whether this space will be low/no-cost and/or "neighborhood-serving":

First floor commercial space will be provided to LSS at no-cost.

Additionally, approximately 2,700 square feet of commercial space will be leased at no cost to a community organization that will benefit both the project's residents and the local neighborhood. In engaging with the neighborhood association, residents, the Alder, and through neighborhood meetings regarding this project and others, there have been calls for retail space in other developments in the area that have yet to be addressed.

Volker has been collaborating with various business communities and networks to identify two community organizations that can occupy this space. Whether it is a small business, a fair-trade coffee shop, a community organization, a mission-driven retail company, a service provider, or a non-profit, Volker intends to offer this space free of charge in response to the demand for more retail options at this busy intersection. It is likely this user be identified during construction or close to construction completion.

Through goods, services, and programming, Volker aims to activate the street-level environment and enhance the already amenity-rich neighborhood. Volker and their commercial retail broker, Bryant Meyer of Oakbrook Corporation, have contacted the following groups for referrals to potential interested businesses:

Boys and Girls Clubs of Dane County  
City of Madison's Office of Business Resources (Michael Miller, George Reistad)  
City of Madison's AFFR BizReady Program  
Urban League of Greater Madison, Black Business Hub, Madison Black Chamber of Commerce

Wisconsin Latino Chamber of Commerce and Madison Chamber of Commerce

Wisconsin LGBT Chamber of Commerce

Wisconsin Veterans Chamber of Commerce

57. Does the proposed project meet the minimum requirements described in the RFP that at least half of the total units be Type A units or convertible to Type A units?

☒ Yes

☐ No

58. Does the proposed project exceed WHEDA's minimum accessibility design standards?

☒ Yes

☐ No

59. Does the proposed project go above and beyond WHEDA's Universal Design requirements in any way? Describe:

The proposed project elects to go above and beyond WHEDA's minimum accessibility design standards and the requirements of this RFP to maximize the amount of accessible features throughout the project's design. These include but are not limited to the following:

Common Area Accessibility Features:

- 50% of the total units designed to meet WHEDA Universal Design Requirements
- Automatic Door Openers at main accessible entrances, including entrance from accessible parking areas
- Accessible signage for all common rooms and dwelling unit entries
- Accessible bathrooms adjacent to public gathering areas and common rooms

50% of units will include following Accessibility Features:

- Circular or T-shaped turning space
- Curbless roll-in type shower compartment
- All closet doors shall have a clear floor space of 30" x 52"
- Bottom edge of mirror at all accessible floor level bathroom sinks/vanities to be 40" maximum above the floor
- All interior doors intended for user passage shall comply with Section 1103.5, which includes maneuvering clearances, thresholds, clear width, level hardware, etc.
- Garbage disposal switch, range hood controls, and electrical receptacles shall meet the requirements of Section 309
- Provide minimum one accessible work surface that meets all requirements of Section 1103.12.3
- Entrance doors to the unit shall comply with Section 404
- Where operable windows are provided, provide at least one window in each sleeping, living, and dining space complying with all of Section 309
- Carpet shall have 1/2" maximum pile and meet all requirements of Section 302.2
- All unit light and fan switches shall comply with Section 309

## **Development Team & Financing**

60. Describe the Development Team's experience with the unique needs of the Madison affordable housing market. If the any development entity does not have experience in the Madison market, describe experience in similar markets:

Volker Development Inc. has recently closed and has started construction on a relatively complex affordable housing project in the City of Madison. Alongside Cordon Housing, Volker is able to obtain gap financing from The City's 2024 Affordable Housing Fund, Dane County's Affordable Housing Development Fund, Dane Workforce Housing Fund II, obtain several grants and obtain both construction, permanent financing, and low-income housing tax credits from WHEDA. This mixed-income redevelopment (that will clean up a contaminated site) will provide 76-units of rent- and income-restricted housing (at a variety of income levels) with multiple supportive services providers and with preferences for Veterans and their families who may be experiencing homelessness or may be disabled.

That said, the Kelly Station project is Volker's first development in the City of Madison and in Dane County. Volker does have affordable development experience in similar sized, larger, and equally challenging markets across the country. Volker recently successfully partnered and closed on an urban infill project with financing from the City of Philadelphia and PHFA, and recently partnered with the City of Cleveland, Cuyahoga County and the local housing authority to obtain vouchers and layer multiple pieces of subordinate financing on a senior redevelopment project. Additionally, whether it is the complex zoning code and entitlement hurdles provided by the City of Cleveland, the infrastructure and insurance challenges provided by the City of Oklahoma City, the construction costs challenges by developing in Colorado Springs, low rents and environmental challenges in the City of Fargo, management challenges in the City of Milwaukee, funding gaps in the City of Green Bay or the shortage of developable land in Grand Rapid's qualified census tracts, Volker has consistently found ways to creatively and effectively develop the affordable housing that is needed and desired by each municipality.

Volker is strategically partnering with Lutheran Social Services (LSS), who has served as a development partner on three communities in Madison and five in Dane County. Additionally LSS serves as property manager for three LIHTC developments in Madison as well as a scattered site development for the Madison CDA. LSS has been heavily involved in procuring general contractors related to two of the properties they manage in Madison, and has served alongside our development partners on the others.

Edifici LLC (Gabe Fritz) also have tons of experience providing and preserving affordable housing at scale in a large city (Louisville, KY). Gabe has 20+ years of non-profit affordable housing development experience with The Housing Partnership and a number of years under his belt serving the community as the Director of the Office of Housing & Community Development for the Louisville Metro Government. Gabe is also involved as a board member in my community, and in the past has been on the Care Advisory Board at University of Louisville Hospital and also on the board of: Vital Neighborhoods Group at Metro United Way, Friends of the Library, YouthBuild Louisville, The Center for Neighborhoods, and several other organizations. Currently Gabe is on the boards of a local CHDO – River City Housing, Habitat for Humanity of Metro Louisville, and St. John Center, which is homeless day shelter that just opened a new, 80 bed LIHTC permanent supportive housing center called Sheehan Landing. This innovative, state of the art facility has extensive, 24-7, 365 days per year security and access to wrap around services on site, including counseling, healthcare, and job training. Gabe brings a wealth of experience and background in public servitude, supportive housing, and complicated LIHTC development to help round out the development team.

61. Confirm that the Developer Experience attachment to this application addresses the following information. If it does not, briefly describe experience developing multifamily housing for low-income households in the text box:

- a. Experience obtaining and implementing Low Income Housing Tax Credits; including number, type, and location of proposed and completed LIHTC projects and units developed.
- b. Experience obtaining and implementing any other federal, state, city, and other financing resources, including number, type, and location of proposed and completed projects and units.
- c. Leadership/key development team staff qualifications.
- d. Years the organization has been in existence.
- e. Financial capacity of the organization to secure financing and complete the proposed project.

☒ Yes, I confirm

☐ No, See text box

Please limit responses to two pages if completed within this application as opposed to attachment. Do not duplicate information here and attached.



See attached for Development Experience.

62. Identify all key roles in your project development team, including any co-developers, property management agent, supportive services provider(s), architect, general contractor, legal counsel, and any other key consultants, if known.

Contact Person	Company	Role in Development	E-mail	Phone
Travis Fauchald	Volker Development Inc.	Lead-developer	t.fauchald@volker.co	952-334-7294
Dennis Hanson	LSS	Co-developer	dennis.hanson@lsswis.org	
Gabe Fritz	Edifici LLC	Co-developer	gabefritz1974@gmail.com	502.938.2803
Mary Wangerin	Volker Legacy Holdings Inc. (dba Volker Management)	Property Management Agent	m.wangerin@volker.co	920.638.6653
Leah Gubin	LSS	Supportive Service Provider	leah.gubin@lsswis.org	920.312.4835
Kevin Burow	Knothe & Bruce Architects	Architect	kburow@knothebruce.com	608.270.8125
Alison Gorham	McShane Construction Company	General Contractor	agorham@mcshane.com	608.577.0600
Chris Dawson	JSD	Civil Engineer	chris.dawson@jsdinc.com	608.893.0104
Michael Turney	Sunpeak	Solar Consultants	michael.turney@sunpeakpower.com	608.733.6798
Bill Cummings	Reinhart	Legal Counsel	wcummings@reinhardtllaw.com	414.298.8330

63. For the following development team roles, please identify the number and/or percentage of women and persons of color employed by that company or organization as well as the total employees for each firm.

Company	Role in Development	BIPOC		Women		Total Employees
		#	%	#	%	#
Volker Development Inc.	Developer	0	0%	4	27%	15
LSS	Co-Developer	159	19%	671	81%	828
Edifici LLC	Co-Developer	1	100%	0	0	1
McShane Construction Company	General Contractor	27	16%	38	23%	165
Volker Legacy Holdings Inc. (dba Volker Management)	Property Manager	12	18%	31	46%	68
Knothe & Bruce Architects	Architect	4	12%	11	32%	34
LSS	Service Provider	159	19%	671	81%	828

64. Describe the project's organizational structure. Please attach an organizational chart detailing the roles of the applicant, all partnerships, ownership and controlling interest percentages of each entity.

See attached org chart between Volker, LSS and Edifici LLC describing roles and responsibilities, sharing of economics, etc.

The project will be owned by an to-be-formed, SPE, limited liability company that will consist of a LIHTC Investor and a Managing Member. The Managing Member will be controlled by its development partners: LSS, Edifici LLC and Volker. This entity will have full, complete and exclusive discretion to manage and control the project.

Ownership and controlling interests of the project will go as follows:

LSS - 5%

Edifici, LLC - 5%

Volker - 90%

65. Does this proposal have a non-profit lead applicant or codeveloper?

☒ Yes

☐ No

If yes, describe the purpose and mission of the organization as it relates to this proposal:

Lutheran Social Services of Wisconsin and Upper Michigan, Inc. (LSS) is a non-profit who's purpose and mission is to act compassionately, serve humbly and lead courageously. LSS empowers people to live their best lives: whether that is providing a path to recovery from addiction or mental illness, providing assistance to obtain independence and a life that is truly their own and providing assistance that helps families thrive (via supportive services), LSS seeks to further their mission by developing housing that is safe and affordable with access to their own supportive services program.

LSS brings LIHTC and WHEDA development and tons of supportive service experience as well as the ability to secure soft funds to better ensure award and ultimate success of the development for the project's residents. LSS' developer partners and future residents will benefit with LSS' involvement to help achieve LSS' vision of creating healthy communities filled with people using their God-given gifts to serve.

If yes, describe the non-profit role in the development, such as if the non-profit will have a controlling interest, Right of First Refusal, or General Partner Purchase Option. Describe briefly the compensation structure for non-profit developer, including percentage of the developer fee allocated. Describe how the non-profit will be involved in long-term ownership:

LSS is involved in the project as co-owner and co-developer who will be involved on every piece of the transaction (design, planning, financing, involved during construction, lease-up, property management, ongoing supportive services, asset management, disposition, etc.). LSS will be involved every step of the way, providing input and recommendations, all but for paying for pre-development costs, providing guarantees or indemnifications, participating in capital calls, etc.

LSS will have an interest in both the project's developer fee (10%), project cash flows (5%) and a stake project's managing member, which results in a long-term interest ownership structure (5%). LSS will be paid a participation fee at closing (\$50,000) and will be paid a \$5,000 annual asset management fee from cash flows.

66. Is this proposal led or co-led by an emerging developer and/or ACRE grad as a development partner, codeveloper, employee, or internship opportunity?

☒ Yes

☐ No

If yes, describe the role in the development, such as if they will have a controlling interest, Right of First Refusal, or General Partner Purchase Option. Describe briefly the compensation structure, including percentage of the developer fee allocated. Describe the involvement in long-term ownership:

This proposal is co-led by an BIPOC, emerging developer, Edifici, LLC which is an entity controlled and owned by Gabe Fritz.

Edifici LLC will be provided an interest in both the project's developer fee (5%), project cash flows (5%) and a stake project's managing member, which results in a long-term interest in the project's ownership structure (5%).

67. Describe the development team's experience in engaging with Black, Indigenous, Latinx, and/or other historically peripheralized (historically least likely to apply) populations in informing development proposals:

At the corporate and development level, Volker has a history of partnering and collaborating with Black, Indigenous, and People of Color (BIPOC) developers to foster equity and to help tackle the barriers to entry that exist to in the LIHTC development industry. Of Volker's projects awarded, developed and currently owned to date, nearly 1 in 4 projects have a strategic development partnership with a member or organization of a historically peripheralized group that brings them into an ownership role and provides a share of the developer fee.

For example, Volker's last 9% awarded project (July 2025) in Michigan was in partnership with both: Equity First Community Development, LLC (BIPOC development group) and Little River Development, Inc. (a tribal development group). Additionally, two of the last three closed project were in partnership with BIPOC developers (Kelly Station, in Madison, with Cordon Housing and 2640 East Lehigh, in Philadelphia, with Timber, LLC).

After the development partnership is formed, at the project level, the development team seeks to 1) obtain and incorporate feedback and input from all potential stakeholders (whether they be local BIPOC-led nonprofits, neighborhood groups, community leaders, and advocacy organizations), and when possible 2) incorporate minority owned and/or women-owned businesses as part of the project team, to help support minority-owned and to help address historical disparities and promote a more equitable business environment.

For this development, Volker is partnering with a Edifici LLC. Edifici LLC is led by Gabe Fritz, a BIPOC, emerging developer who has decades of affordable housing experience, has a proven track record having been part of multiple 9% projects. This partnership is helping bring a range of perspectives to the table, ensuring the final outcome is equitable, inclusive, and responsive to the priorities of all communities involved.

68. Indicate acceptance of the standard loan terms for this proposal as described in Section V of the RFP.

☒ Yes, I confirm

69. Applicants requesting alternative loan terms and/or wishing to provide additional information regarding financing structure, detail below (including description and justification of the request):

N/A

70. What other major sources of soft funding are being sought for the proposed development (e.g., TIF, Dane County AHDF, Federal Home Loan Bank Affordable Housing Program, Dane Workforce Housing Fund, Housing Trust Funds, etc.)? List the funds, and provide status of those funds/anticipated commitment dates:

TIF - High level TIF request was communicated to Staff in July 1<sup>st</sup>, 2025, but the project anticipates making an application in the spring of 2025 after: 1) City approvals are obtained 2) Extent and costs of offsite sanitary improvements are known and 3) Soft funds are secured.

Dane County AHDF - Submitted application on 8/6/2025. Anticipating commitment fall of 2025.

71. Describe any terms of anticipated funding sources that are incongruent with this RFP:

N/A - the terms of anticipated funding sources have been strategically selected to align and be compatible with the City's 2025 AHF RFP.

72. For each development partner with any ownership interest in any project currently underway or completed, list the following information and provide a current status for the team member and/or any related entity, as applicable:

1. List any foreclosure, default, or bankruptcy within the past ten years.
2. List any litigation completed, pending, or underway in relation to any financing or construction project within the past five years.
3. List any Chronic Nuisance Abatement or Nuisance Case notifications issued by Madison Police Department and/or Building Inspection in the past five years
4. List any unresolved Building Inspection citations resulting in a Municipal Court Complaint in the past five years
5. List any litigation in the past five years with the City of Madison, including but not limited to Federal, State, or Municipal Court proceedings
6. List any litigation in the past five years in the State of Wisconsin, including but not limited to Federal, State, or Municipal Court proceedings

Volker Development Inc (and affiliated entities):

Items 1-5: None.

Item 6: Certain routine litigation incidental to business involving Volker within the last five (5) years includes the following:

1. Valerie Thomas et al vs. New Village I, LLC et al, Milwaukee County Case Number 2023CV009339 (Filed December 15, 2023) includes Volker Legacy Holdings Inc. as a defendant and involves a slip and fall personal injury claim at the New Village Apartment Complex in Milwaukee, Wisconsin. The matter has been tendered to the insurance carrier who is providing a defense. The dispute has been resolved pursuant to settlement and dismissal pending.
2. Reher, Leslie-Ann et al v. Commonwealth Companies, Inc. et al., US District Court for the Western District of Wisconsin Case No. 3:2024cv00201 (Filed March 28, 2024) includes Volker Development Inc. and Volker Legacy Holdings Inc. as defendants and involves fair housing claims relating to the management of the Cambria Commons apartment complex in Wisconsin Dells, Wisconsin. The matter has been tendered to the insurance carrier. Dismissal is pending.
3. Gloria Malone vs. Commonwealth Development Corporation of America, Housing Enterprise Insurance Company, Inc., CMC Properties LLC, Volker Legacy Holdings, Inc. Milwaukee County Case Number 2025CV001564 (Filed February 20, 2025) includes Volker Legacy Holdings Inc. as a defendant and involves a slip and fall personal injury claim at the Prince Hall Apartment Complex in Milwaukee, Wisconsin. The matter has been tendered to the insurance carrier who is providing a defense.

LSS:

Items 1-4: None.

Items 5-6: See attached for LSS Agency Disclosures.

Edifici:

Items 1-6: None.

## **Timeline**

73. List the estimated/target completion dates, or actual completion dates where applicable, associated with the following activities. Reference Attachment A of the RFP for deadlines by which these activities must be completed.

Activity/Benchmark	Estimated Date of Completion
Draft Site Plan Ready to Submit to Dev. Assistance Team (DAT)	November 29, 2024
1 <sup>st</sup> Development Assistance Team Meeting	December 5, 2024
1 <sup>st</sup> Neighborhood Meeting	January 23, 2025
Submission of Land Use Application	June 16, 2025
Plan Commission Consideration	October 20, 2025
Urban Design Commission Consideration, if applicable	October 8, 2025

## Item 16 – Question 2

### Additional Disclosures/Certifications

The Agency is subject to various complaints and legal actions in the normal course of business. We are a large organization with 800 employees, serving nearly 30,000 individuals each year.

Below are open/pending matters. We intend to vigorously defend all pending matters as we believe they have no merit. Although such matters are subject to many uncertainties and the ultimate exposure cannot be ascertained, management does not believe the final outcome of these actions will have a material adverse effect on the consolidated financial position or results of operations of the Agency. Any other legal or administrative matters during this time period have not resulted in a final determination of liability on behalf of LSS.

Date Complaint Filed	Where Filed	Description	Parties	Current Status
3/2022	Office of Fair Housing and Equal Opportunity- HUD	Alleged fair housing discrimination	Applicant JW vs. LSS	<b>Open.</b> Applicant did not meet program requirements resulting in an application denial. We believe this case has no merit, and we continue to be represented by an attorney paid for by our insurance coverage.
7/2023	Wisconsin DWD	Housing complaint – comfort vs. service animal	VHRP Client CH vs LSS	<b>Closed</b> State/LSS settled.
9/2023	Wisconsin ERD	Alleged retaliation and constructive discharge per Health Care Worker Protection Act	Former employee KM vs. LSS	<b>Open.</b> Initial determination by ERD for constructive discharge finding of no probable cause and claim dismissal on 7/2/2024. Notified of appeal. Initial determination by ERD for retaliation claim was finding of probable cause on 7/2/2024 -pending hearing. We believe these cases have no merit.
12/2023	Wisconsin Civil Rights Compliance Office	Alleged discrimination in services	Former client LR vs. LSS	<b>Open.</b> Provided written response 2/2024 and awaiting reply.
4/2024	U.S. District Court- Eastern District of Wisconsin	Alleged employment discrimination	Former employee CD vs. LSS	<b>Open.</b> Our response will be a motion to dismiss as we believe this case has no merit.
6/4/2024	Wisconsin Department of Agriculture,	Housing complaint – Maintenance neglect/fellow tenant dispute	LSS vs. Tenant	<b>Closed</b> Maintenance issue repaired. LSS investigated Tenant issue.

<b>Date Complaint Filed</b>	<b>Where Filed</b>	<b>Description</b>	<b>Parties</b>	<b>Current Status</b>
	Trade and Consumer Protection			
9/11/2024	Wisconsin Department of Agriculture, Trade and Consumer Protection	Housing Complaint- Retaliatory Eviction	LSS vs. Tenant.	<b>Closed</b> LSS was found to follow appropriate HUD regulations regarding eviction.
10/28/2024	Wisconsin Housing and Economic Development Authority	Housing Complaint – Property Maintenance Concerns	LSS vs Tenant	<b>Closed</b> LSS was found to have addressed housing concerns in a timely manner and in accordance with HUD regulations.
12/2/2024	Wisconsin DWD	Housing Complaint – Wrongful Eviction	LSS vs Tenant	<b>Closed</b> LSS was found to have followed all appropriate laws regarding processing tenant eviction.
1/22/2025	Wisconsin DWD	Housing Complaint – Retaliatory Notices	LSS vs Tenant	<b>Closed</b> LSS was found to have issued notices appropriately and with merit.
1/22/2025	Wisconsin Department of Agriculture, Trade and Consumer Protection	Housing Complaint – Improper Rent increase	LSS vs Tenant	<b>Closed</b> LSS was found to have appropriately processed the tenant’s annual recertification.
5/15/2025	Wisconsin DWD	Housing Complaint – Placement on Housing Waitlist	LSS vs Tenant	<b>Closed</b> LSS was found to have followed regulations regarding waitlist and tenancy concerns.

**Acronym Key:**

Housing and Urban Development (HUD)

Wisconsin Department of Workforce Development (DWD)

Wisconsin Equal Rights Division (ERD)

<b>Activity/Benchmark</b>	<b>Estimated Date of Completion</b>
Initial Project Concept Application to WHEDA	December 6, 2024
Full LIHTC Application to WHEDA	August 22, 2025
Anticipated WHEDA Award/Commitment	October 2025
Complete Equity & Debt Financing	August 22, 2025
Acquisition/Real Estate Closing	June 2026
Rehab or New Construction Bid Publishing	April 2026
New Construction/Rehab Start	June 2026
Begin Lease-Up/Marketing	September 2027
New Construction/Rehab Completion/ Certificates(s) of Occupancy Obtained	March 2028
Complete Substantial Lease-Up	December 2028
Request Final AHF Draw	December 2028

## **References**

74. Please list at least three municipal/financing references who can speak to work on similar developments completed by your team:

<b>Name</b>	<b>Relationship</b>	<b>Email Address</b>	<b>Phone</b>
Chris Murray	LIHTC Investor - Redstone Equity Partners	chris.murray@redstoneequity.com	212-225-8299
Dyann Benson	Municipal Reference - City of Fond Du Lac	dbenson@fdl.wi.gov	(920) 322-3440
Ryan Hughes	Lender - First Business Bank	rhughes@firstbusiness.bank	608-232-5759

APPLICANT & PROJECT NAME: Volker & LSS & Edifici - Fair Oaks

1. CAPITAL BUDGET  
Enter ALL proposed project funding sources.

FUNDING SOURCES

Source	Amount	Non-Amortizing (Y/N)	Rate (%)	Term (Years)	Amort. Period (Years)	Annual Debt Service	Financing Approval Anticipated (Mo/Yr)
Permanent Loan-Lender Name:							
CRBT - TE Construction to Perm Loan	\$ 25,699,000	No	5.95%	23	40	\$1,686,056	10/25
Subordinate Loan 1-Lender Name:							
Dane County AHDF	\$ 5,500,000	Yes	0.00%	50		\$0	11/25
Subordinate Loan 2-Lender Name:							
WHEDA IAL	\$ 650,000	No	3.00%	23	40	\$27,923	10/25
Tax Exempt Loan-Bond Issuer:							
City Request (AHF, HOME, TIF)							
City of Madison AHF	\$ 2,500,000	Yes	2.75%	16	30	\$51,559	11/25
Subordinate TIF Loan-Lender Name:							
AHP Loan (List FHLB):							
Dane County AHDF:							
Other-Specify Lender/Grantor:							
Other-Specify Lender/Grantor:							
Tax Credit Equity	\$ 22,894,417						
Historic Tax Credit Equity (Fed and/or State)							
Deferred Developer Fees	\$ 6,520,916						
Owner Investment	\$ 100						
Other-Specify:							
Solar Tax Credit Equity	\$ 180,462						
Total Sources	\$ 63,944,894						

Do you plan on submitting an application for TIF?

Yes

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan 1-Lender Name:			
CRBT - Construction to Perm Loan	\$ 25,699,000	5.95%	276
Construction Loan 2-Lender Name:			
CRBT - Bridge Loan	\$ 16,326,046	7.00%	42
Construction Loan 3-Lender Name:			
Construction Loan 4-Lender Name:			
Bridge Loan-Lender Name:			
Housing Tax Credit Equity:			
LIHTC Equity	\$ 3,434,162		
Historic Tax Credit Equity:			
Other-Specify:			
Owner Equity (\$100) and Soft Funds	\$ 8,650,100		
Total	\$ 54,109,309		

Estimated pricing on sale of Federal Tax Credits: \$ 0.80

Estimated pricing on sale of State Tax Credits: (if applicable)

Remarks Concerning Project Funding Sources:



APPLICANT: Volker & LSS & Edifici - Fair Oaks

2. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs		Amount
Land		\$4,250,000
Existing Buildings/Improvements		\$0
Other (List)		
		\$0
Construction:		
Construction/Rehab Costs		\$34,999,088
E - Equipment & Furnishings		\$0
F - Special Construction & Demolition		\$1,133,000
Accessory Buildings		\$0
Personal Property/FF&E		\$150,000
Site Work Costs (on-site & off-site)		\$850,000
Landscaping		\$250,000
Contractor Fees:		
General Requirements		\$1,804,954
Construction Overhead		\$721,985
Construction Profit		\$1,082,973
Construction Supervision		\$0
Contingency Funds:		
Construction Contingency		\$2,037,600
Other Contingency		\$0
Construction Period Expenses/Soft Costs:		
Construction Loan Origination Fee		\$163,260
Construction Loan Credit Enhancement/LOC		\$0
Cost of Bond Issuance		\$755,010
Bridge Loan Fees and Expenses		\$25,000
Construction Loan Interest		\$2,832,522
Construction Loan Origination Fee		\$0
Construction Period Real Estate Taxes		\$75,000
Title and Recording		\$100,000
Builder's Risk/Property Insurance		\$407,520
Temporary Relocation Assistance		\$0
Permanent Relocation Assistance		\$250,000
Other Interim/Construction Costs (list)		
		\$0
Permanent Financing Expenses:		
Permanent Loan Origination Fee		\$0
Credit Enhancement		\$0
Other Permanent Loan Fees		\$10,000
Legal Fees - Real Estate		\$75,000
Architectural & Engineering:		
Architect - Design		\$480,000
Architect - Supervision		\$95,000
Engineering		\$84,500
Survey		\$35,000
Other Architect/Engineering (list)		
Plan and Cost Review Fees, Geotech, Permit F		\$280,000
Syndication Fees & Expenses:		
Organizational Fees		\$150,000
Other Syndication Costs (list)		
		\$0
Capitalized Reserves:		
Operating Reserve		\$1,530,357
Replacement Reserve		\$0
Lease-Up Reserve		\$0
Debt Service Reserve		\$0
Capital Needs Reserve		\$0
Other Reserves		\$300,000
Escrows		\$0
Other Capitalized Reserves (list)		
		\$0
Reports, Studies & Related Work:		
Appraisal		\$15,000
Market Study		\$15,000
Environmental Reports		\$75,000
Capital Needs Assessment Report		\$0
Other (list)		
		\$0
Other Soft Costs:		
Tax Credit Fees - Application		\$2,500
Tax Credit Fees - Compliance		\$5,500
Tax Credit Fees - Allocation		\$143,104
Permits & impact fees - water, sewer, etc.		\$0
Cost Certification/Accounting fees		\$15,000
Lease-Up Period Marketing		\$0
Title Insurance and Recording		\$0
Capital Needs Assessment (rehab only)		\$0
Legal		\$72,000
Other (list)		
Soft Cost Contingency		\$174,021
Developer Earned Fees & Expenses:		
Developer's Fee		\$8,500,000
Developer Overhead		\$0
Consultant Fees		\$0
Other fees (list)		
		\$0
Total Costs:		\$63,944,894

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If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

Total Cost: \$0

\$0

APPLICANT:

**Yohner & L&S & Edific - Fair Oaks**

3. PROJECT PROFORMA

Enter total Revenue and Expense information for the proposed project for a 30 year period.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30	
Gross Income	3,187,887	3,281,559	3,326,791	3,383,326	3,451,192	3,530,417	3,601,025	3,673,046	3,746,506	3,821,437	3,897,862	3,975,823	4,055,336	4,136,496	4,219,172	4,303,355	4,389,029	4,477,427	4,568,578	4,662,330	4,758,719	4,857,791	4,959,596	5,064,184	5,171,601	5,281,891	5,395,094	5,492,252	5,597,112	5,679,454	
Less Vacancy/Rent Del.	193,280	193,280	196,346	199,696	199,696	173,521	193,280	193,280	197,226	199,696	199,696	199,696	199,696	202,701	206,622	209,701	209,622	213,090	216,176	219,664	223,401	227,401	231,696	236,401	241,576	247,176	253,251	259,851	278,481	278,481	
Income from Non-Residential Use*	234,326	236,216	244,006	248,886	253,666	258,036	264,114	269,396	274,784	280,280	285,880	291,603	297,456	303,384	309,451	297,456	303,384	309,451	315,642	303,384	309,451	315,642	309,451	315,642	321,963	328,392	335,846	321,963	328,392	328,392	
Total Revenue	3,228,933	3,324,495	3,374,451	3,432,516	3,511,687	3,610,932	3,677,839	3,759,786	3,839,606	3,911,117	3,997,552	4,086,919	4,178,022	4,270,196	4,363,923	4,459,662	4,557,651	4,657,947	4,760,220	4,864,664	4,971,366	5,080,447	5,191,932	5,305,896	5,421,869	5,539,942	5,659,245	5,837,635	5,957,935		
Expenses:																															
Office Expenses and Phone	35,402	36,402	37,556	38,683	39,843	41,038	42,362	43,528	44,844	46,189	47,572	49,002	50,472	51,989	53,546	55,152	56,807	58,511	60,266	62,074	63,938	65,854	67,822	69,845	71,916	74,139	76,543	80,862	83,422		
Rent Estate Taxes	307,499	307,219	307,362	307,419	308,146	309,099	309,962	310,722	311,504	312,346	313,146	313,902	314,614	315,282	315,906	316,486	317,022	317,514	318,062	318,572	319,049	319,494	320,006	320,484	321,026	321,534	322,006	322,444	322,844		
Advertising, Accounting, Legal Fees	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	32,300	
Payroll, Payroll Taxes and Benefits	225,593	227,115	228,638	230,160	231,683	233,205	234,728	236,250	237,773	239,295	240,818	242,340	243,863	245,385	246,908	248,430	249,953	251,475	252,998	254,520	256,043	257,565	259,088	260,610	262,133	263,655	265,178	266,700	268,223	269,745	
Property Insurance	67,260	68,271	69,282	70,293	71,304	72,315	73,326	74,337	75,348	76,359	77,370	78,381	79,392	80,403	81,414	82,425	83,436	84,447	85,458	86,469	87,480	88,491	89,502	90,513	91,524	92,535	93,546	94,557	95,568		
Misc. Repairs and Misc. Contracts	132,730	136,730	140,730	144,730	148,730	152,730	156,730	160,730	164,730	168,730	172,730	176,730	180,730	184,730	188,730	192,730	196,730	200,730	204,730	208,730	212,730	216,730	220,730	224,730	228,730	232,730	236,730	240,730	244,730	248,730	
Utilities (gas/electric/heat/water/sewer)	79,022	80,045	81,068	82,091	83,114	84,137	85,160	86,183	87,206	88,229	89,252	90,275	91,298	92,321	93,344	94,367	95,390	96,413	97,436	98,459	99,482	100,505	101,528	102,551	103,574	104,597	105,620	106,643	107,666	108,689	
Property Taxes	193,026	197,817	197,856	198,143	198,430	198,717	199,004	199,291	199,578	199,865	200,152	200,439	200,726	201,013	201,300	201,587	201,874	202,161	202,448	202,735	203,022	203,309	203,596	203,883	204,170	204,457	204,744	205,031	205,318	205,605	
Operating Reserve Fund	53,100	54,488	55,876	57,264	58,652	59,996	61,340	62,684	64,028	65,372	66,716	68,060	69,404	70,748	72,092	73,436	74,780	76,124	77,468	78,812	80,156	81,500	82,844	84,188	85,532	86,876	88,220	89,564	90,908	92,252	
Replacement Reserve Fund	180,000	186,432	192,864	199,296	205,728	212,160	218,592	225,024	231,456	237,888	244,320	250,752	257,184	263,616	269,992	276,368	282,744	289,120	295,496	301,872	308,248	314,624	321,000	327,376	333,752	340,128	346,504	352,880	359,256	365,632	
Other (L&I)																															
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	1,891,628	1,981,172	1,992,027	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	1,999,081	
Net Operating Income	1,959,726	1,999,323	2,000,424	2,033,435	2,062,606	2,089,051	2,107,116	2,134,479	2,160,525	2,189,036	2,218,071	2,247,538	2,277,441	2,307,813	2,338,685	2,369,557	2,400,430	2,431,303	2,462,176	2,493,049	2,523,922	2,554,795	2,585,668	2,616,541	2,647,414	2,678,287	2,709,160	2,739,033	2,768,906	2,798,779	
Debt Service:																															
First Mortgage	1,687,013	1,687,013	1,687,013	1,687,013	1,687,013	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	1,713,978	
Second Mortgage	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	27,803	
Other (L&I)																															
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	1,714,816	1,714,816	1,714,816	1,714,816	1,714,816	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	1,741,781	
Total Annual Cash Expenses	2,906,442	2,996,988	2,989,849	2,999,899	2,999,899	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	3,075,859	
Total Net Operating Income	305,760	302,335	311,575	333,536	362,717	395,272	413,491	420,500	446,546	475,057	494,093	513,060	532,027	551,000	569,973	588,946	607,919	626,892	645,865	664,838	683,811	702,784	721,757	740,730	759,703	778,676	797,649	816,622	835,595	854,568	
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Deferred Developer Fee	305,760	302,335	311,575	333,536	362,717	395,272	413,491	420,500	446,546	475,057	494,093	513,060	532,027	551,000	569,973	588,946	607,919	626,892	645,865	664,838	683,811	702,784	721,757	740,730	759,703	778,676	797,649	816,622	835,595	854,568	
Cash Flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
APF City Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

\*Including commercial loans, security facilities, working machines, parking spaces, storage spaces or application fees.

DCR Hard Debt	1.23	1.25	1.26	1.28	1.30	1.19	1.21	1.22	1.24	1.26	1.27	1.29	1.30	1.32	1.33	1.34	DCR Hard Debt	1.40	1.41	1.43	1.44	1.45	1.47	1.48	1.50	1.51	1.52	1.53	0.00	0.00	0.00
DCR Total Debt	1.23	1.25	1.26	1.28	1.30	1.19	1.21	1.22	1.24	1.26	1.27	1.29	1.30	1.32	1.33	1.34	DCR Total Debt	1.39	1.37	1.39	1.40	1.41	1.43	1.44	1.45	1.46	1.48	1.49	0.00	0.00	0.00

Assumptions:	
Vacancy Rate:	5.0%
Annual Increase Income	2.0%
Annual Increase Expenses	3.0%

Other Income

Charge	Monthly Charge	Annual Charge	Tenant Utilization
Late Fees	20	364	4.24%
Application Fee	80	2,216	25.9%
Pet Fee Income	30	360	1.1%
Pet Rent	35	2,478	4.5%
Deposit Forfeiture	28	1,448	3.5%
NDF Fees	18	268	0.9%
Early Termination Fee	0	0	0%
Lease Violation Fee	60	720	0.8%
Residential Damage & Cleaning	25	221	2.6%
Tenant Move-out Charge (bank)	25	221	2.6%
Misc. Income	2,225	26,699	50%
Garage Parking	75	9,000	100%



## Development Teams Experience and Capacity

### 1. Development Experience

Louie Lange III is the majority owner of Volker Development Inc. Louie previously founded The Commonwealth Companies in 2001 as a suite of vertically integrated real estate development, design, construction, and property management companies. Between 2001 and 2023 Commonwealth developed more than 100 affordable housing communities across the United States. In 2023, Louie decided to sell his Commonwealth interests and reestablish his own company in the work that he is passionate about, though he retained 100% ownership interests to all projects developed prior to 2019. He then formed Volker Development Inc. Despite that sale, Louie has retained ownership of his completed properties and owns 52 projects, totaling 2554 rental units, of which 2,454 are LIHTC units, within 13 states. A majority of Volker's portfolio and development experience consist of WHEDA projects, with 29 projects currently owned throughout the state of Wisconsin.

Currently, Volker Development has 6 projects with a total of two hundred 292 units under construction and 3 awarded projects with a total of one hundred 154 units, that are working towards closing. These projects are in Delaware, Pennsylvania Ohio, Colorado, Michigan and Wisconsin, so upon completion, Volker Development will have projects in 16 states. The 61 total LIHTC projects are a mix of high-density new construction projects but also consist of townhomes, cottages, walk-ups, acq. / rehabs, adaptive re-use and historic tax credit projects, etc.

All of Volker's projects have all been awarded federal 4% or 9% LIHTC that have been paired with awards of local soft funds and gap financing products. For example, 28 projects have utilized HOME funds, 11 have utilized AHP funds, and many others have utilized CDBG, local HTFs, SLIHTC, Energy and 45L Credits, TIF, WHEDA and IHCD subordinated financing, a variety of City and County loans and grants, etc.

Integrated Supportive Housing Experience: 21 of the completed developments have integrated support housing units.

Green Building Certifications: 32 of the completed developments have green building certifications including Wisconsin Green Built Homes, Enterprise Green Communities, Earth Advantage, Green Building, Green Communities and NGBS-emerald.

Joint Ventures: 33 of the completed projects are joint ventures.

A list of properties developed, their financing types, set-asides, locations, project types, etc., can be provided upon request.

### 2. Development Team Experience

Louie A. Lange III, CEO - With Völker, Louie continues the legacy of growing the firm that started in his basement almost 25 years ago. He remains focused on maximizing positive outcomes for all stakeholders. A former officer in the United States Marine Corps, Louie was the founder of The Commonwealth Companies in 2001. As a Principal, Louie is responsible for the development of over 100 affordable housing



communities with 5,000+ units in 20+states. Völker currently owns, develops and operates more than 55 affordable communities in 15 states: exceeding 2,600 units with a capitalization of \$500M.

Adam Hanson, President of Operations – Adam is responsible for overall management of operations and resources for Völker. He Collaborates with executive leadership to set the operating plan meant to achieve short- and long-term strategic objectives and directly oversees the Finance and Asset Management functions of the operating entities. Adam earned his bachelor's degree in finance from the University of Wisconsin Milwaukee and his MBA from Marquette University.

David Ritchay, Chief Development Officer- David's whole career has been in affordable housing. He has 20 years of development and asset management experience with broad application in most aspects of the industry. Prior to Völker, David was President of a nationally recognized development company and before that, Executive Vice President of a nonprofit housing organization that was a founding member of the Housing Partnership Network.

Lance Mueller, General Counsel- Lance earned his Bachelor of Business Administration in Management Information Systems from the University of Wisconsin Milwaukee and his law degree from the University of Wisconsin Law School. He has more than 21 years of corporate legal experience including work as a trial lawyer and partner in a well-respected nationwide practice handling business and commercial matters.

Mary Wangerin – VP of Property Management- Mary's focus is on strategic management and meticulous maintenance, ensuring optimal performance across the property's lifecycle. She builds cohesive teams, fosters collaboration across departments, and cultivates work environments grounded in core values.

Ashley Kumbier, VP of Finance- Ashley is responsible for managing and accounting and finance functions for Volker and its portfolio of properties. Effectively communicating financial information with investors, lenders and other interested parties and assisting them as needed. Ashley is a CPA with over 15 years of experience. She obtained her undergraduate degree in accounting and Master of Accountancy from UW-Madison.

Travis Fauchald, Managing Director of Development – Travis manages all aspects of the development process and works with local stakeholders, municipalities, state agencies, financing parties and members of the design team to create sustainable, high quality and accessible homes. Travis started working in Affordable Housing Development in January of 2020.

Darlene Metz, Senior Development Manager – Darlene assists Developers with a variety of real estate activities. Darlene plays a key role in all phases of the development process, from due diligence and feasibility through closing. Travis started working in Affordable Housing Development in August of 2017.

### 3. Financial Capacity

Volker has the financial capacity to secure financing and complete the proposed project, after successfully developing several hundred million dollars' worth of affordable housing projects. Financial statements and financial references can be provided upon request to demonstrate this.

## **LSS Development Experience**

LSS owns and manages more than 30 subsidized communities, totaling more than 425 units. Offered in cooperation with the U.S. Department of Housing and Urban Development (HUD), our developments provide safe, decent and affordable housing for older adults, and persons with developmental disabilities, chronic mental illness, or physical disabilities. LSS also offers HUD Property Management Services on a contract basis.

As an owner and contracted management agent we take full responsibility for the lease, management, financial reporting and regulatory compliance of our communities. In addition to professional property management and a skilled in-house maintenance team we offer [Service Coordination](#) at several of our [communities](#). LSS believes that subsidized housing should not equate to sub-standard housing.

The Low Income Housing Tax Credit Program highlights LSS' commitment to remove barriers by providing quality, affordable rental housing. LSS' development partners bring the experience and resources necessary to rejuvenate existing buildings as well as develop new apartments and mixed use spaces. LSS brings development and supportive service experience as well as the ability to secure soft funds to better ensure award and ultimate success of the development. LSS' developer partners benefit along with us as we work together to achieve our vision of creating healthy communities filled with people using their God-given gifts to serve.

LSS has successfully partnered with established developers to increase the affordable housing stock through participation in the Low Income Housing Tax Credit (LIHTC) programs administered by the Wisconsin Housing and Economic Development Authority (WHEDA). LSS has also been awarded a number of WHEDA 9% and 4% SLIHTC awards over the last 15 years.

These partnerships serve to further LSS' commitment to provide quality, affordable rental housing that promotes a good quality of life for the residents. LSS' development partners bring the experience and staffing necessary to rejuvenate existing buildings as well as to develop new apartments and mixed use spaces.

In evaluating partnership opportunities LSS seeks to provide the following:

- Coordination of services that promote the well-being of children, families, persons with disabilities, and veterans
- Organization of outreach opportunities and site based presentations geared toward the residents of the development
- Coordination and referral for persons with disabilities, including supportive services designed to maintain the individual's ability to live independently
- Assistance in marketing the units in an effort to ensure access and availability to those most in need
- Deliverance of Empowerment Activities as designated for Federal Home Loan Bank (FHLB) awards

The above has been accomplished between LSS and development partners through a variety of efforts including: Non-profit set aside LIHTC applications with LSS as a development partner, General set aside LIHTC applications with LSS as a development partner, LSS working with developers in a Service Provision/Coordination arrangement without joining as a development partner

LSS has successfully partnered in the above capacities with the following developers: Herman and Kittle Properties, TW Sather Company, Gorman and Company, Commonwealth Development, Crown Court Properties

**See links for Active Developments:**

[https://www.lsswis.org/service/housing-and-residential/affordable-housing/?parent\\_id=88](https://www.lsswis.org/service/housing-and-residential/affordable-housing/?parent_id=88)

**See link for LSS' properties owned:**

<https://www.lsswis.org/our-story/affordable-housing/>

#### Edifici, LLC (Gabe Fritz) – Developer Experience

I have worked in the affordable housing industry for the last 24 years. My professional journey began as a neighborhood Revitalization Coordinator and later Project Manager at a not-for-profit 501C3 organization, and then as the Development and Marketing Director at a privately held, for-profit single-family construction and development company. I then returned to work as a Director at that same nonprofit organization before I was approached by the mayor's Office to serve as the Director of the Office of Housing and Community Development for Louisville Metro Government. I then transitioned into the role of Director of Development for a regional for-profit affordable housing and property management company based in Lexington, KY. Just this past fall, I rejoined the original nonprofit where I began my career as VP, COO. Over the course of the last two decades I have worked on myriad development projects, including historic adaptive reuse renovations of commercial and industrial buildings into affordable multifamily housing through the use of state and federal Historic tax Credits, and adaptive reuse projects which have transformed vacant hospitals, schools and warehouses into affordable housing opportunities for families and seniors. I have also worked on the recapitalization of existing assets using various funding mechanisms, including the 9% LIHTC and RD loan programs. I also have experience with both greenfield and brownfield new construction development across the region.

During my work at the City of Louisville, I managed the office that administered and managed the investment pool and loan portfolio for all HUD formula funding for the MSA, including HOME, CDBG, HOPWA, etc. Our department also created a new revolving loan product that subsidized thousands of units of affordable housing across the city. I am also very involved as a board member in my community, and in the past have been on the Care Advisory Board at University of Louisville Hospital, Vital Neighborhoods Group at Metro United Way, Friends of the Library, YouthBuild Louisville, The Center for Neighborhoods, and several other organizations. Currently I am on the boards of a local CHDO – River City Housing, Habitat for Humanity of Metro Louisville, and St. John Center, which is homeless day shelter that just opened a new, 80 bed LIHTC permanent supportive housing center called Sheehan Landing. This innovative, state of the art facility has extensive, 24-7, 365 days per year security and access to wrap around services on site, including counseling, healthcare, and job training. I was recruited to the board to bring LIHTC development experience and capacity for this project. From this Board service, I have learned a great deal about supportive service delivery and structuring successful partnerships. These are experiences that I can bring as an Emerging Developer to the ownership and management of LIHTC communities that provide on-site supportive services.

Throughout the scores of projects, thousands of units, and hundreds of millions of dollars of investment associated with this work across my career, I had never had the opportunity to serve in any sort of capacity related to partnership or ownership of a project. But that has always been my long-term goal and intention. I began a single member company a few years ago to pursue this career aspiration, but due to the nature of my day jobs, I needed to work outside the SE region. I am currently a co-developer and co-managing member for a MSHDA-funded LIHTC development in Grand Rapids called the Lexington School, which was the historic renovation and adaptive re-use of a school into senior housing. My involvement in the Lexington School development is as a MSHDA-approved Emerging Developer, for which the project was awarded points. Lexington School has created 39 units of housing, and the project is currently leasing up towards stabilization now. I was absolutely thrilled to be a part of the project and I will be involved with the operation and management of that property for the next 15 years.

As the sole member of Edifici, my long-term goals include the development of affordable housing opportunities for seniors and families throughout the Great Lakes region, including Wisconsin, Michigan and Minnesota. The Ridgeway, Fair Oaks and Grand Teton projects will allow me to increase my experience by working alongside Volker Development, while benefiting from their ability to provide necessary financial guarantees and affordable housing development, and long-term ownership experience. I have extensive experience in the affordable housing development industry from pre-development through lease up and stabilization, as well as long term asset management and work supportive social service agencies that serve residents. I am anxious to pursue additional development opportunities in the Great Lakes region with Volker as an Emerging Developer and beyond. I bring a unique and valuable skillset to the table, from design to construction to management. I am excited about the opportunity to partner with Volker on these projects and look forward to continued success in the creation of affordable housing for those that need it the most.

Best,

Edifici, LLC  
Gabe Fritz – Sole Member and Owner

#### **Experience:**

2021 Low Income Housing Tax Credit Award – MI State Housing Development Authority  
Co-Developer (*Emerging Developer*) – w/ Commonwealth Development

Lexington School Apartments – Grand Rapids, MI  
Category/Set Aside: Open – Urban/Elderly, Year of Credit: 2022, 39 Units

Project Type: Historic Renovation and Adaptive Reuse of a vacant school building utilizing LIHTC, Historic Tax Credits  
Current Status: Construction complete, currently in lease stabilization period.





## Property Management Team Experience and Capacity

### 1. Property Management Experience

Volker Legacy Holdings, Inc. (previously known as Commonwealth Management Corporation,)), has been managing affordable tax credit housing developments since 2002. As a 2025 WHEDA Certified Property Management Agent, Volker has experience managing several project types (New Construction Apartments, Townhomes, Cottages, Acq. / Rehabs, Adaptive Re-use and Historic projects, etc.) that come with many different financing sources (HOME, TIF, AHP, CDBG, State Low Income Housing Tax Credits and State-Specific Subordinate Financing, State and Federal Historical Tax Credits, etc.). While complex, Volker's large property management team (68 employees) has successfully managed not only the needs and desires of their residents, but the reporting, compliance, requirements that come with each project.

Volker is currently managing 38 developments, totaling one thousand eight hundred thirty-six (1836) units, with three (3) projects with a total of one hundred sixty-six (166) units (all LIHTC) under construction. Upon construction completion of these projects, Volker Legacy Holdings, Inc., will manage projects in eight (8) states, Wisconsin, South Carolina, Oklahoma, Indiana, Colorado, Georgia, Wyoming and Pennsylvania, with the majority of the projects (27) located in Wisconsin. Serving families, seniors, Veterans, disabled individuals, those experiencing homelessness, often alongside supportive service providers (24 projects), Volker has continued to successfully serve its residents at a variety of set-asides, income- and rent-restrictions and a diversity of tenant-specific needs.

A list of properties managed, financing types, set-asides, locations, project types, etc., can be provided upon request.

### 2. Property Management Team Qualifications

- Louie A. Lange III, President of Volker Legacy Holdings, Inc. - twenty-three (23) years of LIHTC property management experience.
- Mary Wangerin, Vice President of Property Management - over twenty (20) years of affordable housing property management experience, overseeing many LIHTC projects in Madison, but also with experience projects with HUD, HOME, Market Rate Units and Supportive Services. She holds certifications such as COS, HCCP, and a Wisconsin State Real Estate License.
- Ally Kaser- Compliance Manager – over ten (10) years of LIHTC experience and holds HCCP, COS, NPCC, BOS certifications.
- Derrick Herbert – Director of Asset Management – over thirty (30) years of experience in finance, accounting, and real estate asset management, including more than eleven (11) years in affordable housing.

### 3. Financial Capacity

Volker Legacy Holdings Inc., also has an interest in the ownership of several thousand LIHTC units with a value worth more than several hundred million dollars. Volker has the financial capacity to secure financing, complete and manage the project. Annual and YTD Financial statements can be provided upon request.

# 2025 Affordable Rental Housing Development-Tax Credit RFP

## Supplemental Application Questions

### Volker Development Fair Oaks

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**Response Submission Due Date: September 26, 2025 @ NOON**

#### **Instructions to Applicants:**

Please respond briefly and succinctly to the questions below, in-line, unless otherwise specified (e.g. if additional documentation is requested), with a maximum 1/3 page response per question. Use this Word document to record your answers and return this completed document to [cddapplications@cityofmadison.com](mailto:cddapplications@cityofmadison.com) with cc: to [mfrater@cityofmadison.com](mailto:mfrater@cityofmadison.com). Please refrain from submitting additional documentation not specifically requested at this time or using alternative formats.

#### **Questions:**

##### **A. Geographic Eligibility/Proposed Site**

1. **As this site is located within a Limited Eligibility area due to potential impact of F35 contours, please expand on your answer to question 11 to further detail the noise attenuation techniques and considerations that you are committed to implementing in development of this proposal.**
  - i. The project commits to include the following noise-attenuating measures throughout the buildings and will consider any others the City deems necessary.
    1. Enhanced window glazing on unit windows
    2. Metal window frames with acoustic sealant at top/bottom plates, window/door perimeters, and around penetrations.
    3. Sound mats on exterior walls of units
    4. Resilient channels installed on both hung drywall and ceiling joists
    5. Solid core doors on unit exteriors
    6. R-20 wall insulation, R-36 roof insulation

##### **B. Planning Principles & Consistency**

1. **No additional questions.**

##### **C. Unit Mix & Affordability**

1. **Please provide an answer to the final text box in question 12: Approximately how many elementary and middle school children do you anticipate based on your proposed unit mix?**
  - i. +/- 75
2. **Identify which source is used in your Utility Allowance calculations.**



- i. The Utility Allowance calculations assumed in the application are preliminary estimates provided by Plummer and Associates and are based on the Energy Consumption Model (ECM) in accordance with IRS regulation §1.42-10. The ECM approach uses actual engineering and building science data and design information to estimate utility consumption for each unit type and size, incorporating factors such as building construction, mechanical systems, appliances, occupancy, and local climate conditions. The model relies on recognized engineering methodologies (e.g., ASHRAE standards) rather than tenant surveys or HUD-published schedules. This utility allowance will be refined and finalized upon the completion of construction documents, the final selection of green and sustainable elements, etc.

**D. Property Management**

**1. What % FTE will onsite property management be at the property?**

- i. It is anticipated that 2 full-time property management staff members will be staffed at the property. These positions will include a Property Manager and an Assistant Property Manager that will both work 40 hours per week on-site.
- ii. A full-time Leasing Agent will also be working full-time during lease-up but will only be temporary and will roll off property once lease-up and stabilization has been completed.

**2. Which hours do you anticipate onsite property manager will be available at the property?**

- i. 9 am to 5 pm (CT) Monday through Friday.

**3. What % FTE and hours do you anticipate maintenance staff will be on-site?**

- i. It is anticipated that 1 full-time maintenance staff member will be staffed at the property. These positions will include a Maintenance Supervisor that will work 40 hours per week on-site. This Maintenance Supervisor will also be on call, available outside of normal business hours and will be residing near the site, if a maintenance request is urgent and/or something needs attending to.
- ii. This Maintenance Supervisor can be assisted by Volker's roving / floating maintenance staff or maintenance staff members at other projects in the area if needed.

**4. Confirm your acceptance of language in the Draft Loan Agreement (on RFP website) that limits rent increases on lease renewals to no more than 2% annually.**

- i. Confirmed. Please use this response as acceptance of 8(e) of AHF-TC LOAN AGREEMENT - 2025 SAMPLE, as posted on RFP website, regarding limitations of rent increases on lease renewals.

**5. Confirm your acceptance of language that limits non-renewals of rental agreements only to cases of serious lease violations, or a repeated pattern of minor violations.**

- i. Confirmed. Please use this response as understanding that non-renewals of rental agreements will be limited to cases of serious lease violations or a repeated pattern of minor violations.

**6. Describe your experience in operating the proposed Homeownership Assistance Program as described, and please provide additional details on operation of the program.**

- i. There are complications with providing lease to own programs within LIHTC development. In the proposed homeownership program (this project would be Volker's first) all units will automatically enter into a binding agreement at the time of lease-up that outlines their participation in the program and their potential benefits by such participation. Each tenant household accrues a rent rebate equal to 5% of their monthly rent for the entire term of tenancy. Upon vacating the unit, if the household purchases a home within 12 months of their exit date and notifies Volker with adequate proof and documentation of purchase, the accrued rebate is paid from out to the household in a lump sum. Tenants must have occupied the LIHTC unit for at least 12 continuous months to qualify. The rebate is intended to support costs associated with purchasing a home, including down payment, closing costs, or related expenses. This program can help offer voluntary, forced savings, assistance to homeownership and rewards stable tenancy and encourages long-term housing goals. Owner shall administer the program, track accruals, provide statements of accrued rent rebates and make payments when eligible households purchase homes within the one-year eligibility window.
- ii. A portion of the residents' rent will not be divvied up or set aside to fund this reserve, it is simply an established reserve and program that can help benefit residents by living at the project.

**7. In your proposed Homeownership Assistance Program, what happens to the balance of the reserve if not used immediately for a home purchase and the tenant otherwise vacates the property?**

- i. The eligibility window to utilize and claim such rebate will be 12 months. After the 12 months window closed, the rebate is no longer eligible to be

claimed. The reserve will remain held with owner (in an cash equivalent, interest bearing account) for the next eligible resident.

**8. Please further contextualize the annual turnover rate of 40% for onsite staff in 2024. Is this turnover rate typical when compared to industry standards? What are your standard operating procedures for covering onsite staffing in event of a vacancy?**

- i. Property Management staff turnover is generally higher than other turnover rates seen in other industries. According to the National Apartment Association (NAA) and other industry reports, the general multifamily property management industry average for staff turnover is around 33% to 36%. This figure is higher when considering affordable housing projects.

Over the last two years, there has been a drastic change in the makeup, structure and members of Volker's property management team. There have been increases in pay rates, increasing interaction with corporate staff and company leadership, revising recruiting techniques, increasing company wide-recognition of employees and their alignment with core values, revising the hiring, onboarding and training procedures aimed at employee retention.

This can be shown in both improvements in Property Management turnover, as in 2023 was it 48.7% was reduced to 40% in 2024 and as of 9/26/2025, YTD property management staff turnover is just 27%. These improvements can also be shown across Volker's managed portfolio, where occupancy is nearly 3% higher, year over year, across 40+ properties and more than 2,000 units.

Lastly, with Volker's large WI property management portfolio of projects, there are a large number of floating / roving staff members capable of filling an onsite vacancy.

When an upcoming (permanent) vacancy of an onsite staff member becomes known, there are several different meetings coordinated by one of Volker's Wisconsin Regional Property Managers who oversee multiple projects. 1) Information and upcoming tasks are described and shared to the replacing staff member that is pulled from list of team members who are able and willing to cover vacancies, travel is coordinated if lengthy, access, security and information is shared, etc. 2) potential vendors are identified to assist and/or supplement replacement staff (for example: general contractor to help with unit turns or maintenance issues, temp agencies specializing in property management, etc. ) 3) frequent touch points and meetings are established with applicable staff members to ensure residents do not experience in change in care and quality of services 4) job posting is created with HR 5) onboarding is completed.

**E. Supportive Housing Units**

- 1. Clarify the answer to question 35. Is it your intent that all 36 supportive housing units will be made available for referral from CE, with no units reserved for HUD-VASH or otherwise set-aside for other targeted populations?**
  - i. Confirming the intent is to have all 36 supportive housing units will be made available for referrals from CE, with no units reserved for HUD-VASH.
- 2. Question 36 describes the target population including those “at-risk” and “with lived experience” of homelessness. As asked above, please confirm acknowledgement that these units are intended to be set-aside for households currently experiencing homelessness via referral from CE, and may be inclusive of either households enrolled in a rapid re-housing program or those that are eligible to be referred for enrollment into a rapid re-housing program.**
  - i. Confirming that the supportive housing units as mentioned above are to be set-aside for households currently experiencing homelessness via referral from CE and may be inclusive of either households enrolled in a rapid re-housing program or those that are eligible to be referred for enrollment into a rapid re-housing program.

**F. Sustainability & Resilience**

- 1. The City requires awardees to continue working with Focus on Energy’s New Construction Energy Design Assistance throughout the building design process as described in Attachment A. The City will incorporate commitments into the term sheet.**
  - a. Please attach the Preliminary or Final Bundle Requirements Document (BRD). If for some reason a Preliminary BRD is not yet available, provide an update on the status.**
    - i. The project has been approved by Focus on Energy express Energy Design Assistance (eEDA), a program manager has been assigned materials have been provided. The project is awaiting approval by a Focus On Energy Administrator. The project is awaiting the Bundle Requirements Document (BRD).
  - b. What percentage of projected Energy Use Intensity (EUI) savings calculated over baseline energy code is anticipated?**
    - i. 27.5% The project commits to obtaining a 27.5% EUI savings over baseline energy code.
  - c. What is the highest feasible Bundle Level to which this project can commit?**

- i. TBD, likely Bundle 2.

**G. Design & Accessibility**

- 1. No additional questions.**

**H. Development Team & Financing**

- 1. Please resubmit a budget workbook that shows the correct terms in the proforma for the City's Cash Flow Note (30-year amortization period, 16-year term).**

- i. See below and attached for updated budget workbook.

- 2. Please describe your assumptions for ongoing operating expenses, which are listed as ~40% of ongoing revenues. Are you confident in being able to provide quality management at this cost based on past developments?**

- i. Operating assumptions are based off of: 1) current supportive service rates, 2) staffing plans and expected administrative expenses from property management team, 3) expected water and sewer consumption estimates based off unit mix and tenancy from qualified third parties, 4) high level quotes from insurance and trash providers, 5) property tax comps in City, 6) internal expense comps from internal portfolio.

These expenses are supported by recent appraisals and other third party reports for projects in area and are consistent with underwriting from WHEDA and other financing parties.

Being the property manager of record, having control over property management expenses, and due to Volker's size, scale and balance sheet strength, there is the capacity to absorb fluctuations in costs without compromising management quality or resident experience

- 3. Clarify the timeline of additional financial sources anticipated for this project, including a potential TIF submittal.**

- i. Regarding TIF submittal, based on previous correspondences with the City's Economic Development Department, it would be preferred for a TIF application to come after the conditional use permit is approved and any soft funds allocated to ensure TIF application is regarding a real project and not a speculative one.
- ii. WHEDA Infrastructure Access Loan will be applied for in October 2025 and should be awarded by the time City AHF awards are formally made and approved.
- iii. Dane County AHDF awards should be made by November/December 2025.

APPLICANT & PROJECT NAME:

Volker & LSS & Edifici - Fair Oaks

1. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

Source	Amount	Non-Amortizing (Y/N)	Rate (%)	Term (Years)	Amort. Period (Years)	Annual Debt Service	Financing Approval Anticipated (Mo/Yr)
Permanent Loan-Lender Name:							
CRBT - TE Construction to Perm Loan	\$ 25,699,000	No	5.95%	23	40	\$1,686,056	10/25
Subordinate Loan 1-Lender Name:							
Dane County AHDF	\$ 5,500,000	Yes	0.00%	50		\$0	11/25
Subordinate Loan 2-Lender Name:							
WHEDA IAL	\$ 650,000	No	3.00%	23	40	\$27,923	10/25
Tax Exempt Loan-Bond Issuer:							
City Request (AHF, HOME, TIF)							
City of Madison AHF	\$ 2,500,000	Yes	2.75%	16	30	\$51,559	11/25
Subordinate TIF Loan-Lender Name:							
AHP Loan (List FHLB):							
Dane County AHDF:							
Other-Specify Lender/Grantor:							
Other-Specify Lender/Grantor:							
Tax Credit Equity	\$ 22,894,417						
Historic Tax Credit Equity (Fed and/or State)							
Deferred Developer Fees	\$ 6,520,916						
Owner Investment	\$ 100						
Do you plan on submitting an application for TIF?							
Other-Specify:		Yes					
Solar Tax Credit Equity	\$ 180,462						
Total Sources	\$ 63,944,894						

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan 1-Lender Name:			
CRBT - Construction to Perm Loan	\$ 25,699,000	5.95%	276
Construction Loan 2-Lender Name:			
CRBT - Bridge Loan	\$ 16,326,046	7.00%	42
Construction Loan 3-Lender Name:			
Construction Loan 4-Lender Name:			
Bridge Loan-Lender Name:			
Housing Tax Credit Equity:			
LIHTC Equity	\$ 3,434,162		
Historic Tax Credit Equity:			
Other-Specify:			
Owner Equity (\$100) and Soft Funds	\$ 8,650,100		
Total	\$ 54,109,309		

Estimated pricing on sale of Federal Tax Credits:

\$ 0.80

Estimated pricing on sale of State Tax Credits:

(if applicable)

Remarks Concerning Project Funding Sources:

APPLICANT: Volker & LSS & Edifici - Fair Oaks

2. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs		Amount
Land		\$4,250,000
Existing Buildings/Improvements		\$0
Other (List)		
		\$0
Construction:		
Construction/Rehab Costs		\$34,999,088
E - Equipment & Furnishings		\$0
F - Special Construction & Demolition		\$1,133,000
Accessory Buildings		\$0
Personal Property/FF&E		\$150,000
Site Work Costs (on-site & off-site)		\$850,000
Landscaping		\$250,000
Contractor Fees:		
General Requirements		\$1,804,954
Construction Overhead		\$721,985
Construction Profit		\$1,082,973
Construction Supervision		\$0
Contingency Funds:		
Construction Contingency		\$2,037,600
Other Contingency		\$0
Construction Period Expenses/Soft Costs:		
Construction Loan Origination Fee		\$163,260
Construction Loan Credit Enhancement/LOC		\$0
Cost of Bond Issuance		\$755,010
Bridge Loan Fees and Expenses		\$25,000
Construction Loan Interest		\$2,832,522
Construction Loan Origination Fee		\$0
Construction Period Real Estate Taxes		\$75,000
Title and Recording		\$100,000
Builder's Risk/Property Insurance		\$407,520
Temporary Relocation Assistance		\$0
Permanent Relocation Assistance		\$250,000
Other Interim/Construction Costs (list)		
		\$0
Permanent Financing Expenses:		
Permanent Loan Origination Fee		\$0
Credit Enhancement		\$0
Other Permanent Loan Fees		\$10,000
Legal Fees - Real Estate		\$75,000
Architectural & Engineering:		
Architect - Design		\$480,000
Architect - Supervision		\$95,000
Engineering		\$84,500
Survey		\$35,000
Other Architect/Engineering (list)		
Plan and Cost Review Fees, Geotech, Permit F		\$280,000
Syndication Fees & Expenses:		
Organizational Fees		\$150,000
Other Syndication Costs (list)		
		\$0
Capitalized Reserves:		
Operating Reserve		\$1,530,357
Replacement Reserve		\$0
Lease-Up Reserve		\$0
Debt Service Reserve		\$0
Capital Needs Reserve		\$0
Other Reserves		\$300,000
Escrows		\$0
Other Capitalized Reserves (list)		
		\$0
Reports, Studies & Related Work:		
Appraisal		\$15,000
Market Study		\$15,000
Environmental Reports		\$75,000
Capital Needs Assessment Report		\$0
Other (list)		
		\$0
Other Soft Costs:		
Tax Credit Fees - Application		\$2,500
Tax Credit Fees - Compliance		\$5,500
Tax Credit Fees - Allocation		\$143,104
Permits & impact fees - water, sewer, etc.		\$0
Cost Certification/Accounting fees		\$15,000
Lease-Up Period Marketing		\$0
Title Insurance and Recording		\$0
Capital Needs Assessment (rehab only)		\$0
Legal		\$72,000
Other (list)		
Soft Cost Contingency		\$174,021
Developer Earned Fees & Expenses:		
Developer's Fee		\$8,500,000
Developer Overhead		\$0
Consultant Fees		\$0
Other fees (list)		
		\$0
Total Costs:		\$63,944,894

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If applicable, please list the costs attributable to "above and beyond" green building/Net Zero construction components included in the Construction Costs line item:

Total Cost: \$0

\$0

