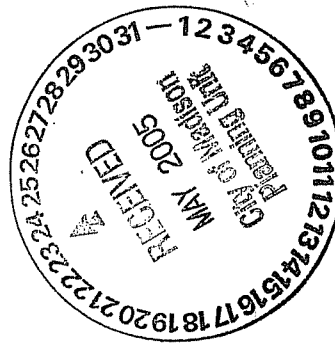


Company

May 19, 2005

Mr. Hickory Hurie
Department of Planning and Development
Community Development Block Grant
Madison Municipal Bldg. Rm 280
215 Martin Luther King, Jr. Blvd.
P.O. Box 2985
Madison, WI 53701-2985



RE: Capitol West
Phase I
Inclusionary Zoning Plan

Dear Hickory:

I am attaching two alternative Inclusionary Zoning Plans for your review. I feel that each is superior to the plan previously submitted with our Specific Implementation Plan as they include a higher percentage of Inclusionary Zoning Units. In both circumstances the financial feasibility of the first phase of this development require that we request a certain number of waivers.

I have also attached the location of the Inclusionary Zoning Units for Option A. If Option B is acceptable to you, we can provide floor plans with Inclusionary Zoning Unit locations for Option B.

Finally, pending feedback from you regarding each of these options, we will revise the Letter of Intent that was previously submitted.

I will be out of the office until June 1, 2005, but can be reached by e-mail if you have questions in regards to our plan for provision of inclusionary zoning units. My e-mail is nlb@alexandercompany.com. You can also contact Tom Miller in my office at 258-5580 or Bill White at Michael Best at 283-2246.

Sincerely,

THE ALEXANDER COMPANY, INC.

Natalie A Bock

Natalie Bock
Development Project Manager

Cc: ✓ Mr. Brad Murphy
Thomas Miller
Bill White



INCLUSIONARY DWELLING UNIT PLAN APPLICATION

OPTION A

Effective February 16, 2004, any new development plan for which a zoning map amendment is required or preliminary plat that proposes **ten (10) or more dwelling units** is required under Section 28.04 (25) of the Zoning Ordinance to provide no less than **15 percent of the units in the project as affordable** as defined in the above mentioned section.

The following application form provides detailed information and checklists regarding the submittals required to accompany your review, and the development approval process. The application materials are to be attached to any ZONING APPLICATION or SUBDIVISION APPLICATION for any project that is required to comply with the City's Inclusionary Zoning Ordinance.

If you have any questions about the *submittal requirements, application form or development approval process, or if you wish to schedule a required pre-application meeting (see below)*, please contact the Planning Unit at (608) 266-4635.

If you have questions about the *Inclusionary Zoning program itself, including questions about project financing, requests for waivers and post-approval compliance with the inclusionary zoning ordinance*, please contact the Community Development Block Grant (CDBG) Office at (608) 267-0740.

For your convenience, this form may be completed online at www.cityofmadison.com.

Prior to Submittal of an Application

The applicant is **required** under the Inclusionary Zoning Program Policy and Protocols to meet twice with City staff prior to submitting an application for a project that includes inclusionary dwelling units. The first meeting is scheduled with staff from the Planning Unit, Zoning Administrator and Community Development Block Grant Office (CDBG) to discuss the proposed development and acquaint the applicant with the Inclusionary Zoning process. The second meeting is a discussion of the proposed project plan and draft Inclusionary Dwelling Unit Plan with the Interdepartmental Review Staff Team. A schedule of meeting dates and required meeting materials (if any) is available online at www.cityofmadison.com.

Contents of the Inclusionary Dwelling Unit Plan (IDUP)

As part of any application for the approval of an Inclusionary Dwelling Unit Plan, the developer will provide the following materials. This list is intended to describe those components essential to an Inclusionary Dwelling Unit Plan, which would be submitted to accompany the Zoning or Subdivision Application. It should also be noted that depending on the type of development approval being requested, the level of detail for each of the items below might vary. For example, when the application submitted involves a preliminary plat or certain zoning map amendments, the applicant will likely have insufficient information to fully comply with the submittal requirements related to the location, character and size of the proposed dwelling units at the time the project is granted land use approvals. In these cases, the inclusionary zoning requirements will require compliance by recording deed restrictions against the individual lots created through the subdivision (platting) process. The deed restrictions shall require compliance with the inclusionary zoning ordinance prior to the issuance of building permits. This procedure will be applied to any lot created through the subdivision and zoning process for which detailed building and Inclusionary Dwelling Unit Plans are not yet available.

Information required for a **complete** Inclusionary Dwelling Unit Plan will include the following items:

- **This form completed as it pertains to the developer's project, including:**

1. The total number of inclusionary and market-rate dwelling units that will be constructed; and of that total, the number of rental inclusionary dwelling units and the number of owner-occupied inclusionary dwelling units.
2. The breakdown of unit size by number of bedrooms.
3. The projected sales and rental prices for the inclusionary dwelling units. (Note: the applicant/developer will need to indicate the target AMI level at the time of application in order to seek a range of appropriate incentives, but the specific sale and rental prices won't be determined until the bedroom size is determined).

TINUE →

4. The incentives sought from the City for the construction of the inclusionary dwelling units. Additional information regarding the requested incentives may be provided in the written narrative.
- **A project narrative (if not included as part of a Zoning Application) that includes:**
 5. A statement describing the general character of the intended development.
 6. An identification of the current owner, the proposed developer, and any entity that has an option to purchase or contractual interest in the property that is the subject of the application. The application shall include an identification of all individuals and companies and proportionate share of interests in all corporations including, but not limited to, limited liability corporations, limited liability partnerships, etc. in a form acceptable to the Director of the Department of Planning and Development.
 7. A construction schedule indicating the approximate dates when construction of the project and each of its phases can be expected to begin and be completed, and within each phase the schedule for completion of the inclusionary dwelling units.
 - **Plans, drawn to scale that include:**
 8. A plan of the proposed project showing sufficient detail to make possible the evaluation of the approval criteria.
 9. The arrangement of buildings and their architectural character if not provided elsewhere in the submittal.
 10. The location and distribution of the inclusionary dwelling units throughout the development. The Inclusionary Dwelling Unit Plan shall designate the specific lots that are designated as the inclusionary dwelling unit lots. The developer may work with the Community Development Block Grant Office and Planning Unit to relocate the inclusionary zoning lots in subsequent phases.
 - **In addition, the submittal shall include:**
 11. A general outline of the intended organizational structure, agreements, bylaws, provisions, deed restrictions or covenants for any proposed property owners', condominium or homeowners association, or any private provision for common services, areas or other facilities, and the continued protection of the development.

Approval and Recording of the Inclusionary Dwelling Unit Plan

Following pre-application meetings and the submittal of a completed application package, the application will be circulated to several City agencies, including staff from the Community Development Block Grant Office, who will review the Inclusionary Dwelling Unit Plan for compliance with the requirements of the Inclusionary Zoning program. Comments and recommendations on the IDUP will be incorporated into a report that discusses the merits of the overall project containing the inclusionary dwelling units. The report will also include any proposed conditions of approval and will be provided to the applicant **one week** prior to the scheduled Plan Commission meeting date.

The Plan Commission will review the Inclusionary Dwelling Unit Plan and other related materials at a duly noticed Plan Commission meeting and make its recommendations to the Common Council for approval by ordinance. The approval by the Plan Commission and Common Council will generally include conditions of approval that must be met prior to the final sign-off by City agencies. The conditions of approval attached to the project by the Plan Commission and Common Council shall be provided to the applicant in writing by the Planning Unit. The applicant is required to comply with the conditions of approval prior to requesting final sign-off on the plans by City agencies. Once the revised plans and all conditions of approval have been met, City agencies will sign off on the plans, after which the City's Zoning Administrator will record the approved IDUP at the Dane County Register of Deeds Office with any required deed restrictions, land use restriction agreements, ground leases, subdivision plats, certified survey maps, Planned Development District documents, or other documents required.

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The applicant has certain responsibilities for implementing the provisions of the inclusionary zoning ordinance, including but not limited to construction and standards for inclusionary dwelling units, notification of availability of units to the City, marketing to target income groups, establishment of price points or rent levels and other changes to the Inclusionary Dwelling Unit Plan. These responsibilities shall be acknowledged and outlined in the Inclusionary Dwelling Unit Plan (IDUP) and Subdivision Improvement Contract that will be executed as part of every development that includes applicable dwelling units.

The City will monitor the construction phases of the overall development, including site visits by staff from the Building Inspection Unit and the Public Works Department to verify progress in accordance with the zoning requirements, the Inclusionary Dwelling Unit Plan, and the Subdivision Improvement Contract, where applicable. Phasing of the IDUP will be enforced through a deed restriction that prohibits transfer of ownership of parcels; the restriction will be released as proof of compliance is provided.

CONTINUE →

PART 1 – DEVELOPMENT INFORMATION:

Project or Plat Capitol West (SIP) Phase I—Option A for Inclusionary Zoning Plan

Project Address: Block 51 Madison, WI **Project Area (in acres):** 4.46 acres

Developer: The Alexander Company Representative: Natalie Bock or Tom Miller

Street Address: 145 E. Badger Road, Suite 200 City/State: Madison, WI Zip: 53713

Telephone: (608) 258-5580 Fax: (608) 258-5599 Email: nlb@alexandercompany.com

Agent, If Any: William F. White Company: Michael Best & Friedrich LLP

Street Address: One South Pinckney Street City/State: Madison, WI Zip: 53701

Telephone: (608) 283-2246 Fax: (608) 283-2275 Email: wfwhite@mbf-law.com

PART 2 – PROJECT CONTENTS:

Complete the following table as it pertains to this project:

Residential Use	MARKET-RATE UNITS		INCLUSIONARY UNITS		Total Units	Acres
	Owner-Occupied Units	Renter-Occupied Units	Owner-Occupied Units	Renter-Occupied Units		
Single-Family	0	0	0	0	0	0
Duplexes	0	0	0	0	0	0
Multi-Family	142du	0	17 du	0	159 du	4.46 acres
TOTAL	142 du	0	17 du	0	159 du	4.46 acres

PART 3 – AFFORDABLE HOUSING DATA:

Number of Inclusionary Dwelling Units Proposed by Area Median Income (AMI) Level and Minimum Sale/Rent Price							
Owner-Occupied Units	30%	40%	50%	60%	70%	80%	Total
Number at Percent of AMI			0	0	0	17	17
Anticipated Sale Price			N/A	N/A	N/A	\$109,100-\$151,000	\$2,065,000
Rental Units	30%	40%	50%	60%	70%	80%	Total
Number at Percent of AMI	0	0	0	0			0
Maximum Monthly Rent Price	0	0	0	0			0

PART 4 – DWELLING UNIT COMPARISON:

Complete the following table as it pertains to this project:

	MARKET-RATE UNITS					INCLUSIONARY UNITS				
	Studio / Effic	1 Bdrm	2 Bdrms	3 Bdrms	4/More Bdrms	Studio / Effic	1 Bdrm	2 Bdrms	3 Bdrms	4/More Bdrms
Owner-Occupied Units with:	N/A	63	67	12	N/A	N/A	9	6	2	N/A
Minimum Floor Area:	N/A	605	995	1,295	N/A	N/A	570	745	935	N/A
Rental Units With:										
Minimum Floor Area:										

CONTINUE →

PART 5 – INCENTIVES: Section 28.04 (25) of the Zoning Ordinance provides the opportunity for applicants in projects where affordable dwelling units are required or where the developer has agreed to pay money in lieu of inclusionary dwelling units, to receive one or more incentives as compensation for complying with the Inclusionary Zoning requirements. Each of the ten incentives listed below are affixed a point value. The incentive points available to an applicant is dependent upon the number of affordable dwelling units proposed at the various area median income (AMI) levels. The program rewards projects both for having a higher number of affordable dwelling units provided at lower AMI levels, and for having a higher percentage of affordable dwelling units incorporated into the development. The incentive and the corresponding number of points available are listed below. (MAP=Maximum Available Points) Please mark the box next to the incentives requested.

Incentive	MAP	Incentive	MAP
<input type="checkbox"/> Density Bonus (varies by project)	3	<input checked="" type="checkbox"/> Cash subsidy from Inclusionary Unit Reserve Fund up to \$10,000 per unit for up to 50% of the affordable units provided.	2
<input type="checkbox"/> Parkland Development Fee Reduction	1	<input type="checkbox"/> Cash subsidy from Inclusionary Unit Reserve Fund of \$5000 for up to 50% of on-site affordable units in projects with 49 or fewer detached units or projects with four or more stories and 75% of parking provided underground.	2
<input type="checkbox"/> Parkland Dedication Reduction	1		
<input checked="" type="checkbox"/> Off-street Parking Reduction up to 25%	1		
<input type="checkbox"/> NO INCENTIVES ARE REQUESTED			
Other Incentives Not Assigned a Point Value by Ordinance (Explain): <u>Availability of RP3 Residential Parking Permits is Requested</u>			
<u>Density & Parking will be defined through PUD Process</u>			
<u>City financing and subsidy will be reviewed through TIF application Process.</u>			

PART 6 – WAIVER: The Plan Commission may waive the requirement to provide inclusionary dwelling units in the development if the applicant can present clear and convincing financial evidence that providing the required number of inclusionary dwelling units on-site renders providing the required number of inclusionary units financially infeasible. In such a case, a developer may request a waiver to provide the units off-site, assign the obligation to provide the units to another party, or pay cash in lieu of the units, or any combination of the above. If the waiver is granted, the required units may be provided as new construction off-site in another development within **one mile** of the subject development; off-site units may be provided up to 1.25 times the number of units if provided within the subject development. Off-site units must be constructed within one year of the time that they would have been constructed within the subject development. The applicant may opt to pay money into the Inclusionary Unit Reserve Fund based on contribution rates established in Section 28.04 (25) of the Zoning Ordinance. If provision of the inclusionary dwelling units through the waiver is still financially infeasible, the developer may seek a reduction in the percent of units to the point where the project becomes financially feasible. If such a waiver is requested, a detailed explanation shall be provided in the required project narrative demonstrating the financial infeasibility of complying with the ordinance requirements and the rationale for the alternative proposed.

- If a waiver is requested, **please mark this box** and include your basis for the waiver in the project narrative.

PART 7 – APPLICANT’S DECLARATION:

The signer shall attest that this application has been completed accurately and includes all requests for incentives or waivers; that they have attended both required pre-application staff meetings and given the required notice to the district alderperson and neighborhood association(s) prior to filing this application; and that all required information will be submitted on the corresponding application for zoning and/or subdivision approval by the Plan Commission. The applicant shall begin the declaration by stating below whether or not the project complies with the various requirements of the inclusionary zoning ordinance. Check the applicable box and provide any supporting comments.

Standards for Inclusionary Dwelling Units (IDUs)	Will Comply	Will not comply	Additional comments
Exterior Appearance of IDUs are similar to Market rate.	X		
Proportion of attached and detached IDU units is similar to Market rate.	X		
Mix of IDUs by bedroom size is similar to market rate.	X		Please see attached chart for mix of bedroom size

Standards for Inclusionary Dwelling Units (IDUs) [continued]	Will Comply	Will <u>not</u> comply	Additional comments
IDUs are dispersed throughout the project.		X	Please see Exhibit A for explanation of unit dispersion
IDUs are to be built in phasing similar to market rate.	X		
Pricing fits within Ordinance standards	X		
Developer offers security during construction phase in form of deed restriction.	X		
Developer offers enforcement for for-sale IDUs in form of option to purchase or for rental in form of deed restriction.	X		
Developer describes marketing plan for IDUs.	X		See attached Letter of Intent
Developer acknowledges need to inform buyers/renters of IDU status, responsibilities for notification.	X		
Terms of sale or rent.	X		
Developer has arranged to sell/rent IDUs to non-profit or CDA to meet IDU expectations.	X		Discussions ongoing with a local non-profit
Developer has requested waiver for off-site or cash payment.	X		Waiver requested for cash payment in lieu providing required IDU
Developer has requested waiver for reduction of number of units.	N/A		No Reduction Requested
Other:			

- The applicant discussed this development proposal with representatives from the Planning Unit, Zoning Administrator and Community Development Block Grant Office on: → March 17, 2005
- The applicant presented a preliminary development plan for this project to the Interdepartmental Review Staff Team on: → July 22, 2004
- The applicant notified Alderperson Verveer of District 4 by mail of this development proposal on: → October 29, 2004
- The applicant also notified Sheridan Glen & Peter Ostlind of Capitol Neighborhoods, Inc. by mail on: → October 29, 2004
- The Inclusionary Dwelling Unit Plan Application package contains ALL of the materials required as noted on this form. I, as the undersigned, acknowledge that incomplete or incorrect submittals may cause delays in the review of this project.

Applicant Signature Natalie Bock **Date** May 19, 2005
Printed Name Natalie Bock **Phone** (608) 258-5580

Exhibit A
Part 1—Inclusionary Zoning Plan

Project or Plat: Capitol West (SIP) Phase I
Project Address: Block 51 Madison, Wi
Representative: Natalie Bock
608 258-5580
nlb@alexandercompany.com

Phase I of the Capitol West Development includes four housing products

309 W. Washington Avenue Condominium	112 Homes
Capitol Court Townhomes and Washington Rowhouses	15 Homes
Main Street Townhomes	10 Homes
Broom Street Lofts	22 Homes

It is our desire to provide a maximum number of inclusionary zoning units while complying with the guidelines of tax incremental financing policy. We believe that tax incremental financing of approximately \$4,274,000 can be supported by this development. To this end, we have provided two scenarios for provision of inclusionary zoning units.

Please refer to the floor plans provided with the SIP submission.

The elevated buildings of 309 W. Washington Avenue and Broom Street Lofts provide the most economically efficient way to produce smaller IZ units. The size and nature of the Townhomes at Capitol Court, Washington Row and Main Street make it economically more difficult to provide Inclusionary Zoning Units. The average unit size for each of these components is as follows:

309 W. Washington Avenue Condominium Home	1,055 s.f.
Broom Street Rowhouses	987 s.f.
Main Street Townhomes	1,529 s.f.,
Capitol Court Townhomes and Washington Rowhouses	1,883 s.f.

Option A Inclusionary Zoning Plan

Because the townhomes are by nature much larger than the size required by ordinance for inclusionary zoning units, they are the least economically efficient for provision of inclusionary zoning units. We are able to request fewer waivers and make significant payment to the Affordable Housing Trust Fund if waivers are granted for provision of IZ units in the townhome portion of this development. For this reason, we request that the attached inclusionary zoning plan attached as Option A be approved.

Under Option, A we would request two waivers per component for a total of 8 waivers and would make a cash payment pursuant to the ordinance to the Affordable Housing Trust Fund in the estimated amount of \$245,000.

Option A Summary

Percent of Total Units as IZ	10.7%
Number of IZ Units	17
Number of Waivers	8
Cash Payment in Lieu	\$245,000 est.

Option B Inclusionary Zoning Plan

To provide inclusionary zoning units in the townhomes, we would convert a three-bedroom den unit in the Washington Rowhouses into two inclusionary zoning units (one two-bedroom and one three-bedroom). In addition, a two-bedroom den unit in the Main Street Townhomes would be converted to a three-bedroom, inclusionary zoning unit. In return we would need the following:

1. Four additional waivers for 309 W. Washington Avenue for a total number of waivers in the first phase equal to 9 units,
2. Either (1) reduction in the percent of inclusionary zoning units to 10.00% with no payment to the Affordable Housing Trust Fund, or (2) an increase in Tax Incremental Financing to approximately 54% of the Justified TIF,
3. Approval to sell the inclusionary zoning townhome units at prices affordable to people making 80% of the Area Median Income vs. 75% of the Area Median Income since the townhomes qualify as 4 or more stories with a majority of the parking for the development underground.

Summary of Option B

Percent of Total Units as IZ	10.00%
Number of IZ Units	16
Number of Waivers	9
Cash Payment in Lieu	\$0.00

**Capitol West
Inclusionary Zoning Plan
Option A--8 Selective Waivers**

	Market Rate Units			Inclusionary Zoning Units			Unit Total
	One	Two	Three	One	Two	Three	
309 W. Washington	54	31	12	8	5	2	112
Capitol Court/Wash Row	0	15	0	0	0	0	15
Main Street	0	10	0	0	0	0	10
Broom Street	9	11	0	1	1	0	22
Total	63	67	12	9	6	2	159

% by size that are IZ

% by Size of Market or IZ 44.37% 47.18% 8.45% 12.50% 8.22% 14.29% 10.69%

Assumes Waivers

309 W. Washington	2 units
Capitol Court/Wash Row	2 units
Main Street	2 units
Broom Street	2 units

IZ Waiver Payment

\$245,000

TIF Gap

\$4,275,000

% of Justified TIF

51.20%

CAPITOL WEST
Phase I
May 3, 2005
Includes Waivers for 8 Units

Sources and Uses

Uses			
			<i>Per Unit</i>
Acquisition--Land Cash Remaining		\$4,536,000	\$27,659
Demo/Abatement	1	\$2,130,000	\$12,988
Construction Costs--Res		\$26,933,000	\$164,226
Parking Constructed		\$3,362,500	\$22,874
Parking Purchased		\$1,335,000	\$15,000
Trust Fund Payment		\$0	
Soft costs--Res	2	\$7,315,000	\$44,604
			<i>(Net of IZ Waiver and Park Dedication Fees)</i>
Total Residential Cost		\$45,611,500	\$287,350
			<i>Per S.F.</i>
Construction Cost--Com		\$900,000	
Tenant Impr. And Comm.		\$168,000	
Constructed Parking Surface Parking		\$87,500	\$3500 per stall on surface
Acquired Parking		\$90,000	\$15,000
Soft Costs		\$309,000	
Total Commercial		\$1,554,500	\$147.07
Total Uses for Phase I		\$47,166,000	

Sources			
First Mortgage	3	\$34,467,500	
Traditional Equity Investment @12%		\$6,625,000	
Soft Equity with Subordinated Note		\$1,804,398	
TIF		\$4,269,102	
Total Sources		\$47,166,000	

1. Does not include asbestos abatement or demolition of 333 W. Washington
2. Does not include \$270,000 in Park Dedication Fees and \$245,400 in IZ Waiver Fees
3. Assumes Construction Loan to Value of 75%



INCLUSIONARY DWELLING UNIT PLAN APPLICATION

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If you have questions about the *Inclusionary Zoning program itself, including questions about project financing, requests for waivers and post-approval compliance with the inclusionary zoning ordinance*, please contact the Community Development Block Grant (CDBG) Office at (608) 267-0740.

For your convenience, this form may be completed online at www.cityofmadison.com.

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2. The breakdown of unit size by number of bedrooms.
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The City will monitor the construction phases of the overall development, including site visits by staff from the Building Inspection Unit and the Public Works Department to verify progress in accordance with the zoning requirements, the Inclusionary Dwelling Unit Plan, and the Subdivision Improvement Contract, where applicable. Phasing of the IDUP will be enforced through a deed restriction that prohibits transfer of ownership of parcels; the restriction will be released as proof of compliance is provided.

CONTINUE →

PART 1 – DEVELOPMENT INFORMATION:

Project or Plat Capitol West (SIP) Phase I—Option B for Inclusionary Zoning Plan

Project Address: Block 51 Madison, WI **Project Area (in acres):** 4.46 acres

Developer: The Alexander Company Representative: Natalie Bock or Tom Miller

Street Address: 145 E. Badger Road, Suite 200 City/State: Madison, WI Zip: 53713

Telephone: (608) 258-5580 Fax: (608) 258-5599 Email: nlb@alexandercompany.com

Agent, If Any: William F. White Company: Michael Best & Friedrich LLP

Street Address: One South Pinckney Street City/State: Madison, WI Zip: 53701

Telephone: (608) 283-2246 Fax: (608) 283-2275 Email: wfwhite@mbf-law.com

PART 2 – PROJECT CONTENTS:

Complete the following table as it pertains to this project:

Residential Use	MARKET-RATE UNITS		INCLUSIONARY UNITS		Total Units	Acres
	Owner-Occupied Units	Renter-Occupied Units	Owner-Occupied Units	Renter-Occupied Units		
Single-Family	0	0	0	0	0	0
Duplexes	0	0	0	0	0	0
Multi-Family	144du	0	16 du	0	160 du	4.46 acres
TOTAL	144 du	0	16 du	0	160 du	4.46 acres

PART 3 – AFFORDABLE HOUSING DATA:

Number of Inclusionary Dwelling Units Proposed by Area Median Income (AMI) Level and Minimum Sale/Rent Price							
Owner-Occupied Units	30%	40%	50%	60%	70%	80%	Total
Number at Percent of AMI			0	0	0	16	16
Anticipated Sale Price			N/A	N/A	N/A	\$109,100-\$151,000	\$1,975,600
Rental Units	30%	40%	50%	60%	70%	80%	Total
Number at Percent of AMI	0	0	0	0			0
Maximum Monthly Rent Price	0	0	0	0			0

PART 4 – DWELLING UNIT COMPARISON:

Complete the following table as it pertains to this project:

	MARKET-RATE UNITS					INCLUSIONARY UNITS				
	Studio / Effcy	1 Bdrm	2 Bdrms	3 Bdrms	4/More Bdrms	Studio / Effcy	1 Bdrm	2 Bdrms	3 Bdrms	4/More Bdrms
Owner-Occupied Units with:	N/A	65	66	13	N/A	N/A	9	7	2	N/A
Minimum Floor Area:	N/A	605	995	1,295	N/A	N/A	570	745	935	N/A
Rental Units With:										
Minimum Floor Area:										

CONTINUE →

PART 5 – INCENTIVES: Section 28.04 (25) of the Zoning Ordinance provides the opportunity for applicants in projects where affordable dwelling units are required or where the developer has agreed to pay money in lieu of inclusionary dwelling units, to receive one or more incentives as compensation for complying with the Inclusionary Zoning requirements. Each of the ten incentives listed below are affixed a point value. The incentive points available to an applicant is dependent upon the number of affordable dwelling units proposed at the various area median income (AMI) levels. The program rewards projects both for having a higher number of affordable dwelling units provided at lower AMI levels, and for having a higher percentage of affordable dwelling units incorporated into the development. The incentive and the corresponding number of points available are listed below. (MAP=Maximum Available Points) Please mark the box next to the incentives requested.

Incentive	MAP	Incentive	MAP
<input type="checkbox"/> Density Bonus (varies by project)	3	<input checked="" type="checkbox"/> Cash subsidy from Inclusionary Unit Reserve Fund up to \$10,000 per unit for up to 50% of the affordable units provided.	2
<input type="checkbox"/> Parkland Development Fee Reduction	1	<input type="checkbox"/> Cash subsidy from Inclusionary Unit Reserve Fund of \$5000 for up to 50% of on-site affordable units in projects with 49 or fewer detached units or projects with four or more stories and 75% of parking provided underground.	2
<input type="checkbox"/> Parkland Dedication Reduction	1		
<input checked="" type="checkbox"/> Off-street Parking Reduction up to 25%	1		
<input type="checkbox"/> NO INCENTIVES ARE REQUESTED			
Other Incentives Not Assigned a Point Value by Ordinance (Explain): <u>Availability of RP3 Residential Parking Permits is Requested</u>			
<u>Density & Parking will be defined through PUD Process</u>			
<u>City financing and subsidy will be reviewed through TIF application Process.</u>			

PART 6 – WAIVER: The Plan Commission may waive the requirement to provide inclusionary dwelling units in the development if the applicant can present clear and convincing financial evidence that providing the required number of inclusionary dwelling units on-site renders providing the required number of inclusionary units financially infeasible. In such a case, a developer may request a waiver to provide the units off-site, assign the obligation to provide the units to another party, or pay cash in lieu of the units, or any combination of the above. If the waiver is granted, the required units may be provided as new construction off-site in another development within **one mile** of the subject development; off-site units may be provided up to 1.25 times the number of units if provided within the subject development. Off-site units must be constructed within one year of the time that they would have been constructed within the subject development. The applicant may opt to pay money into the Inclusionary Unit Reserve Fund based on contribution rates established in Section 28.04 (25) of the Zoning Ordinance. If provision of the inclusionary dwelling units through the waiver is still financially infeasible, the developer may seek a reduction in the percent of units to the point where the project becomes financially feasible. If such a waiver is requested, a detailed explanation shall be provided in the required project narrative demonstrating the financial infeasibility of complying with the ordinance requirements and the rationale for the alternative proposed.

- If a waiver is requested, **please mark this box** and include your basis for the waiver in the project narrative.

PART 7 – APPLICANT’S DECLARATION:

The signer shall attest that this application has been completed accurately and includes all requests for incentives or waivers; that they have attended both required pre-application staff meetings and given the required notice to the district alderperson and neighborhood association(s) prior to filing this application; and that all required information will be submitted on the corresponding application for zoning and/or subdivision approval by the Plan Commission. The applicant shall begin the declaration by stating below whether or not the project complies with the various requirements of the inclusionary zoning ordinance. Check the applicable box and provide any supporting comments.

Standards for Inclusionary Dwelling Units (IDUs)	Will Comply	Will not comply	Additional comments
Exterior Appearance of IDUs are similar to Market rate.	X		
Proportion of attached and detached IDU units is similar to Market rate.	X		
Mix of IDUs by bedroom size is similar to market rate.	X		Please see attached chart for mix of bedroom size

Standards for Inclusionary Dwelling Units (IDUs) [continued]	Will Comply	Will not comply	Additional comments
IDUs are dispersed throughout the project.	X		Please see Exhibit A for explanation of unit dispersion
IDUs are to be built in phasing similar to market rate.	X		
Pricing fits within Ordinance standards	X		
Developer offers security during construction phase in form of deed restriction.	X		
Developer offers enforcement for for-sale IDUs in form of option to purchase or for rental in form of deed restriction.	X		
Developer describes marketing plan for IDUs.	X		See attached Letter of Intent
Developer acknowledges need to inform buyers/renters of IDU status, responsibilities for notification.	X		
Terms of sale or rent.	X		
Developer has arranged to sell/rent IDUs to non-profit or CDA to meet IDU expectations.	X		Discussions ongoing with a local non-profit
Developer has requested waiver for off-site or cash payment.	X		Waiver requested for cash payment in lieu providing required IDU
Developer has requested waiver for reduction of number of units.		X	See attached request in Exhibit A
Other:			

- The applicant discussed this development proposal with representatives from the Planning Unit, Zoning Administrator and Community Development Block Grant Office on: → March 17, 2005
- The applicant presented a preliminary development plan for this project to the Interdepartmental Review Staff Team on: → July 22, 2004
- The applicant notified Alderperson Verveer of District 4 by mail of this development proposal on: → October 29, 2004
- The applicant also notified Sheridan Glen & Peter Ostlind of Capitol Neighborhoods, Inc. by mail on: → October 29, 2004
- The Inclusionary Dwelling Unit Plan Application package contains ALL of the materials required as noted on this form. I, as the undersigned, acknowledge that incomplete or incorrect submittals may cause delays in the review of this project.

Applicant Signature Natalie Bock **Date** May 19, 2005
Printed Name Natalie Bock **Phone** (608) 258-5580

Exhibit A
Part 1—Inclusionary Zoning Plan

Project or Plat: Capitol West (SIP) Phase I
Project Address: Block 51 Madison, Wi
Representative: Natalie Bock
608 258-5580
nlb@alexandercompany.com

Phase I of the Capitol West Development includes four housing products

309 W. Washington Avenue Condominium	112 Homes
Capitol Court Townhomes and Washington Rowhouses	15 Homes
Main Street Townhomes	10 Homes
Broom Street Lofts	22 Homes

It is our desire to provide a maximum number of inclusionary zoning units while complying with the guidelines of tax incremental financing policy. We believe that tax incremental financing of approximately \$4,274,000 can be supported by this development. To this end, we have provided two scenarios for provision of inclusionary zoning units.

Please refer to the floor plans provided with the SIP submission.

The elevated buildings of 309 W. Washington Avenue and Broom Street Lofts provide the most economically efficient way to produce smaller IZ units. The size and nature of the Townhomes at Capitol Court, Washington Row and Main Street make it economically more difficult to provide Inclusionary Zoning Units. The average unit size for each of these components is as follows:

309 W. Washington Avenue Condominium Home	1,055 s.f.
Broom Street Rowhouses	987 s.f.
Main Street Townhomes	1,529 s.f.,
Capitol Court Townhomes and Washington Rowhouses	1,883 s.f.

Option A Inclusionary Zoning Plan

Because the townhomes are by nature much larger than the size required by ordinance for inclusionary zoning units, they are the least economically efficient for provision of inclusionary zoning units. We are able to request fewer waivers and make significant payment to the Affordable Housing Trust Fund if waivers are granted for provision of IZ units in the townhome portion of this development. For this reason, we request that the attached inclusionary zoning plan attached as Option A be approved.

Under Option, A we would request two waivers per component for a total of 8 waivers and would make a cash payment pursuant to the ordinance to the Affordable Housing Trust Fund in the estimated amount of \$245,000.

Option A Summary

Percent of Total Units as IZ	10.7%
Number of IZ Units	17
Number of Waivers	8
Cash Payment in Lieu	\$245,000 est.

Option B Inclusionary Zoning Plan

To provide inclusionary zoning units in the townhomes, we would convert a three-bedroom den unit in the Washington Rowhouses into two inclusionary zoning units (one two-bedroom and one three-bedroom). In addition, a two-bedroom den unit in the Main Street Townhomes would be converted to a three-bedroom, inclusionary zoning unit. In return we would need the following:

1. Four additional waivers for 309 W. Washington Avenue for a total number of waivers in the first phase equal to 9 units,
2. Either (1) reduction in the percent of inclusionary zoning units to 10.00% with no payment to the Affordable Housing Trust Fund, or (2) an increase in Tax Incremental Financing to approximately 54% of the Justified TIF,
3. Approval to sell the inclusionary zoning townhome units at prices affordable to people making 80% of the Area Median Income vs. 75% of the Area Median Income since the townhomes qualify as 4 or more stories with a majority of the parking for the development underground.

Summary of Option B

Percent of Total Units as IZ	10.00%
Number of IZ Units	16
Number of Waivers	9
Cash Payment in Lieu	\$0.00

**Capitol West
Inclusionary Zoning Plan
Option B**

	Market Rate Units			Total	Inclusionary Zoning Units			Unit Total
	One	Two	Three		One	Two	Three	
309 W. Washington	56	32	13	101	6	5	0	11
Capitol Court/Wash Row	0	14	0	14	0	1	1	2
Main Street	0	9	0	9	0	0	1	1
Broom Street	9	11	0	20	1	1	0	2
Total	65	66	13	144	7	7	2	16
% of IZ by Size	45.14%	45.83%	9.03%		9.72%	9.59%	13.33%	10.00%
% by Bedroom Size					43.75%	43.75%	12.50%	

Assumes Waivers

309 W. Washington	6 units
Capitol Court/Wash Row	0 units
Main Street	1 units
Broom Street	2 units

IZ Waiver Payment Due

\$231,650

TIF Gap @ Full Waiver Payment

\$4,491,000

% of Justified TIF

54.02%

CAPITOL WEST
Phase I
May 3, 2005
Option B

Sources and Uses

Uses			
			<i>Per Unit</i>
Acquisition--Land Cash Remaining		\$4,536,000	\$27,659
Demo/Abatement	1	\$2,130,000	\$12,988
Construction Costs--Res		\$26,933,000	\$164,226
Parking Constructed		\$3,362,500	\$22,874
Parking Purchased		\$1,335,000	\$15,000
Trust Fund Payment		\$0	
Soft costs--Res	2	\$7,416,000	\$45,220
			<i>(Net of IZ Waiver and Park Dedication Fees)</i>
Total Residential Cost		\$45,712,500	\$287,966
			<i>Per S.F.</i>
Construction Cost--Com		\$900,000	
Tenant Impr. And Comm.		\$168,000	
Constructed Parking Surface Parking		\$87,500	\$3500 per stall on surface
Acquired Parking		\$90,000	\$15,000
Soft Costs		\$309,000	
Total Commercial		\$1,554,500	\$147.07
Total Uses for Phase I		\$47,267,000	

Sources			
First Mortgage	3	\$34,352,000	
Traditional Equity Investment @12%		\$6,605,000	
Soft Equity with Subordinated Note		\$1,818,148	
TIF		\$4,491,852	
Total Sources		\$47,267,000	

1. Does not include asbestos abatement or demolition of 333 W. Washington
2. Does not include \$270,000 in Park Dedication Fees and \$231,650 in IZ Waiver Fees
3. Assumes Construction Loan to Value of 75%

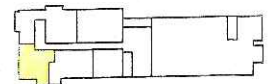
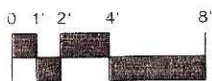
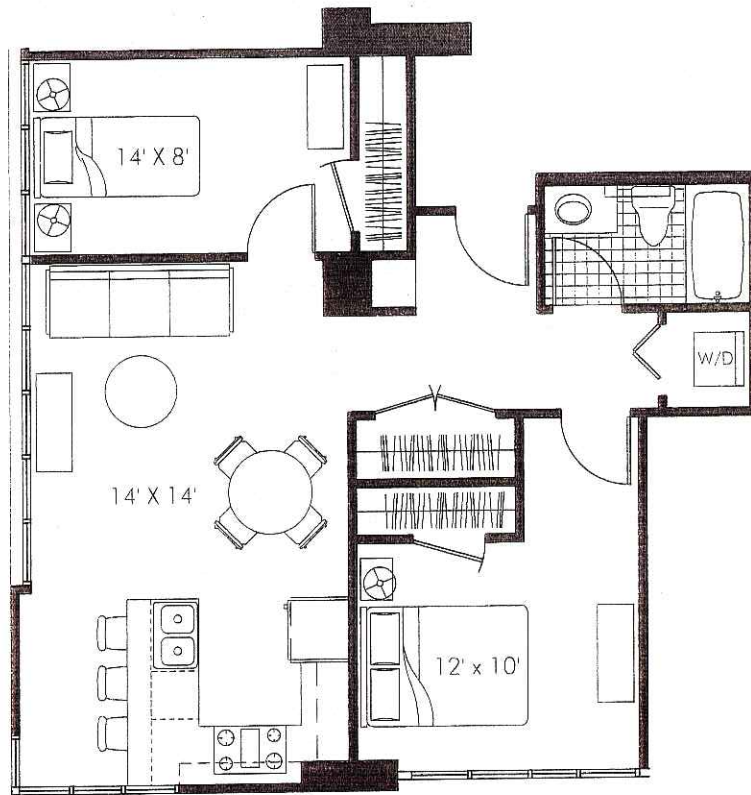
309 W. WASHINGTON AVE.

102

2 BEDROOM
1 BATH

INDOOR

745 SF



All plans and specifications are subject to revisions deemed advisable by builder or architect or required by law.

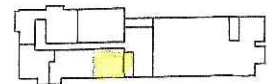
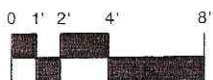
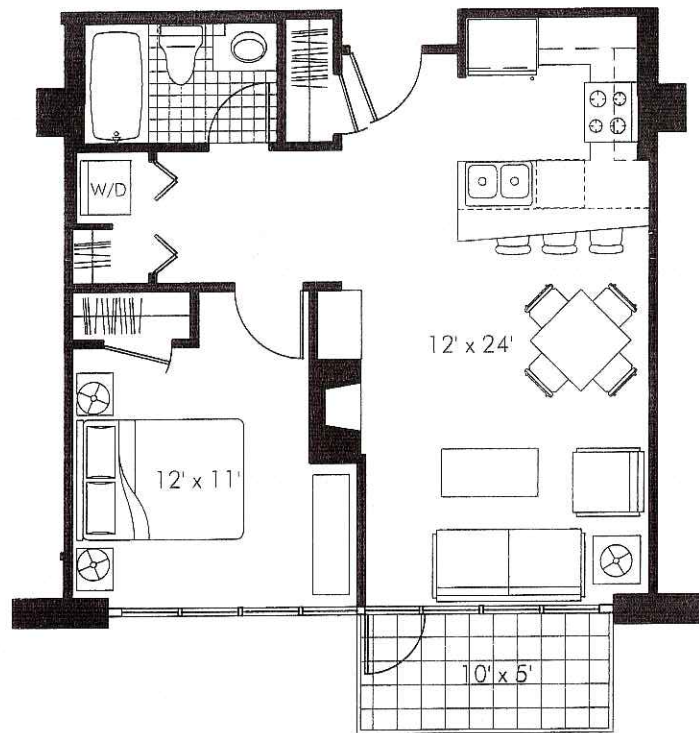


309 W. WASHINGTON AVE.

106, 206, 306

1 BEDROOM
1 BATH

INDOOR	570 SF
TERRACE	50 SF



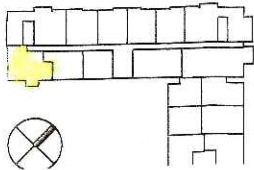
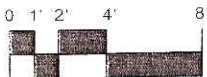
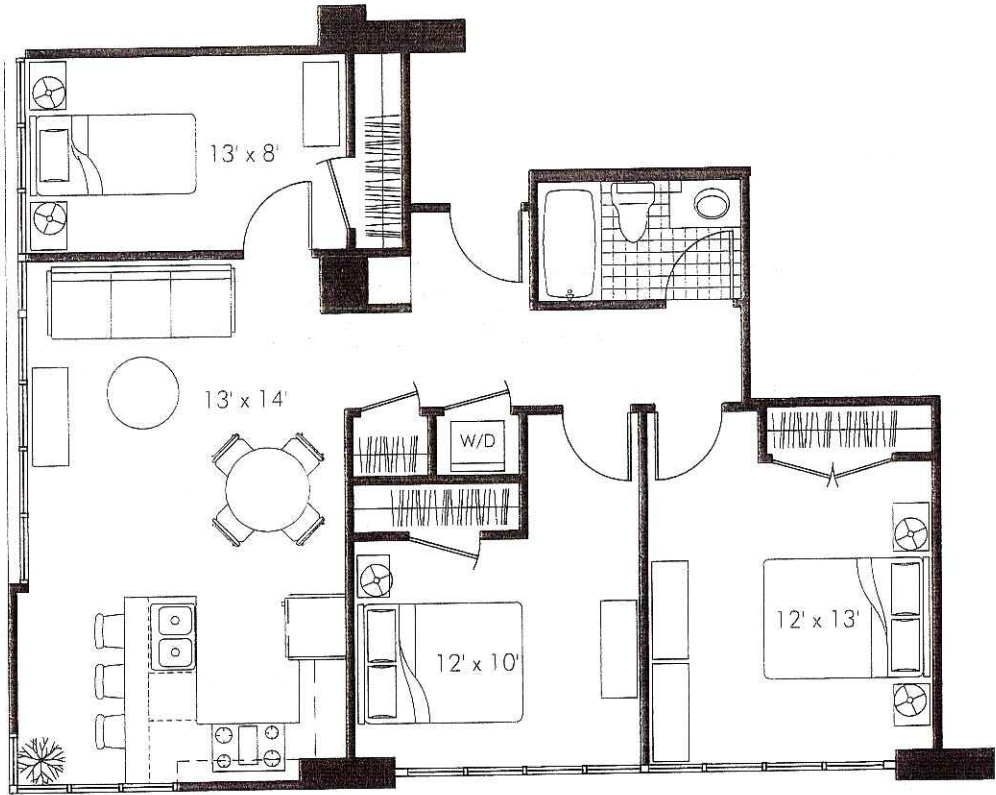
309 W. WASHINGTON AVE.

202, 302

3 BEDROOM
1 BATH

INDOOR

935 SF



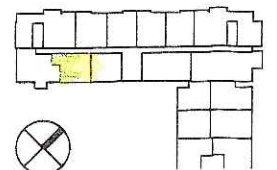
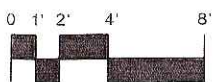
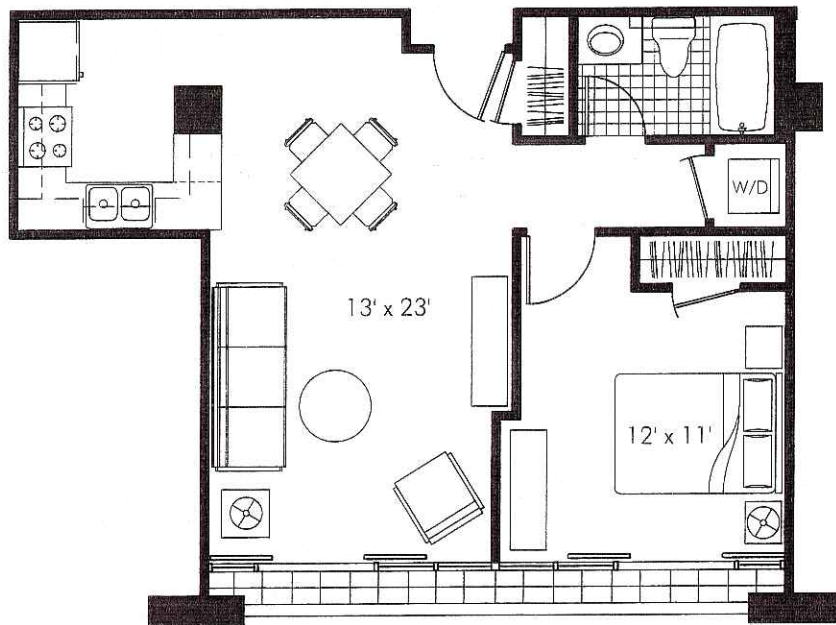
All plans and specifications are subject to revisions deemed advisable by builder or architect, or required by law

309 W. WASHINGTON AVE.

204, 304

1 BEDROOM
1 BATH

INDOOR	605 SF
TERRACE	25 SF

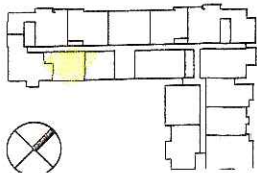
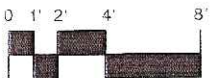
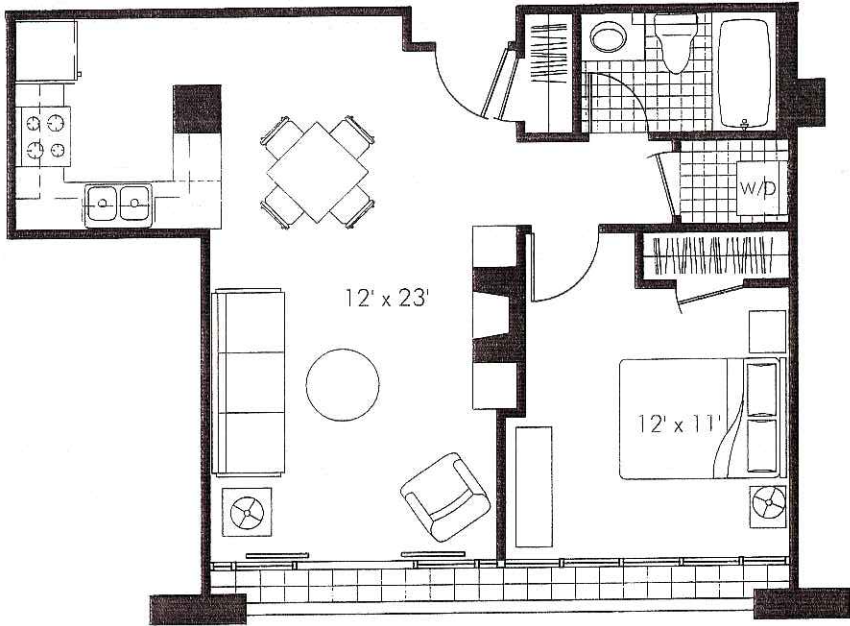


309 W. WASHINGTON AVE.

404, 504, 604

1 BEDROOM
1 BATH

INDOOR	605 SF
TERRACE	25 SF



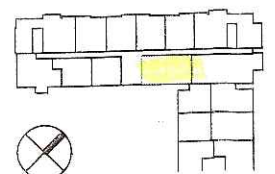
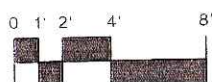
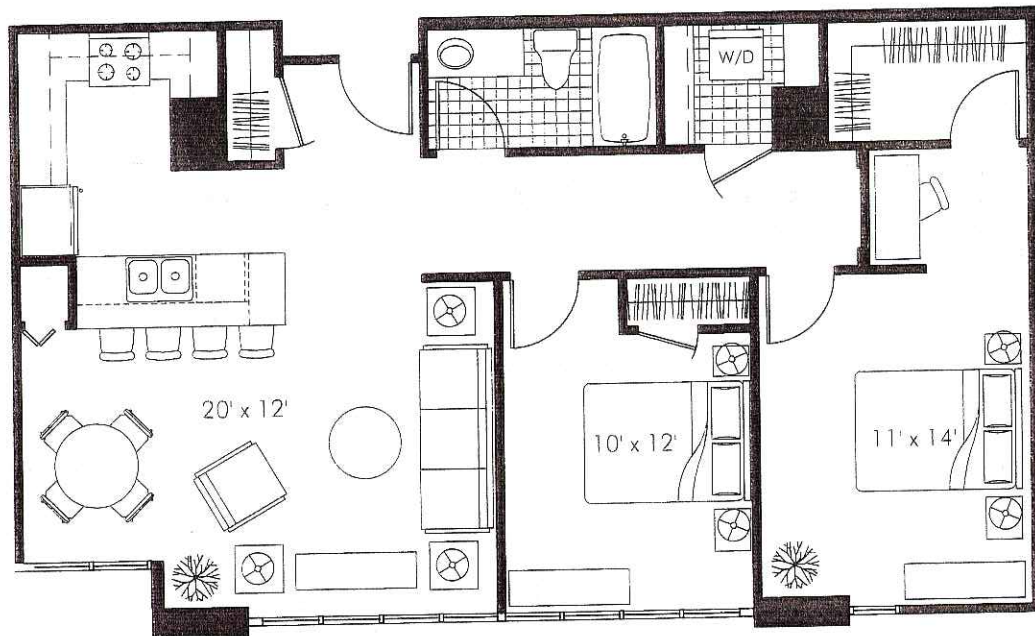
309 W. WASHINGTON AVE.

208, 308, 408, 508, 608

2 BEDROOM
1 BATH

INDOOR

995 SF

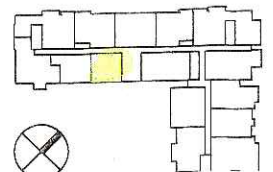
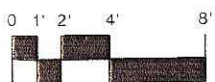
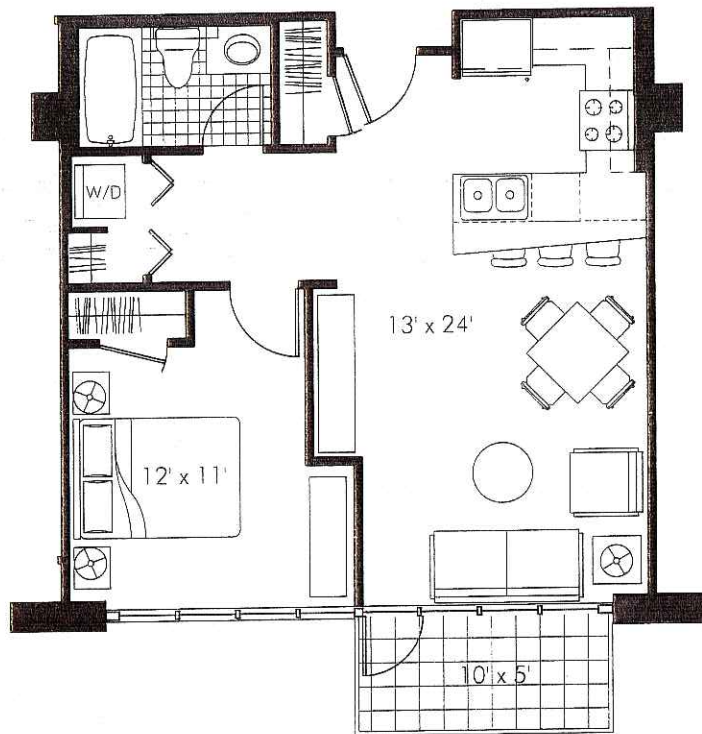


309 W. WASHINGTON AVE.

406, 506, 606

1 BEDROOM
1 BATH

INDOOR	570 SF
TERRACE	50 SF



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