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PRESENTATION TO THE  
CITY OF MADISON COMMUNITY DEVELOPMENT DIVISION

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MADISON DEVELOPMENT CORPORATION PRESIDENT & CEO

OCTOBER 4, 2018

# MADISON DEVELOPMENT CORPORATION

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- I. **MDC** is a socially responsible housing and economic development corporation that provides quality, affordable housing for the residents of the Greater Madison Area.
- II. We buy, develop, own and manage all of our properties.
- III. MDC provides loans to “hard-to-finance” small neighborhood businesses and growing technology ventures.

We were established in 1977 by the Mayor of Madison.

# MDC HOUSING - RECENT SUCCESSFUL PROJECTS

313 UNITS OF AFFORDABLE HOUSING IN THE GREATER MADISON AREA

## DANE TOWNHOMES

12 family units (2&3 bedrooms)  
Completed in 2016



Corner of Park & Taft

## THE MIFFLANDER

46 units – (efficiency, 1 & 2 bedrooms)  
Completed in 2017



431 W Mifflin Street

**THE AVENUE** (former UW Hospital)  
Existing 28 unit (1 – 3 bedrooms)  
Next to Proposed Site to add a 30 unit



1954 E. Washington

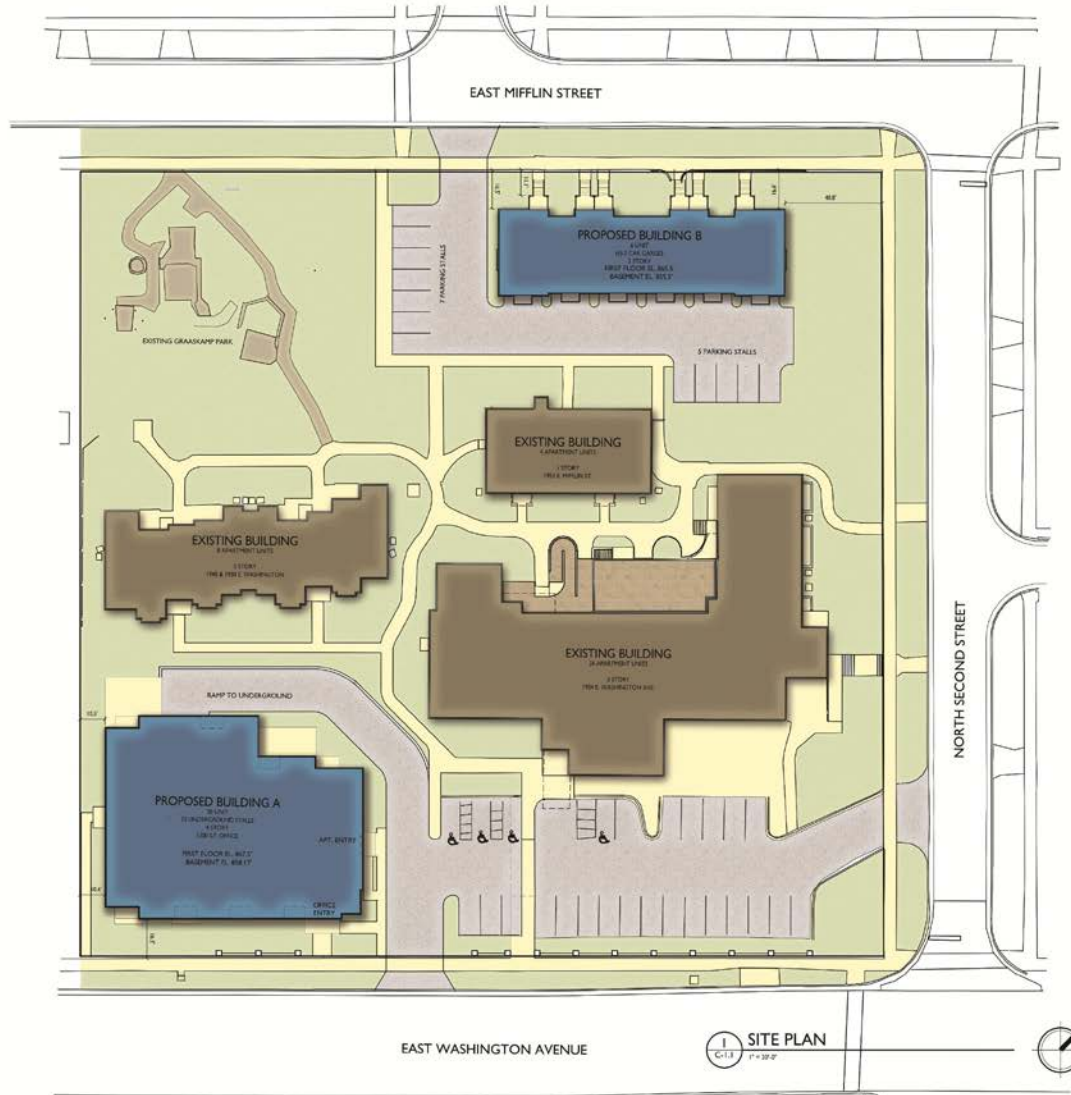
# MDC's AVENUE 30-UNIT NEW CONSTRUCTION

## Shovel Ready by April/May 2019\*

- Located in City's Affordable Housing Targeted Area Map (5/7/18)
- New, quality construction: 30 units (15 2-bed, 13 1-bed, 2 efficiencies)
- Meets HOME funds criteria for serving LMI households
- Close to transportation, health care, parks, schools and shopping
- MDC has full site control (we have owned the site for over a decade)
- Project is financially feasible with City HOME funds
- MDC has the capacity and experience to bring 30 more units under our property management umbrella
- The site keeps James A Graaskamp Park, which is owned by MDC

*\*Pending City approvals and financing with HOME Funds*

# MDC's Concept Site Plan 1954 E Washington Ave Parcel



- The Avenue site is one parcel with 4 buildings and one park on site:

- 1) 28 unit (former hospital)
- 2) 4 unit (utility bldg)
- 3) 8 unit (built in 1989)
- 4) Annex (temporary office built in 1950s)

Privately owned  $\frac{1}{4}$  acre  
James A Graaskamp Park

The Avenue  
East Washington Ave  
October 2, 2018



# 30-Unit Apartment building – E. Washington



1 FRONT ELEVATION  
SCALE: 1/8"=1'-0"



2 SIDE ELEVATION  
SCALE: 1/8"=1'-0"

Front and side view of 30 Unit building

## Unit Mix:

2 efficiency apts  
13 1-bedroom  
15 2-bedroom

The Avenue  
East Washington Ave  
October 2, 2018



# Feasibility: MDC's The Avenue 30-Unit

- Cost to build: 32,000 sf \$140 sf = \$4,480,000 (\$166,286 per unit)
- Total project cost = \$5,445,117 (\$181,504 per unit)
- MDC "Equity in" exceeds 10%
  - (\$550k-\$800K consisting of \$350K in estimated land value and \$200K-\$450K in cash)
- Financing Term Sheets provided by 9 Banks, all with capacity to lend
- Site currently has 40 affordable units generating \$400k+/year in revenue
- Project will cash flow in year one (~\$5K) with HOME funds of \$990,000 received (11 units @ \$90,000 each)
- UDC filing underway, shovel ready by April/May 2019

# Questions?

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