From: Brenda Gonzalez
To: All Alders

Cc: Stouder, Heather; Wachter, Matthew

Subject: UW off-campus housing

Date: Friday, October 13, 2023 9:28:45 AM

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To: City of Madison Common Council

From: Brenda González, Director of Community Relations, UW Madison

Via email

Dear Common Council Members,

The University of Wisconsin-Madison's Office of Student Financial Aid and University Housing continue to collaborate with city staff to develop strategies that facilitate affordable housing solutions for students from low- and moderate-income backgrounds.

A key element of our off-campus housing approach involves establishing an open dialog with private developers who are dedicated to allocating a portion of their properties to long-term affordable units. To ensure the success of this innovative partnership, UW-Madison has diligently built systems designed to identify eligible students and ensure their confidential access to more affordable rental options.

As the scope of partnership opportunities continues to grow, we strongly advocate for implementing a standardized framework for use by the city, UW-Madison and developers who are interested in providing below market-rate units to low- and moderate-income students. This approach would replace the current practice of navigating a complex, case-by-case or site-by-site scenario, wherein we endeavor to match students with rooms across various buildings, each offering different levels of affordability.

For this reason, in the context of the Core Spaces proposal located on the 400 block of West Johnson and West Gorham Streets, we strongly endorse the adoption of a system like the one currently being implemented in the Oliv project, which is currently under construction. Given the additional stories afforded to Core Spaces, this approach would involve Core's enduring commitment to offering 10% of the units at rents set 40% below the prevailing market rates. A 40% discount effectively aligns rental costs with the off-campus housing budgets of financial aid recipients. This affords them access to well-located, high-quality off-campus housing that is financially feasible within the framework of a comprehensive financial aid package, just as it is for Bucky's Pell Pathway recipients.

Although we would certainly embrace a larger share of discounted units for financially challenged students, establishing the discount proportion at 10% allows for a substantial 40% reduction. We understand from conversations with developers that in order for a project to be financially viable, a larger share of discounted units would yield a less impactful, more modest discount for each unit, which would be less effective in addressing the affordability concerns of individual students.

We thank the city for their dedication to implementing innovative methods to secure lasting affordability in high-quality student housing. While UW-Madison remains open to revisiting this framework for forthcoming projects, our current focus lies in establishing consistency,

which is a priority for the development of robust institutional systems that strengthen this partnership.

If you have questions, please feel free to contact me at brenda.gonzalez@wisc.edu.

Best,

Brenda

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