

**City of Madison
Community Development Division**

**Request for Proposals
RFP #11057-2022
Affordable Housing Fund:
Rental Housing Development Proposals
Seeking 2023 WHEDA Tax Credits
(AHF-TC)**

The North End

Due Date:
July 18, 2022

Prepared by:
Mark Hammond
MSP Real Estate, Inc.
1295 Northland Drive, Suite 270
Mendota Heights, MN 55120
612-868-9997



July 18, 2022

Julie Spears
City of Madison Community Development Division
Room 225, Madison Municipal Building
215 Martin Luther King, Jr. Boulevard
Madison, Wisconsin 53701-2627

RE: Affordable Housing Fund RFP #11057-2022 Response

Dear Julie,

MSP Real Estate Inc. is pleased to present our application for the 2022 Affordable Housing Fund for our affordable housing development located at 709 Northport Drive, The North End. We are partnering with Northside Christian Assembly, a multi-ethnic church that also provides many important outreach services to low- and moderate-income residents including legal consultations, legal clinics, financial literacy training and leadership training. All services are available to the public and are either free or a nominal cost to participants. We will be building out their space to a move in a ready condition and leasing it back to them at a \$1 per year annual base rent.

The site is located in a "Preferred Transit Oriented Development Area" under the City of Madison 2022 Affordable Housing Targeted Area Map and has great access to transit, local community resources, and amenities/services. This includes easy access to education for families with young kids with the Mendota Elementary School right in the back yard of the site. Located more than 0.5 mi of any point located on Dane County's 2022 AHDF map, a WHEDA project has not been awarded within 0.5 mi of the site within the last 10 years. While there is a handful of affordable housing in this area, it doesn't appear that there have been many recent developments in proximity. The North End will provide a new, quality affordable housing option in this area, taking advantage of the location's opportunities and bringing a fresh aesthetic to complement existing developments.

The North End will be applying for 4% Federal & State WHEDA LIHTC credits in December 2022. Given the site location and unit mix, we anticipate this project application will be competitive for LIHTC credits. The City of Madison Affordable Housing Funds are a critical funding source needed to make this project feasible.

This proposal will provide a 125-unit family building that will meet all the requirements for eligibility, including 30% CMI units with a supportive housing component being dispersed across unit sizes.

Finally our proposal at 709 Northport Drive offers the following additional RFP preferences:

- The proposed site is located in a Preferred Transit Oriented Development Area.
- Neighborhood enhancing first floor space, Northside Christian Assembly, a multi-ethnic organization that provides many services including legal consultations, legal clinics, financial literacy

training and leadership training. All services are available to the public and are either free or a nominal cost to participants.

- Integrated supportive services will be provided through the Salvation Army and the Dane County Veterans Service Office.
- At least 40% of the proposed affordable units are for households with incomes at or below 50% CMI (about 70.76% of affordable units).
- Leverage the use of all available resources by applying to WHEDA for tax credits, applying for City of Madison and Dane County Affordable Housing Funds, applying for Chicago FHLB funding, and deferment of the maximum feasible amount of developer fee.
- Dedicated tot lot and indoor play space for children.
- Adherence to best practices Tenant Selection Plan (TSP) and Affirmative Marketing Plan (AMP) per CDD's TSP/AMP best practices.

We are a long-term owner with a proven ability to secure the necessary sources of funding along with the construction expertise to manage complicated projects across the finish line that continue to add to our 32-year history of exceptional affordable housing developments in the communities in which we work.

We look forward to working with City staff and elected officials to bring this project to fruition.

Sincerely,

Mark Hammond

Mark Hammond
Vice President of Development

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 - c. A preliminary site plan and drawings, if available – Not Available At This Time
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- Section 4** A confirmation page demonstrating that an Initial Application for Energy Design Assistance was submitted to Focus on Energy.
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Affordable Housing Fund (AHF-TC) Application

This application form should be used for projects seeking City of Madison AHF-TC funds. Please format for logical page breaks. Applications must be submitted electronically to the City of Madison Community Development Division by **noon on July 18, 2022**. Email to: cddapplications@cityofmadison.com

APPLICANT INFORMATION

Proposal Title:	The North End		
Amount of Funds Requested:	\$3,392,000	Type of Project:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Acquisition/Rehab
Name of Applicant:	MSP Real Estate, Inc.		
Mailing Address:	1295 Northland Drive, Suite 270, Mendota Heights, MN 55120		
Telephone:	952-351-4540	Fax:	952-935-7202
Admin Contact:	Alyssa Klecker	Email Address:	aklecker@msphousing.com
Project Contact:	Alyssa Klecker	Email Address:	aklecker@msphousing.com
Financial Contact:	Mark Hammond	Email Address:	mhammond@msphousing.com
Website:	https://msprealestateinc.com/		
Legal Status of Maj. Owner:	<input checked="" type="checkbox"/> For-profit <input type="checkbox"/> Non-profit	LIHTC Application:	<input type="checkbox"/> 4% only <input checked="" type="checkbox"/> 4+4% <input type="checkbox"/> 9%
Anticipated WHEDA Set-Aside:	<input checked="" type="checkbox"/> General <input type="checkbox"/> Preservation <input type="checkbox"/> Non-Profit <input type="checkbox"/> Supportive Housing		
Federal EIN:	41-1630478	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 either an exemption or an 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.** 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. You may register at <https://www.cityofmadison.com/clerk/lobbyists/lobbyist-registration>.

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 by contacting the Community Development Division at (608) 266-6520.

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: Mark Hammond

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 **[MH]** you are electronically signing your name as the submitter of the application and agree to the terms listed above.

Date: 7/18/2022

PROPOSAL DESCRIPTION

1. Please provide a brief overview of the proposal. Describe the impact of the proposed development on the community as well as other key characteristics.

The North End as proposed is a 125-unit family project that contains 106 units (84.8%) of affordable housing at or below 60% CMI with a commitment to 40 years of affordability. Twenty-five (25) of these affordable units will be further segmented for individuals and families at the 30% CMI limit. Supportive services will be integrated with the Salvation Army of Dane County and Dane County Veterans Service Office for the 30% CMI units. A mix of one, two, and three-bedroom units spread across income levels will be offered in order to serve the varying needs of individuals and families in the community. This includes 25 three-bedroom units (20% of total units), 18 of which are affordable units. Unit sizes range from roughly 650 sf for one-bedroom units to 1,250 sf for three-bedroom units. The building will consist of four stories of residential units and one level of underground parking.

We also plan to incorporate a roughly 8,000 sf church space on the first floor to provide a newer and more functional space for Northside Christian Assembly who is also the seller of the site. Along with their worship service, Northside Christian Assembly provides various resources and services that benefit the community and are open to the public. Services include legal consultations, legal clinics, financial literacy training, and leadership training. All services are either free or nominal cost to participants. They are also looking to update their space to be more functional for their needs. We look forward to this beneficial partnership in making good use of excess land through providing affordable housing and creating a more functional space for Northside Christian Assembly to continue providing services and resources to the community along with their worship space. The services and resources that they provide will also be a great benefit to future residents who may be looking for additional support.

This new construction project will be located at 709 Northport Drive, Madison, WI within a "Preferred Transit Oriented Development Area" on the City of Madison 2022 Affordable Housing Targeted Area Map. As such, the site has good access to public transit and is in close proximity to the North Transfer Point hub for access throughout the City of Madison. The site is listed as preferred by the City of Madison as it will be on the future Bus Rapid Transit (BRT) route as well, providing further transit opportunities to future residents of the project. There are many services/amenities, employment opportunities, educational opportunities, and recreational activities within walking and biking distance as well. The site is also located more than 1/2 mile away of any point indicated on the Attachment A map of the the Dane County AHDF 2022 Guidelines, which means that a WHEDA project has not been awarded within 0.5 mi of the site within the last 10 years.

The North End will provide much needed affordable housing in the City of Madison in a location that has especially great access to education, with Mendota Elementary School right in the backyard, and community resources/organizations to help provide community support for low-income individuals who may need it most. This site also provides great access to parks, a community garden, the lake, and the local farmers market for residents to take advantage of the natural beauty of Madison through outdoor recreation. The North End will contribute to the County's and City's goals of providing more options for affordable housing in locations well served by services/amenities and access to transit.

2. Please describe the following aspects of the proposed development:

Type of Project: New Construction Acquisition/Rehab or Preservation
 Type of Project: Multi-family Senior (55+ or 62+ yr. old): _____

Total number of units: 125
 Total number affordable of units (<60% CMI): 106 Total % affordable of units (<60% CMI): 84.8%
 Total amount of AHF requested per affordable unit: \$32,000
 Number of units supported by Section 8 project-based vouchers, if known: _____ PBV CMI level: _____
 Length of Period of Affordability Commitment (min. 40 years): 40 years

3. Please indicate the organization of the development team for the proposed development:

Non-Profit Developer For-Profit Developer
 Non-Profit Controlling Member For-Profit Controlling Member

4. Please indicate the loan terms requested for this proposal as described in Section 1.4 of the RFP. Is the applicant requesting a waiver of shared appreciation in exchange for permanent affordability?

The loan terms requested for this proposal are consistent with the typical 50/50 split of the funds between the cash flow note and the long term deferred note as mentioned in the RFP guidelines. We are not requesting a waiver of shared appreciated in exchange for permanent affordability. We are committing to 40 years of affordability on this project.

AFFORDABLE HOUSING INITIATIVE FUND GOALS & OBJECTIVES

5. Please check which of the following goals outlined in the Request for Proposals are met with this proposal:

- 1. Increase the supply of safe, quality, affordable rental housing, especially units affordable to households with incomes at or below 30% of area median income, that ensure long-term affordability and sustainability.
- 2. Preserve existing income- and rent-restricted rental housing to ensure long-term affordability and sustainability.
- 3. Improve the existing rental housing stock through acquisition/rehab to create long-term affordability and sustainability.

AFFORDABLE HOUSING NEEDS

6. Describe Development Team's knowledge of and experience in identifying and addressing affordable housing needs of the City of Madison.

MSP Real Estate has extensive experience in identifying and addressing affordable housing needs since 1991 and creating affordable housing developments throughout Wisconsin, Minnesota, and Indiana (see Section 2a.i for attached list of our tax credit housing). While most of the developments listed are not specific to the City of Madison, the expertise required to properly assess affordable housing needs is directly transferable to the City of Madison Metropolitan market.

As far as specific City of Madison experience, MSP Real Estate has collaborated with the City on four affordable housing projects in recent years. MSP Real Estate was a successful applicant for the 2016 Affordable Housing Fund (AHF) (for 2017 WHEDA Credits) and earned an award of 2017 and 2018 Low Income Housing Tax Credits (LIHTC) from WHEDA for our Normandy Square 58-unit (48 affordable units) project located at 6509 Normandy Lane. MSP Real Estate was a successful applicant for the 2017 AHF (for 2018 WHEDA credits) and earned an award of 2018 LIHTC from WHEDA for our 112-unit (95 affordable units) project, The Grove, located at 202 & 206 Cottage Grove Road. MSP Real Estate was a successful applicant for the 2019 AHF (for 2020 WHEDA Credits) and earned an award of 2020 LIHTC from WHEDA for our 110-unit (93 affordable units) project, The Oscar Apartments, located at 1222 & 1244 Huxley Street. Most recently, MSP Real Estate was a successful applicant for the 2021 AHF (for 2022 WHEDA Credits) and earned an award of 2021 and 2022 LIHTC from WHEDA for our 79-unit (62 affordable units) project, The Heights Apartments, located at 2206 University Avenue.

See Section 2 for more detail on MSP Real Estate knowledge and experience.

7. Please describe the anticipated demand for the proposed target populations served in this location.

Historic low vacancy rates and strong lease-up schedules continue to be the trend in Madison, WI. As such, there is a high demand for affordable housing in all areas of Madison. During our initial meeting with the City regarding our AHF application for this project, the City felt that this area of Madison could certainly absorb additional affordable housing units although there are already some existing affordable housing units in the area. As far as recent affordable projects, The North End is located more than 0.5 mi of any point located on Dane County's 2022 AHDF map, which means that a WHEDA project has not been awarded within 0.5 mi of the site within the last 10 years. Given these indications, we believe there will be adequate demand for this project as it is positioned well especially given its good access to transit, location along the future BRT route, and access to local services/amenities, job/education opportunities, and community resources and organizations as discussed below. We will order a market study prior to our WHEDA submission to confirm the anticipated demand for the project.

INTEGRATED SUPPORTIVE HOUSING UNITS

8. Provide the number and percent of Integrated Supportive Housing Units proposed, the income category(ies) targeted for these units, and the target service population(s) proposed (e.g., households currently experiencing homelessness listed on the Community-wide Prioritized List, veterans, persons with disabilities, formerly incarcerated individuals, other, etc.). Describe the consultation and coordination between Developer, the Property Manager and the lead

Supportive Service Coordination Agency that occurred prior to this application and planned to design the development in terms of matching unit mix (income and size) to the targeted population.

The North End will include 25 (20%) Integrated Supportive Housing units at the 30% CMI income & rent level.

Twenty-five (25) units at 30% CMI will have integrated supportive services provided by outside agencies with case management services available.

- 11 units for homeless/risk of homeless (Salvation Army of Dane County)
- 14 units for Veterans (Dane County Veterans Service Office)

The supportive services available to the residents at The North End will be provided for by the following non-profit agencies: The Salvation Army of Dane County and Dane County Veterans Service Office. We have a signed support letter from The Salvation Army and plan to reach out to the Dane County Veterans Service Office to put together a MOU similar to previous projects where we have worked together (see Section 3a for The Salvation Army Support Letter). MSP has been in communication with The Salvation Army regarding their needs at The North End to match their needs to our project. We have worked with the Salvation Army on our previous developments and anticipate the supportive service structure to mirror that of previous projects.

Future residents that we anticipate receiving supportive services at The North End are Veterans and Homeless/Nearly Homeless Individuals/Families that meet Federal Poverty Guidelines. We also anticipate individuals that have special needs or disabling conditions as a target service population in alignment with FHLB AHP requirements. This doesn't preclude however other supportive agencies interfacing with the residents of The North End.

MSP has worked with both of these supportive services partners on our previous projects in the Madison area. We anticipate that the supportive service structure will mirror that of previous projects. In the past, Salvation Army has mentioned that they have a slightly higher need for the 2 and 3 bedroom units and it has seemed that Dane County Veterans Service Office has typically had more need for one bedroom units. We have a mix of unit types at the 30% CMI level to provide for this mix of needs, including affordable 3 bedroom units and feel that these service providers are a good mix for that reason as well. We have also had several individuals/families referred from these supportive service partners in the past that qualified for the 50% CMI units rather than 30% CMI units. MSP will work with these supportive service partners to try and accommodate their needs throughout the leasing process.

9. Please describe your proposed integrated supportive housing approach that will go beyond meeting WHEDA's supportive housing requirements outlined in the Appendix S Checklist of the WHEDA Qualified Allocation Plan targeting veterans and/or persons with disabilities. Please elaborate on which target populations you plan on serving.

As indicated in Question 8, we intend on filling the integrated supportive housing units with the following ranges of individuals/families in need of additional supportive services at the 30% CMI level.

- 11 units for homeless/risk of homeless (Salvation Army of Dane County)
- 14 units for Veterans (Dane County Veterans Service Office)

While these identified ranges of supportive service units (along with identified supportive service partners) meet all the requirements of the WHEDA tax credit application including Appendix S of the Qualified Allocation Plan, if our ranges of 30% units are not filled with the targeted supportive housing populations specified, we will additionally go above and beyond these requirements by working with other agencies and organizations to identify individuals and families from the community wide priority list for at least a portion of the remaining available units if required to fill those supportive units.

We have spread our 30% units across one, two, and three-bedroom units in order to provide opportunities and meet the needs of individuals and families of varying sizes. We have also created a more flexible tenant screening criteria for our 30% units that goes above and beyond the WHEDA requirements. See Section 1b.i for Tenant Screening Criteria.

10. Identify the partnership(s) with supportive service agencies that have been or will be formed to serve the target population(s) for the supportive housing units, including service provider(s) from the Continuum of Care (see Attachment C), if applicable. Provide a detailed description of the type (e.g., assessment and referral, on-site intensive

case management, etc.) and level of supportive services (% FTE and ratio of staff: household) that will be provided to residents of the proposed project.

Collaborative referral based supportive service partnerships will be established with The Salvation Army of Dane County and Dane County Veterans Service Office.

1. The Salvation Army of Dane County (weekly on-site intensive case management will be provided for all referrals by the Salvation Army, support letter in Section 3a): The Salvation Army will refer individuals and families that it provides assistance to under programs called Dane County Assists With New Starts (DAWNS) and RISE. Individuals and families transitioning from homelessness to housing can be offered a rapid rehousing package through the DAWNS and RISE programs. This rapid rehousing package consists of weekly case management sessions, security deposit, and first month's rental assistance for the DAWNS program and up to a years' rental assistance in the RISE program. Additional rental assistance may be granted on an individual case by case basis. Case management support can last up to two years and will be provided at the resident's apartment or Salvation Army offices. The Salvation Army will extend its monetary rental resources and caseworker support under the DAWNS and RISE programs to individuals/families that it refers to live at The North End.

2. Dane County Veterans Service Office (referral, pending MOU): This is the County agency responsible for assisting veterans in accessing benefits and referring them to resources in the community, including affordable housing. Therefore, MSP Property Management marketing and outreach efforts for veterans will be coordinated with the Dane County Veterans Service Office. The Dane County Veterans Service Office assists Veterans who may need supportive services and are eligible for veteran specific services to identify where to obtain those services from a range of providers who are primarily funded by the U.S. Department of Veterans Affairs. MSP Property Management will establish a working relationship with the Dane County Veterans Service Office locally and will work with them and their contracted service providers and tenants to address any issues that may arise that could affect their success in maintaining their tenancy.

In addition to the two supportive service partnerships above, MSP Real Estate plans to partner with Northside Christian Assembly to provide an approximately 8,000 sf space on the first floor for their church worship center. Along with their worship services, Northside Christian Assembly provides services and resources to public members of the community who may need support. Services include legal consultations, legal clinics, financial literacy training, and leadership training. All services are either free or nominal cost to participants. These services will also be a great resource for future residents at The North End.

11. CDD expects that supportive service partners have access to adequate compensation for the dedicated services provided to residents of the development. In order to ensure the success of the development, the partnership(s), and the tenants, describe the level of financial support to help pay for or subsidize supportive services that the development will provide annually to the identified supportive service partner(s). Identify any other non-City funding sources contemplated or committed for supportive services outside of this project. Explain any arrangement with developer fee sharing, "above the line" payments in the operating budget, "below the line" payments out of available

cash flow and/or percent of developer fee shared. CDD is open to deferral of AHF Cash Flow Note payments to ensure meaningful financial support to supportive service partners.

Attach a letter from the service provider(s) detailing the services they intend to provide to residents of the supportive housing units, the cost of those services and how those services will be financially supported (i.e., through the development, fundraising, existing program dollars, etc.).

We are confident that the supportive service partnerships we have arranged for with this development proposal will allow the development to be successful and provide the necessary supportive services for the residents that require it. Also, Northside Christian Assembly or an affiliate will be provided an 8,000 square foot space at a \$1 annual base rental amount. This will allow them to continue providing their many excellent services at little or no cost, including legal consultations, legal clinics, financial literacy training and leadership training. All services are available to the public and are either free or a nominal cost to participants.

More specifically, the Salvation Army of Dane County will provide all case management funding support necessary for those residents referred from their DAWNS and RISE programs (see Section 3a for support letter). The majority of Salvation Army of Dane County supportive services are funded by Dane County, United Way, and other government donations and fundraising donations. The DAWNS program is funded by Dane County and the RISE program is funded by HUD.

The Dane County Veterans Service Office will assist veterans in identifying where to obtain services from a range of providers who are primarily funded by the U.S. Department of Veterans Affairs (pending MOU). Dane County Veterans Service Office funds its veterans case management from the Dane County operating budget. Many partnering providers and services identified through the Dane County Veterans Service Office are funded by the U.S. Department of Veterans Affairs.

Due to the financial constraints of the operating budget to allow for the required debt service coverage ratios to be achieved, supportive service funding support is provided by our supportive service partners.

PROPERTY MANAGEMENT: TENANT SELECTION & AFFIRMATIVE MARKETING

12. Describe your plans to incorporate flexible tenant selection criteria for households who are connected to supportive services, in order to provide housing opportunities for persons or families who would otherwise face common obstacles obtaining housing (e.g., poor credit, negative rental history, criminal conviction records, etc.). Specifically outline how this development's tenant selection criteria is consistent with the City of Madison Tenant Selection Best Practices (Attachment B-1 of the RFP) and provides the maximum feasible flexibility in tenant selection to the general population and supportive service units.

For all of our market rate and tax credit units at or above 40% CMI, MSP Property Management will be employing a criteria 'A' screening tool based on income, credit worthiness, and prior housing references.

For our 30% targeted 'supportive housing' units ONLY, MSP Property Management will qualify those residents based on a less stringent set of criteria than what is used in our 'A' screening practices. This 'B' tenant screening tool will allow MSP Property Management to provide more housing choices for applicants in the 30% CMI level and will affirmatively market these units to the specifically targeted populations being proposed for these 30% units. The 'B' tenant screening policies allow for greater flexibility to mitigate housing barriers associated with challenged applicants.

See Section 1b.i for MSP Property Management Resident Selection Plan & Tenant Screening Criteria B.

13. Describe the planned approach, relationship and coordination between the Property Manager and the lead Supportive Service Coordination Agency for lease up and ongoing services. Have these entities previously participated in an in-depth pre-lease up coordination process with these target population(s) in coordination with relevant community partners (e.g., CDA, DCHA, VASH, CE, etc.)? How will these entities work together to ensure a successful development well-integrated with the immediate neighborhood and community?

MSP Property Management (MSPPM) will reach out to the supportive service partners when it begins its marketing outreach. As part of this initial outreach, MSP will provide marketing materials for the project and request referrals for our 30% set aside apartments at The North End. The supportive service partners will also provide marketing materials to MSPPM. MSPPM will endeavor to make existing and prospective residents aware of services and resources available by provision of a tenant resource area within the common area of the development. As vacancies arise for the supportive units throughout the duration of the project, MSPPM will continue to reach out to

the supportive service partners for referrals. MSPPM will also work with the supportive service partners, their contracted service providers, and tenants to address any issues that may arise that could affect tenants' success in maintaining tenancy.

MSP has recently participated in an in-depth pre-lease coordination process with the City, County, Salvation Army, VASH, and Joining Forces for Families (JFF) in leasing up one of our projects in Madison wrapping up construction, The Oscar Apartments. MSP plans to have similar in-depth meetings for our upcoming The Heights Apartments project in Madison and plans to have similar meetings for this proposal, The North End. These meetings help to ensure that everyone is on the same page regarding available units, status of current applications, and timing. As MSP has partnered with these supportive services partners (The Salvation Army and Dane County Veterans Service Office) on several past projects, there is an open dialogue between property management and these supportive partners from previous projects that makes the collaboration on new projects easier as we learn more about each other's processes and needs on each project.

14. Describe the proposed development's **minimum** occupancy standards (1 pp per BR) that will prevent or reduce over-housing residents in such limited affordable housing opportunities consistent with Tenant Selection Plan Best Practices (Attachment B1 of the RFP).

The Tenant Selection Plan for this project (see Section 1b.i) lists the occupancy guidelines. For this project, our guidelines will be a preference for at least 1 household member per bedroom for all affordable units. Reasonable accommodations regarding this occupancy standard will be made for people with disabilities based on their needs.

15. Describe the affirmative marketing strategy and any other strategies to engage the target populations for this proposal. Specifically outline how this development's marketing will be consistent with the City of Madison's Affirmative Marketing Plan Best Practices (Attachment B-2 of the RFP), especially for Asian and Latinx populations which tend to be under-represented in AHF Completion Reports.

MSP Property Management will follow the Affirmative Marketing Plan as outlined in the RFP response. See Section 1b.ii for The North End Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing (Form HUD-935.2A). This plan aligns with the City of Madison's Affordable Housing Affirmative Marketing Plan Best Practices. For outreach specifically to Asian and Latinx populations mentioned above, MSP Property Management will reach out to the AAPI Coalition of Wisconsin and the Centro Hispano of Dane County respectively.

16. How will you affirmatively market to populations that will be identified as least likely to apply? Detail specific partnerships that the development team, Property Manager, and/or other agencies in this proposal have had with community agencies and organizations that provide direct housing search and related assistance to households least likely to apply. Please reference successful past practices, relationships with agencies and/or marketing materials used.

See Section 1b.ii for The North End's Affirmative Fair Housing Marketing Plan (AFHMP). Marketing practices to those 'least likely' identified groups in our AFHMP include directly reaching out over phone, email, and occasionally in person to organizations recognized in our AFHMP. The property manager will discuss the project and provide marketing materials including flyers and brochures. MSPPM has contacted several of these organizations on past projects and formed relationships that will be helpful for marketing The North End as well. Outreach will occur during initial lease-up and throughout the project duration for ongoing marketing of vacant units. Other proposed marketing activities included in the AFHMP include Apartments.com & Craigslist through SEO targeting with keywords as well as targeted mailings to residents within the census tract area.

17. Describe the proposed development's security deposit policy (e.g., ½ or 1x's rent, other set amount(s), criteria for variations if credit is conditional, etc.). Is the higher deposit policy waived for households with a guaranteed rent subsidy or voucher? What is the minimum required income to rent ratio (e.g., 1.5 to 1)? Are the lease up policies consistent with the City's Tenant Selection Plan Best Practices (Attachment B-1 of the RFP)?

MSP Property Management's security deposit policy is generally \$500 with approved credit or \$1,000 with conditional credit or \$500 with conditional credit plus a co-signer. This is not typically reduced for those households with a rent subsidy or voucher.

The minimum required rent to income ratio is 40%.

Through Salvation Army of Dane County, the security deposit is included in the rapid rehousing package for tenants in the DAWNS program.

18. What percentage of maximum LIHTC rents are used for 50 & 60% units? Describe the proposed development's policy toward limiting rent increases for lease renewals? How will it be ensured that prospective long-term tenants be

protected from significantly and rapidly rising contract rents increases allowed under the published rent limits, even under the rent limit increase requirements in this RFP and Loan Agreement.

Our 50% CMI unit rents are at max. Our 60% CMI unit rents are at about 90% of max. MSP has always been and will continue to be sensitive to rent increases. If a larger than 2% increase is allowed by WHEDA, we will work to limit the increase as long as the finances of the project support it.

PUBLIC BENEFIT AND RISK

19. Please describe the public benefit of the proposed housing development and the risks associated with the project.

The public benefit of The North End is to create new, high quality affordable housing for the City of Madison in a "Preferred Transit Oriented Development Area," providing future residents with great access to transit, including close proximity to the North Transfer Point and the future BRT route. As well as close proximity to services/amenities, jobs/education, and other community resources. This project especially aims to serve the some of the lowest income individuals/families at 50% or less of the county median income, along with providing supportive services for the 30% CMI units for Veterans and homeless/nearly homeless individuals and families. These residents will have greater access to other supportive services because of an affordable place to live, helping residents maintain quality affordable housing.

The North End will contribute much needed affordable workforce housing in the City of Madison. The North End is located more than 0.5 mi of any point located on Dane County's 2022 AHDF map, which means that a WHEDA project has not been awarded within 0.5 mi of the site within the last 10 years. While there is a handful of affordable housing in this area, it doesn't appear that there have been many recent developments in close proximity. The North End will provide a new, quality affordable housing option in this area, taking advantage of the location's opportunities and bringing a fresh aesthetic to compliment existing developments.

The risks associated with this project relate mainly to the financial structure of the sources of financing and pools of soft financing necessary for the project's completion including WHEDA LIHTC Credits. Timing also remains a risk as there is a long lead time from concept to fruition in these types of transactions. Increases in construction costs due to inflationary pressures, unforeseen increases in the construction budget, rising interest rates, and lower tax credit pricing are all additional factors that could fluctuate to create a project that is no longer financially feasible.

SITE INFORMATION

20. Address of Proposed Site: 709 Northport Drive, Madison, WI 53704

21. In which of the following areas on the Affordable Housing Targeted Area Map (see Attachment A) is the site proposed located? Please check one plus Limited Eligibility, if applicable.

- Preferred TOD Area
- Eligible Core Transit Area
- Preservation & Rehab Area (Ineligible for New Construction)
- Limited Eligibility Area

22. Identify the neighborhood in which the site is located: Between Kennedy Heights and Vera Court

23. Date Site Control Secured: 7/18/2022

24. Explain why this site was chosen and how it helps the City to expand affordable housing opportunities where most needed. Describe the neighborhood and surrounding community. Provide the streets of the closest major intersection as well as known structures/activities surrounding the site that identifies where the site is located. (Attach a map indicating project location. Include one close-up map of the site and a second map using the AHF Targeted Area Map to show the site in the context of the City.)

The North End would be located at 709 Northport Drive Between the Kennedy Heights and Vera Court neighborhoods and will contribute much needed affordable workforce housing in the City of Madison. The closest intersection is Northport Drive and School Road. The North End is located more than 0.5 mi of any point located on Dane County's 2022 AHDF map, which means that a WHEDA project has not been awarded within 0.5 mi of the site within the last 10 years. While there is a handful of affordable housing in this area, it doesn't appear that there have been many recent developments in close proximity. The North End will provide a new, quality affordable housing option in this area, taking advantage of the location's opportunities and bringing a fresh aesthetic to compliment existing developments.

Schools assigned to the address of the site include Mendota Elementary, Black Hawk Middle, and East High. One of the greatest benefits of this site location is that Mendota Elementary is located right in the backyard of the site, which makes it easier on families to get their youngest kids safely to and from school every day with a short 4 minute walk each way. The Countryside Montessori Preschool is also located right next door for young kids, along with various other childcare options in the area as can be seen below. For Black Hawk Middle, students can take a short walk to the bus stop and be at school in about 9 minutes. For East High, students can take a short walk to the bus stop and connect with a second transit route to be to school in about 40 minutes. Additionally, the Madison Public Library - Lakeview is only 1.35 mi away. For adults looking to further their education/training, Madison College is located 2.95 mi from the site and the Dane County Job Center is 2.10 mi from the site.

Another notable benefit of this site location is the proximity to community and neighborhood organizations. This site is located within 0.15 mi of two community/neighborhood centers (Kennedy Heights and Vera Court) as well as within 1 mi of Warner Park Community Center. These organizations will help residents and their families build a stronger sense of community while providing access and knowledge to various resources to help support residents and their families. Another community resource to mention is the East Side Alano Club located just down the street from the site, which provides support for recovering alcoholics. In addition to Warner Park, various parks are located around the site for recreation as can be seen below. Another recreational outdoor opportunity is The Troy Community Gardens, located just 0.35 mi from the site.

Other nearby services include the Willy Street Co-op North for groceries 1.34 mi away along with the Northside Farmers Market in the warmer months. As far as health services, the closest medical clinic is the UW Health Northeast Family Medical Center located 1.55 mi from the site, which provides family medicine services along with a pharmacy. Walgreens is also located just 1.37 miles from the site. Several retail centers as noted below provide both shopping and job opportunities for residents in close proximity along with access to the North Transfer Point, which allows residents accessible transit to job opportunities throughout the City.

Transit routes will offer residents easy and quick access to transportation in all directions of the City, allowing residents to easily navigate employment opportunities, services, and amenities, especially if they do not have their own personal vehicle. Bus Routes 21 and 22 have stops right next to the site along Northport Drive at School Road. Bus Route 21 makes a loop north before running down Packers Ave to the North Transfer Point and back up Packers Ave and Northport Drive to the site. Route 22 comes from a loop to the west before traveling down Northport Drive and North Sherman Drive to the North Transfer Point and back up. Both routes provide access to the North Transfer Point within 20 minutes, which provides many other connections to various routes throughout the City. Both routes provide regular weekday and weekend service with service every 30 minutes on weekdays and every hour on evenings and weekends. This site will also be located along the future Bus Rapid Transit (BRT) Route in the City of Madison, which is why the site is located in a "Preferred Transit Oriented Development Area" on the City of Madison 2022 Affordable Housing Targeted Area Map.

As can be seen from the list of amenities and services below, many amenities and services are located in close proximity to the site. In addition, the transit routes and easy access to the North Transfer Point and the future Bus Rapid Transit Route will allow future residents access to various parts of the City including various employment opportunities without a personal vehicle. The project will also be providing underground parking, but this location will allow the residents to utilize public transit along with biking and walking to get around the neighborhood and City if they choose so.

25. Identify any existing buildings on the proposed site, noting any that are currently occupied. Describe the planned demolition of any buildings on the site, if applicable.

A place of worship, Northside Christian Assembly, is currently located on the site. The existing building is still in use, but will be vacated prior to the land closing and demolished prior to construction. Northside Christian Assembly is also the seller of the site and desires to have a more functional and updated space in place of their currently existing building in order to better suit their needs and serve the community.

Demolition of the building would be expected once all of the funding sources for this application have been awarded. Demolition is not expected to occur until after January 2024.

26. Describe the historical uses of the site. Identify if a Phase I Environmental Site Assessment has been completed and briefly summarize any issues identified. Identify any environmental remediation activities planned, completed, or underway, and/or any existing conditions of environmental significance located on the proposed site.

The current use of the site is a worship center, Northside Christian Assembly, who is also the seller of the site. Prior uses are unknown at this time. A Phase I Environmental Site Assessment has not yet been completed.

27. Current zoning of the site: SR-C1 An interactive version of the Zoning Map can be found linked [here](#).

28. Describe any necessary planning and zoning-related approvals (rezoning, conditional use permit, demolition, etc.) that must be obtained for the proposal to move forward.

The site would need to be rezoned in order for The North End to be feasible on this site. The City estimated that the rezoning process would take about 10 weeks.

29. Describe the proposed project’s consistency with the land use recommendations, goals and objectives as may be relevant in adopted [plans](#), including the City of Madison Comprehensive Plan (adopted 2018), Neighborhood Plans, Special Area Plans, the Generalized Future Land Use Map (interactive version linked [here](#)), and any other relevant [plans](#).

The City of Madison Comprehensive Plan (adopted 2018) emphasizes the need for Madison to have a range of quality affordable housing located throughout the City. Feedback from the community also addresses this high need for quality affordable housing, especially for developments located near amenities and transit to allow residents to save on transportation costs and have greater opportunities for jobs. The plan encourages integrating affordable housing into neighborhoods for greater support and chances of success. It also acknowledges the need for a range of unit sizes, including three-bedroom units. On the Generalized Future Land Use Map, the site is identified as Low-Medium Density Residential.

The North End aligns with this plan by providing a high quality affordable housing option in an area with close proximity and access to multiple services/amenities. As mentioned early and in the chart below, this site is also nearby community resources/organizations, such as Kennedy Heights and Vera Court community/neighborhood centers, that will help provide the sense of community and support that such a project may need as mentioned in the comprehensive plan for success. With a mix of unit sizes from one-bedroom to three-bedroom units spread across income levels, The North End will also provide options for varying family sizes and needs within the community. This proposal also aligns with the Generalized Future Land Use Map where the site is identified as Low-Medium Density Residential.

The Northport-Warner Park-Sherman Neighborhood Plan identifies the need to "sustain a mix of available housing types including: single-family, owner-occupied, rental, multi-unit or multi-family, senior housing, affordable housing and also encourage development of housing in the upper ranges of the current market." It also reiterates the need for safe, quality, and affordable affordable housing.

The North End will help address the needs of the area as mentioned above by providing safe, quality and affordable rental housing. Through incorporating market rate units with the affordable units as a mixed-income project, The North end will also include the development of market rate units as encouraged in the neighborhood plan. While there is some existing affordable housing in this area, based on the 2022 Dane County AHDF map, a project has not received tax credits within 0.5 mi of the site within the last 10 years. The North End will help sustain the affordable housing stock by providing a newer, quality affordable housing option to this area and bring a fresh aesthetic.

30. Identify the distance the following amenities are from the proposed site.

Type of Amenities & Services	Name of Facility	Distance from Site (in miles)
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Full Service Grocery Store	Willy Street Co-op North Pick 'N Save	1.34 mi 2.50 mi
Public Elementary School	Mendota Elementary School Lindbergh Elementary School Gompers Elementary School Lake View Elementary School	0.11 mi 0.35 mi 0.95 mi 1.21 mi
Public Middle School	Black Hawk Middle School Sherman Middle School	0.95 mi 1.80 mi
Public High School	Shabazz City High School Madison East High School	1.80 mi 3.20 mi
Job-Training Facility, Community College, or Continuing Education Programs	Dane County Job Center Madison College	2.10 mi 2.95 mi
Childcare	Countryside Montessori Preschool YMCA Gompers Dcpc Northport Head Start Dcpc Packers Head Start Kindercare Learning Center	0.00 mi 0.95 mi 1.42 mi 1.55 mi 1.63 mi
Public Library	Madison Public Library - Lakeview Madison Public Library - Hawthorne	1.35 mi 3.19 mi
Neighborhood or Community Center	Kennedy Heights Community Center Vera Court Neighborhood Center Warner Park Community Recreation Center	0.11 mi 0.12 mi 0.92 mi
Full Service Medical Clinic or Hospital	Northeast Family Medical Center Access Community Health Center UW Health Union Corners Clinic	1.55 mi 3.24 mi 3.26 mi
Pharmacy	Walgreens Pharmacy UW Health Pharmacy	1.37 mi 1.62 mi
Public Park or Hiking/Biking Trail	Lerdahl Park Wheeler Heights Park Lake View Hill Park Northland Manor Park Warner Park Sherman Village Park Westport Meadows Park Lake View Heights Park Meadow Ridge Park	0.43 mi 0.51 mi 0.53 mi 0.67 mi 0.71 mi 0.78 mi 0.83 mi 0.95 mi 0.95 mi
Banking	UW Credit Union Old National Bank Associated Bank BMO Harris Bank	0.75 mi 1.29 mi 1.60 mi 2.02 mi
Retail	Sherman Plaza Shopping Center Northgate Shopping Center Lakewood Plaza Shopping Center	1.40 mi 2.09 mi 2.38 mi
Other (list the amenities):	East Side Alano Club Troy Community Gardens Northside Farmers Market	0.33 mi 0.35 mi 1.30 mi

31. What is the actual walking distance (in miles) between the proposed site and the nearest seven-day per week transit stops (i.e. weekday and weekends)? List the frequency of service at that bus stop during the weekday at noon. List the bus route(s), major transit stop street intersections and describe any other transit stops (include street

intersections and schedule) located near the proposed site. Please do not include full bus schedules. Please refer to [Metro's Adopted Network Redesign](#) and answer based on the best available information at the time of application.

The project is about 650 feet from Stop 5421: Northport & School (EB) for Route 22 and Stop 5765: School & Northport (NB) for Route 21. Bus Route 21 makes a loop north before running down Packers Ave to the North Transfer Point and back up Packers Ave and Northport Drive to the site. Route 22 comes from a loop to the west before traveling down Northport Drive and North Sherman Drive to the North Transfer Point and back up. Both routes also provide access to the North Transfer Point within 20 minutes, which provides many other connections to various routes throughout the City. Both routes provide regular weekday and weekend service with service every 30 minutes on weekdays and every hour on evenings and weekends. This site will also be located along the future Bus Rapid Transit (BRT) in the City of Madison, which is why the site is located in a "Preferred Transit Oriented Development Area" on the City of Madison 2022 Affordable Housing Targeted Area Map. With the Metro redesign, this site will be on Route B peak and mid-day transit frequency of 15 minutes, evening transit frequency of 30 minutes, and weekend transit frequency of 15/30 minutes.

32. Describe the walking routes for children to get to their elementary and middle schools.

The elementary and middle schools assigned to the address of the site include Mendota Elementary and Black Hawk Middle. One of the greatest benefits of this site location is that Mendota Elementary is located right in the backyard of the site, which makes it easier on families to get their youngest kids safely to and from school every day with a short 4 minute walk each way along Northport Drive & School Road. The Countryside Montessori Preschool is also located right next door for young kids, along with various other childcare options in the amenity chart. For Black Hawk Middle, students can take a short walk to the bus stop and be at school in about 9 minutes. Otherwise, they can take a 25 minute walk through the Lakeview Hills/Sherman Village neighborhood streets after crossing Northport Drive to get to and from school.

33. Describe the [anticipated](#) transit options for people to access employment and amenities such as childcare, after school activities, grocery stores, the nearest library, neighborhood centers, and other amenities described above.

Transit routes will offer residents easy and quick access to transportation in all directions of the City, allowing residents to easily navigate employment opportunities, services, and amenities, especially if they do not have their own personal vehicle. Bus Routes 21 and 22 have stops right next to the site along Northport Drive at School Road. Bus Route 21 makes a loop north before running down Packers Ave to the North Transfer Point and back up Packers Ave and Northport Drive to the site. Route 22 comes from a loop to the west before traveling down Northport Drive and North Sherman Drive to the North Transfer Point and back up. Both routes also provide access to the North Transfer Point within 20 minutes, which provides many other connections to various routes throughout the City. Both routes provide regular weekday and weekend service with service every 30 minutes on weekdays and every hour on evenings and weekends. This site will also be located along the future Bus Rapid Transit (BRT) in the City of Madison, which is why the site is located in a "Preferred Transit Oriented Development Area" on the City of Madison 2022 Affordable Housing Targeted Area Map. With the Metro redesign, this site will be on Route B peak and mid-day transit frequency of 15 minutes, evening transit frequency of 30 minutes, and weekend transit frequency of 15/30 minutes.

34. Describe the impact this housing development will have on the schools in this area. What percent are the 5-year projected capacities for the area schools (from 2019)? Ideal enrollment is considered 90%. Are the schools projected to be at, above, or below capacity? Approximately how many elementary and middle school children are projected to live at the proposed housing development based on your proposed unit mix and previous housing experience? See 5-year projected capacities in 2019 school capacity information found in this [Report](#) (.pdf pages 30-31).

Based on Madison Metropolitan School District's "find your school" tool, the schools assigned to 709 Northport Drive are the following: Mendota Elementary, Black Hawk Middle, and East High.

Using the 2019 enrollment data through the link above, the 2019 report Current Utilization and Five Year Projected Utilization for each of the area schools is listed below.

- Mendota Elementary: Current - 92.1%, Five Year - 88.6%
- Black Hawk Middle: Current - 56.5%, Five Year - 46.9%
- East High: Current - 61.9%, Five Year - 70.6%

Based on the 2019 report data, Mendota elementary school is the only assigned school just above ideal capacity at 92.1%. However, the five year projected enrollment will put Mendota Elementary just below ideal capacity right around 88.6%. Black Hawk Middle and East High current and five year projections are both underutilized at or below 70% capacity. Given that most area elementary & middle schools are projected to decline in enrollment over the next five years, combined with the impacts of COVID-19 decreasing enrollment in the 2020-2021 school year,

enrollment spots will open up at area schools & need to be filled. Potential students at The North End may contribute in keeping or increasing the five year enrollment levels near ideal capacity of 90%.

When we had reached out to Kristian Chavira at the Madison Metropolitan School District on a recent area project, she provided some data from the 2018-2038 Student Enrollment Projections Update report, prepared by Vandewalle & Associates for MMSD. According to this report, large multi-family buildings (3-8 stories) will generate between 0.025 and 0.036 MMSD students per a unit. Based on these predictions, The North End would be expected to have about 3-5 MMSD students. Given that there are 25 three-bedroom units in this development, there could potentially be larger families at the development who would contribute more students than average. However, since the number of projected students due to the proposed building is so small, 3-5 students, this development is not projected to have a substantive impact on the capacity available at the area schools.

CITY AND COMMUNITY ENGAGEMENT PROCESSES

35. Briefly summarize the staff comments during your Pre-application meeting with City of Madison Planning and Zoning staff. Please include the date.

We had our pre-application meeting with the City on June 30, 2022. Although there is already a handful of affordable housing in this area, the City felt this area could absorb additional affordable housing units. The site is also located in a "Preferred Transit Oriented Development Area" on the City of Madison 2022 Affordable Housing Targeted Area Map and will be located along the future Bus Rapid Transit (BRT) Route. The main comments were related to zoning. The site would require rezoning as it is currently zoned for single family as SR-C1. It was mentioned that the rezoning process would take about 10 weeks and TR-V2 may be an option. The City indicated that the plan would support an upzone and density around 30-35 units/acre would likely be near the maximum of units/acre. It was also recommended to be mindful of keeping spacing between the building and surface parking lots. Commercial space would not be permitted under the zoning for this site, however a place of worship would be permitted. We plan to work with Northside Christian Assembly in providing them with an approximately 8,000 SF worship space onsite in addition to the 125 housing units in the proposed development.

36. Have you presented to the City's Development Assistance Team (DAT)? If so, please summarize the staff comments to your proposal and reference the date of the presentation. If not, what is the anticipated date of the DAT presentation?

We have not yet presented to the City's Development Assistance Team (DAT). The anticipated date of the DAT presentation for The North End is August 4, 2022.

37. Describe the response of the alderperson in which the proposal is located, as well as the adjacent alderperson(s), if within 200 feet of an adjacent Aldermanic District. What issues or concerns with the project did they identify, if any? How will those be addressed? Please note new [Aldermanic Districts](#) went into effect January 1, 2022.

Alder Myadze was excited to hear about the potential development at 709 Northport Drive. He acknowledged the need for additional housing options in the City and that the North side has abundant land and is a good candidate for redevelopment to meet the City's housing needs. He had no concerns at this time, but looked forward to learning more and getting neighborhood input.

38. Describe the neighborhood and community input process to date, including notification to and input from the nearby Neighborhood Association(s). What issues or concerns with the project has been identified, if any? How will those be addressed? Describe the plan for continued neighborhood input on the development (e.g. steering committee, survey, informational meetings, project website, etc.).

The proposed project is not located within an established neighborhood organization. We discussed this with Alder Myadze and whether we should be notifying any adjacent neighborhood organizations. He indicated that he would work with staff to organize a neighborhood meeting and notify neighbors through postcards or other appropriate methods.

39. The COVID-19 pandemic has changed the way that residents have been able to interact with local government on impacts of new development. Detail how the Development Team has engaged and communicated with not only with the existing neighborhood, but with potential future tenants of your building as part of the community engagement

process. What groups, if any, have you identified that were not engaged through this process? How has engagement with potential future tenants impacted the design process for the proposed development?

We anticipate having a Zoom meeting option for neighborhood meetings as well so that those who are not comfortable attending in person are able to attend virtually as well.

40. Describe your plans for neighborhood informational meetings and other ways of engaging and informing residents both during construction and approaching lease-up. Describe your experience in working with neighborhood residents post-approval and detail effective strategies you have used since the beginning of the pandemic to effectively communicate with residents.

As mentioned above, we are working with Alder Myadze to contact the appropriate neighborhood organization(s) as there is not an established neighborhood organization associated with this site. We also plan on having a Zoom options for neighborhood meetings as mentioned above for those who are not comfortable attending in person.

41. Describe how this development will promote both racial and social equity in the community and the greater Madison area. How does this proposal embrace the City's [Racial Equity and Social Justice Initiative](#)? What steps will be taken to ensure goals of this initiative are met on an ongoing basis?

Through developing quality affordable housing in a location that has not had a WHEDA project within 0.5 miles in the last 10 years, The North End aims to promote social sustainability for access to resources, amenities, jobs, and transit within the community. Residents in our supportive housing units will also be connected to supportive services that may be needed.

We also plan on working with Northside Christian Assembly to provide an approximately 8,000 sf space on the first floor of the development. Northside Christian Assembly is a multi-ethnic and multi-generational church whose diverse staff provides many community outreach services that are free or a nominal cost to the public.

MSP Property Management will also perform outreach in accordance to the Affirmative Fair Housing Marketing Plan (see Section 1b.ii for The North End's Affirmative Fair Housing Marketing Plan) to populations least likely to apply for housing at the development. MSP Property Management and this development will adhere to local, state, and the federal Fair Housing Law (Title VIII of the Civil Rights Act of 1968, The Fair Housing Amendments Acts of 1988 and Section 504 of the Rehabilitation Act of 1973, all as amended), which stipulates that it is illegal to discriminate against any person on the basis of race, color, creed, religion, sex, national origin, marital status, status with regard to receipt of public assistance, disability, familial status, sexual orientation and gender identity. Each full time employee of MSP Property Management is required to participate in Fair Housing training annually with periodic updates to Fair Housing regulations distributed to all employees for review.

42. Have you or will your development team be willing to provide a meaningful internship, employment opportunity, or development partnership role, to a student or graduate of the Associates in Commercial Real Estate (ACRE) program on this or another project? If so, describe how your development team will address this priority?

MSP is committed providing a meaningful internship opportunity to an ACRE student/graduate or member of the BIPOC community with MSP Companies in the Summer of 2025. The intern will have an opportunity to work with and gain insight on all aspects of the real estate process including development, construction, and property management. The student or grad would be on the team during the most critical time for the project as construction is closed and the project is leased up. The ACRE student/graduate or member of the BIPOC community would also have the chance to work with multiple projects and properties under MSP Companies. The exposure to multiple aspects of the real estate process and multiple properties would be a great opportunity for an ACRE student/graduate or a member of the BIPOC community to gain experience the real estate industry and gain insight on multiple aspects and routes within the real estate field. As part of the internship experience, we will work to facilitate job shadow opportunities with our architect and a lender.

SITE AMENITIES

43. Describe the exterior amenities that will be available to tenants and guests (e.g., tot lot or play structure, outdoor exercise equipment, patio, permanent tables and chairs, greenspace, grill area, gardens, etc.).

The North End exterior amenities will include private balconies/patios for each unit, an outdoor community room patio with tables and chairs, a tot lot, and open green space.

44. Describe the interior common area amenities that will be available to tenants and/or guests (e.g., community rooms, exercise room, business center, etc.). For family developments, will there be a year-round indoor play space &/or youth lounge for children and teens?

Interior common amenities will include an indoor play space, community room, fitness center, tenant storage, and an on-site property manager that will have a leasing office to assist residents at the property. Underground parking will be provided at an additional cost of approximately \$35/stall/month. Parking stalls provided will be in accordance with the City requirements.

45. What is the anticipated number of total number parking spots, both underground and surface, that will be provided to tenants of the development? What is the ratio to units? What is the associated monthly cost? Will the parking cost in this development vary by CMI level?

It is anticipated that the project will have 205 parking spots which includes 105 underground parking spots and 100 surface parking spots. This makes for a 1.64:1 ratio of parking stalls to units. The surface parking spots will be free. Underground parking is estimated to be \$35/stall/month for all tenants.

46. For proposals contemplating first floor commercial space, describe how the use and/or tenant of the space will be a benefit to the immediate neighborhood (e.g. childcare, senior center, community facility, neighborhood-serving commercial etc.). Explain how the use of the space was identified to fill a service gap or enhance the surrounding community. Describe if a prospective tenant or use has already been identified or how a prospective tenant will be found and will help inform the space's design.

We plan to incorporate a roughly 8,000 sf church space on the first floor to provide a newer and more functional space for Northside Christian Assembly who is also the current owner/occupier and seller of the site. Along with their worship service, Northside Christian Assembly also provides various resources and services that benefit the community. Services include legal consultations, legal clinics, financial literacy training, and leadership training. All services are either free or nominal cost to participants. They are also looking to update their space to be more functional for their needs. We look forward to this beneficial partnership in making good use of excess land through providing affordable housing and creating a more functional space for Northside Christian Assembly to continue providing services and resources to the community along with their worship space. By including them in the development, Northside Christian Assembly is able to continue serving the community. The services and resources that they provide will also be a great benefit to future residents who may be looking for additional support

47. Describe the interior apartment amenities, including plans for internet service (and cost to tenants, if any) and a non-smoking indoor environment throughout the building.

The units will feature vinyl plank flooring in the kitchen and living room with carpet in the bedrooms. Each unit will have its own washer and dryer. All units will include a stainless steel refrigerator, dishwasher, range, and microwave. The building will offer free basic internet connection to all residents. There will be no smoking in the the building. There will be no difference between the LIHTC and market rate units.

PROPOSAL TIMELINE

48. Please list the estimated/target completion dates associated with the following activities/benchmarks to illustrate the timeline of how your proposal will be implemented.

Activity/Benchmark	Estimated Month/Year of Completion
Draft Site Plan Ready to Submit to Dev. Assistance Team (DAT) [<i>Target/Actual Month/Date</i>]	07/2022
1 st Development Assistance Team/ Meeting (Due by 8/4/22) [<i>Target/Actual Month/Date</i>]	08/2022
1 st Neighborhood Meeting (Due by 8/17/22) [<i>Target Month/Date</i>]	08/2022
Submission of Land Use Application (Zoning Map Amendments Due by 9/26/22)	09/2022
Submission of Land Use Application (Permissively Zoned Due by 10/10/22)	10/2022
Plan Commission Consideration (If Rezoning, 11/21/22 Meeting for 12/6/22 Common Council)	11/2022
Urban Design Commission Consideration, if applicable [<i>Target Month/Date</i>]	N/A
Application to WHEDA	12/2022
Complete Equity & Debt Financing	12/2023
Acquisition/Real Estate Closing	12/2023
Rehab or New Construction Bid Publishing	11/2023
New Construction/Rehab Start	02/2024
Begin Lease-Up/Marketing	02/2025
New Construction/Rehab Completion	08/2025
Certificates(s) of Occupancy Obtained	08/2025
Complete Lease-Up	01/2026
Request Final AHF Draw	09/2025

HOUSING INFORMATION & UNIT MIX

49. Provide the following information for your proposed project. List the property address along with the number of units you are proposing by size, income category, etc. If this is a scattered site proposal, list each address separately with the number of units you are proposing by income category, size, and rent for that particular address and/or phase. Attach additional pages if needed.

ADDRESS #1:		709 Northport Drive, Madison, WI 53704					Projected Monthly Unit Rents, Including Utilities				
% of County Median Income (CMI)	Total # of units	# of Bedrooms					\$ Rent for Studios	\$ Rent for 1 BRs	\$ Rent for 2 BRs	\$ Rent for 3 BRs	\$ Rent for 4+ BRs
		# of Studios	# of 1 BRs	# of 2 BRs	# of 3 BRs	# of 4+ BRs					
≤30%	25	0	17	4	4	0		649	778	899	
40%	0	0	0	0	0	0					
50%	50	0	32	6	12	0		1081	1297	1499	
60%	31	0	17	12	2	0		1162	1393	1619	
Affordable Sub-total	106	0	66	22	18	0					
80%	0	0	0	0	0	0		1250	1490	1825	
Market*	19	0	5	7	7	0					
Total Units	106	0	66	22	18	0	Notes/Utility Allowance Assumptions:2022 DCHA Utility Allowance Worksheet				

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

ADDRESS #2:		# of Bedrooms					Projected Monthly Unit Rents, Including Utilities				
% of County Median Income (CMI)	Total # of units	# of Studios	# of 1 BRs	# of 2 BRs	# of 3 BRs	# of 4+ BRs	\$ Rent for Studios	\$ Rent for 1 BRs	\$ Rent for 2 BRs	\$ Rent for 3 BRs	\$ Rent for 4+ BRs
40%	0	0	0	0	0	0					
50%	0	0	0	0	0	0					
60%	0	0	0	0	0	0					
Affordable Sub-total	0	0	0	0	0	0					
80%	0	0	0	0	0	0					
Market*	0	0	0	0	0	0					
Total Units	0	0	0	0	0	0	Notes/Utility Allowance Assumptions:				

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

NOTE: For proposals contemplating project-based vouchers (PBVs), please list vouchered units under the same CMI designation that you will be representing to WHEDA (e.g. if the LIHTC application to WHEDA presents 8 PBV units as 50% CMI or 60% CMI units, please include those on the “50%” or “60%” row in the above table(s)). The City of Madison will enforce this income designation in the AHF Loan Agreement, if this proposal is awarded funds. Include a comment in the Notes, e.g., Eight (8) 50% CMI units will have PBVs.

50. Utilities/amenities included in rent: Water/Sewer Electric Gas Free Internet In-Unit
 Washer/Dryer Other: _____

51. Please list the source of calculating your utility allowance, and the total utility allowance per bedroom size:
 Utilities Allowance Used: CDA DCHA HUSM (HUD HOME)

Unit Size (Number of Bedrooms)	Total Monthly Utility Allowance (\$)
Efficiency	
1-Bedroom	<u>93</u>
2-Bedroom	<u>110</u>
3-Bedroom	<u>128</u>

ENERGY EFFICIENCY, RENEWABLE ENERGY & SUSTAINABLE DESIGN

52. What is your organization’s experience in developing projects that incorporate extraordinary sustainable, energy efficient, and/or green building design techniques? Please list any awards, industry standards or third-party certifications achieved on projects developed in the past ten years, such as LEED®, WELL, Passive House, etc.

Our previous WHEDA developments have received Wisconsin Green Built Verification or Certification in order to receive the maximum points under WHEDA's Energy and Efficiency scoring category (see complete list of projects under Section 2g). The North End will also be a Wisconsin Green Built Certified project in order to receive the maximum points under this WHEDA category. To receive this certification for The North End, the project will score at least 200 points under Wisconsin Green Built scoring.

MSP has also implemented solar arrays on some of our more recent affordable housing projects. River Parkway in Wauwatosa was completed in August 2021 including an approximately 127 kW solar array. Taylor Pointe Apartments in McFarland was completed in February 2022 including an approximately 26 kW solar array. The Oscar Apartments in Madison is currently wrapping up construction and includes a solar array on each of the two buildings at approximately 53 kW and 41 kW each. The Heights Apartments is another project currently under construction in Madison where we are planning to include a 30kW solar array.

53. Describe how this proposed development will contribute to the City’s goal of 100% renewable energy and net-zero carbon emissions (originally adopted March 21, 2017). What size/range of solar array is anticipated? If not yet known, what percentage energy offset is the development aiming to provide via the solar array. For more information, see [100% Renewable Madison Report](#).

As mentioned above, The North End will achieve Wisconsin Green Built Certification by incorporating various sustainable, energy efficient, and/or green building design techniques to score at least 200 points under Wisconsin Green Built Scoring Checklist. Some of the green features that this project plans to feature include a highly efficient building envelope, windows with a U value of 0.35 or less, high efficiency furnace (95% or higher) and boiler (92% or higher), high efficiency air conditioner or heat pump, low flow showerheads and faucets, all ENERGY STAR qualified appliances, and ENERGY STAR qualified light fixtures. These efficiencies will give the residents savings on their gas and electricity bills along with a significant savings to the project for common area utilities including water/sewer, gas, and electricity.

MSP is anticipating installing a 30kW solar array on thi project. On previous projects, we have tried to size the solar array to offset the common area energy usage. We will attempt to do the same here dependent on what size array is feasible with the budget.

Another feature that contributes to the green features of this project is site location itself. As the proposed project has good access to transit and is in close proximity to many amenities and services as mentioned above, the location diminishes reliance on cars and encourages walking, biking, and use of City transit. Located in a "Preferred Transit Oriented Development Area," the project location is just a short ride from the North Transfer Point hub and will be on the future Bus Rapid Transit (BRT) route. Not only is this a benefit for the residents to lower transportation costs, but it is also a benefit for the City's goal of achieving zero net carbon emissions. The North End will also comply with the City's bike parking and EV requirements in place to help achieve this goal.

The energy efficiency strategies mentioned above will reduce overall energy consumption of the project to help cut down net carbon emissions in reaching the City's goal. The location of the project site itself would lessen residents' reliance on personal vehicles for transportation, reducing potential carbon emissions. In close proximity to transit,

the project would also allow residents to take advantage of the City's transit system, especially as the City aims to reduce fuel consumption in the City fleet and switch out to electric busses, allowing the development to further the efforts of City strategies toward this goal. We will also work with Focus on Energy in determining if there are other feasible solutions to help reduce the project's carbon footprint.

54. Describe the proposed project's energy efficiency goals. Attach a copy of the confirmation page demonstrating that your organization has submitted an [Initial Application](#) for Focus on Energy's Energy Design Assistance program. Identify any third party certification, such as LEED®, WELL, Passive House or similar, that will be sought.

We have submitted an application to Focus on Energy's Design Assistance program and plan to "incorporate a minimum of 20% of projected Energy Use Intensity (EUI) savings calculated over the baseline energy code." Through working with Focus on Energy, we will also look into incorporating a higher level of energy efficiency strategies if feasible.

See Section 4 for confirmation of application submittal & acceptance to Focus on Energy's Design Assistance program.

As mentioned above, The North End will achieve Wisconsin Green Built Certification by incorporating various sustainable, energy efficient, and/or green building design techniques to score at least 200 points under Wisconsin Green Built Scoring Checklist. Some of the green features that this project plans to include are a highly efficient building envelope, windows with a U value of 0.35 or less, high efficiency furnace (95% or higher) and boiler (92% or higher), high efficiency air conditioner or heat pump, low flow showerheads and faucets, all ENERGY STAR qualified appliances, and ENERGY STAR qualified light fixtures

55. How will this project contribute to creating a walkable, human-scaled community both inside and outside the property lines?

We will be mindful of the setbacks to make sure the building doesn't feel confining to pedestrians. We will also be mindful of the spacing between the surface parking lots and building as the City mentioned in our pre-application meeting. Street activation is another factor that we are incorporating to encourage a walkable and human-scaled environment. The worship space on the first floor along Northport Drive will open up the base of the building with windows and doors. Several of the first floor units will also be designed to have outdoor entries in order to receive maximum scoring per WHEDA's Serves Large Families category, adding to street level activation. Landscaping is an additional element that will be taken into consideration throughout the design process to emphasize the desired qualities of human-scale and walkability.

56. Describe how the local south-Central Wisconsin climate will inform the design of the proposed development and the challenges it will present.

MSP has constructed several developments in the Madison-area and throughout south-Central Wisconsin throughout the years and we are familiar with the challenges that the climate presents. Our buildings are typically constructed with highly durable materials, including masonry and fiber cement siding, to help uphold against the elements throughout the project's lifetime. We also typically aim to include windows with a U-value less than 0.35 and incorporate a highly efficient shell to minimize transfer of heat, aiming to create an energy-efficient building in a constantly changing climate.

On previous projects in the Madison-area, we have also become familiar with the high water table that sites in the City may present and the dewatering techniques that may be required both during and post construction.

57. Describe this development's proposed strategies to reduce reliance on municipal water sources (i.e. water efficiency). Will the development incorporate systems to recapture and/or reuse water generated on-site?

Efficient showerheads and faucets will be required to be installed in all units of the project. Showerheads installed must be low flow showerheads with 1.75 gpm or less. Faucet aerators (both kitchen & bathroom) installed must have a rating of 1.5 gpm or less.

58. What building design and HVAC considerations will your team include to enhance community resiliency for building inhabitants in the face of a potential future pandemic?

We've been incorporating touchless motion-activated sliding front doors to limit surface touching. All apartment units will have individual HVAC units to ensure that apartments are not sharing air with their neighbors. Our common area corridor widths exceed code minimums to facilitate enhanced social distancing among residents. We will also have an outdoor community room patio for open air socializing.

59. Describe this development’s approach to accessibility, including the number and percent of accessible units proposed for each of level of accessibility (i.e. Type A and B units). Elaborate on this development’s plan to meet or exceed WHEDA’s minimum requirements as well as exceeding building code standards for Type A units. For rehab, describe the accessibility modifications that will be incorporated into the existing development.

We plan on meeting WHEDA code and requirements for accessibility. After completing many recent affordable housing developments where we have met WHEDA and code requirements for accessibility, we have not had a difficulty meeting accessibility needs presented by our tenants.

60. Describe this development’s level of commitment to the principles of Universal Design. Explain the extent to which the development team will incorporate the greatest feasible levels of Universal Design in residential units, commercial spaces, and common areas in accordance with the requirements outlined in the RFP. What percentage or number of units in the proposed development will incorporate Universal Design principles?

See above, we will follow the Universal Design requirements set by WHEDA.

61. For proposals that include rehabilitation, have you completed a capital needs assessment for this property? If so, summarize the scope and cost; Attach a copy of the capital needs assessment.

N/A - New Construction

REAL ESTATE PROJECT DATA SUMMARY

62. Enter the site address (or addresses if scattered sites) of the proposed housing and answer the questions listed below for each site.

	# of Units Prior to Purchase	# of Units Post-Project	# Units Occupied at Time of Purchase	# Biz or Residential Tenants to be Displaced	# of Units Accessible Current?	Number of Units Post-Project Accessible?	Appraised Value Current (Or Estimated)	Appraised Value After Project Completion (Or Estimated)	Purchase Price
Address:	709 Northport Drive, Madison, WI 53704								
	0	125	0	1	0	3	N/A	N/A	525,000
Address:	Enter Address 2								
Address:	Enter Address 3								

63. Identify any existing buildings on the proposed site, noting any that are currently occupied. Describe the planned demolition of any buildings on the site.

A place of worship, Northside Christian Assembly, is currently located on the site. The existing building is still in use, but will be vacated prior to the land closing and demolished prior to construction. Northside Christian Assembly is also the seller of the site and desires to have a more functional and updated space in place of their currently existing building in order to better suit their needs and serve the community.

Demolition of the building would be expected once all of the funding sources for this application have been awarded. Demolition is not expected to occur until after January 2024.

64. Will any business or residential tenants will be displaced temporarily or permanently? If so, please describe the relocation requirements, relocation plan and relocation assistance that you will implement or have started to implement.

Northside Christian Assembly, also the seller of the site, will be displaced temporarily while the project is under construction. The North End plans to incorporate a roughly 8,000 sf church space on the first floor to provide a newer and more functional space for Northside Christian Assembly. Along with their worship service, Northside Christian Assembly also provides various resources and services that benefit the community. Services include legal consultations, legal clinics, financial literacy training, and leadership training. All services are either free or nominal cost to participants. They are also looking to update their space to be more functional for their needs. We look forward to this beneficial partnership in making good use of excess land through providing affordable housing and creating a more functional space for Northside Christian Assembly to continue providing services and resources to the community along with their worship space. The services and resources that they provide will also be a great benefit to future residents who may be looking for additional support

DEVELOPMENT TEAM

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

The property will be an LLC (The North End, LLC) with MSP Real Estate, Inc. or its assigns having a 49% ownership interest in the managing member entity. Our non-profit partner, Midwest Housing Collaborative, Inc., will have a 51% ownership interest in the managing member entity.

The managing member entity will have a 0.01% ownership interest in the overall property LLC and the limited partner will have a 99.99% ownership interest in the overall property LLC. The limited partner will be owned 100% by the equity investor who will be purchasing the LIHTC. The equity investor has not been determined at this time.

MSP Real Estate, the Developer, will assign land rights to The North End, LLC or other to be named LLC for The North End.

See Section 2h for the complete organizational chart.

66. For projects that will be co-developed with a non-profit partner, please explain the non-profit's role in the development. State if the non-profit will have a controlling interest (as memorialized in organizational documents), Right of First Refusal, or General Partner Purchase Option. If not, please elaborate on how the non-profit organization will be involved in the long-term ownership of the development.

A non-profit entity, Midwest Housing Collaborative, Inc. (MHC), will have a 51% ownership interest in the managing member. MSP Real Estate, Inc. or its assigns will have a 49% ownership interest in the managing member. While the structure of this deal does not lend itself to granting our non-profit partner a controlling interest, Right of First Refusal, or General Partner Purchase Option, MSP hereby agrees to provide the City with notice of intent to sell consistent with our past deals with the City

67. For projects that will be co-developed with a BIPOC or minority developer, please explain the BIPOC or minority developer role in the development. State what percentage stake the BIPOC or minority developer will have in the development, cash flow, etc. (as memorialized in organizational documents). If the development team will partner with a BIPOC or minority developer but will not provide a stake in the organization structure, please explain this decision and elaborate on how the BIPOC or minority developer will be involved in the long-term ownership of the development.

N/A

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

Contact Person	Company	Role in Development	E-mail	Phone
Jerry Bourquin	Dimension IV Madison Design Group	Architect	jbouquin@dimensionivmadison.com	608-829-4452
Katie Rist	Foley & Lardner	Attorney	krist@foley.com	608-258-4317
Brian Martin	MSP Property Management	Property Management	bmartin@msphousing.com	608-831-7004
Glen Weyenburg	SVA	Consultant/Accountant	weyenburgg@sva.com	608-826-2005
Ben Shearer	MSP Construction	General Contractor	bshearer@msphousing.com	414-208-8745
Mark Hammond	MSP Real Estate	VP of Development	mhammond@msphousing.com	612-868-9997
Melissa Sorensen	Salvation Army of Dane County	Supportive Services Partner	melissa.sorensen@usc.salvationarmy.org	608-250-2237
James Quattromani	Dane County Veterans Service Office (DCVSO)	Supportive Services Partner	quattromani.james@countyofdane.com	608-266-4158

69. For the following development team roles, please identify the number and/or percentage of women and persons of color employed by that company.

Company	Role in Development	BIPOC		Women	
		#	%	#	%
MSP Real Estate	Developer	0	0.00	3	42.85
	Co-Developer				
	Co-Developer				
MSP Construction	General Contractor	0	0.00	3	30.00
MSP Property Management	Property Manager	0	0.00	4	44.44
Dimension IV Madison Design Group	Architect	2	9.52	10	47.62
Salvation Army DCVSO	Service Provider	Pending Pending	Pending Pending	Pending Pending	Pending Pending

70. Will the development team commit to making annual payments on the AHF Cash Flow Note concurrently with repayment of the deferred developer fee? If yes, explain how this will be memorialized in organizational documents, including the final Amended and Restated Operating Agreement.

Based on current underwriting, we do not believe the project will be able to make this commitment and be financially feasible.

REFERENCES

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

Name	Relationship	Email Address	Phone
Josh Resch	Banking	joshuar@starionbank.com	608-224-5546
Kevin Kilbane	Tax Credit Equity	kevin.kilbane@raymondjames.com	216-509-1342
Paulette Enders	Community Development	penders@wauwatosa.net	414-479-3531

PLEASE ATTACH THE FOLLOWING ADDITIONAL INFORMATION (such as assessment and referral, on-site intensive case management, etc.) **AND CHECK THE BOX WHEN ATTACHED:**

- 1. A completed Application Budget Workbook, showing the City's proposed financial contribution and all other proposed financing.
- 2. Description of the Development Team's Experience and Capacity per Section 2.4, Item 2 of the RFP.
- 3.a. Letter(s) from Supportive Service Provider(s) detailing what services are necessary to be adequate for the number of supportive housing units and target population as well as what level of services they intend to provide.
- 3.b. A detailed map of the site and a second map using the AHF Affordable Housing Targeted Area Map showing the site in the context of the City.
- 3.c. A preliminary site plan and drawings, if available.
- 3.d. A Capital Needs Assessment report of the subject property, if the proposal is for a rehabilitation project and if the report is available at the time of application.
- 4. A confirmation page demonstrating that an Initial Application for Energy Design Assistance was submitted to Focus on Energy
- 5. Written confirmation from the Zoning Administrator of permissive zoning or a letter confirming the proposed site's zoning status and process.

NOTE: If a preliminary site plan is not available at the time of application, submittal will be required for DAT on August 4, 2022 with submittal with week prior. If the Capital Needs Assessment is not available at the time of application for a rehab project, submittal will be required by August 17, 2022.

1b.i – Resident Selection Plan & Tenant Screening Criteria B

RESIDENT SELECTION PLAN – MULTI-FAMILY

This property is a non-age restricted apartment community for low-to-moderate income families. This property subscribes to the following procedures for qualifying applicants for occupancy in this rental development.

Additional restrictions may apply dependent on financing.

Equal Housing Opportunity

MSP Property Management, LLC. and this rental community adhere to local, state, and the federal Fair Housing Law (Title VIII of the Civil Rights Act of 1968, The Fair Housing Amendments Acts of 1988 and Section 504 of the Rehabilitation Act of 1973, all as amended), which stipulates that it is illegal to discriminate against any person on the basis of race, color, creed, religion, sex, national origin, marital status, status with regard to receipt of public assistance, disability, familial status, sexual orientation and gender identity.

THIS IS AN EQUAL HOUSING OPPORTUNITY COMMUNITY

Age and Occupancy Standards

Occupancy standards for this development are no more than 2 people per bedroom. Exceptions may be made on non-senior properties for minors under the age of 2 years old. Minimum occupancy preference is that each affordable unit will be occupied by a minimum of one person per bedroom at the time of occupancy for non-age restricted units.

Income Requirements

Income requirements at this development are prescribed by the Low Income Housing Tax Credit Program ("the Program") outlined in Section 42 of the Internal Revenue Code ("Section 42"). Income limits are issued and annually updated by the Department of Housing and Urban Development for each state by county and/or metropolitan statistical area according to family size. (Refer to Attachment A of this document for the current income limits for this development.) The applicant must demonstrate a financial ability to pay the monthly contribution toward rent, meaning a household may not pay more than 45% of their gross monthly income toward rent. Adjustments to this policy may be made by management depending upon a household's total assets.

Resident Selection Procedures

The following procedures are the established resident selection criteria used by management to determine applicant eligibility:

- A. A formal application form must be completed by all applicants, including a Release of Information Consent Form.
- B. A consumer credit report will be prepared by a credit-reporting agency that will reflect past and present credit history and criminal background search will be completed.
- C. Household income qualification and Program eligibility will be determined in accordance with Program regulations.

- D. Landlord or housing history, including eviction judgement will be determined in accordance with Program regulations.

Occupancy Preferences

Preference for occupancy will be given to households desiring as follows:

- A. Preference will be given on a first come first serve basis for all units. There will be a preference for affordable units given to residents with a minimum of 1 household member to a bedroom. The appropriate earnest money deposit and application fee (if applicable) must accompany each rental application in order to be processed. Apartments will not be held for more than 48 hours without the application and earnest money deposit. For units that are identified for supportive housing, those units will be held open for a minimum of 30 days or until WI OHS or local collaborative long term support partners, in conjunction with the management agent, finds a person meeting the target definition and requisite income qualifications to lease the unit. After the 30 days, the unit may be leased to any otherwise income qualifying applicant(s). If the application is accepted, the earnest money will be put toward the security deposit balance. If the application is rejected, the earnest money will be returned to the applicant within 21 days of the rejection notification. The application fee (if applicable) is non-refundable 48 hours after the application and fee are submitted to management for processing. This fee is used by management to cover costs of processing applications and running credit and criminal history reports, etc.
- B. In accordance with Section 504 of the Rehabilitation Act of 1973, accessible units are allocated using a special priority approach. When accessible units become available, the housing provider will offer the units in the following order:
1. To current residents who would benefit from the available unit's accessibility features, but whose current unit does not have such features.
 2. To eligible and qualified households on the waiting list with disabilities who would benefit from the available unit's accessibility features.
 3. To other eligible and qualified households on the waiting list (i.e., without disabilities) who may desire the unit, however management may require the household to agree, in writing, to transfer to a non-accessible unit at the owner's request. The request will only be made if an accessible unit is not available to a person who requires the unit's features.

When an accessible unit becomes available, households that need (and currently do not have) the accessibility features assume a position at the top of the waiting list.

Unit-Transfers

All requests for unit-transfers must be in writing and will be processed in the order received. Unit-transfers may be requested after completion of the initial lease term and all lease obligations have been fulfilled (e.g., there are outstanding issues such as unpaid rent, late charges, damages beyond normal wear and tear, significant violations of the lease or House Rules, etc.). It is management's policy to alternate the preference between current residents (without "reasonable accommodations") requiring transfers and new move-in residents on the waiting list. If a resident desires to transfer to another unit in the development, management will re-verify that the household will continue to be Program eligible and income qualified in accordance with Section 42, prior to the unit-transfer.

Rental Application

The rental application for an apartment is designed to give management enough information to determine Program eligibility. Completion of the rental application by a household does not mean the applicant has been approved for occupancy. Approval for occupancy is determined only after all information on the application is verified through the certification process.

Selection Criteria/Certification Process

In addition to verifying whether a household is income qualified and Program eligible, management will use various criteria in determining the acceptability of all applicants. An application may be rejected based on one or more of the following criteria. See Tenant Screening Criteria B for those applicants applying for 30% supportive service units.

- A. Insufficient/Inaccurate Information on Application.
If management determines that the applicant has not fully cooperated in all aspects of the application process, or if it is determined that the applicant has falsified information, it is cause for immediate rejection of the application.
- B. Credit and Financial Standing
 1. Management will consider whether all applicants have a satisfactory history of meeting financial obligations, (including timely payment of rent, outstanding judgments or a history of late payments of bills). If management rejects an application based upon the credit report, the applicant will be provided with the name of the credit-reporting agency that performed the credit check. Management will not disclose the specifics of any information reported by the credit bureau. Applicants will be given the opportunity to correct or clear the adverse credit.
 2. The inability to verify credit references is a factor for rejection of an application. Consideration will be given to special circumstances in which credit has not been established.
- C. History of Residency
Management will consider whether the applicant or any other person who will be living in the unit, has a history of physical violence to persons or property, or has exhibited living habits at prior residences that could adversely affect the health, safety, and quiet enjoyment of other residents at the rental community. Management will consider all circumstance regarding this type of activity as well as the period during which it occurred. An Applicant may not be denied admission on the basis that that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission as stated under the **Compliance with the Violence Against Women Act (VAWA)**.
- D. Other Reasons for Rejection (unless prohibited by local, state or federal law) include, but are not limited to:
 - a. A household member's conviction record (see Attachment B): (Management will take into account evidence that the individual has maintained a good tenant history and/or after the criminal conduct occurred. Management will not reject applicants solely based on arrest records (without conviction));
 - b. Anyone who will live in the apartment who is currently engaged in the use of illegal drugs. (Management will not discriminate against qualified applicants who are former drug users or who have undergone drug or chemical sensitivity treatment. (see Attachment B));
 - c. Rent delinquency;
 - d. False, inaccurate or missing information on the rental application and other related documentation;
 - e. Refusal to accept the lease provisions (rules and regulations, occupancy standards, amount of rent, the unit must be the primary place of residency, etc.) or the Program requirements.

Pet Policy

Pets may be permitted at this development. Refer to pet lease addendum for pet requirements (breed restrictions may apply). Preapproval by management is required and pet lease will be executed between the household and the owner. Service animals as defined in Section 504 of the Rehabilitation Act of 1973, 42 USC Part 12100 (1990) and the Fair Housing Amendments Act, 42 USC Sect. 3604 (1988) and 24 CFR Sect. 100.204 (1989), are permitted. Service animals include "any guide dog, signal dog, or other animal individually trained to provide assistance to an individual with a disability." Confirmation of the need for a specific service animal may be required from a medical professional. *(A companion animal for a person with an emotional disability is also considered a "service animal." This type of service animal requires verification from a medical professional that the individual meets the definition of "disabled," and that there is a need for a specific companion animal.)*

Application Approvals

If management approves an application, the applicant will be notified by phone or in writing of their acceptance. The applicant shall have two calendar working days from initial notification to accept the apartment. If the applicant does not respond within two (2) working days of the notification, management reserves the right to cancel the application and remove the applicant from the waiting list. It is the applicant's responsibility to notify management of changes of address and phone numbers.

Application Rejections

If management rejects an application, a formal letter of rejection will be sent to the applicant at the address shown on the application unless otherwise notified. Notice of denial includes a written explanation of the Tenant Selection Plan criteria the applicant failed to meet. If the cause for rejection is due to an unfavorable credit history, the applicant will be notified of the credit reporting service, their address and telephone number for direct contact with the service. If it can be verified that the credit report is in error, the application will be re-processed, and, if accepted, the application will be prioritized according to the original application date. Management may not discuss credit-reporting information with the applicant. Notice of denial should inform the applicant how to seek an approval of the housing providers decision.

Short Term Lease Policy (offered at management's discretion)

This property may impose a short term lease fee policy for leases under 9 months, which will require pre-approval from the Area or Regional Manager. A short term lease fee up to \$200/month may apply. Short term leases will not be allowed to expire during the fall through winter months of October through April. On all Section 42 apartments, the initial minimum lease term available is six months. The lease dates must constitute a full six month term (a move-in on the 30th of a month does not equate to a full month's occupancy). Short term leases may not be eligible for rent specials. All short term leases will require a sixty (60) day notice to vacate.

Screening Criteria

This property uses a 3rd party scoring model to screen applicants. See Tenant Screening Criteria B for those applicants applying for 30% supportive service units.

Applicants will not be denied solely due to:

- A lack of housing history;
- A low credit score, provided that the applicant has a co-signor and/or is enrolled in credit repair program;
- Information on a credit report that is or has been formally disputed, in repayment, or unrelated to a past housing or housing utility obligation;
- The applicant owing money to a prior landlord for rent or damages, or to a utility company, provided the applicant has entered into a payment arrangement with the debtor and is current on the repayment arrangement;

Exceptions may be made for special conditions, such as medical collections, government rental assistance, or applicants without credit history. Scoring criteria is subject to change.

Attachment A: Current Income Limits

Attachment B: Criminal History/Zero-Tolerance Policy, Screening Criteria, Release Form

Attachment A: Current Income Limits

Family Size	1	2	3	4	5	6	7	8
Dane 30%	24,240	27,690	31,140	34,590	37,380	40,140	42,900	45,660
Dane 50%	40,400	46,150	51,900	57,650	62,300	66,900	71,500	76,100
Dane 60%	48,480	55,380	62,280	69,180	74,760	80,280	85,800	91,320

Attachment B: Criminal History/Zero-Tolerance Policy, Screening Criteria, Release Form

Attachment B

SCREENING CRITERIA & RELEASE FORM

CREDIT REPORT SCREENING:

This property uses a 3rd party scoring model to screen credit history. Scoring parameters are subject to change.

Exceptions may be made for special conditions, such as medical collections, government rental assistance, or applicants without credit history.

FALSIFICATION OF INFORMATION:

Any falsification of information listed on the application will be grounds for denial.

CRIMINAL CONVICTIONS/CURRENT DRUG USE:

Management will consider all household member(s)' criminal conviction records (within the bounds of local, state and federal laws) as part of our resident selection criteria. Management will deny all applicants having previous felony convictions or history of misdemeanors, etc., to the extent of the law. Management will deny any applicant subject to local, state or federal sex offender registry requirements.

SIGNATURE CLAUSE:

I have read and understand the above-mentioned criteria. I authorize investigation of all statements contained in this application for residency as necessary. I agree that this signed release of information may be photocopied at the discretion of MSP Property Management (Agent for Owner) and should be considered as valid as the original. I authorize the owner, its subsidiaries, and its agents to investigate my credit worthiness through any credit bureau or other reasonable means. I further authorize investigation of my criminal background/history. This release for information will expire thirteen (13) months from the date of signature.

Each applicant 18 years of age and older must sign and date below.

Signature of Applicant	Date	Signature of Applicant	Date
Signature of Applicant	Date	Signature of Applicant	Date



Tenant Selection – Criteria B

Income

Test – Monthly Income > 2 Times Rental Amount

If No, other considerations:

- Co-signor
- Ability to provide proof of past ability to pay amount of rent
- Verification of ability to pay through case manager or program source acceptable to landlord

Prior Tenant History

Test – Less than 3 eviction filings in the last 5 years

Test – Only 1 eviction judgement in the last 5 years accepted if has the following:

- Co-signor
- Written payment plan with landlord owed money and proof that payment plan is being adhered to

Behavioral Evictions – Denial if within the last 5 years. No Co-signor opportunity is available to applicants denied for this reason.

Landlord References

Test – Need 1 year of satisfactory landlord reference or 3 years of satisfactory reference in the last 5 years.

- If no history will need co-signor
- Multiple adult member households with only one member references acceptable application may be approved
- 5 day notices for rent can be disregarded with applicant if they have HUD-VASH Voucher
- 5 day for drugs/alcohol or other behavior acceptable with written verification of case management support

Criminal Background Check



Test – Deny for violent felony convictions within the last 50 years but allow for appeals and consideration for extenuating circumstances

Test – Deny for non-violent felony convictions within the last 15-30 years but allow for appeals and consideration for extenuating circumstances

Test – Use in-house Yardi criteria for misdemeanor convictions that require a 5, 7, 15, or 30 year lookback (see table next page).

Test – All registered Sex Offenders/Sex Crimes will be denied

MSP 'B' SCREENING CRITERIA CRIMINAL OFFENSES

CRIMINAL RECORDS				
Offenses	Felony (Years)	Misdemeanor (Years)	Patterns of Misdemeanors	Return Records
1) Alcohol Related	7	0		ALWAYS
2) Arson	50	15		
3) Assault &/or Battery	50	7		
4) Bad Checks	15	7		
5) Burglary	50	7		
6) Crimes Against Animals	15	7		
7) Crimes Against Children	50	7		
8) Crimes Against Gov't or Gov't Officials	30	0		
9) Crimes Involving Computers (Cybercrime)	15	0		
10) Destruction/Damage/Vandalism of Property	30	15		
11) Disturbance to Peace & Order	15	0		
12) Domestic Crimes	30	15		
13) Drug	15	7		
14) Drug - Sale, Manufacture, Distribution	30	15		
15) Embezzlement	30	0		
16) Fraud	30	0		
17) Gambling	15	0		
18) Harassment	30	7		
19) Homicide	50	15		
20) Kidnapping	50	15		
21) Organized Crime/Conspiracy	50	0		
22) OUI, OVI, DWI	15	0		
23) Petty Theft	15	7		
24) Purposefully Obstructs, Impairs or Perverts the Law	30	7		
25) Robbery	30	7		
26) Sex Crimes - Other	50	30		
27) Sex Crimes Against a Person	50	30		
28) Theft/Larceny	30	15		
29) Traffic Violations	15	-		
30) Trespassing	30	0		
31) Weapons	30	7		
32) Incarceration (Due to Conviction) Release Date	30	0		
33) Any Offense Not Listed	5	5		

Note to all applicants/respondents: This form was developed with Nuance, the official HUD software for the creation of HUD forms. HUD has made available instructions for downloading a free installation of a Nuance reader that allows the user to fill-in and save this form in Nuance. Please see <http://portal.hud.gov/hudportal/documents/huddoc?id=nuancereaderinstall.pdf> for the instructions. Using Nuance software is the only means of completing this form.

Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

**U.S. Department of Housing and Urban Development
Office of Fair Housing and Equal Opportunity**

OMB Approval No. 2529-0013
(exp.1/31/2021)

1b.ii – Affirmative Fair Housing Marketing Plan

1a. Project Name & Address (including City, County, State & Zip Code)	1b. Project Contract Number	1c. No. of Units
Project Name: The North End Project Address: 709 Northport Drive, Madison, WI 53704		125
1d. Census Tract		
23.01		
1e. Housing/Expanded Housing Market Area		
Housing Market Area: Madison, WI Expanded Housing Market Area: Dane County, WI		

1f. Managing Agent Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address

MSP Property Management, LLC (Contact: Brian Martin, Telephone #: 608-359-9493, Email: bmartin@msphousing.com)
1295 Northland Drive, Suite 270, Mendota Heights, MN 55120

1g. Application/Owner/Developer Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address

To Be Named, LLC (Contact: Mark Hammond, Telephone #: 912-868-9997, Email: mhammond@msphousing.com)
1295 Northland Drive, Suite 270, Mendota Heights, MN 55120

1h. Entity Responsible for Marketing (check all that apply)

Owner Agent Other (specify) _____

Position, Name (if known), Address (including City, County, State & Zip Code), Telephone Number & Email Address

Property Manager (to be hired closer to opening) - 709 Northport Drive, Madison, WI 53704.

1i. To whom should approval and other correspondence concerning this AFHMP be sent? Indicate Name, Address (including City, State & Zip Code), Telephone Number & E-Mail Address.

Brian Martin (VP of Asset Management) - Telephone #: 608-359-9493, Email: bmartin@msphousing.com
1295 Northland Drive, Suite 270, Mendota Heights, MN 55120

2a. Affirmative Fair Housing Marketing Plan

Plan Type Date of the First Approved AFHMP:

Reason(s) for current update:

2b. HUD-Approved Occupancy of the Project (check all that apply)

Elderly Family Mixed (Elderly/Disabled) Disabled

2c. Date of Initial Occupancy

2d. Advertising Start Date

Advertising must begin *at least* 90 days prior to initial or renewed occupancy for new construction and substantial rehabilitation projects.

Date advertising began or will begin

For existing projects, select below the reason advertising will be used:

To fill existing unit vacancies

To place applicants on a waiting list (which currently has individuals)

To reopen a closed waiting list (which currently has individuals)

3a. Demographics of Project and Housing Market Area

Complete and submit Worksheet 1.

3b. Targeted Marketing ActivityBased on your completed Worksheet 1, indicate which demographic group(s) in the housing market area is/are *least* likely to apply for the housing without special outreach efforts. (check all that apply)

- White American Indian or Alaska Native Asian Black or African American
 Native Hawaiian or Other Pacific Islander Hispanic or Latino Persons with Disabilities
 Families with Children Other ethnic group, religion, etc. (specify)

4a. Residency PreferenceIs the owner requesting a residency preference? If yes, complete questions 1 through 5.

If no, proceed to Block 4b.

(1) Type

(2) Is the residency preference area:

The same as the AFHMP housing/expanded housing market area as identified in Block 1e? The same as the residency preference area of the local PHA in whose jurisdiction the project is located?

(3) What is the geographic area for the residency preference?

(4) What is the reason for having a residency preference?

(5) How do you plan to periodically evaluate your residency preference to ensure that it is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a)?

Complete and submit Worksheet 2 when requesting a residency preference (see also 24 CFR 5.655(c)(1)) for residency preference requirements. The requirements in 24 CFR 5.655(c)(1) will be used by HUD as guidelines for evaluating residency preferences consistent with the applicable HUD program requirements. See also HUD Occupancy Handbook (4350.3) Chapter 4, Section 4.6 for additional guidance on preferences.

4b. Proposed Marketing Activities: Community Contacts

Complete and submit Worksheet 3 to describe your use of community contacts to market the project to those least likely to apply.

4c. Proposed Marketing Activities: Methods of Advertising

Complete and submit Worksheet 4 to describe your proposed methods of advertising that will be used to market to those least likely to apply. Attach copies of advertisements, radio and television scripts, Internet advertisements, websites, and brochures, etc.

5a. Fair Housing Poster

The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Check below all locations where the Poster will be displayed.

Rental Office Real Estate Office Model Unit Other (specify)

5b. Affirmative Fair Housing Marketing Plan

The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check below all locations where the AFHMP will be made available.

Rental Office Real Estate Office Model Unit Other (specify)

5c. Project Site Sign

Project Site Signs, if any, must display in a conspicuous position the HUD approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Check below all locations where the Project Site Sign will be displayed. Please submit photos of Project signs.

Rental Office Real Estate Office Model Unit Entrance to Project Other (specify)

The size of the Project Site Sign will be x x

The Equal Housing Opportunity logo or slogan or statement will be x

6. Evaluation of Marketing Activities

Explain the evaluation process you will use to determine whether your marketing activities have been successful in attracting individuals least likely to apply, how often you will make this determination, and how you will make decisions about future marketing based on the evaluation process.

The project population and applicants will be evaluated at least annually to determine whether the target populations listed appear to be responding to our marketing efforts. The on-site manager will be the party responsible for conducting this evaluation and will report the findings to the Vice President of MSP Property Management. The evaluation will be conducted at year end. Once the findings are finalized, management will focus on other outreach efforts to get better responses from the target populations that did not apply.

7a. Marketing Staff

What staff positions are/will be responsible for affirmative marketing?

Property Manager

7b. Staff Training and Assessment: AFHMP

- (1) Has staff been trained on the AFHMP?
- (2) Has staff been instructed in writing and orally on non-discrimination and fair housing policies as required by 24 CFR 200.620(c)?
- (3) If yes, who provides instruction on the AFHMP and Fair Housing Act, and how frequently?

The instructions on the AFHMP and Fair Housing Act will be provided through Grace Hill Training.

- (4) Do you periodically assess staff skills on the use of the AFHMP and the application of the Fair Housing Act?
- (5) If yes, how and how often?

Fair Housing refresher training is required annually.

7c. Tenant Selection Training/Staff

- (1) Has staff been trained on tenant selection in accordance with the project's occupancy policy, including any residency preferences?
- (2) What staff positions are/will be responsible for tenant selection?

Property Manager

7d. Staff Instruction/Training:

Describe AFHM/Fair Housing Act staff training, already provided or to be provided, to whom it was/will be provided, content of training, and the dates of past and anticipated training. Please include copies of any AFHM/Fair Housing staff training materials.

- 1. Each full time employee of MSP Property Management is required to participate in Fair Housing training annually. The training will be completed through Grace Hill.
- 2. Periodic updates to Fair Housing regulations are distributed to all employees for review.
- 3. All MSP Property Management employees are required to adhere to Fair Housing issues as directed in our standards of conduct. Failure to do so will result in disciplinary action.
- 4. Each new employee of MSP Property Management is required to complete different aspects of training, including Fair Housing.

8. Additional Considerations Is there anything else you would like to tell us about your AFHMP to help ensure that your program is marketed to those least likely to apply for housing in your project? Please attach additional sheets, as needed.

As mentioned, each full time employee of MSP Property Management is required to participate in Fair Housing training annually. Periodic updates to Fair Housing regulations will be distributed to all employees for review. All MSP Property Management employees are required to adhere to Fair Housing issues as directed in our standards of conduct. Each new employee of MSP Property Management is required to complete different aspects of training, including Fair Housing.

9. Review and Update

By signing this form, the applicant/respondent agrees to implement its AFHMP, and to review and update its AFHMP in accordance with the instructions to item 9 of this form in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (See 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Signature of person submitting this Plan & Date of Submission (mm/dd/yyyy)



07/18/2022

Name (type or print)

Brian Martin

Title & Name of Company

Vice President of Asset Management, MSP Property Management

For HUD-Office of Housing Use Only

Reviewing Official:

For HUD-Office of Fair Housing and Equal Opportunity Use Only

Approval

Disapproval

Signature & Date (mm/dd/yyyy)

Signature & Date (mm/dd/yyyy)

Name
(type
or
print)

Title

Name
(type
or
print)

Title

Public reporting burden for this collection of information is estimated to average six (6) hours per initial response, and four (4) hours for updated plans, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget (OMB) control number.

Purpose of Form: All applicants for participation in FHA subsidized and unsubsidized multifamily housing programs with five or more units (see 24 CFR 200.615) must complete this Affirmative Fair Housing Marketing Plan (AFHMP) form as specified in 24 CFR 200.625, and in accordance with the requirements in 24 CFR 200.620. The purpose of this AFHMP is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. Affirmative fair housing marketing and planning should be part of all new construction, substantial rehabilitation, and existing project marketing and advertising activities.

An AFHM program, as specified in this Plan, shall be in effect for each multifamily project throughout the life of the mortgage (24 CFR 200.620(a)). The AFHMP, once approved by HUD, must be made available for public inspection at the sales or rental offices of the respondent (24 CFR 200.625) and may not be revised without HUD approval. This form contains no questions of a confidential nature.

Applicability: The form and worksheets must be completed and submitted by all FHA subsidized and unsubsidized multifamily housing program applicants.

INSTRUCTIONS:

Send completed form and worksheets to your local HUD Office, Attention: Director, Office of Housing

Part 1: Applicant/Respondent and Project

Identification. Blocks 1a, 1b, 1c, 1g, 1h, and 1i are self-explanatory.

Block 1d- Respondents may obtain the Census tract number from the U.S. Census Bureau (<http://factfinder2.census.gov/main.html>) when completing Worksheet One.

Block 1e- Respondents should identify both the housing market area and the expanded housing market area for their multifamily housing projects. Use abbreviations if necessary. A **housing market area** is the area from which a multifamily housing project owner/agent may reasonably expect to draw a substantial number of its tenants. This could be a county or Metropolitan Division. The U.S. Census Bureau provides a range of levels to draw from.

An **expanded housing market area** is a larger geographic area, such as a Metropolitan Division or a Metropolitan Statistical Area, which may provide additional demographic diversity in terms of race, color, national origin, religion, sex, familial status, or disability.

Block 1f- The applicant should complete this block only if a Managing Agent (the agent cannot be the applicant) is implementing the AFHMP.

Part 2: Type of AFHMP

Block 2a- Respondents should indicate the status of the AFHMP, i.e., initial or updated, as well as the date of the first approved AFHMP. Respondents should also provide the reason (s) for the current update, whether the update is based on the five-year review or due to significant changes in project or local demographics (See instructions for Part 9).

Block 2b- Respondents should identify all groups HUD has approved for occupancy in the subject project, in accordance with the contract, grant, etc.

Block 2c- Respondents should specify the date the project was/will be first occupied.

Block 2d- For new construction and substantial rehabilitation projects, advertising must begin at least 90 days prior to initial occupancy. In the case of existing projects, respondents should indicate whether the advertising will be used to fill existing vacancies, to place individuals on the project's waiting list, or to re-open a closed waiting list. Please indicate how many people are on the waiting list when advertising begins.

Part 3 Demographics and Marketing Area.

"Least likely to apply" means that there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are not likely to apply for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities. Reasons for not applying may include, but are not limited to, insufficient information about housing opportunities, language barriers, or transportation impediments.

Block 3a - Using Worksheet 1, the respondent should indicate the demographic composition of the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area. The applicable housing market area and expanded housing market area should be indicated in Block 1e. Compare groups within rows/across columns on Worksheet 1 to identify any under-represented group(s) relative to the surrounding housing market area and expanded housing market area, i.e., those group(s) "least likely to apply" for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Respondents should use the most current demographic data from the U.S. Census or another official source such as a local government planning office. Please indicate the source of your data in Part 8 of this form.

Block 3b - Using the information from the completed Worksheet 1, respondents should identify the demographic group(s) least likely to apply for the housing without special outreach efforts by checking all that apply.

Part 4 - Marketing Program and Residency Preference (if any).

Block 4a - A residency preference is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). Respondents should indicate whether a residency preference is being utilized, and if so, respondents should specify if it is new, revised, or continuing. If a respondent wishes to utilize a residency preference, it must state the preference area (and provide a map delineating the precise area) and state the reason for having such a preference. The respondent must ensure that the preference is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a) (see 24 CFR 5.655(c)(1)).

Respondents should use Worksheet 2 to show how the percentage of the eligible population living or working in the residency preference area compares to that of residents of the project, project applicant data, census tract, housing market area, and expanded housing market area. The percentages would be the same as shown on completed Worksheet 1.

Block 4b - Using Worksheet 3, respondents should describe their use of community contacts to help market the project to those least likely to apply. This table should include the name of a contact person, his/her address, telephone number, previous experience working with the target population(s), the approximate date contact was/will be initiated, and the specific role the community contact will play in assisting with affirmative fair housing marketing or outreach.

Block 4c - Using Worksheet 4, respondents should describe their proposed method(s) of advertising to market to those least likely to apply. This table should identify each media option, the reason for choosing this media, and the language of the advertisement. Alternative format(s) that will be used to reach persons with disabilities, and logo(s) that will appear on the various materials (as well as their size) should be described.

Please attach a copy of the advertising or marketing material.

Part 5 – Availability of the Fair Housing Poster, AFHMP, and Project Site Sign.

Block 5a - The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Respondents should indicate all locations where the Fair Housing Poster will be displayed.

Block 5b -The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check all of the locations where the AFHMP will be available.

Block 5c -The Project Site Sign must display in a conspicuous position the HUD-approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Respondents should indicate where the Project Site Sign will be displayed, as well as the size of the Sign and the size of the logo, slogan, or statement. **Please submit photographs of project site signs.**

Part 6 - Evaluation of Marketing Activities.

Respondents should explain the evaluation process to be used to determine if they have been successful in attracting those individuals identified as least likely to apply. Respondents should also explain how they will make decisions about future marketing activities based on the evaluations.

Part 7- Marketing Staff and Training.

Block 7a - Respondents should identify staff positions that are/will be responsible for affirmative marketing.

Block 7b - Respondents should indicate whether staff has been trained on the AFHMP and Fair Housing Act.

Please indicate who provides the training and how frequently. In addition, respondents should specify whether they periodically assess staff members' skills in using the AFHMP and in applying the Fair Housing Act. They should state how often they assess employee skills and how they conduct the assessment.

Block 7c - Respondents should indicate whether staff has been trained on tenant selection in accordance with the project's occupancy policy, including residency preferences (if any). Respondents should also identify those staff positions that are/will be responsible for tenant selection.

Block 7d - Respondents should include copies of any written materials related to staff training, and identify the dates of past and anticipated training.

Part 8 - Additional Considerations.

Respondents should describe their efforts not previously mentioned that were/are planned to attract those individuals least likely to apply for the subject housing.

Part 9 - Review and Update.

By signing the respondent assumes responsibility for implementing the AFHMP. Respondents must review their AFHMP every five years or when the local Community Development jurisdiction's Consolidated Plan is updated, or when there are significant changes in the demographics of the project or the local housing market area. When reviewing the plan, the respondent should consider the current demographics of the housing market area to determine if there have been demographic changes in the population in terms of race, color, national origin, religion, sex, familial status, or disability. The respondent will then determine if the population least likely to apply for the housing is still the population identified in the AFHMP, whether the advertising and publicity cited in the current AFHMP are still appropriate, or whether advertising sources should be modified or expanded. Even if the demographics of the housing market area have not changed, the respondent should determine if the outreach currently being performed is reaching those it is intended to reach as measured by project occupancy and applicant data. If not, the AFHMP should be updated. The revised AFHMP must be submitted to HUD for approval. HUD may review whether the affirmative marketing is actually being performed in accordance with the AFHMP. If based on their review, respondents determine the AFHMP does not need to be revised, they should maintain a file documenting what was reviewed, what was found as a result of the review, and why no changes were required. HUD may review this documentation.

Notification of Intent to Begin Marketing.

No later than 90 days prior to the initiation of rental marketing activities, the respondent must submit notification of intent to begin marketing. The notification is required by the AFHMP Compliance Regulations (24 CFR 108.15). The Notification is submitted to the Office of Housing in the HUD Office servicing the locality in which the proposed housing will be located. Upon receipt of the Notification of Intent to Begin Marketing from the applicant, the monitoring office will review any previously approved plan and may schedule a pre-occupancy conference. Such conference will be held prior to initiation of sales/rental marketing activities. At this conference, the previously approved AFHMP will be reviewed with the applicant to determine if the plan, and/or its proposed implementation, requires modification prior to initiation of marketing in order to achieve the objectives of the AFHM regulation and the plan.

OMB approval of the AFHMP includes approval of this notification procedure as part of the AFHMP. The burden hours for such notification are included in the total designated for this AFHMP form.

Worksheet 1: Determining Demographic Groups Least Likely to Apply for Housing Opportunities
(See AFHMP, Block 3b)

In the respective columns below, indicate the percentage of demographic groups among the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area (See instructions to Block 1e). If you are a new construction or substantial rehabilitation project and do not have residents or project applicant data, only report information for census tract, housing market area, and expanded market area. The purpose of this information is to identify any under-representation of certain demographic groups in terms of race, color, national origin, religion, sex, familial status, or disability. If there is significant under-representation of any demographic group among project residents or current applicants in relation to the housing/expanded housing market area, then targeted outreach and marketing should be directed towards these individuals least likely to apply. Please indicate under-represented groups in Block 3b of the AFHMP. **Please attach maps showing both the housing market area and the expanded housing market area.**

Demographic Characteristics	Project's Residents	Project's Applicant Data	Census Tract	Housing Market Area	Expanded Housing Market Area
% White				77.5%	84.3%
% Black or African American				6.6%	5.7%
% Hispanic or Latino				7.2%	6.9%
% Asian				9.1%	6.5%
% American Indian or Alaskan Native				0.4%	0.5%
% Native Hawaiian or Pacific Islander				0.1%	0.1%
% Persons with Disabilities				5.8%	5.8%
% Families with Children under the age of 18				N/A (info not provided)	N/A (info not provided)
Other (specify)				HMA is Madison, WI	Expanded HMA is Dane C

Worksheet 2: Establishing a Residency Preference Area (See AFHMP, Block 4a)

Complete this Worksheet if you wish to continue, revise, or add a residency preference, which is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). If a residency preference is utilized, the preference must be in accordance with the non-discrimination and equal opportunity requirements contained in 24 CFR 5.105(a). This Worksheet will help show how the percentage of the population in the residency preference area compares to the demographics of the project's residents, applicant data, census tract, housing market area, and expanded housing market area. **Please attach a map clearly delineating the residency preference geographical area.**

Demographic Characteristics	Project's Residents (as determined in Worksheet 1)	Project's Applicant Data (as determined in Worksheet 1)	Census Tract (as determined in Worksheet 1)	Housing Market Area (as determined in Worksheet 1)	Expanded Housing Market Area (as determined in Worksheet 1)	Residency Preference Area (if applicable)
% White						
% Black or African American						
% Hispanic or Latino						
% Asian						
% American Indian or Alaskan Native						
% Native Hawaiian or Pacific Islander						
% Persons with Disabilities						
% Families with Children under the age of 18						
Other (specify)						

Worksheet 3: Proposed Marketing Activities –Community Contacts (See AFHMP, Block 4b)

For each targeted marketing population designated as least likely to apply in Block 3b, identify at least one community contact organization you will use to facilitate outreach to the particular population group. This could be a social service agency, religious body, advocacy group, community center, etc. State the names of contact persons, their addresses, their telephone numbers, their previous experience working with the target population, the approximate date contact was/will be initiated, and the specific role they will play in assisting with the affirmative fair housing marketing. Please attach additional pages if necessary.

Targeted Population(s)	Community Contact(s), including required information noted above.
Black or African American, Hispanic or Latino, Asian	Dane County Housing Authority, 6000 Gisholt Dr, Suite 203, Monona, WI 53713. Karyn Knaak; 608-224-3636 ext. 023. Dane County Housing Authority's mission is to promote and ensure safe, decent, and affordable housing. Dane County administers the Section 8 Housing Choice Voucher Program for families and individuals. They provide housing assistance and initial contact will be made in 12/2024.
Hispanic or Latino	Centro Hispano of Dane County. 810 West Badger Road, Madison, WI 53713. Nina Gehan, 608-255-3018. Centro Hispano has provided a range of programs that support Dane County's Latino population. The current programs focus on youth, families, and engaging in the community. Services include general support through advocacy and language assistance, improve and/or provide employment opportunities. Initial contact to be made 12/2024.
Veterans, Black or African American, Hispanic or Latino, Asian,	Salvation Army, 630 E. Washington Ave., Madison, WI 53703. Melissa Sorensen. Salvation Army will refer individuals and families that it provides assistance to under its DAWNS program where they help transition from homelessness to housing. This consist of weekly case management, rental assistance. Initial contract will be made in 12/2024.
Black or African American, Hispanic or Latino, Asian, Persons with disabilities, Veterans	Aging & Disability Resource Center of Dane County. 2865 N. Sherman Ave. Northside Town Center, Madison, WI 53704. 608-240-7400. ADRC provides information about resources and support related to aging or living with a disability. They provide housing options, financial aid, health and wellness, and transportation. Initial contract will be made in 12/2024.
Veterans, Black or African American, Hispanic or Latino, Asian, Persons with disabilities	Community Action Coalition For South Central Wisconsin, Inc. (CAC). Amber Duddy (608-246-4730). This organization helps homeless individuals and families including veterans. CAC provides in Dane County, financial assistance (housing support), homelessness prevention services, supportive services, and housing case management. Initial contact will be made in 12/2024.
Veterans, Black or African American, Hispanic or Latino, Asian, Persons with disabilities, prison reentry	JustDane, 2115 S. Park St., Madison, WI 53713. Linda Ketcham (608-256-0906). JustDane promotes interfaith cooperation and collaboration, convenes, and links people of faith communities to engage in social action and advocates for low income people. JustDane programs include Circles of Support, The Journey Home, Reentry Case Management, and Peer Support. Initial contact will be made in 12/2024.
Asian	Asian American Pacific Islander (AAPI) Coalition of Wisconsin. As this is a new organization that MSP Property Management will be reaching out to, we will first contact the organization through their email address listed as: wiaapi@gmail.com to establish a contact and phone number. The AAPI Coalition of Wisconsin unites AAPI leaders throughout the state, serving as a conduit for AAPO communities and local municipal/state resources to come together to stand against hate and racism. Initial contact will be made 12/2024.

Worksheet 4: Proposed Marketing Activities – Methods of Advertising (See AFHMP, Block 4c)

Complete the following table by identifying your targeted marketing population(s), as indicated in Block 3b, as well as the methods of advertising that will be used to market to that population. For each targeted population, state the means of advertising that you will use as applicable to that group and the reason for choosing this media. In each block, in addition to specifying the media that will be used (e.g., name of newspaper, television station, website, location of bulletin board, etc.) state any language(s) in which the material will be provided, identify any alternative format(s) to be used (e.g. Braille, large print, etc.), and specify the logo(s) (as well as size) that will appear on the various materials. Attach additional pages, if necessary, for further explanation. Please attach a copy of the advertising or marketing material.

Targeted Population(s) → Methods of Advertising ↓	Targeted Population:	Targeted Population:	Targeted Population:
Newspaper(s)			
Radio Station(s)			
TV Station(s)			
Electronic Media	Hispanic or Latino through SEO targeting with keywords	African American or Black, and Asian through SEO targeting with keywords	Veterans & persons with disabilities through SEO targeting with keywords
Apartments.com, Craigslist			
Bulletin Boards			
Brochures, Notices, Flyers	Persons with disabilities - Brochure provided to ADRC of Dane County	Veterans - Brochures provided to Salvation Army, CAC, Dept. of Veteran Affairs	Black or African American - Brochure provided to DCHA, JustDane
Brochures & Flyers			
Other (specify)	Postcard mailing targeted to residents within the census tract area.		
Targeted Mailing			



QuickFacts Madison city, Wisconsin; Dane County, Wisconsin

QuickFacts provides statistics for all states and counties, and for cities and towns with a **population of 5,000 or more**.

Table

All Topics	Madison city, Wisconsin	Dane County, Wisconsin
Land area in square miles, 2010	76.79	1,197.24
PEOPLE		
Population		
Population Estimates, July 1 2021, (V2021)	△ 269,196	△ 563,951
Population estimates base, April 1, 2020, (V2021)	△ 268,414	△ 561,504
Population, percent change - April 1, 2020 (estimates base) to July 1, 2021, (V2021)	△ 0.3%	△ 0.4%
Population, Census, April 1, 2020	269,840	561,504
Population, Census, April 1, 2010	233,209	488,073
Age and Sex		
Persons under 5 years, percent	△ 5.0%	△ 5.1%
Persons under 18 years, percent	△ 16.1%	△ 20.0%
Persons 65 years and over, percent	△ 12.0%	△ 14.7%
Female persons, percent	△ 50.5%	△ 50.0%
Race and Hispanic Origin		
White alone, percent	△ 77.5%	△ 84.3%
Black or African American alone, percent (a)	△ 6.6%	△ 5.7%
American Indian and Alaska Native alone, percent (a)	△ 0.4%	△ 0.5%
Asian alone, percent (a)	△ 9.1%	△ 6.5%
Native Hawaiian and Other Pacific Islander alone, percent (a)	△ 0.1%	△ 0.1%
Two or More Races, percent	△ 5.0%	△ 3.0%
Hispanic or Latino, percent (b)	△ 7.2%	△ 6.9%
White alone, not Hispanic or Latino, percent	△ 72.9%	△ 78.3%
Population Characteristics		
Veterans, 2016-2020	9,345	22,530
Foreign born persons, percent, 2016-2020	11.9%	8.5%
Housing		
Housing units, July 1, 2021, (V2021)	X	253,908
Owner-occupied housing unit rate, 2016-2020	47.7%	59.0%
Median value of owner-occupied housing units, 2016-2020	\$262,400	\$277,000
Median selected monthly owner costs -with a mortgage, 2016-2020	\$1,742	\$1,808
Median selected monthly owner costs -without a mortgage, 2016-2020	\$786	\$739
Median gross rent, 2016-2020	\$1,147	\$1,118
Building permits, 2021	X	6,836
Families & Living Arrangements		
Households, 2016-2020	111,832	226,600
Persons per household, 2016-2020	2.20	2.33
Living in same house 1 year ago, percent of persons age 1 year+, 2016-2020	74.4%	81.4%
Language other than English spoken at home, percent of persons age 5 years+, 2016-2020	14.3%	10.8%
Computer and Internet Use		
Households with a computer, percent, 2016-2020	95.6%	95.4%
Households with a broadband Internet subscription, percent, 2016-2020	89.1%	90.0%
Education		
High school graduate or higher, percent of persons age 25 years+, 2016-2020	95.9%	96.2%
Bachelor's degree or higher, percent of persons age 25 years+, 2016-2020	58.5%	52.4%
Health		
With a disability, under age 65 years, percent, 2016-2020	5.8%	5.8%
Persons without health insurance, under age 65 years, percent	△ 4.3%	△ 4.9%
Economy		
In civilian labor force, total, percent of population age 16 years+, 2016-2020	71.6%	71.5%
In civilian labor force, female, percent of population age 16 years+, 2016-2020	69.5%	68.8%

Total accommodation and food services sales, 2017 (\$1,000) (c)	960,212	1,476,697
Total health care and social assistance receipts/revenue, 2017 (\$1,000) (c)	5,638,652	7,128,885
Total transportation and warehousing receipts/revenue, 2017 (\$1,000) (c)	274,503	691,460
Total retail sales, 2017 (\$1,000) (c)	6,336,348	10,139,216
Total retail sales per capita, 2017 (c)	\$24,729	\$18,850
Transportation		
Mean travel time to work (minutes), workers age 16 years+, 2016-2020	19.8	21.3
Income & Poverty		
Median household income (in 2020 dollars), 2016-2020	\$67,565	\$75,179
Per capita income in past 12 months (in 2020 dollars), 2016-2020	\$39,595	\$41,755
Persons in poverty, percent	△ 16.4%	△ 9.6%

BUSINESSES

Businesses		
Total employer establishments, 2020	X	14,345
Total employment, 2020	X	303,603
Total annual payroll, 2020 (\$1,000)	X	17,903,443
Total employment, percent change, 2019-2020	X	1.3%
Total nonemployer establishments, 2019	X	38,955
All employer firms, Reference year 2017	5,443	11,412
Men-owned employer firms, Reference year 2017	2,845	6,367
Women-owned employer firms, Reference year 2017	877	1,855
Minority-owned employer firms, Reference year 2017	362	572
Nonminority-owned employer firms, Reference year 2017	3,895	9,184
Veteran-owned employer firms, Reference year 2017	S	558
Nonveteran-owned employer firms, Reference year 2017	3,946	8,984


GEOGRAPHY

Geography		
Population per square mile, 2020	3,391.2	469.3
Population per square mile, 2010	3,037.0	407.7
Land area in square miles, 2020	79.57	1,196.49
Land area in square miles, 2010	76.79	1,197.24
FIPS Code	5548000	55025

[About datasets used in this table](#)

Value Notes

⚠ Estimates are not comparable to other geographic levels due to methodology differences that may exist between different data sources.

Some estimates presented here come from sample data, and thus have sampling errors that may render some apparent differences between geographies statistically indistinguishable. Click the Quick Info  icon to the left of each row in TABLE view to learn about sampling error.

The vintage year (e.g., V2021) refers to the final year of the series (2020 thru 2021). Different vintage years of estimates are not comparable.

Users should exercise caution when comparing 2016-2020 ACS 5-year estimates to other ACS estimates. For more information, please visit the [2020 5-year ACS Comparison Guidance](#) page.

Fact Notes

- (a) Includes persons reporting only one race
- (c) Economic Census - Puerto Rico data are not comparable to U.S. Economic Census data
- (b) Hispanics may be of any race, so also are included in applicable race categories

Value Flags

- Either no or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest or upper interval of an open ended distribution.
- F Fewer than 25 firms
- D Suppressed to avoid disclosure of confidential information
- N Data for this geographic area cannot be displayed because the number of sample cases is too small.
- FN Footnote on this item in place of data
- X Not applicable
- S Suppressed; does not meet publication standards
- NA Not available
- Z Value greater than zero but less than half unit of measure shown

QuickFacts data are derived from: Population Estimates, American Community Survey, Census of Population and Housing, Current Population Survey, Small Area Health Insurance Estimates, Small Area Income and Poverty Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits.

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Section 1c – Budget Workbook

APPLICANT & PROJECT NAME:

MSP Real Estate - The North End

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
Permanent Loan-Lender Name:						
First Mortgage	\$ 6,350,000	N	6.25%	15	35	\$447,352
Subordinate Loan-Lender Name:						
Subordinate Loan-Lender Name:						
Tax Exempt Loan-Bond Issuer:						
AHP Loan (List FHLB):						
FHLB Chicago	\$ 900,000	Y	0.00%	30	30	\$0
Total City Request (AHF, TIF, federal funds, etc.)						
City of Madison AHF - Deferred	\$ 1,696,000	Y	0.00%	30	0	\$0
Other-Specify Lender/Grantor:						
City of Madison AHF - Cash Flow	\$ 1,696,000	N	2.75%	16	30	\$83,085
Other-Specify Lender/Grantor:						
Dane County AHDF	\$ 1,984,000	Y	2.00%	30	0	\$39,680
Other-Specify Lender/Grantor:						
Tax Credit Equity	\$ 19,424,113					
Historic Tax Credit Equity						
Deferred Developer Fees	\$ 2,559,996					
Owner Investment						
Other-Specify:						
Total Sources	\$ 34,610,109					

Do you plan on submitting an application for TIF?

No

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan-Lender Name:			
Construction Loan	\$ 19,690,000	4.50%	24
Bridge Loan-Lender Name:			
Tax Credit Equity:			
Tax Credit Investor	\$ 3,884,823		
Total	\$ 23,574,823		

Estimated pricing on sale of Federal Tax Credits: **\$ 0.88**

Estimated pricing on sale of State Tax Credits: **\$ 0.70**
(if applicable)

Remarks Concerning Project Funding Sources:

APPLICANT:

MSP Real Estate

2. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs	Amount
Land	\$525,000
Existing Buildings/Improvements	\$0
Other (List)	
	\$0
Construction:	
Construction/Rehab Costs	\$22,934,705
Construction Profit	\$846,960
Construction Overhead	\$148,130
General Requirements	\$634,840
Construction Supervision	\$200,000
FF&E/Personal Property	\$75,000
Demolition	\$150,000
Site Work	\$0
Landscaping	\$0
Letter of Credit/P&P Bond	\$2,000
Construction Contingency	\$1,245,732
Other (List)	
	\$0
Architectural & Engineering	
Architect - Design	\$437,500
Architect - Supervision	\$12,000
Engineering	\$20,000
Other (List)	
Other Architectural	\$15,000
Interim/Construction Costs	
Builder's Risk/Property Insurance	\$60,000
Construction Loan Interest	\$625,000
Construction Loan Origination Fee	\$158,750
Real Estate Taxes	\$100,000
Park Impact Fees	\$76,892
Other Impact Fees	\$0
Other (List)	
	\$0
Financing Fees	
Cost of Bond Issuance	\$0
Permanent Loan Origination Fee	\$0
Credit Enhancement	\$0
Other Permanent Loan Fees	\$30,000
Soft Costs	
Appraisal	\$8,000
Market Study	\$7,000

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

EV Ready, Shall Enhancements, 30 kW Solar Array, & Beyond Code Rqmts.

Total Cost:

\$200k-\$300k

Environmental Reports	\$11,000
Survey	\$6,500
Permits	\$30,000
Lease-Up Period Marketing	\$80,000
Tax Credit Fees - Application	\$2,000
Tax Credit Fees - Compliance	\$223,400
Tax Credit Fees - Allocation	\$600
Accounting/Cost Certification	\$25,000
Title Insurance and Recording	\$31,300
Relocation	\$0
FF&E	\$0
Capital Needs Assessment (if rehab)	\$0
Legal	\$135,000
Other (List)	
Other Soft Costs	\$20,000
Fees:	
Bridge Loan Fees	\$0
Organizational Fees	\$300
Syndication Fees	\$0
Total Development Fee	\$5,000,000
Developer Overhead	\$0
Other Consultant Fees	\$0
Other (List)	
Tax Opinion	\$7,500
Reserves Funded from Capital:	
Lease-Up Reserve	\$50,000
Operating Reserve	\$675,000
Replacement Reserve	\$0
Capital Needs Reserve	\$0
Debt Service Reserve	\$0
Escrows	\$0
Other: (List)	
	\$0
TOTAL COSTS:	\$34,610,109

APPLICANT: MSP Real Estate

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
Gross Income	1,636,934	1,669,673	1,703,066	1,737,127	1,771,870	1,807,307	1,843,454	1,880,323	1,917,929	1,956,288	1,995,413	2,035,322	2,076,028	2,117,549	2,159,900	2,203,098
Less Vacancy/Bad Debt	114,585	116,877	119,215	121,599	124,031	126,512	129,042	131,623	134,255	136,940	139,679	142,473	145,322	148,228	151,193	154,217
Income from Non-Residential Use*	41,013	41,833	42,670	43,523	44,394	45,282	46,187	47,111	48,053	49,014	49,995	50,995	52,014	53,055	54,116	55,198
Total Revenue	1,563,362	1,594,629	1,626,521	1,659,052	1,692,233	1,726,078	1,760,599	1,795,811	1,831,727	1,868,362	1,905,729	1,943,844	1,982,721	2,022,375	2,062,822	2,104,079
Expenses:																
Office Expenses and Phone	9,330	9,610	9,898	10,195	10,501	10,816	11,141	11,475	11,819	12,174	12,539	12,915	13,302	13,701	14,112	14,536
Real Estate Taxes	233,750	240,763	247,985	255,425	263,088	270,980	279,110	287,483	296,108	304,991	314,140	323,565	333,272	343,270	353,568	364,175
Advertising, Accounting, Legal Fees	23,410	24,112	24,836	25,581	26,348	27,139	27,953	28,791	29,655	30,545	31,461	32,405	33,377	34,378	35,410	36,472
Payroll, Payroll Taxes and Benefits	168,970	174,039	179,260	184,638	190,177	195,883	201,759	207,812	214,046	220,468	227,082	233,894	240,911	248,138	255,582	263,250
Property Insurance	37,800	38,934	40,102	41,305	42,544	43,821	45,135	46,489	47,884	49,320	50,800	52,324	53,894	55,511	57,176	58,891
Mtc, Repairs and Mtc Contracts	120,000	123,600	127,308	131,127	135,061	139,113	143,286	147,585	152,012	156,573	161,270	166,108	171,091	176,224	181,511	186,956
Utilities (gas/electric/fuel/water/sewer)	120,000	123,600	127,308	131,127	135,061	139,113	143,286	147,585	152,012	156,573	161,270	166,108	171,091	176,224	181,511	186,956
Property Mgmt	101,619	104,667	107,807	111,041	114,373	117,804	121,338	124,978	128,727	132,589	136,567	140,664	144,884	149,230	153,707	158,318
Operating Reserve Pmt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	37,500	38,625	39,784	40,977	42,207	43,473	44,777	46,120	47,504	48,929	50,397	51,909	53,466	55,070	56,722	58,424
Support Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)		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	852,379	877,950	904,288	931,417	959,360	988,140	1,017,785	1,048,318	1,079,768	1,112,161	1,145,525	1,179,891	1,215,288	1,251,747	1,289,299	1,327,978
Net Operating Income	710,983	716,679	722,233	727,635	732,873	737,937	742,815	747,493	751,960	756,201	760,204	763,952	767,433	770,628	773,523	776,101
Debt Service:																
First Mortgage	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352
Second Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
Asset Management Fee	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538	4,674
Dane County AHDF	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680
Total Debt Service	490,032	490,122	490,215	490,310	490,409	490,510	490,614	490,722	490,833	490,947	491,064	491,185	491,310	491,438	491,570	491,706
Total Annual Cash Expenses	1,342,411	1,368,072	1,394,503	1,421,727	1,449,768	1,478,650	1,508,399	1,539,040	1,570,600	1,603,107	1,636,589	1,671,076	1,706,597	1,743,184	1,780,869	1,819,684
Total Net Operating Income	220,951	226,557	232,018	237,324	242,465	247,427	252,200	256,771	261,127	265,255	269,140	272,767	276,123	279,191	281,953	284,395
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	137,866	143,471	148,933	154,239	159,379	164,342	169,115	173,686	178,042	182,169	186,054	189,682	193,038	196,105	183,874	
Cash Flow	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	98,080	284,395
AHF City Interest Loan	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085

*Including commercial tenants, laundry facilities, vending machines, parking spaces, storage spaces or application fees.

DCR Hard Debt	1.59	1.60	1.61	1.63	1.64	1.65	1.66	1.67	1.68	1.69	1.70	1.71	1.72	1.72	1.73	1.73
DCR Total Debt	1.24	1.25	1.26	1.27	1.28	1.29	1.29	1.30	1.31	1.32	1.32	1.33	1.34	1.34	1.35	1.35

Assumptions

Vacancy Rate	7.0%
Annual Increase Income	2.0%
Annual Increase Expenses	3.0%
Other	

*Please list all fees (per unit per month) and non-residential income:

Underground Parking: \$35/month (105 parking stalls) at 93% occupancy

APPLICANT:

MSP Real Estate

3. PROJECT PROFORMA (cont.)

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

	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	2,247,160	2,292,103	2,337,945	2,384,704	2,432,398	2,481,046	2,530,667	2,581,280	2,632,906	2,685,564	2,739,275	2,794,061	2,849,942	2,906,941
Less Vacancy/Bad Debt	157,301	160,447	163,656	166,929	170,268	173,673	177,147	180,690	184,303	187,989	191,749	195,584	199,496	203,486
Income from Non-Residential Use*	56,302	57,428	58,577	59,748	60,943	62,162	63,405	64,673	65,967	67,286	68,632	70,005	71,405	72,833
Total Revenue	2,146,160	2,189,084	2,232,865	2,277,523	2,323,073	2,369,535	2,416,925	2,465,264	2,514,569	2,564,860	2,616,158	2,668,481	2,721,850	2,776,287
Expenses:														
Office Expenses and Phone	14,972	15,421	15,884	16,360	16,851	17,357	17,877	18,414	18,966	19,535	20,121	20,725	21,346	21,987
Real Estate Taxes	375,100	386,353	397,944	409,882	422,179	434,844	447,889	461,326	475,166	489,421	504,103	519,226	534,803	550,847
Advertising, Accounting, Legal Fees	37,566	38,693	39,854	41,050	42,281	43,549	44,856	46,202	47,588	49,015	50,486	52,000	53,560	55,167
Payroll, Payroll Taxes and Benefits	271,147	279,282	287,660	296,290	305,179	314,334	323,764	333,477	343,481	353,786	364,399	375,331	386,591	398,189
Property Insurance	60,658	62,478	64,352	66,283	68,271	70,319	72,429	74,602	76,840	79,145	81,519	83,965	86,484	89,078
Mtc, Repairs and Mtc Contracts	192,565	198,342	204,292	210,421	216,733	223,235	229,932	236,830	243,935	251,253	258,791	266,555	274,551	282,788
Utilities (gas/electric/fuel/water/sewer)	192,565	198,342	204,292	210,421	216,733	223,235	229,932	236,830	243,935	251,253	258,791	266,555	274,551	282,788
Property Mgmt	163,068	167,960	172,999	178,189	183,534	189,040	194,712	200,553	206,569	212,767	219,150	225,724	232,496	239,471
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	60,176	61,982	63,841	65,756	67,729	69,761	71,854	74,009	76,230	78,517	80,872	83,298	85,797	88,371
Support Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)	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 Expenses	1,367,817	1,408,852	1,451,117	1,494,651	1,539,490	1,585,675	1,633,245	1,682,243	1,732,710	1,784,691	1,838,232	1,893,379	1,950,180	2,008,686
Net Operating Income	778,343	780,232	781,748	782,872	783,583	783,859	783,680	783,021	781,859	780,169	777,926	775,102	771,670	767,602
Debt Service:														
First Mortgage	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352	447,352
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)														
Asset Management Fee	4,814	4,959	5,107	5,261	5,418	5,581	5,748	5,921	6,098	6,281	6,470	6,664	6,864	7,070
Dane County AHDF	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680
Total Debt Service	491,846	491,991	492,140	492,293	492,451	492,613	492,781	492,953	493,131	493,314	493,502	493,696	493,896	494,102
Total Annual Cash Expenses	1,859,664	1,900,843	1,943,257	1,986,944	2,031,941	2,078,288	2,126,026	2,175,196	2,225,841	2,278,005	2,331,734	2,387,075	2,444,076	2,502,788
Total Net Operating Income	286,497	288,241	289,608	290,579	291,132	291,246	290,899	290,068	288,728	286,856	284,424	281,406	277,774	273,500
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	286,497	288,241	289,608	290,579	291,132	291,246	290,899	290,068	288,728	286,856	284,424	281,406	277,774	273,500
AHF City Interest Loan	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085

*Including laundry facilities, vending machines, parking spaces, storage spaces or application fees.

DCR Hard Debt	1.74	1.74	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.74	1.74	1.73	1.72	1.72
DCR Total Debt	1.35	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.35	1.35	1.34	1.33

Assumptions

Vacancy Rate	7.0%
Annual Increase Income	2.0%
Annual Increase Expenses	3.0%
Other	

Section 2 – Development Team’s Experience & Capacity

2a.i Experience Obtaining & Utilizing Low Income Housing Tax Credits (LIHTC)

As our Tax Credit project lists demonstrate below, since 1991 MSP Real Estate has secured awards for tax credits for 30 total projects in the Midwest:

- 16 elderly projects that have provided 1,161 units of senior housing
- 10 family projects that have provided 653 units of family housing
- 1 combined senior & family project that has provided 118 units of senior and 18 units of family housing
- 3 projects under construction that will provide 55 units of senior and 184 units of family housing

In addition to the 30 projects shown below that have either been completed or under construction, MSP Real Estate has secured tax credits for 2 additional projects that are planned to start construction in early 2023. With these projects included, MSP Real Estate has secured tax credits for 32 projects total in the Midwest.

Since 1991, MSP Development has been applying for and securing awards for Low Income Housing Tax Credits allocated by the Wisconsin Housing and Economic Development Authority (WHEDA), Minnesota Finance Authority and Indiana Housing Authority. Please review our list of developments completed in the following tables:

TAX CREDIT Elderly (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Units</u>	<u>Financing</u>	<u>Completion Date</u>
<i>The Oscar Senior Apartments, Madison</i>	55	Bank	Summer 2022
<i>River Parkway Apartments, Wauwatosa</i>	118	Bank	August 2021
<i>Normandy Square Apartments, Madison</i>	58	Bank	August 2019
<i>Middleton Senior Apartments, Middleton</i>	56	Bank	October 2012
<i>New Berlin Senior II, New Berlin</i>	34	Bank	December 2021
<i>Chippewa Senior Apartments II, Chippewa Falls</i>	24	HOME	October 2011
<i>West Allis Senior Apartments, West Allis</i>	122	WHEDA Bond	April 2009
<i>Monona Senior Apartments, Monona</i>	88	WHEDA Bond	September 2009
<i>Lincoln Village, Port Washington</i>	49	Bank	December 2002
<i>Homestead Village, Chippewa Falls</i>	48	Bank	February 2000
<i>Deer Creek Village, New Berlin</i>	145	Bank	October 2001
<i>Silver Creek Village, Glendale</i>	65	WHEDA Bond	August 2000
<i>Lexington Village, Greenfield</i>	120	Bank	December 1998
<i>Silver Lake Pointe, Moundsview MN</i>	83	Bank	September 1995
<i>Courtyard, West Allis</i>	63	Bank	September 1995
<i>Mill View, Kiel</i>	24	Rural Development	March 1995
<i>Station House, Antigo</i>	40	Rural Development	1991
<i>Village Plaza, Paddock Lake</i>	24	Rural Development	1991
Total Completed	1,161		
Total In Progress	55		
Total Units	1,216		

TAX CREDIT Family (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Units</u>	<u>Financing</u>	<u>Completion Date</u>
<i>The Heights Apartments, Madison</i>	79	Bank	Late Fall 2023
<i>River Parkway Phase II, Wauwatosa</i>	50	Bank	Summer 2023
<i>The Oscar Family Apartments, Madison</i>	55	Bank	Summer 2022
<i>Taylor Pointe Apartments, McFarland</i>	51	Bank	February 2022
<i>River Parkway Townhomes, Wauwatosa</i>	18	Bank	May 2021
<i>The Grove Apartments, Madison</i>	112	Bank	September 2020
<i>The Landing, Chippewa Falls</i>	40	Bank	June 2016
<i>Meadow Ridge Apartments, Waukesha</i>	70	Bank	October 2014
<i>New Berlin City Center, New Berlin</i>	102	Bank	December 2012
<i>Silverlake Commons, Moundsview MN</i>	50	MHFA	Feb. 1999 - Sold 2017
<i>Cityside Townhomes, Marshall MN</i>	50	MHFA	Apr. 1997 - Sold 2017
<i>Parkside Townhomes, Redwood Falls MN</i>	30	FNMA	Feb. 1997 - Sold 2017
<i>Valley Farms Apartments, Westfield IN</i>	92	Rural Development	May 1996
<i>Lincoln Square Apartments, Chisholm MN</i>	38	Bank	Aug. 1995 - Sold 2013
Total Completed	653		
Total In Progress	184		
Total Units	837		

2a.ii Experience Obtaining & Utilizing Federal, State, City, and Other Financing

Normandy Square Senior Apartments, 6509 Normandy Lane, Madison WI
Completed August 2019



58 Total Units – 48 Affordable Units (12 Units are 30% Supportive Units)

Source	Amount
2017 WHEDA LIHTC	\$595,587
2018 Additional WHEDA LIHTC	\$59,970
City of Madison AHF Funds	\$850,000
Dane County AHF Funds	\$342,220
First Mortgage	\$4,300,000

This development was awarded 8 project-based vouchers by the Dane County Housing Authority in Fall of 2018.

The Grove Apartments, 202 & 206 Cottage Grove Road, Madison WI
Completed September 2020



112 Total Units - 95 Affordable Units (23 Units are 30% Supportive Units)

Source	Amount
2018 WHEDA LIHTC	\$1,339,272
City of Madison AHF Funds	\$3,000,000
Dane County AHF Funds	\$591,346
Chicago FHLB Grant	\$750,000
First Mortgage	\$7,700,000

This development was awarded 8 project-based vouchers by the Dane County Housing Authority in Fall of 2018 for 3-bedroom units.

River Parkway Apartments & Townhomes, 6300 River Parkway, Wauwatosa WI
Completed August 2021



136 Total Units - 92 Affordable Units (24 Units are 30% Supportive Units)

Source	Amount
2019 WHEDA LIHTC	\$1,550,000
Chicago FHLB Grant	\$900,000
TIF Grant City of Wauwatosa	\$756,000
TIF Loan	\$1,195,000
First Mortgage	\$10,536,606

Taylor Pointe Apartments, 4900 Larson Beach Road, McFarland, WI
Completed February 2022



51 Total Units - 48 Affordable Units (11 Units are 30% Supportive Units)

Source	Amount
2020 WHEDA LIHTC	\$732,985
Chicago FHLB Grant	\$720,000
Dane County AHF Funds	\$608,341
First Mortgage	\$3,325,000

The Oscar Senior & Family Apartments, 1222 & 1244 Huxley Street, Madison, WI
Opening Summer 2022



110 Total Units - 93 Affordable Units (22 Units are 30% Supportive Units)

Source	Amount
2020 WHEDA LIHTC	\$1,550,000
City of Madison AHF Funds	\$ 1,700,000
Dane County AHF Funds	\$ 1,187,550
First Mortgage	\$8,000,000

River Parkway Apartments Phase II, 6400 River Parkway, Wauwatosa, WI
Opening Summer 2023



50 Total Units - 37 Affordable Units (10 Units are 30% Supportive Units)

Source	Amount
2022 WHEDA LIHTC	\$755,838
Chicago FHLB Grant	\$555,000
CDBG	\$450,000
TIF Grant City of Wauwatosa	\$435,000
TIF Loan	\$835,000
First Mortgage	\$3,465,000

The Heights Apartments, 2206 University Ave, Madison, WI
Opening Late Fall 2023



79 Total Units - 62 Affordable Units (16 Units are 30% Supportive Units)

Source	Amount
2021 & 2022 WHEDA LIHTC	\$1,400,000
City of Madison AHF Funds	\$2,300,000
Dane County AHF Funds	\$1,440,000
Chicago FHLB Grant	\$900,000
First Mortgage	\$6,350,000

2b. Experience with Participating in Public/Private Joint Ventures (brief narrative examples)

Monona Tax Credit Independent and Assisted Living and Memory Care and Phase II Assisted Living

In 2008 and 2012 Heritage Monona a two phase senior housing campus was developed at the former Garden Circle apartments in Monona, WI. MSP was selected by the City based on their response to an RFP and conveyed the land for \$1 and provided \$2,400,000 in tax increment financing. MSP also financed this development with tax credits and tax exempt bonds from WHEDA. The \$28,000,000 development consists of a 4 story 88 unit independent tax credit senior building interconnected to a 2 story 75 unit assisted living memory care building and a phase 2 two story 68 unit assisted living and memory care community. Construction took 12 months and the project leased up at a record pace ahead of schedule in just under 9 months (Phase 1) and 12 months respectively (Phase II). Contact Information: Sonja Reichertz-Monona Economic Development Director (608)222-2525

Middleton Independent Tax Credit and Heritage Assisted Living and Memory Care

2012- Heritage Middleton a 135 unit senior housing campus developed at a vacant sentry store in Middleton, WI. MSP put the site under contract in 2011 and worked with the City to help remove an eyesore on the gateway to Madison through Middleton. The site required excavation and haul off of approximately 10 feet of soil and replacing that soil with engineered fill. This was due to the site previously sitting at the edge of a lake bed. The City provided \$2,100,000 in tax increment financing and Dane County provided a low interest loan in the amount of \$460,000. MSP also financed this development with tax credits and a 7/10 loan from WHEDA. The \$18,000,000 development consists of a 4 story 56 unit independent tax credit senior building interconnected to a 2 story 79 unit assisted living memory care community. The project is extremely dense on a site of only 2.2 acres, but fits the urban design standards encouraged by the City. Construction took 12 months and the project has been full with a long waiting list on the affordable independent side since almost day one of certificate of occupancy. Contact Information: Mike Davis-City Administrator 608-821-8358

2c. Years in Existence and Staff Qualifications

MSP Real Estate, Inc. (MSPRE) and its subsidiaries Heritage Assisted Living LLC, MSP Development Company, Inc., MSP Construction, Inc. and MSP Property Management, LLC, make up a full service real estate development company.

Established in 1988 by Milo Pinkerton, MSPRE has assembled a team with experience and tenacity. We are a long-term owner that owns over 90 percent of what we have built. Our philosophy is to develop high quality properties in strategic markets to ensure the best investment for us, our partners and the communities in which we build.



MSPRE has experience with public/private development projects utilizing TIF, HOME Funds, FHLB funding, CBDG, Metropolitan Council grants, and DTED grants. MSPRE has extensive knowledge of real estate development gained over the past 32 years of development experience that also includes an expansive assisted living portfolio of housing.

Milo Pinkerton – President

Milo has developed more than 2900 units spanning over 32 years. Milo's unique background of architecture, finance, real estate and construction has enabled MSP projects to be of consistent high quality, on time and on budget.

Heritage Senior Living was formed in 2000, as a health care housing company for independent, assisted and memory care seniors and has since grown to the country's 72nd largest operation. Every year Heritage is constructing over \$30 Million in purpose-built housing, primarily in Wisconsin.



Milo is primarily responsible for overseeing and directing all aspects of the MSP Family of Companies, ensuring steady growth, consistent profitability and increasing cash flows annually. Milo works hands on with the development and construction company and coordinates management and direction of Heritage and MSPPM through its various staff directors.

Milo has a Master's of Science in Business, Real Estate Investment from the University of Wisconsin and a Master of Architecture Degree from the University of Minnesota. He is licensed in Minnesota and Wisconsin as a real estate broker.

Mark Hammond – Vice President of Development

Mark Hammond, as Vice President of Development, leads all real estate development and construction activities and assists the company in identifying and overseeing legal issues in other core business units.

Mark's primary responsibility is the identification and management of new development opportunities in senior housing campuses, and tax credit affordable housing opportunities. Mark actively manages all aspects of the development process, including site acquisition and approval, financing, design and value engineering, construction, and lease-up.

Mark has served on numerous boards that promote economic development and revitalization. He is also active with the University of Wisconsin Real Estate Alumni Association and is a member of the State of Wisconsin Bar Association.

Mark holds a Bachelor's Degree in Economics, an MBA in Real Estate, and a Juris Doctor, all from the University of Wisconsin-Madison.

MSP Property Management

MSP Property Management, LLC (MSPPM) was formed in 2005 to more fully service its affordable housing and market-rate housing in Wisconsin. MSPPM currently manages over 1,500 units throughout the state of Wisconsin.

Brian Martin – Vice President of Asset Management

Brian Martin, as Vice President of Asset Management oversees the financial performance of all MSP-owned properties, and is instrumental in the opening and lease-up of all new construction projects. In addition, Brian oversees the acquisition, financing, maintenance and information technology departments for all Heritage and MSP-owned facilities.

Brian has been in Real Estate Management for over 14 years. He began his career as a site manager in the Madison area overseeing a 60-unit tax credit property as well as a market-rate campus housing portfolio. In 2010 he was promoted to Area Manager and was responsible for a portfolio of 20 properties and over 1200 units. During his time as Area Manager, Mr. Martin oversaw the successful completion of over 12 new lease up properties in Wisconsin and Iowa. In early 2014 Mr. Martin was promoted to the position of Regional Manager and then a year later to Regional Asset Manager where he was responsible for a portfolio of roughly 50 properties and more than 3350 units throughout Wisconsin, Illinois and Iowa. His experience covers market rate, tax-exempt bond, HUD Section 8 and HOME, USDA Rural Development and Low Income Housing Tax Credit financed development.

Ben Shearer – Vice President of Construction

As VP of Construction, Ben leads the construction operations at MSP. He is involved in all aspects of our projects from concept to completion. He has 16 years of experience in commercial construction management and holds a Bachelor of Science in Construction Management from the University of Wisconsin-Stout.

Ben has managed over 130 construction projects throughout the Midwest, Southwest, and West Coast in numerous markets including Senior Living, Hospitality, Retail, Office, Restaurant, Tenant Improvement, and Light Industrial. Originally from Wisconsin, Ben spent nearly 10 years of his career living in Arizona.



Additional information about our staffing includes the following: Within the MSP Property Management and Heritage Senior Living management umbrella 19 full time maintenance staff take care of the day to day physical plant operations for all our properties.

Our tax credit compliance quality control is provided by Becky Haag from Compliance Specialists. Becky has been providing compliance monitoring services for tax credit properties for over 20 years.

Lars Johnson, our Chief Financial Officer, heads up an accounting team that employs 6 full time accountants with over 100 years combined of accounting experience.

2d. Financial Capacity of the Organization to Secure Financing and Complete the Proposed Project

MSP Real Estate Inc. believes this RFP response demonstrates a development team that can provide all the requirements necessary to complete a 125-unit tax credit apartment building on the proposed site and secure the necessary sources of financing based on past performance of similar sized deals. In the last 5 years alone, MSP has built over 600 units with construction project costs approaching \$100 million, a large portion of which is new tax credit housing in the state of Wisconsin along with senior living housing.

2e. Developer’s Experience With, Including Number of Projects, Number of Units and Location of Projects Developed with Integrated Supportive Housing Units

Development Name	Location	Total Units	Integrated Supportive Units
New Berlin City Center	New Berlin, WI	102	11
Middleton Senior Apts.	Middleton, WI	56	9
Meadow Ridge Apts.	Waukesha, WI	70	6
The Landing Apts.	Chippewa Falls, WI	40	3
Normandy Square Senior	Madison, WI	58	12
The Grove Apartments	Madison, WI	112	23
River Parkway Apartments	Wauwatosa, WI	136	24
Taylor Pointe Apartments	McFarland, WI	51	11
The Oscar Apartments	Madison, WI	110	22
River Parkway Phase II	Wauwatosa, WI	50	10
The Heights Apartments	Madison, WI	79	16

MSP Real Estate has incorporated supportive service partnerships with past developments. These developments set aside a portion of the building’s apartments for homeless/nearly homeless individuals, Veterans, or persons with disabilities. Services are offered in order to support these residents’ housing stability.

On MSP’s seven most recent affordable housing projects, we have 20% total units set aside as supportive housing units for residents at 30% CMI. We have collaborated with area organizations to receive referrals for these units at our developments. Some area organizations we have worked with in the past include JustDane, Salvation Army of Dane County, Dane County Veterans Service Office, Community Action Coalition for South Central Wisconsin, and Milwaukee County Veterans Service among many others. Some services these organizations provide are prison reentry programs, connecting Veterans to resources within their communities, and providing rapid rehousing packages for homeless/nearly homeless individuals. We have also worked with Movin’ Out on some of our earlier projects in the area, assisting residents with special needs stabilize their living situation and live more independently. These services contribute to creating a supportive environment for residents who many need it most.

MSP Property Management provides marketing materials and brochures during initial outreach to each of our supportive service partners, and endeavors to make existing and prospective residents aware of services and resources available by provision of a tenant resource area within the common area of the development. As 30% CMI supportive housing units become vacant, MSPPM continues to reach out to these partner organizations for referrals. MSP looks forward to continuing to build these relationships with community organizations on future developments.

2f. Proposed Property Management Entity’s Experience Including Number of Projects, Number of Units and Location of Projects Managed. Property Management Entity’s Performance Record and Approach with Integrated Support Services as well as with Inclusive and Culturally Sensitive Property Management and Marketing Practices.

MSP Property Management since 2005 has provided all property management functions including Tax Credit certification, recertification, ongoing compliance, all accounting functions, day to day management and maintenance. MSP Property Management site management staff and marketing practices adheres to all federal and state housing compliance issues including AG 134, Equal Opportunity, Fair Housing Requirements, affirmative fair marketing practices and Section 504 of the Rehabilitation Act of 1973.

All team members are kept up to date on any State or Federal Policy changes and LIHTC compliance according to the needs of the State Agency and their recommendations which may include annual fair housing training. Property management staff do attend WHEDA compliance seminars on an as needed basis.

WHEDA requires the Property Manager of record for this tax credit application to receive a WHEDA annual management agent approval certification:

The management agent or any entity serving as the agent cannot have a project in their portfolio with any of the following: uncorrected noncompliance, untimely reporting, failure to submit information, unpaid fees, below average or unsatisfactory management reviews, or general material noncompliance. WHEDA reserves the right to gather information from other housing authorities regarding any low income housing developments managed by the management agent outside the state of Wisconsin.

MSP Property Management has never received an unfavorable management review from WHEDA specifically noting issues with culturally-sensitive property management or marketing practices.

MSP Real Estate in conjunction with its property management company, MSP Property Management will follow the Tenant Selection Plan that embraces the CDD’s Tenant Selection Plan best practices as outlined in Attachment B-1. Additionally, MSP Property Management will follow the Affirmative Marketing Plan best practices as outlined in Attachment B-2.

2g. List Any Architectural Awards, Service Awards, or Green Building Certification that Your Organization has Received

Market Rate Housing Development – Best New Development

Louisiana Oaks Apartments is a 200-unit market rate development in St. Louis Park, Minnesota. This property was recognized as the 2002 MADACS Awarding- winning (“Property Excellence Award – Best New Development – Market Rate”) in the Twin Cities. (This property was sold in April 2015).

Affordable Senior Housing – Design Award

Completed in the Fall of 2019, Normandy Square Senior Apartments, a 58-unit senior affordable development located at 6509 Normandy Lane in Madison, was awarded second place in the architecture and design awards for affordable developments in 2019 by Senior Housing News.

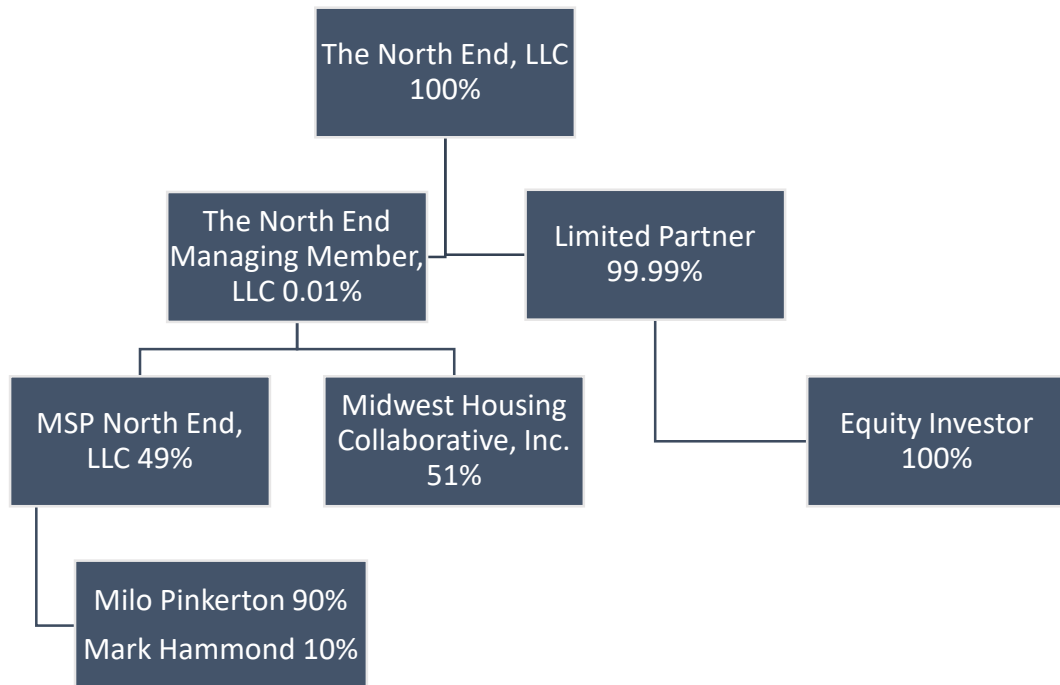
Completed in the Summer of 2021, River Parkway Apartments & Townhomes, a 136-unit senior and family affordable development located at 6300 River Parkway in Wauwatosa, was awarded first place in the architecture and design awards for affordable developments in 2021 by Senior Housing News.

Wisconsin Green Built

The following tax credit projects have been built to the highest scoring WHEDA Green Building Criteria required since WHEDA changed its scoring criteria to include this category in 2010. Verification was only required through 2018. A Wisconsin Green Built certification is now required with a change to the Qualified Allocation Plan starting in 2019.

Credit Application Year	Name of Development	Units	Built to Max Wisconsin Green Built Standard?	Third Party Verification or Certification
2010	New Berlin Senior	34	Yes	Verification
2010	City Center at Deer Creek	102	Yes	Verification
2010	Homestead Village II	24	Yes	Verification
2011	Middleton Senior	56	Yes	Verification
2013	Meadow Ridge	70	Yes	Verification
2015	The Landing	40	Yes	Verification
2017	Normandy Square Senior	58	Yes	Verification
2018	The Grove	112	Yes	Verification
2019	River Parkway Apartments	136	Yes	Certification
2020	The Oscar Apartments	110	Yes	Certification
2021	Taylor Pointe Apartments	51	Yes	Certification

2h. Project Organizational Chart, Including Ownership Interest Percentages



MSP Real Estate, Inc, the Developer, will assign land rights to The North End, LLC or other to be named LLC for The North End. The North End Managing Member, LLC (0.01%) will be majority owned by non-profit, Midwest Housing Collaborative, Inc.



DOING
THE MOST
GOOD™

Section 3a - Support Letter - Salvation Army of Dane County

Brian Peddle
General

Commissioner Brad Bailey
Territorial Commander

Major Steven J. Merritt
Divisional Commander

Major Andrew Shiels
Capital Area Coordinator
Madison Temple Corps Officer

Major Melissa Shiels
Capital Area Program Director
Madison Temple Corps Officer

Captains Vong and Ting Luangkhamdeng
Madison Genesis Corps Officers

July 11, 2022

Mr. Mark Hammond
Director of Development MSP Real Estate
7901 W. National Ave.
West Allis, WI 53214

RE: WHEDA Tax-Credit Rental Housing Development
The North End – 709 Northport Drive, Madison, WI 53704

Dear Mr. Hammond,

The Salvation Army is a worldwide religious and charitable organization dedicated to serving those in need without discrimination. In Dane County, we have one worship and community center and two homeless shelters. Alongside the Single Women's Shelter and the Emergency Family Shelter, The Salvation Army of Dane County host six housing programs and a Diversion Program – an effort to keep families and individuals from entering the shelter system at all.

My understanding is that The North End, located at 709 Northport Drive, will be an affordable rental development that will create approximately 25 supportive housing units for individuals/families earning 30% or less of the Dane County area median income. The target population for these supportive housing units is individuals/families whose incomes qualify for the 30% rent restricted units. The available 25 supportive housing units will be generally spread across a mix of 1, 2, & 3 bedroom units at the 30% rent restricted level, but MSP will work with The Salvation Army to target unit types with the greatest need which is currently understood to be slightly greater for 2 and 3 bedroom units but generally needed across all unit types. MSP Real Estate will notify the Salvation Army of the number of supportive housing units to be targeted for Salvation Army specific referrals as the project progresses, but currently anticipates approximately 11 units to be targeted to Salvation Army referrals.

The Salvation Army will refer individuals and families that it provides assistance to under our Dane County Assists With New Starts (DAWNS) program and our RISE program to The North End. Individuals and families transitioning from homelessness to housing can be offered a rapid rehousing package through our DAWNS and RISE programs. This package consists of weekly case management sessions, security deposit, and first month's rental assistance for the DAWNS program and up to a year's rental assistance in our RISE program. Additional rental assistance may be granted on an individual case by case basis. Case management support can last up to two years and will be provided at the resident's apartment or Salvation Army offices. The Salvation Army will extend its monetary rental resources and caseworker support under our DAWNS and RISE programs to individuals/families that it refers to live at The North End.

The Salvation Army strongly supports the proposed apartment community that MSP Real Estate intends to build as a new affordable housing option that will assist the City of Madison's efforts to promote housing stability and/or prevent homelessness.

If you have any questions feel free to call me at (608)-250-2237.

Sincerely,



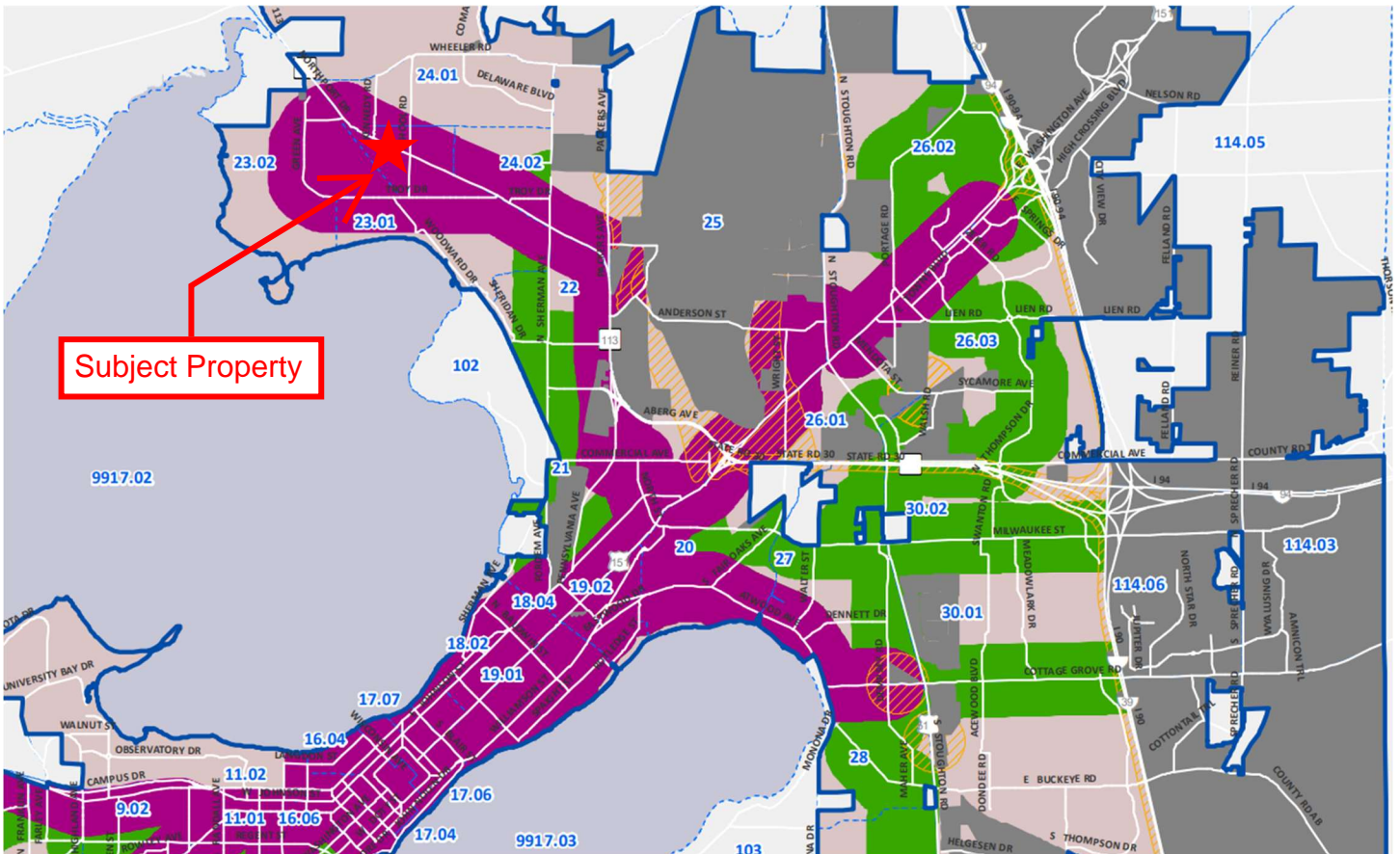
Melissa Sorensen
Social Services Executive Director
The Salvation Army of Dane County

The Salvation Army of Dane County - P. O. Box 8455, Madison, WI 53708-8455 - 608.256.2321

“...THERE IS NO REWARD EQUAL TO THAT OF DOING THE MOST GOOD TO THE MOST PEOPLE IN THE MOST NEED.” - EVANGELINE BOOTH

Have you remembered The Salvation Army in your will?

Section 3b – Detailed Site Map & AHF Context Map



[Skip to main content](#)

Section 4 - Focus on Energy Initial Application Confirmation



New Construction

Thank You

Your application has been saved. You will receive an email notification that includes a link to make subsequent changes to this application.

Application Number: **FOE-6DE56-27096**

Program: **New Construction**

Sponsor: **Focus on Energy**

Created By: **Alyssa Klecker on 7/15/2022 11:36:47 AM**

Project Name: **The North End**

Project Location: **709 Northport Drive Madison, WI 53704**

Business Customer: **MSP Real Estate, Inc.**

Your unique application number is listed below:

FOE-6DE56-27096

You can make additional updates to your application at any time by clicking the above application number. You will also receive a confirmation email that contains this link to allow you to make further modifications.

[Return to Application](#)

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Section 5 - Zoning Letter



Department of Planning & Community & Economic Development Building Inspection Division

Website: www.cityofmadison.com

215 Martin Luther King Jr Blvd
Suite 017, Madison Municipal Building
P.O. Box 2984
Madison, Wisconsin 53701-2984
FAX 608 266 6377
PH 608 266 4551

July 18, 2022

Mark Hammond
MSP Real Estate, Inc.
7901 West National Avenue
West Allis, WI 53214

RE: The North End – 709 Northport Drive, Madison, WI 53704

Dear Mr. Hammond,

This letter is in response to your request for written confirmation from the Zoning Administrator of permissive zoning or a letter confirming the proposed site's zoning status and process for your proposed project at 709 Northport Drive in Madison, WI, an approximately 3.6 acre parcel. It is my understanding that the proposed project, The North End, would demolish the existing church structure and would replace it with approximately 125 units of multifamily units (106 affordable units) and an approximately 8,000 sf worship space on the first floor.

Given that the site is currently zoned SR-C1, permissive zoning is not in place and the site would require rezoning to accommodate the proposed project. The Generalized Future Land Use Plan indicates this site as Low-Medium Residential Density. As such, the proposed project is generally consistent with this future use and the plan could support an upzone to accommodate a multifamily project as proposed. TR-V2 is a potential option that could be pursued for rezoning. Conditional use permits may be required. The rezoning process is estimated to take approximately 10 weeks from the date of application.

If you have any questions, please feel free to contact me at 608.266.4551 or jkirchgatter@cityofmadison.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Jenny Kirchgatter".

Jenny Kirchgatter

Assistant Zoning Administrator

ATTACHMENT D

DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION

Proposers are hereby notified that all information submitted in response to this RFP may be made available for public inspection according to public records laws of the State of Wisconsin or other applicable public record laws. Therefore, proposers are encouraged to refrain from submitting information that cannot be open for public inspection. However, if proposers must include information deemed confidential and proprietary by the proposer, proposer must comply with these instructions:

- Requests for confidentiality must be submitted prior to the proposal submission date to the City of Madison Purchasing Office.
- Requests for confidentiality must use this designated form. Failure to include this form in the bid/proposal response may mean that all information provided as part of the bid/proposal response will be open to examination and copying. The City considers other markings of confidential in the bid/proposal document to be insufficient.
- Any information to be considered confidential or proprietary must be separated and packaged from the rest of the proposal. Co-mingling of confidential/proprietary and other information is not acceptable.

Prices always become public information when bids/proposals are opened or when negotiations have been completed and the contract has been awarded. Other information usually cannot be kept confidential unless it involves a trade secret as defined in §.134.90(1)(c), Wis. Stats. Any information that will be included in any resulting contract cannot be considered confidential. A proposal, in its entirety, will not be considered confidential and/or proprietary.

Other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in §. 134.90(1)(c), Wis. Stats. as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

In the event the designation of confidentiality of this information is challenged, the undersigned hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and agrees to hold the City of Madison harmless for any costs or damages arising out of the City's agreeing to withhold the materials.

The attached material submitted in response to Bid/Proposal # 11057-2022 includes proprietary and confidential information which qualifies as a trade secret, as provided in §s.19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, we ask that certain pages, as indicated below, of this bid/proposal response be treated as confidential material and not be released:

Section	Page No.	Topic	Specific law that supports confidentiality of information
Question #72	24	WHEDA Self-Score	Trade Secret s.134.90(1)(c)

Company Name MSP Real Estate, Inc.

Enter Name: Mark Hammond

By entering your initials
in the box,

MH

You are electronically signing your
name and agreeing to the terms above.

Date: 7/18/2022

2022 Affordable Housing Fund-Tax Credit RFP

Supplemental Application Questions

MSP Real Estate
The North End

Response Submission Due Date: August 17, 2022 NOON

Instructions to Applicants:

Please respond ***briefly and succinctly*** to the questions below in-line, unless otherwise specified (e.g. additional documentation requested). Maximum 1/3 a page per question. Please use this Word document to record your answers and return this completed document to cddapplications@cityofmadison.com. Please cc: jspears@cityofmadison.com. We ask that you refrain from submitting additional documentation not specifically requested at this time or using alternative formats.

Questions:

A. Land Use and Community Engagement

- 1. Please describe the feedback that you received from the Development Assistance Team (DAT) presentation.**

We discussed The North End with DAT on August 4, 2022. City staff felt that the proposed uses, residential apartments and a worship space, are both acceptable uses. However, DAT was concerned that a “mixed use” building may not be acceptable under the zoning code. The zoning administrator emailed us a response on August 10, 2022 after meeting internally to clarify that, “Our code change staff team met today and drafted a zoning code change that will allow non-residential uses and multi-family uses to be within the same building in residential zoning districts. Assuming all goes well, we are planning on the code change being approved by Council in late November/early December.” Based on this response, it appears that having the worship space and residential units in the same building as proposed is a non-issue.

As far as density of the project, DAT felt that the project as proposed with 124 units may be too dense for this site and with the potential rezone to SR-V2, the project would be limited to about 104 units. We have adjusted our project to 104 units. Other comments related to design were to potentially connect the church to the sidewalk along Northport Drive, take a look at parking to see if it could be better consolidated, and take a look at running the building parallel to the east property line.

- 2. Provide a brief summary of the feedback and comments that received at the neighborhood meeting.**

We held a virtual neighborhood meeting on August 16, 2022. One of the main concerns was how the traffic associated with the site will be handled, especially with the preschool next door. Alder Myadze requested to be involved with discussions revolving around traffic. Alder Myadze also advocated for having services that enrich the

Northside community. This comment was directed in part to address the safety in the area that some community members voiced concern for as well. Community members appreciated Northside Christian Assembly's comments on the services they provide to the public. Other community members encouraged advertising the natural beauty and features of the Northside, such as the natural resources and surrounding, through having advertisements/brochures onsite for residents and artwork throughout the project. Sound mitigation from the jets and railroad nearby were mentioned as concerns. One community member voiced a desire to have more natural/warm colors on the exterior to better fit the community with its natural features.

3. Did feedback from DAT and/or neighborhood meeting result in a significant impact on the site plan/land use application, and therefore budget and unit mix? Please submit an updated budget and unit mix accordingly.

Yes, our meeting with DAT indicated that the maximum units that this site could support under rezoning would likely be about 104 units rather than the 125 units as originally proposed. We adjusted our budget and unit mix to reflect this new total of 104 units. See attached updated budget. The new unit mix is copied and pasted below.

ADDRESS #1:		709 Northport Drive, Madison, WI 53704					Projected Monthly Unit Rents, Including Utilities				
% of County Median Income (CMI)	Total # of units	# of Bedrooms					\$ Rent for Studios	\$ Rent for 1 BRs	\$ Rent for 2 BRs	\$ Rent for 3 BRs	\$ Rent for 4+ BRs
		# of Studios	# of 1 BRs	# of 2 BRs	# of 3 BRs	# of 4+ BRs					
≤30%	21	0	12	5	4	0		649	778	899	
40%	0	0	0	0	0	0					
50%	42	0	20	10	12	0		1081	1297	1499	
60%	35	0	8	22	5	0		1162	1393	1619	
Affordable Sub-total	98	0	40	37	21	0					
80%	0	0	0	0	0	0		1250	1490	1825	
Market*	6	0	2	4	0	0					
Total Units	98	0	40	37	21	0	Notes/Utility Allowance Assumptions: 2022 DCHA Utility Allowance Worksheet				

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

B. Energy Efficiency

1. The City expects awardees to continue working with Focus on Energy's New Construction Energy Design Assistance throughout the building design process. The City will incorporate commitments into the term sheet.

- a. Please attach the Results Report and Bundle Requirements Document from the Whole Building Analysis. If the Report is not yet available, please provide an update on the status and send ASAP no later than NOON on September 8, 2022.

This report is not yet available. We will work to submit by the September 8, 2022 deadline.

- b. What percentage of projected Energy Use Intensity (EUI) saving calculated over the baseline energy code is anticipated? (Note: 20% required.)**

We anticipate being able to meet the 20% EUI saving calculated over the baseline energy code based on past projects. We will know more information when we receive the report as mentioned above.

- c. What is the highest feasible Bundle Level to which this project can commit?**

We will know more information when we receive the report as mentioned above.

C. Renewable Energy

- 1. Please summarize any feedback provided by Focus on Energy's Renewable Energy team on the project's proposed PV solar array system and sizing.**

The individual we are working with from Focus on Energy's Design Assistance Program is working on connecting us with an individual from their Renewable Energy team to get feedback on the proposed PV solar array system and sizing.

- 2. Will the proposed project incorporate any Renewable Energy systems in addition to the minimum 30 kW solar photovoltaics (PV)? e.g., solar thermal, biogas, biomass and wind). Please describe.**

No.

D. Sustainable Building Design Elements

- 1. Please describe the Sustainable Building Design Elements and strategies that will be incorporated into the proposed project as referenced in the [AIA Framework for Design Excellence](#). Relevant elements and strategies include, but are not limited to**
- a. Design for equitable communities**
 - b. Optimize energy use**
 - c. Protect and conserve water**
 - d. Optimize building space and material use**
 - e. Enhance indoor environmental quality (IEQ)**
 - f. Optimize operational and maintenance practices.**

Design for Equitable Communities:

- Develop quality affordable housing in a preferred area by the City and at a location that has not received WHEDA tax credits within 0.5 mi of the site within the last 10 years.*
- Partner with a multi-cultural, multi-generational church that offers services to the public.*
- Provide a combination of both market rate and affordable units.*

- *Connect residents in our supportive housing units to supportive services.*
- *Accessible features included.*

Optimize Energy Use & Protect and Conserve Water:

- *Highly efficient shell/building envelope and windows with a U value of 0.35 or less.*
- *Low flow showerheads and faucets.*
- *ENERGY STAR qualified appliances and light fixtures.*

Optimize Building Space and Material Use:

- *Thoroughly review unit plans and building plans to ensure efficient use of space.*
- *Use durable, high-quality materials both indoors and outdoors.*

Enhance Indoor Environmental Quality:

- *Lighting: Large windows and patio doors, light paint colors, ENERGY STAR light fixtures.*
- *Thermal Comfort: Highly efficient shell, fans in all rooms, temp and window control.*
- *Air Quality: Electric ranges, operable windows, all units will have individual HVAC units.*
- *Happiness: Supportive services. Tot lot and community room. Multiple parks nearby for recreation. Community tenant on first floor with community services*

Optimize Operational and Maintenance Practices:

- *Incorporate several energy efficient methods and high-quality, durable materials upfront (as mentioned above) to make the project more efficient in the long run.*

E. Unit Mix

- 1. The development as proposed has 66 1-BR's and 22 2-BRs affordable units, a 3:1 ratio. Given the location of this site adjacent to the elementary school, would it be possible to shift some of the 1-BRs to 2-BRs in order to accommodate more family households?**

We agree that this would be a beneficial change. We have adjusted our 1-BR and 2-BR mix to be roughly a 1:1 ratio. Please note that with this change, although the total number of units have decreased, the number of affordable bedrooms has increased.

F. Supportive Housing Units/Supportive Housing Partnerships

- 1. Please provide an update on the status of the MOU with DCVSO/VASH?**

We have sent an MOU to DCVSO for signature mirroring that of our partnership on previous projects.

- 2. Does Northside Christian Assembly currently collaborate with outside agencies to provide their legal consultations, legal clinics, financial literacy training, and leadership training? If yes, please expand on these partnerships.**

Northside Christian Assembly does all of these services in-house through Kingdom Legal Services with volunteer-professionals from their congregation. Additionally, they partner with the UW Carbone cancer research center for health seminars on a quarterly basis.

G. Property Management

- 1. Detail your experience in successfully utilizing alternatives to eviction, both pre- and post filing, such as mediation, payment plans, etc.**

The last thing we ever want to do is evict a resident. Our first priority is always to work with residents on alternatives. We provide resources to tenants to seek financial assistance, we offer payment plans in certain situations and we also work directly with social service providers that can offer assistance to residents in need.

- 2. Please confirm that this proposal will commit to meet the City of Madison’s Tenant Selection Plan Best Practices for applicants of all affordable units (i.e. not solely 30% units)?**

Yes, we commit to all affordable units.

- 3. Requiring a co-signer for a first rental experience seems to be an insurmountable barrier for low-income households. Are there any alternatives to consider?**

Depending on qualification status of applicants we offer two options; 1. The household can obtain a co-signer and pay the normal approved security deposit or 2. The household can pay an increased security deposit in the amount of 1.5 times the normal approved security deposit without a co-signer.

H. Scoring

- 1. If WHEDA releases QAP & Self-Score by 8/17/22, please include updated score. If the QAP & Self-Score are not released by then, please plan to send an updated score ASAP/within a week of publication.**

N/A – QAP & Self-Score has not been released.

I. Financing

- 1. CDD’s initial review of DCR seems higher than a customary 1.15-1.2 range. Would this project be able to take on more debt? If so, please resubmit budget with CDD suggested maximum DCR of 1.2.**

This high DCR is due to making this project work as a 4% on 4% WHEDA tax credit deal. As a 4% on 4% deal, at least 50% of the development fee must be deferred and the deferred fee must be repaid within 15 years. In order to defer 50% of the development fee and have it repaid within 15 years, the current first mortgage size as shown is what the project can support in order to meet these WHEDA guidelines for a 4% on 4% deal.

APPLICANT & PROJECT NAME:

MSP Real Estate - The North End

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
Permanent Loan-Lender Name:						
First Mortgage	\$ 5,300,000	N	5.75%	15	35	\$352,026
Subordinate Loan-Lender Name:						
Subordinate Loan-Lender Name:						
Tax Exempt Loan-Bond Issuer:						
AHP Loan (List FHLB):						
FHLB Chicago	\$ 900,000	Y	0.00%	30	30	\$0
Total City Request (AHF, TIF, federal funds, etc.)						
City of Madison AHF - Deferred	\$ 1,696,000	Y	0.00%	30	0	\$0
Other-Specify Lender/Grantor:						
City of Madison AHF - Cash Flow	\$ 1,696,000	N	2.75%	16	30	\$83,085
Other-Specify Lender/Grantor:						
Dane County AHDF	\$ 1,984,000	Y	2.00%	30	0	\$39,680
Other-Specify Lender/Grantor:						
Tax Credit Equity	\$ 15,622,182					
Historic Tax Credit Equity						
Deferred Developer Fees	\$ 2,085,259					
Owner Investment						
Other-Specify:						
Total Sources	\$ 29,283,441					

Do you plan on submitting an application for TIF?

No

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan-Lender Name:			
Construction Loan	\$ 3,124,436	4.50%	24
Bridge Loan-Lender Name:			
Tax Credit Equity:			
Tax Credit Investor	\$ 3,103,477		
Total	\$ 6,227,913		

Estimated pricing on sale of Federal Tax Credits: **\$ 0.89**

Estimated pricing on sale of State Tax Credits: **\$ 0.70**
(if applicable)

Remarks Concerning Project Funding Sources:

APPLICANT:

MSP Real Estate

2. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs	Amount
Land	\$525,000
Existing Buildings/Improvements	\$0
Other (List)	
	\$0
Construction:	
Construction/Rehab Costs	\$19,333,275
Construction Profit	\$716,320
Construction Overhead	\$123,719
General Requirements	\$537,790
Construction Supervision	\$200,000
FF&E/Personal Property	\$75,000
Demolition	\$150,000
Site Work	\$0
Landscaping	\$0
Letter of Credit/P&P Bond	\$2,000
Construction Contingency	\$1,053,055
Other (List)	
	\$0
Architectural & Engineering	
Architect - Design	\$364,000
Architect - Supervision	\$12,000
Engineering	\$20,000
Other (List)	
Other Architectural	\$15,000
Interim/Construction Costs	
Builder's Risk/Property Insurance	\$60,000
Construction Loan Interest	\$495,000
Construction Loan Origination Fee	\$132,500
Real Estate Taxes	\$100,000
Park Impact Fees	\$24,282
Other Impact Fees	\$0
Other (List)	
	\$0
Financing Fees	
Cost of Bond Issuance	\$0
Permanent Loan Origination Fee	\$0
Credit Enhancement	\$0
Other Permanent Loan Fees	\$30,000
Soft Costs	
Appraisal	\$8,000
Market Study	\$7,000

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

EV Ready, Shall Enhancements, 30 kW Solar Array, & Beyond Code Rqmts.

Total Cost:

\$200k-\$300k

Environmental Reports	\$11,000
Survey	\$6,500
Permits	\$30,000
Lease-Up Period Marketing	\$80,000
Tax Credit Fees - Application	\$2,000
Tax Credit Fees - Compliance	\$178,300
Tax Credit Fees - Allocation	\$600
Accounting/Cost Certification	\$25,000
Title Insurance and Recording	\$31,300
Relocation	\$0
FF&E	\$0
Capital Needs Assessment (if rehab)	\$0
Legal	\$135,000
Other (List)	
Other Soft Costs	\$20,000
Fees:	
Bridge Loan Fees	\$0
Organizational Fees	\$300
Syndication Fees	\$0
Total Development Fee	\$4,160,000
Developer Overhead	\$0
Other Consultant Fees	\$0
Other (List)	
Tax Opinion	\$7,500
Reserves Funded from Capital:	
Lease-Up Reserve	\$50,000
Operating Reserve	\$562,000
Replacement Reserve	\$0
Capital Needs Reserve	\$0
Debt Service Reserve	\$0
Escrows	\$0
Other: (List)	
	\$0
TOTAL COSTS:	\$29,283,441

APPLICANT: MSP Real Estate

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
Gross Income	1,366,556	1,393,887	1,421,765	1,450,200	1,479,204	1,508,788	1,538,964	1,569,743	1,601,138	1,633,161	1,665,824	1,699,141	1,733,123	1,767,786	1,803,142	1,839,204
Less Vacancy/Bad Debt	95,659	97,572	99,524	101,514	103,544	105,615	107,727	109,882	112,080	114,321	116,608	118,940	121,319	123,745	126,220	128,744
Income from Non-Residential Use*	37,107	37,849	38,606	39,378	40,166	40,969	41,789	42,624	43,477	44,346	45,233	46,138	47,061	48,002	48,962	49,941
Total Revenue	1,308,004	1,334,164	1,360,847	1,388,064	1,415,826	1,444,142	1,473,025	1,502,486	1,532,535	1,563,186	1,594,450	1,626,339	1,658,865	1,692,043	1,725,884	1,760,401
Expenses:																
Office Expenses and Phone	7,750	7,983	8,222	8,469	8,723	8,984	9,254	9,532	9,817	10,112	10,415	10,728	11,050	11,381	11,723	12,074
Real Estate Taxes	196,560	202,457	208,531	214,786	221,230	227,867	234,703	241,744	248,996	256,466	264,160	272,085	280,248	288,655	297,315	306,234
Advertising, Accounting, Legal Fees	19,460	20,044	20,645	21,264	21,902	22,559	23,236	23,933	24,651	25,391	26,153	26,937	27,745	28,578	29,435	30,318
Payroll, Payroll Taxes and Benefits	140,450	144,664	149,003	153,474	158,078	162,820	167,705	172,736	177,918	183,255	188,753	194,416	200,248	206,256	212,443	218,817
Property Insurance	31,420	32,363	33,333	34,333	35,363	36,424	37,517	38,643	39,802	40,996	42,226	43,493	44,797	46,141	47,526	48,951
Mtc, Repairs and Mtc Contracts	99,750	102,743	105,825	109,000	112,270	115,638	119,107	122,680	126,360	130,151	134,056	138,077	142,220	146,486	150,881	155,407
Utilities (gas/electric/fuel/water/sewer)	99,750	102,743	105,825	109,000	112,270	115,638	119,107	122,680	126,360	130,151	134,056	138,077	142,220	146,486	150,881	155,407
Property Mgmt	85,020	87,571	90,198	92,904	95,691	98,562	101,519	104,564	107,701	110,932	114,260	117,688	121,219	124,855	128,601	132,459
Operating Reserve Pmt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	31,200	32,136	33,100	34,093	35,116	36,169	37,254	38,372	39,523	40,709	41,930	43,188	44,484	45,818	47,193	48,609
Support Services		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)		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	711,360	732,701	754,682	777,323	800,642	824,662	849,401	874,883	901,130	928,164	956,009	984,689	1,014,230	1,044,657	1,075,996	1,108,276
Net Operating Income	596,644	601,463	606,165	610,742	615,183	619,481	623,624	627,602	631,405	635,022	638,441	641,650	644,636	647,386	649,887	652,125
Debt Service:																
First Mortgage	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026
Second Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
Asset Management Fee	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538	4,674
Dane County AHDF	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680
Total Debt Service	394,706	394,796	394,889	394,985	395,083	395,184	395,289	395,396	395,507	395,621	395,738	395,859	395,984	396,112	396,244	396,380
Total Annual Cash Expenses	1,106,067	1,127,498	1,149,571	1,172,307	1,195,725	1,219,846	1,244,690	1,270,279	1,296,637	1,323,785	1,351,747	1,380,548	1,410,213	1,440,769	1,472,240	1,504,656
Total Net Operating Income	201,937	206,667	211,276	215,757	220,100	224,296	228,335	232,206	235,899	239,401	242,703	245,791	248,652	251,274	253,643	255,745
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	118,852	123,581	128,191	132,672	137,015	141,211	145,250	149,121	152,813	156,316	159,618	162,705	165,567	168,189	170,581	172,745
Cash Flow	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	209,485	255,745
AHF City Interest Loan	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085

*Including commercial tenants, laundry facilities, vending machines, parking spaces, storage spaces or application fees.

DCR Hard Debt	1.69	1.71	1.72	1.73	1.75	1.76	1.77	1.78	1.79	1.80	1.81	1.82	1.83	1.84	1.85	1.85
DCR Total Debt	1.25	1.26	1.27	1.28	1.29	1.30	1.30	1.31	1.32	1.33	1.33	1.34	1.35	1.35	1.36	1.36

Assumptions

Vacancy Rate	7.0%
Annual Increase Income	2.0%
Annual Increase Expenses	3.0%
Other	

*Please list all fees (per unit per month) and non-residential income:

Underground Parking: \$35/month (95 parking stalls) at 93% occupancy

APPLICANT:

MSP Real Estate

3. PROJECT PROFORMA (cont.)

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

	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	1,875,989	1,913,508	1,951,778	1,990,814	2,030,630	2,071,243	2,112,668	2,154,921	2,198,020	2,241,980	2,286,820	2,332,556	2,379,207	2,426,791
Less Vacancy/Bad Debt	131,319	133,946	136,624	139,357	142,144	144,987	147,887	150,844	153,861	156,939	160,077	163,279	166,544	169,875
Income from Non-Residential Use*	50,940	51,959	52,998	54,058	55,139	56,242	57,367	58,514	59,684	60,878	62,096	63,337	64,604	65,896
Total Revenue	1,795,609	1,831,521	1,868,152	1,905,515	1,943,625	1,982,498	2,022,148	2,062,591	2,103,842	2,145,919	2,188,838	2,232,614	2,277,267	2,322,812
Expenses:														
Office Expenses and Phone	12,436	12,810	13,194	13,590	13,997	14,417	14,850	15,295	15,754	16,227	16,714	17,215	17,731	18,263
Real Estate Taxes	315,421	324,884	334,630	344,669	355,009	365,660	376,629	387,928	399,566	411,553	423,900	436,617	449,715	463,207
Advertising, Accounting, Legal Fees	31,228	32,164	33,129	34,123	35,147	36,201	37,287	38,406	39,558	40,745	41,967	43,226	44,523	45,859
Payroll, Payroll Taxes and Benefits	225,381	232,142	239,107	246,280	253,668	261,278	269,117	277,190	285,506	294,071	302,893	311,980	321,339	330,980
Property Insurance	50,420	51,932	53,490	55,095	56,748	58,450	60,204	62,010	63,870	65,787	67,760	69,793	71,887	74,043
Mtc, Repairs and Mtc Contracts	160,069	164,872	169,818	174,912	180,160	185,564	191,131	196,865	202,771	208,854	215,120	221,574	228,221	235,067
Utilities (gas/electric/fuel/water/sewer)	160,069	164,872	169,818	174,912	180,160	185,564	191,131	196,865	202,771	208,854	215,120	221,574	228,221	235,067
Property Mgmt	136,433	140,526	144,741	149,084	153,556	158,163	162,908	167,795	172,829	178,014	183,354	188,855	194,520	200,356
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	50,067	51,569	53,116	54,709	56,351	58,041	59,782	61,576	63,423	65,326	67,286	69,304	71,383	73,525
Support Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)	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 Expenses	1,141,524	1,175,770	1,211,043	1,247,375	1,284,796	1,323,340	1,363,040	1,403,931	1,446,049	1,489,430	1,534,113	1,580,137	1,627,541	1,676,367
Net Operating Income	654,085	655,751	657,109	658,140	658,829	659,158	659,108	658,660	657,794	656,489	654,724	652,478	649,726	646,445
Debt Service:														
First Mortgage	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026	352,026
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)														
Asset Management Fee	4,814	4,959	5,107	5,261	5,418	5,581	5,748	5,921	6,098	6,281	6,470	6,664	6,864	7,070
Dane County AHDF	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680	39,680
Total Debt Service	396,521	396,665	396,814	396,967	397,125	397,287	397,455	397,627	397,805	397,988	398,176	398,370	398,570	398,776
Total Annual Cash Expenses	1,538,045	1,572,435	1,607,857	1,644,342	1,681,921	1,720,627	1,760,495	1,801,558	1,843,854	1,887,418	1,932,290	1,978,507	2,026,111	2,075,143
Total Net Operating Income	257,564	259,086	260,295	261,173	261,705	261,871	261,653	261,032	259,989	258,501	256,548	254,107	251,156	247,669
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow	257,564	259,086	260,295	261,173	261,705	261,871	261,653	261,032	259,989	258,501	256,548	254,107	251,156	247,669
AHF City Interest Loan	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085	83,085

*Including laundry facilities, vending machines, parking spaces, storage spaces or application fees.

DCR Hard Debt	1.86	1.86	1.87	1.87	1.87	1.87	1.87	1.87	1.87	1.86	1.86	1.85	1.85	1.84
DCR Total Debt	1.36	1.37	1.37	1.37	1.37	1.37	1.37	1.37	1.37	1.36	1.36	1.36	1.35	1.34

Assumptions

Vacancy Rate	7.0%
Annual Increase Income	2.0%
Annual Increase Expenses	3.0%
Other	