

From: [Brian Munson](#)
To: [Finance Committee](#)
Cc: [Amol Goyal](#); [Verveer, Michael](#); [Bennett, Juliana](#); [Tim Kamps](#); [Rob Bak](#)
Subject: Oliv Madison Low Cost Student Housing Agreement
Date: Thursday, November 4, 2021 4:12:51 PM
Attachments: [ALT Affordable Options - 211028 - Steering Committee.pdf](#)

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Thank you for the opportunity to discuss the revised agreement with you at tomorrow afternoon's meeting. Attached is the presentation that we shared and discussed with the Steering Committee last week. This presentation outlined three additional alternatives for the program, each with choices of number of units, unit choices, or amount of discount; with subsequent average, upper, and lower per bed rents on a monthly basis. Core Spaces supports all four of the options outlined; however, based on the Steering Committee's feedback we worked with staff to revise the agreement to incorporate Alternative Option 3 (2 bedroom/double occupancy units).

We appreciate the Steering Committee and Staff's on-going efforts to draft this agreement and support the substitute resolution on the agenda.

Brian Munson

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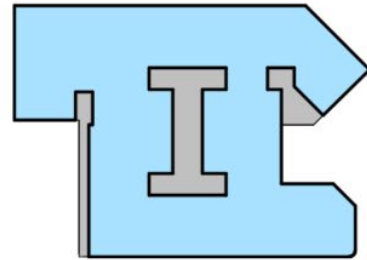
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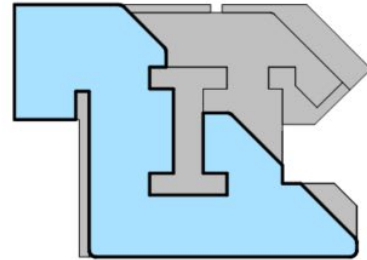
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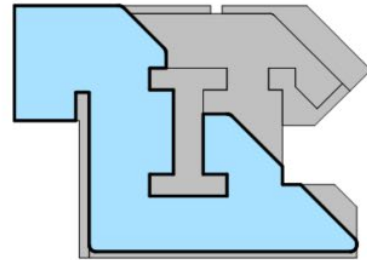
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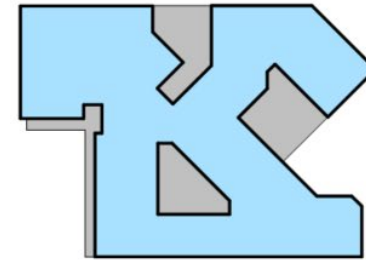
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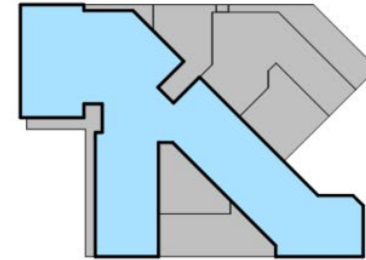
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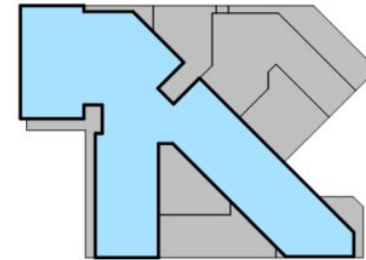
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LEVEL 02 CURRENT



LEVEL 07 CURRENT



LEVEL 10 CURRENT

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PREVIOUS



CURRENT



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PREVIOUS



CURRENT

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PREVIOUS



CURRENT



FROM UDC INFORMATIONAL PRESENTATION R1 (MAY, 12 2021)

PREVIOUS



CURRENT

Agreements Overview

- Two separate, but aligned agreements:
 - **University of Wisconsin-Madison**
 - UW-Madison Office of Student Financial Aid (“OSFA”) will verify and qualify students for Discount
 - **City of Madison**
 - Will act as the enforcement mechanism for the program
 - Will utilize a Land Use Restriction Agreement (LURA) recorded against the Property
 - 30-Year Term
 - Developer will provide annual report on program
 - If in Default, Developer pays City an amount equal to the Student Discount multiplied by the deficient number of Affordable Beds
 - In event of uncured default, there is a Liquidated Damages clause of Five Million Dollars (\$5,000,000)

Comparison to UW-Madison's Office of Student Financial Aid (OSFA) Annual Housing Budgets

- Total Housing Budget for Academic Year (excluding Meals): \$10,254
 - On a Monthly Basis (9 month AY): **\$1,139**
-
- OLIV Madison Discounted Average Monthly Rent: **\$740**
 - (10% of Beds at a 30% discount)
 - **35% less than OSFA Budget**

Comparison to University Residence Halls at the UW-Madison

- From UW Madison Housing website (<https://www.housing.wisc.edu/residence-halls/billing/#2021-22-returning-students>):
 - Average on-campus rent (not weighted): **\$1,066**
 - (AY cost of \$9,592 for 9 months)
 - Max on-campus rent: **\$1,244**
 - (AY cost of \$11,200 for 9 months; Single with bath in Lowell or Smith)
 - Min on-campus rent: **\$944**
 - (AY cost of \$8,500 for 9 months; Quad in Sullivan, Kronshage, Jorns, Cole or Triple in Tripp or Adams)

Alternate Options for Consideration

	Current Proposal	Alt Option 1	Alt Option 2	Alt Option 3
Description	10% of Total Beds at a 30% discount	7% of Total Beds at a 45% discount	9.5% of Total Beds (Excluding Micro, Studio, & 1/1 units) 40% discount	10% of Total Beds all 2+2/2 unit type at a 40% discount
Average Rent	\$740	\$630	\$655	\$560
Upper Range	\$1,260	\$1,060	\$790	\$560
Lower Range	\$610	\$510	\$560	\$560
# of Beds	~111	~78	~94	~111

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THANK YOU!



2+2/2 Unit Type Example



Comparison to Residence Halls



Low End: Quad in
Dejope Hall; \$989/mo



High End: Single w/ Bath
in Lowell; \$1,244/mo

OLIV Madison Representative Units

