

CDD Financing Application for Affordable Housing Fund (AHF-TC)

This application form should be used for projects seeking City of Madison AHF-TC funds Request for Proposals #13059-2024. Please format for logical page breaks. Applications must be submitted electronically to the City of Madison Community Development Division by **noon on August 1, 2024**. Email to: cddapplications@cityofmadison.com

APPLICANT INFORMATION

Development Name:	Taking Shape B1		
Site Address:	755 Braxton Pl		
Amount of Funds Requested:	\$ 15,502,798	Type of Project:	<input checked="" type="checkbox"/> New Construction <input type="checkbox"/> Acquisition/Rehab
Lead Applicant:	Madison Revitalization and Community Development Corporation (MRCDC)		
Mailing Address:	215 Martin Luther King Jr Blvd, Suite 161, Madison, WI 53703		
Telephone:	608-266-4675		
Admin Contact:	Matt Wachter	Email Address:	mwachter@cityofmadison.com
Lead Project Contact:	Dan Johns	Email Address:	djohns@cityofmadison.com
Financial Contact:	Anne Neujahr Morrison	Email Address:	anne@newyearinvestments.com
Website:	www.our-triangle.com		
Legal Status of Maj. Owner:	<input type="checkbox"/> For-profit <input checked="" 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:	39-6006968	SAM/UEI #:	HX6JJX8NZZE3

* If seeking federal funds

AFFIRMATIVE ACTION

If funded, applicant hereby agrees to comply with the City of Madison Ordinance 39.02 and file an Individual Developer 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** by registering with the City Clerk's at <https://www.cityofmadison.com/clerk/lobbyists/lobbyist-registration>. 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.

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 on the Community Development Division Funding Opportunities Website for this RFP.

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:  Date: 8/1/2024

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

AFFORDABLE HOUSING GOALS & OBJECTIVES

1. 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, BENEFIT AND RISK

2. Please describe the anticipated demand for this specific affordable rental housing in the City of Madison.

Taking Shape B1 replaces 164 units of existing public housing with an equivalent number of Section 8 units serving some of the lowest income households in the City of Madison. Demand for this type of housing - newly constructed, in a desirable location, and affordable to tenants paying a fixed 30% of their monthly income in rent - far outstrips supply. Per the City's 2023 Housing Snapshot, there is a significant shortage of rental units that are within the upper affordability limits for both the lowest and highest-income renter households in the City. At the lowest income band (<30% AMI), this gap is 11,695 rental units, meaning that there are 11,695 renter households at the lowest income level who need to be cost burdened by necessity to find a place to live in the City because units don't exist that would have a rent affordable to them.

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

The development of Taking Shape B1 will preserve 164 units of low-income housing in an amenity-rich area of the City with access to everything central Madison has to offer. Redevelopment into a modern facility will allow MRCD and CDA to better serve its residents with purpose-built spaces, promote sustainable and environmentally conscious operations, drive down utility costs for residents, and provide for a more efficient land use pattern across the entire CDA Triangle Site that can accommodate a significant step up in density and serve far more households in the future (moving from 344 units today to over 1,200 long-term). CDA and MRCD also wish for the project to serve as a model of sustainability for future affordable housing development projects in their respective housing portfolios and the City more broadly. We don't see any risks associated with this project.

PROPOSAL DESCRIPTION

4. Please provide a brief overview of the proposal including key characteristics. Describe how the proposed development will help meet the needs of residents in this location and the impact of the proposed development on the community. *(Please limit response to 300 words including spaces).*

Taking Shape B1 preserves 164 units of existing federal housing subsidy through HUD's RAD/Section 18 Blend repositioning program. Taking Shape B1 will be new construction replacement housing for the existing public housing property, Brittingham Apartments. Upon completion all residents from Brittingham Apartments will move once into their new apartments at Taking Shape B1. The project is being developed by the Madison Revitalization and Community Development Corporation (MRCD), the nonprofit subsidiary of the Community Development Authority of the City of Madison (CDA), in partnership with a turnkey developer with no ownership stake, New Year Development Company, LLC dba New Year Investments. The project will be managed by the CDA.

Taking Shape B1 will consist of 163 1-bedroom units and 1 2- bedroom unit. Taking Shape B1 will be a five-story building with extensive common space and a landscaped courtyard and will primarily serve low to moderate-income residents. Over 90% of the residents who will be moving into Taking Shape B1 live with permanent or physical challenges. Most households are comprised of single adults, and therefore most replacement units will be one-bedroom units with modern amenities and accessible features throughout. Taking Shape B1 amenities include the following: library, computer room, art room, gym, onsite management office, and landscaped courtyard.

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

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

Total number of units: **164**

Total number affordable of units (≤60% CMI): **161** Total % affordable of units (≤60% CMI): **98%**

Total amount of AHF requested per affordable unit: _____

Number of units supported by Section 8 project-based vouchers, if known: **164** PBV CMI level: **60%**

6. Please indicate acceptance of the standard loan terms for this proposal as described in Section 1.4 of the RFP.
 Yes, I confirm.

7. Applicants requesting alternative loan terms and/or wishing to provide additional information regarding the financing structure or options, please indicate below.

MRCDC is requesting AHF assistance to close the remaining financing gap for B1, but is open to other sources of City funding including HOME, CDBG, and/or ERA.

8. Period of Affordability Commitment:

Permanent Affordability in exchange for a waiver of shared appreciation to the long-term deferred note

40 years – Minimum Commitment

9. 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. If not, what year will Cash Flow Payments begin?

Yes, MRCDC will comply with the repayment terms of its 2024 AHF loan of up to \$2M on a 16-year Cash Flow Note amortized for 30 years at 2.75% interest, and would seek similar terms for funds awarded under this application. MRCDC will execute a Loan Agreement, LURA, Promissory Note(s), Mortgage, and/or any other instruments required by CDD.

10. Are there any terms of anticipated funding sources anticipated to be incongruent with this RFP? Please explain.

No

SITE INFORMATION

11. Address of Proposed Site: **755 Braxton Pl**

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

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

13. Identify the neighborhood in which the site is located: Triangle/Monona Bay/Greenbush

14. Date Site Control Secured: 1/18/2024

15. Explain why this site was chosen and how it helps the City to expand affordable housing opportunities in areas of greatest impact. Describe the neighborhood and surrounding community. (Attach a close-up map of the site indicating project location and a second map using the [AHF Targeted Area Map](#) to show the site in the context of the City.)

MRCDC is a wholly-owned subsidiary of the CDA, which has owned the Triangle Site since the early 1960s. Located on the west side of Madison’s isthmus and adjacent to Brittingham Bay, the Triangle Site is bound by Regent Street on the north, South Park Street on the west, and West Washington Avenue on the southeast. The 10-acre CDA property shares the Triangle with the Bayview Foundation and two medical buildings and is home to approximately 355 residents. The grocery store, leased to Asian Midway, at the south tip of the Triangle is an important asset to the neighborhood and the Triangle residents.

Despite its setting at a prominent route into Downtown, the Triangle is isolated, physically turned inward through its design and cut off by its busy border streets. While well maintained over the decades, all of the Triangle buildings have begun to deteriorate and face significant costs to renovate to modern standards. As they approach the end of their useful lives, all buildings will be replaced while ensuring that there is no forced displacement of residents and businesses and that each structure fits within a larger Master Plan and Vision that meets the needs of current and future Triangle residents.

16. Current zoning of the site: TR-U2 An interactive version of the Zoning Map can be found linked [here](#).

17. Will the proposed development seek a Zoning Map Amendment:

- Yes No, it's permissively zoned To be determined

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

The City 's Plan Commission approved a demolition permit and conditional use permit on June 10, 2024. A related CSM adjusting the lot lines and incorporating vacated right of way from Braxton Place has also been approved. No other land use approvals are needed before the proposal may move forward.

19. 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 Taking Shape, Our Triangle Master Plan adopted by the CDA Board of Commissioners in August 2023 builds upon the planning recommendations of the City's 2019 Triangle Monona Bay (TMB) Neighborhood Plan and 2018 Imagine Madison Comprehensive Plan.

The TMB Plan provides the following high-level recommendations for the CDA Triangle:

- Internal neighborhood connections with internal pedestrian path system and access to transit; expansion of the East Campus Mall; low traffic streets and connections with safe crossings
- Specialized, accessible design for non-motorized transit and differently abled persons
- Variety of greenspaces and other indoor/outdoor resident amenities
- Diversity of housing options at varying levels of affordability
- Upgrade and/or replace existing housing units while providing continuity for existing residents
- Add housing density where appropriate.

20. If the site is in a Limited Eligibility Area, describe how the relevant concerns will be addressed via design or other strategies, e.g., noise mitigation, air quality, etc.?

N/A

21. Identify the distance the following amenities are from the proposed site. Limit to closest three and/or less than one mile per category. Please limit list to the closest three amenities within one mile per category. Please use the MMSD Find My School [link](#) as the closest school is not always assigned.

Type of Amenities & Services	Name of Facility	Distance from Site (in miles)
Full Service Grocery Store	Midway Asian Foods	On site
Public Elementary School	Franklin Elementary	1.3 mi
	Randall Elementary	1.0 mi
Public Middle School	Hamilton Middle	3.9 mi

Public High School	West High	1.7 mi
Job-Training Facility, Community College, or Continuing Education Programs	Madison College - Goodman South Campus	2.6 mi
Childcare	Cultured Kids of Madison-Vilas Child Care	0.6 mi
Public Library	MPL - Monroe Street MPL - Central	1.1 mi 0.9 mi
Neighborhood or Community Center	Bayview Neighborhood Center	On site
Full Service Medical Clinic or Hospital	Meriter Hospital	0.1 mi
Pharmacy	CVS Pharmacy	0.4 mi
Public Park or Hiking/Biking Trail	Brittingham Park	0.2 mi
Banking	Summit Credit Union	0.2 mi
Retail	City Station	0.2 mi
B-cycle Station	S. Mills and Mound	0.5 mi
Other (list the amenities):		

22. 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.

The Triangle site is bordered by three major transit corridors - Park Street, Regent Street, and West Washington Avenue. Metro bus service was regularly provided via marked stops on Braxton Place and in front of the Brittingham Apartments, directly adjacent to the sites, though this has shifted somewhat as a result of the recent system redesign. The closest stops are currently located at S Park/W Wash and S Park at Meriter (Route B), and Regent at La Mariposa (Route E).

23. Describe the walkability of the site and the safest walking routes for children to get to their elementary and middle schools if MMSD [Yellow Bus Service](#) is not provided (e.g., less than 1.5 miles and no major roads crossed). Describe the Metro Transit Route for high school students. Enter "N/A" for age restricted (55+) developments.

The Triangle is bordered by busy streets on all three sides, at least one of which must be crossed to reach either Franklin or Randall Elementary over a mile away. However, Yellow Bus Service is provided to both schools with pickup at the nearby Bayview Foundation. Hamilton Middle is nearly four miles away and is also accessed via Yellow Bus pickup.

24. Describe the 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.

Metro Transit regularly serves the Triangle via the stops noted above, which can connect at the Capital Square to destinations throughout the City and surrounding communities. Many residents also rely on paratransit and private rideshare services, as many do not own their own vehicles.

25. 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? 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 the proposed unit mix and previous housing experience? See 5-year projected capacities from 2019 school capacity information found in this [Report](#) (.pdf pages 30-31). MMSD is in the process of updating this information post-pandemic. Please also e-mail Grady Brown (kgbrown@madison.k12.wi.us) to obtain updated current and projected capacity for the relevant schools.

Brittingham Apartments is currently comprised of 163 one-bedroom units and one two-bedroom unit. Over 90% of current Triangle residents self-identify as mentally or physically disabled, and the vast majority of existing Brittingham units are occupied by a single resident. An equivalent unit mix will be included in B1, and as most or all current residents will relocate into that facility, any increase in school-age children is expected to be minimal.

SITE AMENITIES

26. 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.).

Much of the exterior amenity space for residents will be located in an elevated courtyard accessible only from the interior of the building. This will include both greenspace and hard scape/patio areas, permanent seating and tables, landscaping, garden plots, pet areas, grill area, art installations.

27. 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?

Taking Shape B1 will include much of the resident amenity spaces serving the entire Triangle post-redevelopment. These include a variety of meeting spaces, fitness room, library, computer room, art space, food pantry, community kitchen, service provider spaces (case management, medical clinic, spiritual/quiet reflection), indoor and outdoor seating.

28. 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.

All units will be barrier-free and include modern amenities like individually controlled HVAC and free wireless internet access throughout the building. CDA currently enforces a non-smoking policy inside all units and common areas at the Triangle and will continue to do so after redevelopment.

29. In regards to parking, what is the:

a. Anticipated number of total number parking spots:	43
i. Underground	--43
ii. Surface	--
b. Ratio of parking spots to units?	0.26
c. Monthly parking cost?	0
d. Will the parking cost in this development vary by CMI level?	No

Brief further comments regarding parking fees may be added here:

30. 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.

First floor space in B1 will be focused on CDA property management offices, residential amenities and services noted above that are generally not offered to the general public, but will be open to residents of all future Taking Shape buildings.

CITY AND COMMUNITY ENGAGEMENT PROCESSES

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

B1 has received all required land use and zoning approvals.

32. Briefly summarize the most notable staff comments made at the City's Development Assistance Team (DAT) regarding the proposed development and reference the date of the presentation. If this proposal has not yet presented to DAT, what is the anticipated date of the presentation?

B1 has received all required land use and zoning approvals.

33. 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?

Alder Tag Evers represents the site and serves on the governing boards of both the CDA and MR CDC. The Alder is in full support of the Taking Shape, Our Triangle Master Plan, as well as its proposed increase in residential density from 344 units today to approximately 1,200 post-redevelopment. It is also a priority that no resident displacement occur as a result of redevelopment - all current tenants can remain onsite throughout the multiplase process, and must only move once.

34. Describe the neighborhood and community input process to date, including notification to and input from the nearby Neighborhood Association(s). What was the date that the proposal was presented to the neighborhood? If not yet completed, what is the anticipated meeting date? 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, informational meetings, project website, etc.).

The Taking Shape Master Plan included a robust engagement process focused on current Triangle residents and service providers, adjacent property owners, and the broader community. Over 100 written surveys were collected from residents with the assistance of on-site ambassadors, with numerous monthly events, open houses, small and large group meetings to present plan progress and solicit resident input on design and amenities. Residents consistently noted that the redevelopment should foster enhanced community through gathering spaces, shared amenities and physically connected buildings; foster a sense of safety and security; and include modern features like air conditioning, acoustical separation, intercom access, and more laundry and storage options.

Adjacent neighborhood associations were engaged on the following dates:

- Bay Creek Neighborhood Association (12/8/22)
- Greenbush Neighborhood Association (12/12/22)
- Bayview Community (1/18/23)
- Regent Street RevitalizationGroup (12/12/22)
- Monona Bay Triangle Neighborhood Association (2/13/23)

The team has also met with neighboring businesses that include UW Health, SSM, and Unity Point. A community survey was available for community stakeholder to provide feedback on the project. The Taking Shape Team continues to engage with residents and the community. The team is onsite at least once a month during this pre-construction phase to connect with residents, provide updates, and answer any questions. The Taking Shape Team has a website that is updated on a regular basis where the community can visit to receive updates, sign-up for the quarterly newsletter or email the team with questions.

35. 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.

New Year Investments and the CDA distributed regular newsletters during the master plan process, as well as meeting notices for all events via mail and community bulletin boards in each building. There is also a project webpage containing project updates: www.our-triangle.com

DEVELOPMENT TEAM

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

Contact Person	Company	Role in Development	E-mail	Phone
Anne Morrison	New Year Investments	Co-Developer	anne@newyearinvestments.com	608-695-9899
Sarah Neujahr	New Year Investments	Co-Developer	sarah@newyearinvestments.com	608-285-2202
Anastasia Callaghan	Potter Lawson	Project Architect	anastasiac@potterlawson.com	608-274-2741

Dietmar Bassüner	Krupp	General Contractor	dietmar@kruppconstruction.com	608-260-7001
Kaitlin Konyn	Baker Tilly	Financial Consultant	kaitlin.konyn@bakertilly.com	608-240 2425
Larry Kilmer	City of Madison CDA	Property Manager	lkilmer@cityofmadison.com	608-264-2305
Matt Wachter	City of Madison CDA/MRCDC	Property Owner/Co-Developer	mwachter@cityofmadison.com	608-267-8730

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

The project will be owned by a single-purpose LLC to be created prior to LIHTC closing, anticipated in March 2025. MRCDC will serve as the Managing Member, with CDA as Property Manager. Investor members for the 4% federal and state tax credits will own 99.99% of the project per LIHTC regulations. See attached org chart.

38. Describe briefly the Development Team’s knowledge of and experience in addressing affordable housing needs of the City of Madison. Please be sure to address:

- a. Experience developing multifamily housing for low- and moderate-income households, including:
 - i. Experience obtaining and implementing LIHTC, including number, type and location of proposed and completed LIHTC projects and/or affordable housing units your organization has developed.
 - ii. Experience obtaining and implementing federal, state, city and other financing resources, including number of projects, number of units and location of projects with federal LIHTC, HOME, CDBG, or Section 108 funds.
- b. Developer’s experience with, including number of projects, number of units and location developed with integrated supportive housing units.
- c. Leadership/key development team staff qualifications (briefly). Years the organization has been in existence.
- d. Financial capacity of the organization to secure financing and complete the proposed project.
- e. For non-profit organizations and/or co-developers, please describe the organization’s Mission Statement and explain how the proposed development supports the Mission Statement.

Please limit responses to three pages within this application format or enter “See Attached.” Please do not duplicate information here and attached.

Madison Revitalization and Community Development Corporation (MRCDC) will be the primary developer for Taking Shape B1. New Year Investments will be the Co-Developer. MRCDC and New Year Investments have been working together for the last two years to create and finalize a development plan which informed the direction of Taking Shape B1, with the assistance of Potter Lawson Architects, Baker Tilly financial consultants, and a team of other specialized A&E firms.

See attached description of Development Team Capacity and Experience, including resumes of key personnel and details of past projects utilizing LIHTC and other sources of public funding.

39. For projects that will be co-developed with a non-profit partner, please describe 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. Describe briefly the compensation structure for non-profit developer, including percentage of the developer fee allocated.

MRCDC will own the project during the tax credit compliance period, with the CDA providing day-to-day property management. New Year Investments is providing development services for fee to be vested over the course of development and construction, but will have no ownership interest.

40. For non-profit applicants interested in federal HOME funds, please describe in detail the development team's experience using HOME funds, including a list of projects the team has developed using such funds. Is the Non-Profit Organization certified as a CHDO? If not, please indicate interest in CHDO certification. Please enter N/A if this question does not apply.

MRCDC properties do not currently utilize HOME funds, but CDA staff are well versed in the management of such funds for its larger portfolio. MRCDC is a certified 501c3 nonprofit and Wisconsin charitable organization, but is not a CHDO.

41. Who will be responsible for monitoring compliance with federal regulations and requirements during development and construction phases of the project? List past projects they have completed with similar compliance requirements.

New Year Investments (NYI), led by Anne Morrison and Sarah Neujahr, will lead federal compliance efforts during development and construction, with input from CDA and MRCDC staff. NYI is managing compliance at its LIHTC-funded Ella Apartments (2860 East Washington Ave), and has years of additional experience in project compliance through their relationships with Urban Land Interests, NYCHA, and the GSA, a federal agency.

42. Who will be responsible for monitoring compliance with federal regulations and requirements during the Period of Affordability? Please describe the experience of the property management agency including trainings and/or certifications that the individual/property management agency has completed and/or attained.

By contract, CDA staff provide oversight of the MRCDC portfolio, including the redeveloped Taking Shape, Our Triangle facilities. Anne Slezak, Finance and Grants Manager, will lead this compliance work. CDA will continue to provide onsite property management services for B1 and future phases (B2 and B3), led by Triangle Housing Site Manager Stephanie McCarty. All on-site and central office CDA staff maintain annual certifications and undertake continuing education as related to their positions.

43. What other major sources of soft funding are being sought for the proposed development (e.g., TIF, Dane County AHDF, Federal Home Loan Bank Affordable Housing Program, Dane Workforce Housing Fund, etc.)? What is the status of those funds and anticipated commitment dates? Describe the development team's experience in successfully obtaining funds from the sources sought for the proposed development.

The project currently has commitments of up to \$10M in funding from TID 48 and \$4M from AHF (2023). Applications are currently pending for up to \$3M in AHP from FHLB-Des Moines or \$2M from FHLB Chicago. We are also seeking funding from HUD's Green and Resilient Retrofit Program (GRRP) Leading Edge cohort to support MRCDC's efforts in achieving net-zero building certification. A GRRP funding decision is expected in the next 30-60 days, while AHP announcements are anticipated in October.

44. For projects led or 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, development fee split, cash flow, etc. (as memorialized in organizational documents). If the development team will partner with a BIPOC or minority developer, but will not maintain 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

45. Describe this development team's experience in or plans to offer a development partnership role, employment or meaningful internship opportunity to a graduate or student of the Associates in Commercial Real Estate (ACRE) program on this or another project?

Taking Shape B1 does not include any ACRE graduates on its core development team, but the CDA, MRCDC and City of Madison do provide scoring preference and resources to ACRE grads and other emerging developers when offering development opportunities via RFP/Q. Opportunities to expand the development team may be explored in future phases of Triangle redevelopment, and in other CDA/MRCDC portfolio projects in the coming years.

46. Please describe the development team's experience with contracting with Minority- and Women-Owned Business Enterprises (M/WBE). Beyond standard construction bidding practices, what efforts have been made by the development team to ensure that M/WBE businesses are awarded contracts, and what efforts will be made to ensure that M/WBE businesses are given plentiful opportunities to be competitive when bidding on this proposal and awarded a percentage of the contracts that meets or exceeds the City's **25%** goal as aligned with WHEDA's EBE program.

CDA and MRCDC follow all City of Madison M/DBE hiring goals and procedures, and provides scoring preferences to TBE vendors for the Triangle and other projects. MRCDC will consult with DCR to meet or exceed the 25% goal set by the City and WHEDA for this project.

47. Beyond standard construction bidding practices, to what efforts will the development team commit to ensure that women and people of color represent a meaningful share of the construction labor force working on this proposal. Describe how the development team will commit to exceeding the City’s contract labor utilization goal of **13%** for persons of color working on the job site.

New Year Investments, as a women-owned firm, has taken an active role in the selection of all project contractors to date and has made recommendations for qualified minority and women-owned firms when appropriate. This will continue in coordination with CDA/MRCDC and our general contractor, Krupp.

48. For the following development team roles, please identify the number and/or percentage of women and persons of color employed by that company or organization as well as the total employees for each firm.

Company	Role in Development	BIPOC		Women		Total Employees
		#	%	#	%	#
MRCDC	Developer					0
New Year Investments	Co-Developer			3	100	3
	Co-Developer					
Krupp	General Contractor					36
CDA	Property Manager	10	20	24	49	49
Potter Lawson	Architect					35
CDA	Service Provider	10	20	24	49	49

49. Describe the development team’s organizational experience in engaging with the target populations you intend to serve, including black, indigenous, and other people of color. Especially consider operations, design, development, and property management.

The CDA recognizes the City of Madison Impediments to Fair Housing Choice (AI), which identifies practices and conditions in the City of Madison that impede housing opportunity for residents because of their race, color, national origin, religion, sex, disability, or other “protected class” status. The CDA has taken meaningful action to address significant disparities in housing needs and in access to opportunity including:

1. The CDA Board adopted Resolution 4406, reaffirming support for equitable and just housing including identifying historic disparities and options to address the root of identified disparities in establishing redevelopment priorities and activities.
2. The CDA Board adopted Resolution 4486, incorporating a new mission statement as the prior mission statement reflected a minimalistic approach to housing operations that represents past social and economic environments. The new mission statement recognizes inclusion for local income disparities and the need for more safe and desirable housing, as well as the need for services and connecting program participants to community resources.
3. Leveraging funding from the City of Madison Affordable Housing Fund for the development of new affordable housing.
4. Establishing Section 8 payment standards which expand housing choice outside areas of poverty or minority concentration.
5. Distributing Emergency Housing Vouchers and Stability Vouchers, which target homeless families; and participating in the Mainstream Program, which intends to integrate formerly homeless, non-elderly persons with disabilities into the community.
6. Enrolling families in the Section 8 Family Self-Sufficiency (FSS) program and the Resident Opportunities and Self Sufficiency (ROSS) program to help families achieve employment or increases in employment income.

7. The CDA intends to implement a HUD approved Section 32 Homeownership Plan to remove barriers to lower-income homeownership opportunities, and to provide homeownership opportunities in areas of Madison representing economic segregation.

50. Describe ways in which the development team promotes and supports ongoing equity work in internal policy and procedures and within the community and the greater Madison area.

As the City of Madison's statutory housing authority, the CDA's mission is to provide decent, safe, and sanitary housing to low-income residents of the City of Madison regardless of background. MRCDC is similarly committed to equity in implementing its purposes to develop and hold affordable housing assets, and to facilitate community redevelopment. Both organizations provide equal opportunity and equal access to all City programs and services in order to ensure full compliance with all civil rights laws as administered by the City's Department of Civil Rights.

51. If any team member has acted as a development partner or has any ownership interest in any project currently underway or completed, please list the following information and provide a current status for the team member and/or any related entity, as applicable:
- List any foreclosure, default, or bankruptcy within the past ten years.
 - List any litigation completed, pending, or underway in relation to any financing or construction project within the past five years.
 - List any Chronic Nuisance Abatement or Nuisance Case notifications issued by Madison Police Department and/or Building Inspection in the past five years
 - List any unresolved Building Inspection citations resulting in a Municipal Court Complaint in the past five years
 - List any litigation in the past five years with the City of Madison, including but not limited to Federal, State, or Municipal Court proceedings
 - List any litigation in the past five years in the State of Wisconsin, including but not limited to Federal, State, or Municipal Court proceedings

N/A

INTEGRATED SUPPORTIVE HOUSING UNITS

52. 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., individuals and/or families currently experiencing homelessness listed on the Community-wide Prioritized List, persons with disabilities, formerly incarcerated individuals, other, etc.).

33 of 164 total units (20%) will be reserved for special needs populations - 20 for physically, developmentally, or mentally disabled and 13 for seniors. All units will have project-based vouchers attached and serving households at or below 60% AMI.

53. Provide the number and percent of Veteran Units targeted in the proposed development at or below 60% AMI. How many of the veteran units will be prioritized for veterans experiencing homelessness coordinating with the HUD VASH program listed in Attachment C?

The proposed project intends to provide nineteen (19) veteran units at rents affordable to those earning 60% or less of the area median income. The target population for a "veteran unit" is a veteran potentially in need of services and who meet the income qualifications of an available unit. See attached MOU.

54. 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 Homeless Services Consortium (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.

At this time no referrals services will be needed as we have an existing population who will be moving from one building, Brittingham Apartments, to the newly constructed building, Taking Shape B1 which is on the same site as Brittingham Apartments. 90% of the population that will be moving into Taking Shape B1 meets the special need definition either through disabled individuals or elderly. When units turn over, property management will work with referral sources to ensure we meet the 20% requirement. The CDA works with the Family Unification Program (FUP), the Veterans Affairs Supportive Housing (VASH) program, the Mainstay program and the Emergency Housing Voucher Program (EHV). For the Family Unification Program, referrals are provided to the CDA through an agreement with the Dane County Department of Human Services. The Veterans Affairs Supportive Housing (VASH) program provides rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). For the Mainstay program, the CDA partners with Road Home of Dane County and the Madison Tenant Resource Center for referrals. The CDA has partnered with the Dane County Housing Authority and the Dane County Homeless Consortium to assist in qualifying families for EHV housing assistance through a direct referral process.

Supportive services will be made available to residents through partnerships already formed with the Veteran's Affairs Supportive Housing (VASH) program, CDA's Service Coordinator Program, the Edgewood College Student Nursing Program, and the Triangle Community Ministry.

Under the CDA Service Coordinator Program, two (2) full-time, on-site, CDA service coordinators will conduct initial resident assessments; work with site staff, residents, and service providers to identify resident service needs; develop individual service management plans with residents; provide information and referrals to residents; provide ongoing support and limited case management services to residents; and organize community-building activities, educational activities (i.e. computer classes), and support groups. CDA service coordinators also provide counseling to residents regarding rental assistance, eviction prevention and tenant/landlord rights and responsibilities.

The Edgewood College Student Nursing Program will provide the following on-site services for residents including, but not limited to, health promotion activities, health education, immunization/vaccine clinics, functional assessments, medication management, care coordination, crisis intervention, wound care, blood pressure screening, assistance with navigating the healthcare system, mobility assessments, and nutritional assessments and education. These services are provided to residents by rotating student groups and their instructor each semester throughout the school year.

The Triangle Community Ministry will provide the following on-site services for residents including, but not limited to, onsite nursing services as part of their partnership with St. Mary's Hospital/SSM Health which include routine medical supporter and a caring presence during medical procedures and after care, food distribution and a Monday Meals program to help reduce food insecurity and a range of holistic services dedicated to personal dignity, self-empowerment, and community-building. The Triangle Community Ministry maintains open office hours in the building Monday through Friday between 9 a.m. and 4 p.m. and services are provided by staff and volunteers.

55. Please describe the 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 the target populations the proposed development will prioritize serving. 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 on-site services provided at Taking Shape B1 will be a collaboration between CDA property management staff, CDA service coordinator staff and on-site partner agencies including the Triangle Community Ministry and Edgewood College nursing students. Although the proposed development will prioritize serving persons with disabilities, the elderly and veterans, supportive services will be made available to all 164 resident households in the proposed development through CDA's Service Coordinator Program.

When a new resident moves into the development, property management will connect them with a CDA Resident Service Coordinator who can assess their needs, make referrals to long term support partners, the Edgewood College Student Nursing Program, the Triangle Community Ministry, and other organizations within the community, and assist with the coordination of those supportive services. This approach will allow all residents access services that could help reduce barriers to maintaining stable housing for those that don't fall into the specific target population categories outlined above.

The CDA's Service Coordinator Program is modeled after the HUD Multifamily Service Coordinator Program, currently administered at the Triangle site, which links elderly and disabled tenants to available services within the community allowing them to continue to live independently and successfully age in place. Keeping with WHEDA's guidelines, participation in supportive services is not required, but residents will be encouraged to participate.

56. 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 Supportive Service Provider(s) **affirming** 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.). Supportive Service Provider should also confirm that they've reviewed the projected rents, been given an opportunity to provide feedback and are comfortable with those rents being able to serve the target population.

CDA Service Coordinators are employees of the CDA of the City of Madison, which will continue to provide onsite property management and resident services at B1 post-redevelopment.
CDA will also enter into MOUs with Edgewood College Nursing Program and Triangle Community Ministries for onsite health services - see attached.

PROPERTY MANAGEMENT: TENANT SELECTION & AFFIRMATIVE MARKETING

57. Confirm that Applicant has read and submitted with this application a Tenant Selection Plan consistent with the Standards found in RFP Attachments B-1 and will submit before closing an Affirmative Marketing Plan consistent with the Standards found in RFP Attachments B-2.

Yes, I confirm.

58. Describe the proposed property management entity or partner's experience including number of projects, number of units and location of projects managed. Be sure to address the property management entity's performance experience with and approach to leasing up and coordinating with integrated support services as well as with racially, linguistically, and culturally inclusive property management and marketing practices.

The Community Development Authority of the City of Madison (CDA) will be the property manager of Taking Shape B1. The CDA was created to address the issues of affordable housing and economic opportunity for low- and moderate-income residents of the City of Madison. The CDA's mission is to ensure low-income families have safe, affordable, quality housing in communities offering empowerment, economic opportunity, and a vibrant living environment. Established in 1945, The CDA's Housing Authority provides core services necessary to operate important, federally funded, low-income housing programs within the City of Madison.

The CDA currently owns and manages 738 Public Housing units designated for families, the elderly, and people with disabilities throughout five properties including scattered sites; 115 Multifamily units designated for families, the elderly and people with disabilities at two properties; and 24 units for families in a single property under the Section 8 Project Based Voucher program.

All CDA employees attend fair housing training within the first year of employment and ongoing or refresher training as needed. Many CDA staff have also attended the City of Madison's Racial Equity and Social Justice Initiative training series. Staff are also trained on the importance of affirmatively furthering fair housing and providing equal opportunity to all families, including providing reasonable accommodations for people with disabilities as part of the CDA's overall commitment to quality customer service.

59. 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.)? I.e., what is the level of integration of this proposed team with each other— low, medium, high? How will these entities work together to ensure a successful development well-integrated with the immediate neighborhood and community?

The on-site services provided at Taking Shape B1 will be a collaboration between CDA property management staff and CDA service coordinator staff. CDA and the CDA Service Coordinator Program have an established relationship and will continue to work together in the proposed development as outlined below. There will be a high level of integration between CDA and the CDA Service Coordinator Program.

The CDA Service Coordinator Program was created by CDA to develop and coordinate resident services at its properties. Service coordinators conduct regular community needs assessments, develop service plans based on

the needs identified, develop relationships with partner service agencies to provide on and off-site services, and assist with the identification of service funding. The majority of supportive services provided at the CDA housing sites are coordinated and monitored through the CDA Service Coordinator Program.

Services are offered through a coordinated effort among the property management staff, service coordinators, partner organizations, and the tenants themselves. The overall philosophy of service delivery focuses on helping tenants to maximize their ability to live independently by providing or connecting residents to individualized, voluntary services designed to help them meet their own goals for self-sufficiency and self-determination. At move-in, property management will connect each new tenant with a CDA Service Coordinator. The CDA Service Coordinator will offer to meet with or schedule a phone call with the new tenant to conduct the initial assessment and provide information to them regarding the CDA Service Coordinator Program and the services and resources available in the surrounding community.

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

The affirmative marketing strategy will focus on meaningful efforts to identify and attract income-eligible unserved populations in the City of Madison. The CDA has experience in completing Affirmative Fair Housing Marketing Plans for its federally subsidized multifamily housing developments, which have resulted in Asian, American Indian or Alaskan Native, and Latinx identified populations being least likely to apply. Affirmative marketing would intend to go beyond the CDA's general website announcements and advertising on WI Housing Search.org, and would be directed to minority and specialized publications (e.g. UMOJA Magazine, Madison365, La Comunidad News) as well as direct outreach through the Dane County Homeless Consortium. The CDA would also produce alternative formats by translating advertising into languages used by a targeted minority population and distribute to organizations that can help reach the targeted group (e.g. United Refugee Services, Urban League, Centro Hispano, Latino Chamber of Commerce, Targeted Business Directory). The CDA will periodically review special marketing efforts and will evaluate to determine how to expand on successes or make changes in areas that need improvement.

61. Please address, in detail, experience in and/or plans to implement inclusive and culturally-sensitive property management and marketing practices. 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, **especially including undocumented residents and/or residents without social security numbers**. Please reference successful past practices, relationships with organizations that you have partnered with in the past for marketing activities.

The CDA works closely with local social service agencies with connections through the Dane County Homeless Consortium. These agencies provide assistance with housing search and advocacy, and include but are not limited to the Community Action Coalition, Dane County Human Services Joining Forces for Families, Urban Triage, Porchlight, and Salvation Army. These agencies provide assistance with housing applications, housing search and advocacy and the CDA routinely provides on-site training to newly hired social workers covering the CDA's housing programs, application and screening process, and how to meet basic requirements in program participation.

62. Describe your approach to successfully utilizing alternatives to eviction, both pre- and post filing, such as payment plans, mediation, etc. to avoid evictions.

CDA strictly adheres to all applicable HUD regulations for public housing and Section 8 multifamily eviction avoidance and best practices in the event that it cannot be avoided. These strategies include payment plans and mediation.

63. What percentage of maximum LIHTC rents are used for 50 & 60% units? Households with incomes over 30% CMI, but less than the income to rent ratio required for a 50% unit are frequently locked out of this critical housing resource.

What will this proposed development do to serve this segment of the population (e.g., lower rent below 90% of the WHEDA 50% income limit, lower income to rent ratio requirements, provide 40% units to meet demand, etc.)

All 164 units will have project-based vouchers attached, with 161 corresponding to the 60% AMI set aside. The monthly net rents and utility allowances are set by the HUD repositioning programs they utilize - Section 18 Demolition/Disposition or the Rental Assistance Demonstration (RAD). While the project will received HUD rental subsidies linked to Fair Market Rents in the ZIP code containing the Triangle (53715), in practice existing tenants will continue to pay no more than 30% of their monthly income with no loss of eligibility unless their household income exceeds 60% AMI. A large majority of current Triangle residents have incomes well below the 30% AMI level, with an average annual income of about \$12,000. For future vacancies, CDA and MRCDC will utilize waitlists with priority given to elderly and disabled households - two populations with a high proportion of individuals on fixed incomes that often equate to less than 30% AMI.

64. Describe the proposed development’s policy toward notification of non-renewals. What is the PM’s policy regarding 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.

The CDA maintains and distributes a Section 8 Housing Choice Voucher Program Handbooks for property owners and managers that contains a number of policies and procedures for lease renewal, and the specific instances in which families may be denied assistance or non-renewed (public housing eviction history, drug-related or violent criminal activity, unit abandonment/vacancy for more than 180 days, lack of payment/refusal to set up a payment plan, etc.) All termination notices much state the reason(s) for termination and offer the opportunity for a hearing. Because the units are vouchered, tenants are insulated from future rent increases beyond those stipulated by HUD and will continue to pay a fixed 30% of their income, provided that they remain under 60% AMI. HUD subsidy will provide the difference between any rapidly escalating contract rents and what eligible PBV households can pay.

65. Describe any staffing challenges or shortages that the Property Management (PM) company has experienced at the on-site level in the past few years? What will the PM do to address and/or cover on-site staffing challenges at the proposed development should they arise?

Recent CDA staff retirements have led to promotions, which have led to vacant positions. However, there is a history of longevity in property management staff who stay until they retire, and there have been no shortages of employees at the Triangle site in recent years. CDA and MRCDC anticipate full coverage by in-house staff for B1 and other new public housing replacement units (B2 and B3), will utilize City of Madison Human Resources to fill open positions, and consider third party management for future phases as the need arises.

66. What percent of staff turnover has the PM experienced at Madison-area properties in 2023? 10%

67. Divide the number of resignations or terminations in calendar year 2023 by total number of budgeted positions. Explain turnover rate of 20% or more within the regional Property Management staff. Discuss any other noteworthy staff retention issues or policies in place to reduce staff turnover.

The turnover rate in 2023 was less than 20%.

PROPOSAL TIMELINE

68. 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) [Target/Actual Month/Date]	2022
1 st Development Assistance Team Meeting (Due by 8/29/24) [Target/Actual Month/Date]	2022
1 st Neighborhood Meeting (Due by 8/29/24) [Target Month/Date]	2022-2023
Submission of Land Use Application (Zoning Map Amendments Due by 10/7/24)	September 2023
Submission of Land Use Application (Permissively Zoned Due by 11/4/24)	April 2024
Plan Commission Consideration (If Rezoning, 12/2/24 Meeting for 12/10/24 Common Council)	June 2024
Urban Design Commission Consideration, if applicable [Target Month/Date]	N/A
Application to WHEDA	January 2024

Activity/Benchmark	Estimated Month/Year of Completion
Complete Equity & Debt Financing	March 2025
Acquisition/Real Estate Closing	March 2025
Rehab or New Construction Bid Publishing	October 2023
New Construction/Rehab Start	April 2025
Begin Lease-Up/Marketing	October 2025
New Construction/Rehab Completion	April 2026
Certificates(s) of Occupancy Obtained	May 2026
Complete Lease-Up	May 2026
Request Final AHF Draw	June 2026

HOUSING INFORMATION & UNIT MIX

69. 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:							Projected Monthly Unit Rents, Including Utilities				
		# of Bedrooms									
% 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
≤30%	0	0	0	0	0	0					
40%	0	0	0	0	0	0					
50%	0	0	0	0	0	0					
60%	0	0	160	1	0	0		782-1639	911		
Affordable Sub-total	0	0	160	1	0	0					
80%	0	0	0	0	0	0					
Market*	0	0	3	0	0	0		1639			
Total Units	0	0	163	1	0	0	Notes/Utility Allowance Assumptions:See #71				

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

Total # of Homeless Supportive Housing Units	Total # of Veteran Supportive Housing Units	Total # of Homeless Veteran Supportive Housing Units	Total # of Disabled/Other Supportive Housing Units	Minimum # of Supportive Housing Units
	19	[]	20	

ADDRESS #2:							Projected Monthly Unit Rents, Including Utilities				
		# of Bedrooms									
% 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
≤30%	0	0	0	0	0	0					
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.

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

71. Please list the source used for calculating 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	99
2-Bedroom	127
3-Bedroom	

72. Describe this development’s proposed approach to designing the project to maximize accessibility and visitability, including elevator accessible units meeting 100% visitable requirement. Will the proposed project meet the minimum requirements described in the RFP - at least half of the total units must be Type A units or convertible to Type A units as needed. Will the proposed project exceed WHEDA’s minimum accessibility design standards? For rehab, describe the accessibility modifications that will be incorporated into the existing development.

Accessibility is a priority for Taking Shape B1 given the high proportion of current Brittingham residents living with a disability. The building is being planned for 20% of units to be Type A and 80% of units to be Type B (convertible to Type A). Within the 20% of Type A units, a total of 9 units will also be compliant with ADA mobility requirements and an additional 2% of units will be ADA communication units. The project is also committed to the Universal Design standards per the WHEDA requirements.

73. Describe this development’s approach and commitment to the principles of Universal Design. Will the proposed project meet the minimum requirements described in the RFP. Will the proposed project go above and beyond WHEDA’s requirements in any way? Please explain.

Taking Shape B1 is committed to the principles of Universal Design, receiving the maximum possible score (18 pts) for New Construction as outlined in our successful WHEDA LIHTC application for 2023-2024. (see attached) Features will include, but are not limited to automatic door openers; accessible signage and bathrooms; sufficient turning space in kitchens and bathrooms; roll-in showers in select units; accessible closet and unit doors, mirrors, switches, and counter heights; low-pile carpet; ample access to windows and natural light. One additional item to be provided in B1 that is not code or WHEDA required are areas of refuge at the accessible stairs to provide additional safety for people using wheelchairs in the event of a building evacuation.

ENERGY EFFICIENCY, RENEWABLE ENERGY, DECARBONIZATION & SUSTAINABLE DESIGN

74. Describe your organization’s experience developing projects that incorporate extraordinary sustainability, energy efficiency, decarbonization/electrification, and/or green building design? Please list any industry standards, third-party certifications or awards achieved on projects developed in the past five years, such as LEED®, WELL, ENERGY STAR Multifamily New Construction Certification, Passive House, etc.

The Project is committed to meeting the Enterprise 2020 Green Communities Criteria as a condition of our WHEDA LIHTC award for 2023-2024. A requirement of Enterprise Green Communities is that the project must also meet Energy Star. Our team is also currently exploring if we should also pursue DOE Zero Energy Ready Homes Certification. In terms of experience, collectively, our team has worked on projects that pursued the most challenging green designations to meet including LEED Platinum and Gold projects and, a Passivhaus multifamily project that is currently under construction. We have hired a sustainability consultant to assist with meeting the certifications. The sustainability consultant will assist with tracking and meeting the certification criteria as well as identifying other opportunities. The consultant has an impressive resume of multifamily projects that it was supported.

75. Describe the proposed development’s energy efficiency approach, design and equipment choices. For a rehab project, please refer to Focus on Energy’s [Multifamily Program](#).

The CDA's goal is for Taking Shape B1 to be a model for housing in the City while working towards the City's goal to be net-zero by 2030. Slipstream assisted the Taking Shape team with establishing project goals around energy efficiency by exploring what should be the Energy Use Intensity target for Taking Shape B1. Energy Use Intensity (EUI) is a benchmarking metric used to show a building's energy health. When modeling, EUI is often a starting point in determining both baseline and target energy efficiency goals. The desired EUI target for Taking Shape B1 is between 34-38. Slipstream and the Taking Shape team set this target by looking at the performance of other multifamily buildings in the market.

After we established our energy use goal, we explored four different mechanical systems and which one would allow us to meet our target EUI. The best performing system is a geothermal heat pump system using a common ground heat exchange. In the next month, we will be finalizing whether we can move forward with the geothermal system.

76. Check all applicable third-party certifications of Energy Efficiency & Sustainability that will be sought.

Third-Party Certification	YES
Focus on Energy’s Energy Design Assistance program <i>(Initial Application submittal confirmation page is attached)</i>	<input checked="" type="checkbox"/>
Wisconsin Green Built- GOLD Standard	<input type="checkbox"/>
EPA AirPLUS	<input type="checkbox"/>
LEED®	<input type="checkbox"/>
WELL	<input type="checkbox"/>
ENERGY STAR Multifamily New Construction	<input checked="" type="checkbox"/>
Passive House	<input type="checkbox"/>
Other: Enterprise Green Communities	<input checked="" type="checkbox"/>
Other:	<input type="checkbox"/>

77. Describe how the design of the proposed development will contribute to the City’s [goal](#) of reaching 100% renewable energy and net-zero carbon emissions community-wide by 2050. Please describe below any other renewable energy systems to be included in the development, such as solar thermal, solar hot water, geothermal, etc.

What size of solar array is anticipated (in Kw)? **TBD**

What percentage of on-site electricity use is the development aiming to provide via the solar array? **TBD**

CDA worked with Slipstream to set ambitious goals for sustainability for all phases of the Triangle redevelopment project. These include on-site Renewable Energy - infrastructure for the future installation of Solar Photo-Voltaic (PV) systems; meeting requirements for DOE Zero Energy Ready Homes PV Ready Checklist; roofs designed to maximize area for solar panels by consolidating or limiting equipment, pipe penetrations, and other obstructions; EV-ready parking spaces; all-electric appliances and utilities (no natural gas or other fossil fuels); and 100% Net-Zero for the entire site (all building energy use is offset by a combination of on-site, neighbor, and off-site renewable energy. In addition, CDA is currently exploring the potential for an on-site or off-site community geothermal system that could provide some or all of the Triangle's energy needs for the foreseeable future, and intends to install some or all of the system as part of the first redevelopment phase (B1).

78. Please indicate sustainable design features and equipment included choices in the proposed development that will help to reduce fossil fuel consumption, achieve decarbonization, and improve air quality:

Sustainability Design Features & Equipment	YES	Comments
a. Air-source or ground source heat pumps	<input checked="" type="checkbox"/>	Community geothermal feasibility testing TBD
b. Electric or heat-pump water heaters	<input checked="" type="checkbox"/>	All-electric appliances in units
c. Electric stoves	<input checked="" type="checkbox"/>	All-electric appliances in units

d. EV charging infrastructure or EV ready design (<i>exceeding City ordinance requirements</i>)	<input checked="" type="checkbox"/>	15 EV and EV ready parking stalls
e. Battery storage	<input type="checkbox"/>	
f. Other:	<input type="checkbox"/>	
g. Other:	<input type="checkbox"/>	

79. Please *briefly* 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](#), especially the following:

a. Design for Equitable Communities

A goal of Taking Shape B1 is to create a human-scale community that is connected to the boarder Madison community. A path (“east campus mall extension”) that connects lake (Mendota) to lake (Monona) will be next to Taking Shape B1 and will be wonderful amenity for residents. The path will also serve to connect the boarder community to this part of Madison known as “The Triangle” . The Triangle can feel isolated as it is bordered by three major streets (Park, West Washington, Regent). Creating a path that cuts through the Triangle will decrease isolation and provide yet another opportunity for residents to be active and connect with nature. The ground level of Taking Shape B1 is designed to have a strong human scale connection. By using art, plantings and material changes, the ground level experience will be very welcoming.

b. Design for Energy – Optimized energy use. What is the U value of windows?

Taking Shape B1 has aggressive energy use goals. The target Energy Use Intensity (EUI) is lower than most multifamily buildings in the Madison market. Taking Shape B1 will meet the requirements of Energy Star Multifamily New Construction. The building will be 100% electric outside of a back up generator. Energy modeling and performance testing will occur to ensure we are designing and operating the building the meet our goals. We intend to use a geothermal system which results in a very high reduction in energy use consumption compared to alternative HVAC systems. Moreover, geothermal is a renewable energy source. Other items that we are exploring are what areas of the building can we put occupancy sensors which will help lower energy usages.

c. Design for Water – Describe proposed strategies to protect and conserve water (i.e. water efficiency), reduce reliance on municipal water sources, incorporate systems to recapture and/or reuse water on-site.

Taking Shape B1 will reduce the total indoor water consumption by at least 20% comparted to the baseline indoor water consumption chart. The water use and performance of Taking Shape B1 will be tracked and uploaded into an online utility benchmarking platform for at least 5 years post certificate of occupancy. Some of the ways we will achieve water reduction are by only using WaterSense certified fixtures, using EnergyStar Rating appliances, and selecting native plants in our landscaping that do not need irrigation. Our landscaping plan encourages sustainable site development by utilizing native and adaptive plants, and by being intentional about where bluegrass lawns are placed. The courtyard will create valuable useable green spaces for residents while also serving as stormwater management for Taking Shape B1. Where possible, ground level and courtyard facing units will have patios.

d. Design for Resources – Optimize building space and material use

Building materials will be timeless, low maintenance, warm, and sustainable. The use of natural accent materials will happen where possible. Taking Shape B1 aims to meet the Enterprise Green Communities credits 6.4 and 6.6 to ensure low-emitting materials and reduce mold growth. We want this to be a 100 year being so when sourcing materials that is the lens that our team will be using. When selecting materials, the focus will be on materials that use healthy chemicals and reduce microbial growth in the home, have tight walls and roofs to keep pests and pollution outside, and provide fresh, filtered air into every home.

e. Design for Well-being – Consider physical, mental, and emotional well-being, plus trauma-informed design.

To reinforce the overall health and wellness goals of the project there is a strong desire for more green spaces, connections to nature, and opportunities for safe and accessible outdoor access. Current outdoor CDA amenities are underutilized due to their location, disconnected circulation, and lack of defined private green space. Residents desired a people-centric experience that reduces overlap with vehicles and surface parking lots. They want walkable destinations (both within the site and to the neighboring lake and park) that allow residents to safely gain the mental and physical health benefits of being outdoors and experiencing nature. To promote physical activity, Taking Shape B1 will have a gym that residents can utilize. For look and feel within the building, rather than selecting finishes that are institutional feeling, the interiors will draw on a welcoming and calming palate. Taking Shape B1 will connect residents to nature by bringing light into the units and providing the community a large, activated courtyard space.

f. Design for Ecosystems – Especially indoor environmental quality (IEQ)

Taking Shape B1 will be a smoke-free building and residents will not be allowed to smoke within a 25 foot perimeter around the exterior of the building. Ventilation will meet ASHRAE 62.2-2010. A mechanical ventilation system will be in the hallways and common spaces. All bathroom fans will be Energy Star labeled.

g. Design for Change – Optimize operational and maintenance practices

Resiliency, longevity, and ensuring the buildings can support residents in times of emergency are project goals. The project will have code-required egress power, diesel generator and generator power hook-ups and will meet the requirements of Madison's Storm Water Ordinance. The project will reduce the operational costs by investing in efficient designs and training of staff. The preferred mechanical system for the building is a geothermal system. This systems would cost less to operate than an alternative mechanical solution. The buildings will be fully electrical outside of the back-up generator.

Taking Shape B1 will achieve the Enterprise Green Communities certification. A Resilient Communities Multi-Hazard Vulnerability Assessment will also be a requirement, including the development of an Emergency Management Manual.

h. Design for Integration, Economy, Change and/or Discovery – Any additional AIA Framework comments

Taking Shape B1 will be an example of a thriving community. The building will support today's residents and future generations. The building will be a place that fosters not only personal well-being but also collective progress. The spaces that will be created will give residents an opportunity to live healthier lives, allow them to connect, interact, and forge lasting relationships. Our team has been engaging with residents for over two years, and residents have provided valuable feedback which has informed how we've designed the spaces to date. Their future homes will be safe, sustainable, inclusive, vibrant and beautiful.

REAL ESTATE PROJECT DATA SUMMARY

80. 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:	755 Braxton Pl								
	164	164	164	0		33	\$18,000,000		\$1
Address:	Enter Address 2								
Address:	Enter Address 3								

81. 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 site historically contained a mix of residential and commercial uses in the old Greenbush neighborhood prior to acquisition and redevelopment by the CDA during the urban renewal era of the 1960s and 1970s. Phase 1 and 2 ESAs were conducted on the site in 2022, noting some potential areas of concern in the broader Triangle based on historic uses (a junkyard, a gas station), but nothing suggesting the need for remediation prior to breaking ground on the B1 project.

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

The 164-unit, CDA-owned Brittingham Apartments are currently located on the southern portion of the site. Taking Shape B1 will be constructed on the vacant northern portion, which is currently a parking lot and temporary construction staging site for the neighboring Bayview redevelopment. Current residents of Brittingham will move into the completed B1 building, and Brittingham will be demolished in order to proceed with subsequent redevelopment phases.

83. Will any business, including churches and non-profit organizations, or residential tenants (owner or rental) 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.

Because all current Brittingham tenants and service providers will move directly into the replacement B1 building, there will be no displacement. Relocation assistance will be provided in the form of moving materials and labor as requested by Triangle residents.

84. 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

REFERENCES

85. 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
Eric Speichinger	Regions Bank	eric.speichinger@regions.com	(312) 219-6572
Linette Rhodes	City of Madison CDD	lrhodes@cityofmadison.com	(608) 261-9240
Becky Meyer	National Equity Fund	bmeyer@nefinc.org	(608) 576-5576

PLEASE ATTACH THE FOLLOWING ADDITIONAL INFORMATION 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 2.5, Item 2 of the RFP. This may be attached or included in the application. Please do NOT duplicate information attached and included in line.
- 3. Letter(s) from Supportive Service Provider(s) affirming in detail 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 (such as assessment and referral, on-site intensive case management, etc.), % FTE, hours on site, etc.
- 4.a. A detailed map of the site.
- 4.b. A map using the AHF Affordable Housing Targeted Area Map, indicating the site in the context of the City.
- 4.c. A preliminary site plan and one to two renderings, if available.
- 5. 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.
- 6. A confirmation page demonstrating that an Initial Application for Energy Design Assistance was submitted to Focus on Energy. If the Bundle Report is available, please attach it now as well.
- 7a. Tenant Selection Plan consistent with the City's Standards outlined in Attachment B-1.

If the following items are not available at the time of initial application, submittal will be required at the following future date:

Application Item	Due Date
Preliminary Site Plan	A week prior to Development Assistance Team (DAT)
Capital Needs Assessment	Supplemental Application
Market Study/Analysis – may be informal <i>(Required for new construction proposals seeking HOME funds)</i>	Supplemental Application

APPLICANT & PROJECT NAME:

MRCDC - Taking Shape B1

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	Financing Approval Anticipated (Mo/Yr)
Permanent Loan-Lender Name:							
TBD	\$ 7,762,144	N	6.20%	17	40		
Subordinate Loan 1-Lender Name:							
Sect. 48 ITC Equity & Sect. 45L Equity	\$ 5,674,256						
Subordinate Loan 2-Lender Name:							
GGRF Loan (USEPA)	\$ 4,100,000		2.15%	17	40		
Tax Exempt Loan-Bond Issuer:							
City Request (AHF, HOME, TIF)							
AHF/HOME/ERA (2024)	\$ 15,502,798		2.75%	16	30		
Subordinate TIF Loan-Lender Name:							
TID 48	TBD						
AHP Loan (List FHLB):							
FHLB - Des Moines AHP	\$ 3,000,000						
Dane County AHDF:							
Other-Specify Lender/Grantor:							
AHF (2023 award)	\$ 4,000,000		2.75%	16	30		
Other-Specify Lender/Grantor:							
Bond Collateral Account Income	\$ 1,813,435		4.44%				
Tax Credit Equity	\$ 41,150,755						
Historic Tax Credit Equity (Fed and/or State)							
Deferred Developer Fees	\$ 1,820,362						
Owner Investment	\$ 500,000						
Other-Specify:							
GP Equity	\$ 100						
Total Sources	\$ 85,323,850						

Do you plan on submitting an application for TIF?

No

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan 1-Lender Name:			
TBD - Tax Exempt	\$ 40,482,635	7.59%	25
Construction Loan 2-Lender Name:			
TBD - Taxable	\$ 11,796,697	8.34%	25
Construction Loan 3-Lender Name:			
CPC Freddie TEL	\$ 7,762,144	6.20%	204
Construction Loan 4-Lender Name:			
Bond Collateral Account Income	\$ 1,813,435	4.44%	
Bridge Loan-Lender Name:			
GGRF Loan	\$ 4,100,000	2.15%	204
Housing Tax Credit Equity:			
Federal + State LIHTC Equity	\$ 8,209,675		
Historic Tax Credit Equity:			
Other-Specify:			
FHLB - Des Moines AHP + CDA Reserves	\$ 3,500,000		
Total	\$ 77,664,586		

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:

Sources of construction and permanent financing are subject to change as several lenders (WHEDA, NEF, US Bank, Regions) are currently under evaluation.

APPLICANT:

MRCDC - Taking Shape B1

2. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs	Amount
Land	\$1
Existing Buildings/Improvements	\$0
Other (List)	
	\$0
Construction:	
Construction/Rehab Costs	\$37,358,404
E - Equipment & Furnishings	\$765,600
F - Special Construction & Demolition	\$14,817,198
Accessory Buildings	\$6,700,000
Personal Property/FF&E	\$0
Site Work Costs (on-site & off-site)	\$0
Landscaping	\$0
Contractor Fees:	
General Requirements	\$1,965,005
Construction Overhead	\$1,058,627
Construction Profit	\$1,198,560
Construction Supervision	\$0
Contingency Funds:	
Construction Contingency	\$3,193,170
Other Contingency	\$0
Construction Period Expenses/Soft Costs:	
Construction Loan Origination Fee	\$261,397
Construction Loan Credit Enhancement/LOC	\$0
Cost of Bond Issuance	\$0
Bridge Loan Fees and Expenses	\$0
Construction Loan Interest	\$4,654,364
Construction Loan Origination Fee	\$0
Construction Period Real Estate Taxes	\$5,000
Title and Recording	\$30,000
Builder's Risk/Property Insurance	\$250,000
Temporary Relocation Assistance	\$82,000
Permanent Relocation Assistance	\$0
Other Interim/Construction Costs (list)	
Impact Fees, P+P Bond, RAD Attorney	\$610,870
Permanent Financing Expenses:	
Permanent Loan Origination Fee	\$77,621
Credit Enhancement	\$0
Other Permanent Loan Fees	\$1,131,056
Legal Fees - Real Estate	\$0

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

Community geothermal field (F) - cost to B1 may be reduced if built in phases under each building

Total Cost:

\$14,351,431

Architectural & Engineering:	
Architect - Design	\$1,007,579
Architect - Supervision	\$0
Engineering	\$0
Survey	\$15,000
Other Architect/Engineering (list)	
Green Built Certification	\$25,000
Syndication Fees & Expenses:	
Organizational Fees	\$55,000
Other Syndication Costs (list)	
	\$0
Capitalized Reserves:	
Operating Reserve	\$996,045
Replacement Reserve	\$410,000
Lease-Up Reserve	\$0
Debt Service Reserve	\$0
Capital Needs Reserve	\$0
Other Reserves	\$0
Escrows	\$0
Other Capitalized Reserves (list)	
	\$0
Reports, Studies & Related Work:	
Appraisal	\$7,000
Market Study	\$6,500
Environmental Reports	\$20,000
Capital Needs Assessment Report	\$0
Other (list)	
	\$0
Other Soft Costs:	
Tax Credit Fees - Application	\$2,000
Tax Credit Fees - Compliance	\$9,020
Tax Credit Fees - Allocation	\$470,996
Permits & impact fees - water, sewer, etc.	\$0
Cost Certification/Accounting fees	\$50,000
Lease-Up Period Marketing	\$0
Title Insurance and Recording	\$0
Capital Needs Assessment (rehab only)	\$0
Legal	\$0
Other (list)	
Soft Cost Contingency + RAD Consulting	\$275,000
Developer Earned Fees & Expenses:	
Developer's Fee	\$7,710,837
Developer Overhead	\$0
Consultant Fees	\$105,000
Other fees (list)	
	\$0
Total Costs:	\$85,323,850

APPLICANT: **MRCDC - Taking Shape B1**

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	2,353,188	2,400,252	2,448,257	2,497,222	2,547,166	2,598,110	2,650,072	2,703,073	2,757,135	2,812,277	2,868,523	2,925,894	2,984,411	3,044,100	3,104,982	3,167,081
Less Vacancy/Bad Debt	117,659	120,013	122,413	124,861	127,358	129,905	132,504	135,154	137,857	140,614	143,426	146,295	149,221	152,205	155,249	158,354
Income from Non-Residential Use*	25,422	25,930	26,449	26,978	27,518	28,068	28,629	29,202	29,786	30,382	30,989	31,609	32,241	32,886	33,544	34,215
Total Revenue	2,260,951	2,306,170	2,352,293	2,399,339	2,447,326	2,496,272	2,546,198	2,597,122	2,649,064	2,702,045	2,756,086	2,811,208	2,867,432	2,924,781	2,983,276	3,042,942
Expenses:																
Office Expenses and Phone	2,816	2,900	2,987	3,077	3,169	3,265	3,362	3,463	3,567	3,674	3,784	3,898	4,015	4,135	4,259	4,387
Real Estate Taxes	213,424	219,827	226,422	233,214	240,211	247,417	254,839	262,485	270,359	278,470	286,824	295,429	304,292	313,420	322,823	332,508
Advertising, Accounting, Legal Fees	14,799	15,243	15,700	16,171	16,656	17,156	17,671	18,201	18,747	19,309	19,889	20,485	21,100	21,733	22,385	23,056
Payroll, Payroll Taxes and Benefits	374,096	385,319	396,878	408,785	421,048	433,680	446,690	460,091	473,894	488,110	502,754	517,836	533,371	549,373	565,854	582,829
Property Insurance	58,240	59,987	61,787	63,640	65,550	67,516	69,542	71,628	73,777	75,990	78,270	80,618	83,036	85,527	88,093	90,736
Mtc, Repairs and Mtc Contracts	365,233	376,190	387,476	399,100	411,073	423,405	436,107	449,191	462,666	476,546	490,843	505,568	520,735	536,357	552,448	569,021
Utilities (gas/electric/fuel/water/sewer)	241,397	248,639	256,098	263,781	271,694	279,845	288,241	296,888	305,794	314,968	324,417	334,150	344,174	354,500	365,135	376,089
Property Mgmt	135,657	139,727	143,919	148,236	152,683	157,264	161,982	166,841	171,846	177,002	182,312	187,781	193,414	199,217	205,193	211,349
Operating Reserve Pmt	11,879	12,235	12,602	12,981	13,370	13,771	14,184	14,610	15,048	15,499	15,964	16,443	16,937	17,445	17,968	18,507
Replacement Reserve Pmt	49,200	50,676	52,196	53,762	55,375	57,036	58,747	60,510	62,325	64,195	66,121	68,104	70,147	72,252	74,419	76,652
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
Total Operating Expenses	1,466,741	1,510,743	1,556,066	1,602,747	1,650,830	1,700,355	1,751,365	1,803,906	1,858,024	1,913,764	1,971,177	2,030,313	2,091,222	2,153,959	2,218,577	2,285,135
Net Operating Income	794,210	795,426	796,227	796,591	796,496	795,917	794,832	793,215	791,040	788,281	784,909	780,895	776,210	770,822	764,699	757,807
Debt Service:																
First Mortgage	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349
Second Mortgage	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849
Other (List)																
Asset Management Fee	8,200	8,446	8,699	8,960	9,229	9,506	9,791	10,085	10,388	10,699	11,020	11,351	11,691	12,042	12,403	12,775
Total Debt Service	687,398	687,644	687,898	688,159	688,427	688,704	688,990	689,283	689,586	689,897	690,218	690,549	690,890	691,240	691,602	691,974
Total Annual Cash Expenses	2,154,139	2,198,388	2,243,963	2,290,906	2,339,257	2,389,059	2,440,355	2,493,190	2,547,609	2,603,662	2,661,396	2,720,862	2,782,111	2,845,199	2,910,179	2,977,108
Total Net Operating Income	106,811	107,782	108,330	108,433	108,068	107,213	105,843	103,932	101,455	98,384	94,691	90,346	85,321	79,582	73,097	65,834
Debt Service Reserve	0															
Deferred Developer Fee	106,811	107,782	108,330	108,433	108,068	107,213	250,631									
Cash Flow	0	0	0	0	0	0	-144,788	103,932	101,455	98,384	94,691	90,346	85,321	79,582	73,097	65,834
AHF City Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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

DCR Hard Debt	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.17	1.16	1.16	1.16	1.15	1.14	1.13	1.13	1.12
DCR Total Debt	1.16	1.16	1.16	1.16	1.16	1.16	1.15	1.15	1.15	1.14	1.14	1.13	1.12	1.12	1.11	1.10

Assumptions

Vacancy Rate	5.0%
Annual Increase Income	2.0%
Annual Increase Expenses	3.0%
Other	

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

Other Income - Laundry and Vending

APPLICANT:

MRCDC - Taking Shape B1

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	3,230,423	3,295,031	3,360,932	3,428,151	3,496,714	3,566,648	3,637,981	3,710,740	3,784,955	3,860,654	3,937,867	4,016,625	4,096,957	4,178,896
Less Vacancy/Bad Debt	161,521	164,752	168,047	171,408	174,836	178,332	181,899	185,537	189,248	193,033	196,893	200,831	204,848	208,945
Income from Non-Residential Use*	34,899	35,597	36,309	37,035	37,776	38,531	39,302	40,088	40,890	41,707	42,542	43,392	44,260	45,146
Total Revenue	3,103,801	3,165,877	3,229,194	3,293,778	3,359,654	3,426,847	3,495,384	3,565,291	3,636,597	3,709,329	3,783,516	3,859,186	3,936,370	4,015,097
Expenses:														
Office Expenses and Phone	4,519	4,654	4,794	4,938	5,086	5,239	5,396	5,558	5,724	5,896	6,073	6,255	6,443	6,636
Real Estate Taxes	342,483	352,757	363,340	374,240	385,467	397,032	408,942	421,211	433,847	446,862	460,268	474,076	488,299	502,948
Advertising, Accounting, Legal Fees	23,748	24,460	25,194	25,950	26,729	27,530	28,356	29,207	30,083	30,986	31,915	32,873	33,859	34,875
Payroll, Payroll Taxes and Benefits	600,314	618,324	636,873	655,980	675,659	695,929	716,807	738,311	760,460	783,274	806,772	830,975	855,905	881,582
Property Insurance	93,458	96,262	99,150	102,124	105,188	108,344	111,594	114,942	118,390	121,942	125,600	129,368	133,249	137,246
Mtc, Repairs and Mtc Contracts	586,092	603,674	621,785	640,438	659,651	679,441	699,824	720,819	742,443	764,717	787,658	811,288	835,627	860,695
Utilities (gas/electric/fuel/water/sewer)	387,371	398,992	410,962	423,291	435,990	449,070	462,542	476,418	490,710	505,432	520,595	536,213	552,299	568,868
Property Mgmt	217,690	224,220	230,947	237,875	245,012	252,362	259,933	267,731	275,763	284,036	292,557	301,333	310,373	319,685
Operating Reserve Pmt	19,062	19,634	20,223	20,830	21,455	22,098	22,761	23,444	24,148	24,872	25,618	26,387	27,178	27,994
Replacement Reserve Pmt	78,952	81,320	83,760	86,272	88,861	91,526	94,272	97,100	100,013	103,014	106,104	109,287	112,566	115,943
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
Total Expenses	2,353,689	2,424,299	2,497,028	2,571,939	2,649,097	2,728,570	2,810,427	2,894,740	2,981,582	3,071,030	3,163,161	3,258,056	3,355,797	3,456,471
Net Operating Income	750,112	741,577	732,166	721,839	710,556	698,276	684,956	670,551	655,015	638,299	620,355	601,130	580,572	558,626
Debt Service:														
First Mortgage	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349	525,349
Second Mortgage	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849	153,849
Other (List)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Asset Management Fee	13,159	13,553	13,960	14,379	14,810	15,254	15,712	16,183	16,669	17,169	17,684	18,215	18,761	19,324
Total Debt Service	692,357	692,752	693,158	693,577	694,008	694,453	694,910	695,382	695,867	696,367	696,882	697,413	697,959	698,522
Total Annual Cash Expenses	3,046,046	3,117,051	3,190,187	3,265,516	3,343,106	3,423,023	3,505,338	3,590,122	3,677,450	3,767,397	3,860,043	3,955,469	4,053,757	4,154,993
Total Net Operating Income	57,755	48,826	39,008	28,262	16,548	3,824	-9,954	-24,831	-40,852	-58,068	-76,527	-96,283	-117,387	-139,896
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	57,755	48,826	39,008	28,262	16,548	3,824	-9,954	-24,831	-40,852	-58,068	-76,527	-96,283	-117,387	-139,896
AHF City Interest Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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

DCR Hard Debt	1.10	1.09	1.08	1.06	1.05	1.03	1.01	0.99	0.96	0.94	0.91	0.89	0.85	0.82
DCR Total Debt	1.08	1.07	1.06	1.04	1.02	1.01	0.99	0.96	0.94	0.92	0.89	0.86	0.83	0.80

Assumptions

Vacancy Rate	5.0%
Annual Increase Income	2.0%
Annual Increase Expenses	3.0%
Other	

2024 Affordable Housing Fund-Tax Credit RFP

Supplemental Application Questions

Madison Revitalization and Community Development Corp (MRCDC) Taking Shape B1

Response Submission Due Date: September 5, 2024 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. Energy Efficiency/Sustainability

1. **The AHF-TC RFP requires awardees to continue working with Focus on Energy's New Construction Energy Design Assistance throughout the building design process. Bundle commitments will be incorporated into the term sheet.**

- a. **Please attach the Preliminary Bundle Requirements Document (BRD).**

If the Report is not yet available, please provide an update on the status at the Staff Team (9/9-10) and CDBG Committee Presentation (9/12); and send ASAP no later than NOON on October 15, 2024.

The team has yet to receive the Preliminary Bundle Requirements Document (BRD), but we have received the Energy Design Assistance Results Report. Focus on Energy is working on the BRD. As soon as we have it, we will provide the additional information.

- b. **What percentage of projected Energy Use Intensity (EUI) savings calculated over the baseline energy code is anticipated? (Note: Min. 20% required)**
Taking Shape B1 will meet the minimum 20% requirement. The initial evaluation is that it could be up to 50%. This will change, however, as we learn more and get further into design decisions.
- c. **What is the highest feasible Bundle Level to which this project anticipates committing? The project is committed to Bundle Level 1 and is exploring exceeding that level. Additional changes to the bundle section can be made if we think the project can exceed that threshold and would be captured during the verification process.**
- d. **If the Bundle election is less than the highest, which options and/or components were not chosen and why? Focus on Energy provided 6 different bundle options. The first three bundles (1-3) are based on the project using a Geothermal system. The second three bundles (4-6) are based on the project using a boiler and chiller HVAC System. Bundles 1-3 have significantly lower EUIs**

than Bundles 4-6. We anticipate the project utilizing Geothermal and our target is Bundle 1. This Bundle is higher than 4,5,6, but lower than 2 & 3. The additional incentive for the incremental first cost was considered when selecting Bundle 1.

2. Please provide an update on plans for Solar energy:

a. **Solar PV size anticipated (Note: Min 30 kW required):** >30kw

Percent of common areas for which electricity will be provided: TBD

At this time the project is designed to be “solar ready”, but no solar array has been designed yet. We expect any PV systems at B1 to be roof-mounted and are committed to generating at least 30 kW.

3. Please provide an update on geothermal plans?

The Taking Shape Team, in the master planning phase, worked with Design Engineers to size and locate a prospective geothermal field to serve Taking Shape B1 and future phases of Taking Shape. The team is currently working with Krupp Construction and Subterra to do test bores to validate Design Engineers’ assumptions. The expectation is that Krupp Construction will work with Subterra who will design the bore field and that Design Engineers will review the plans and specifications. Krupp and Subterra are testing both in Brittingham Park as well as within the Taking Shape B1 site.

4. Please explain why utilities are not included in the rent, especially given energy efficiency, sustainability, etc. Are utilities included now in these units? If now paying utilities, will that be a barrier for existing tenants?

The current budget assumes that tenants are paying utilities because that is the most conservative and typical arrangement. Once the mechanical systems are designed its possible that heating and cooling will be included in rent. Currently the building is master metered and utilities are included in rent. State regulations require that units be sub-metered in new construction.

B. Property Management (PM)

1. Please answer the following regarding on-site PM staffing:

i. **What percent FTE and number of hours are budgeted for the PM to be on-site? E.g., .50 FTE, 9a-1p – M-F?**

48% of 3 FTEs and 8:00 a.m.- 4:30 p.m.

Anticipated Days/week (1-7): 5

The property management team will be comprised of the following 100% FTE staff which will be allocated to the property at 48%:

-Property Manager: 18.6 hours/week

-Assistant Manager: 18.6 hours/week

-Program Assistant: 18.6 hours/week

- ii. **How many hours per week of additional regional &/or floating support is anticipated to assist &/or cover for on-site PM, vacancies, sick days, etc.? Please elaborate briefly on backup coverage.**

Hours/week: 7.36

7.36 hours of additional support is provided by the Property Operations Manager. In case of vacancies, sick days, etc., coverage will be provided by the on-site staff.

- iii. **What percent FTE and number of hours are budgeted for the Maintenance staff to be on-site?**

48% of 5 FTEs and 96 hours

The onsite maintenance team is comprised of the following 100% FTEs allocated to the property at 48%:

-1 Maintenance Coordinator: 19.2 hours/week

-3 Maintenance Techs: 57.6 hours/week

-1 Custodian: 19.2 hours/week

- 2. **The TSP submitted is dated 2022. Please affirm that the final TSP will align with CDD TSP Standards in Attachment B-1.**

The final TSP will align with the CDD TSP Standards.

- 3. **It is a goal of the City to ensure that residents who require ADA units are able to obtain appropriately accessible units and/or accommodations. Please answer the following:**

- i. **In the Dane County market, how many fully ADA accessible units does the PM manage?** 47

- ii. **What percent of those units are currently leased by residents who require the relevant accessibility accommodations?** 47%

- iii. **Briefly describe your property management strategies to ensure these units are available for residents that require accessibility features.**

All new applicants are asked if anyone in their household requires the features of accessible units. If an applicant specifies the need for an accessible unit, we verify the need through our reasonable accommodation process before offering them an available accessible unit. When we become aware that a current resident requires an accessible unit, we verify the need through our reasonable accommodation process and place them on our transfer list for the type of unit they require. Accessible units that become available are filled first from our transfer list and then by new applicant. Due to the limited number of accessible units and the high need for their features, we don't find it necessary to fill vacancies with folks that do not have accessibility needs.

- iv. **Briefly describe outreach, marketing, and direct referral partnerships you have with organizations to ensure these units are appropriately filled.**
Information regarding the types of units CDA owns and manages is available on our website. We have established informal relationships with service providers and organizations within the community that are aware that we have accessible units within our portfolio. They are able to refer applicants directly to CDA. CDA also provides information out to the public via the Homeless Services Consortium when we anticipate vacancies in our accessible units.

C. HOME squaring w/ RAD

- 1. **Are there any concerns or considerations for squaring HOME regulations with RAD? Please also provide additional context for the following issues below:**

In general, there are no concerns with squaring HOME and RAD regulations. The development team is working with specialized consultants at Baker Tilly on our RAD transaction and capital stack, including HOME. We have also engaged a leading national law firm with significant RAD experience (Reno Cavanaugh) that can assist in reconciling any potential conflicts with HUD between HOME and RAD.

- i. **Cost Allocation as it plays out into Low HOME units.**

This will ultimately depend on the amount of HOME funding made available to the project, and how many units are designated as Low HOME units. The development team will utilize the cost allocation process as a check to ensure that the HOME investment is proportionate with the number and type of Low HOME units.

- ii. **20% of the HOME units are required to be Low HOME (i.e., 50% AMI). How will this impact the project budget as it currently shows nearly all units set at 60% AMI?**

The project budget will not be impacted. Regardless of the AMI %, no tenant will pay more than 30% of their income and the HAP contract will pay the difference, so the rental income received won't change. Additionally, although the units are classified as 60% AMI, most residents are at or below 30% AMI.

- iii. **Going over HOME rents w/ PBVs in a RAD. Does CDA have the choice to choose between PBRA vs. PBV?**

Because MRCDC is pursuing a RAD/Section 18 blend, HUD requires that the units be PBV.

- iv. **When 60% units are over income.**

The project has set three units aside for residents who may be over 60% AMI. If the number of households with incomes greater than 60% AMI units exceeds three, the CDA will adjust the unit mix accordingly to ensure that residents have the right to return to the property post conversion.

D. Unit Mix/Lease Up/Supportive Housing Units/Supportive Housing Partnership

- 1. **It's well understood that this project is a RAD conversion with an existing tenant population that needs to be relocated. Post relocation, to align with this RFP, how**

many units will be set-aside and prioritized for direct referrals from the Coordinated Entry List for elderly and people with disabilities experiencing homelessness?

We did commit in our FHLB and WHEDA applications for priority for veterans, the elderly, and disabled, but not specifically for homeless.

E. Financing

- 1. Please explain why projected construction interest rate assumptions comparatively much higher than average. Please explain the assumptions and/or rate commitments.**

The rate assumptions were WHEDAs published rates as of the date of the application. The team will work to get the most competitive loan terms from WHEDA or an alternate lender.

F. Design

- 1. This 2024 AHF-TC RFP increased baseline requirements for Universal Design from WHEDA's 2023-2024 Universal Design requirements, from 20% to 50%. Where WHEDA requires less than 20% percent of units to meet a requirement, the City's requirement is double the percent of the WHEDA requirement, (e.g., 5% WHEDA requirement would be increased to 10%). While recognizing the stage of this development post tax credit award, what can be done to better align this project with increased Universal Design standards?**

Universal Design and accessible features are a crucial part of the Taking Shape redevelopment. Accessible entries, accessible common areas, handrails, accessible signage, and so forth are included throughout the Taking Shape B1 building.

In the WHEDA 2024 Scoring Category, Taking Shape B1 took points for all of the available unit features at a minimum of 20% of the units. For most of those features, Taking Shape B1 can align with the higher 50% or 10% AHF standard. For example, the team thinks that all or greater than 50% of the units will meet the closet, interior door, unit entrance door, operable window, carpet and unit light switch features. The features that could be harder to achieve 50% on, given the status of construction documents, are the kitchen turning radii and work surface items. The team will make best efforts to add those features where the design allows and will ensure that future phases of Taking Shape align to the higher AHF standards.