

**City of Madison
Community Development Division**

**Request for Proposals
RFP#8834-2019
Developers Seeking 2020 WHEDA Tax-Credits
For Rental Housing Development**

Due Date:

June 27, 2019

**Prepared by:
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June 27, 2019

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

RE: 2020 WHEDA Tax-Credits Rental Housing Development – Affordable Housing
Fund RFP Response #8834-2019

Dear Julie,

MSP Real Estate Inc. is pleased to present our application for the 2019 Affordable Housing Fund for our affordable housing development located at 1212 Huxley Street. The Huxley Street location assists the City objectives of a wider dispersion of affordable housing throughout the City as no new tax credit housing has been built within a ½ mile of this site in the last 20 years. Further this site has strong connections to public transit, a full service grocery store and is also located right next to the Dane County Job Center which provides training and access to employers looking for employees throughout Dane County. Finally, this site is a high scoring WHEDA site that MSP fully expects will further assist the City of Madison to reach it's targeted goals for new affordable housing by securing a 2020 award of tax credits.

This proposal will provide a 61 unit 55+ senior building and a 50 unit family building that will meet all the requirements for eligibility, including 30% units with a supportive housing component being dispersed across unit sizes.

Finally our proposal at 1212 Huxley Street offers the following additional RFP preferences:

- The proposed site is located in a preferred area for New Construction developments.
- More than 20% of the units for households with incomes at or below 30% CMI.
- Supportive services will be provided through the Salvation Army, Madison-area Urban Ministry and the Dane County Veterans Center.
- Leverage the use of all available resources, by applying for WHEDA tax credits, City of Madison and Dane County Affordable Housing Funds, Chicago FHLB funding and deferment of the maximum feasible amount of developer fee.
- Commitment to repay the cash flow loan simultaneously with repayment of the deferred developer fee.

- Non-smoking development
- No cost internet service to the residents.
- Dedicated play area for the children.
- Adherence to best practices Tenant Selection Plan (TSP) and Affirmative Marketing Plan (AMP) per CDD's TSP/AMP best practices.
- Commitment to Solar Array for the project

We are a long-term owner with a proven ability to secure the necessary sources of funding along with the construction expertise to manage complicated projects across the finish line that continue to add to our 30 year history of exceptional affordable housing developments in the communities in which we work.

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

Sincerely,

Mark Hammond

Mark Hammond
Vice President of Development



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Section 1: a. RFP Application Form (see next page)

PROPOSAL DESCRIPTION

1. Please provide an overview of the proposal. Describe whether project is acquisition, rehabilitation, and/or new construction; multifamily or senior. Provide the total number of units proposed, the number and percent of affordable units proposed, and the impact of the proposed development on the community.

1212 Huxley Street Apartments, as proposed is a 111 unit project that contains 94 units (84%) of affordable senior and workforce (family) housing in two buildings. The 61 unit senior (one member of household 55+) building will contain a mixture of 1 and 2 bedroom units in a 4 story building. The 50 unit workforce multifamily building will contain a mixture of 1, 2 bedroom apartments and 3 bedroom townhouse units also in a 4 story building. At least 2,000 square feet of commercial space will also be located in the multifamily building. Twenty three of the units will be further segmented for individuals and families at the 30% CMI Limit. 1212 Huxley Street is a new construction development. 1212 Huxley Street will provide much needed affordable work force & senior housing to this north east side location that has not had any new affordable development within a mile of this location since the the late 1990's when Sherman Glen Senior departments was built less than 1/2 mile away.

2. What are the total number of units proposed to be assisted with City AHF and amount of AHF requested per affordable unit? Identify if any of the units will be supported by Section 8 project-based vouchers.

Ninety four units are proposed to be assisted by City AHF funding. This application request equates to \$20,745 City AFH funds per affordable unit.

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

The property will be an LLC with MSP Real Estate, Inc. or its assigns as the 100% managing member. The limited partner will be the investor entity who will be purchasing the Low Income Housing Tax Credits that has not been determined at this time.

We are in conversation with Dane County Housing Authority regarding a potential 51% ownership interest in the MM, but a partnership has not been formalized at this time.

See Section 2.h. for the complete organizational chart.

4. For projects that will be co-developed with a non-profit partner, please explain the non-profit's role in the development. State if the non-profit will have a controlling interest, Right of First Refusal, or General Partner Purchase Option.

Not applicable.

AFFORDABLE HOUSING INITIATIVE FUND GOALS & OBJECTIVES

5. Please check which of the following objectives outlined in the Request for Proposals your proposal meets:

- 1. Increase the supply of safe, quality, affordable rental housing throughout the City.
- 2. Preserve existing income- and rent-restricted rental housing to ensure long-term affordability and sustainability.
- 3. Improve the existing rental housing stock in targeted neighborhoods through acquisition/rehab to create long-term affordability and sustainability.

AFFORDABLE HOUSING NEEDS

6. Describe your knowledge of and experience in identifying affordable housing needs of the City of Madison.

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

MSP Real Estate was a successful applicant for the 2016 Affordable Housing Fund (for 2017 WHEDA Credits) and earned an award of 2017 and 2018 Low Income Housing Tax Credits from WHEDA for our Normandy Square 58 unit (48 affordable units) project located at 6509 Normandy Lane. MSP Real Estate was also a successful applicant for the 2017 Affordable Housing Fund (for 2018 WHEDA credits) and earned an award of 2018 Low Income Housing Tax Credits from WHEDA for The Grove project (112 units, 95 affordable) located at 202 and 206 Cottage Grove Rd. See Section 2.a.(i) for more detail on MSP Real Estate knowledge and experience.

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

A formal WHEDA required market study has not been commissioned at this time however our market study provider, Dale Mussati, Lexington Realty Services will complete a market study for submission to WHEDA in December 2019 for 2020 tax credit application process. Historic low vacancy rates and strong lease-up schedules continue to be the trend in Madison WI. Given the site location and no new product in this submarket for almost 20 years we expect to be easily fully leased up within 6-12 months of our certificate of occupancy.

INTEGRATED SUPPORTIVE HOUSING UNITS

8. Provide the number and percent of integrated supportive housing units proposed, the income category(ies) targeted for these units, and the population(s) you propose to serve (e.g. households experiencing or at risk of homelessness, formerly homeless families residing in Permanent Supportive Housing no longer in need of intensive support services, veterans, persons with disabilities, formerly incarcerated individuals, etc.).

1212 Huxley Street will include 23 (20.72%) integrated supportive housing units at 30% county median income and rent level.

Twenty Three (23) units at 30% CMI that will have integrated supportive services provided by outside agencies with case management services available.

- 1-4 units formerly incarcerated housing (MUM)
- 5-17 units for Veterans (Anticipated Veterans Medical Center Homeless Program & Dane County Veterans Center)
- 5-8 units for homeless/risk of homeless (Salvation Army)

The supportive services available to the residents at 1212 Huxley Street Apartments will be provided for by the following non-profit agencies: Madison-Area Urban Ministry (MUM), the Salvation Army and Dane County Veterans Center. Future residents that we anticipate receiving supportive services at 1212 Huxley Street are Veterans (Homeless/Nearly Homeless), Homeless/Nearly Homeless Individuals/Families that meet Federal Poverty Guidelines and formerly incarcerated individuals. This doesn't preclude however other supportive agencies interfacing with the residents of 1212 Huxley Street.

9. Please describe your proposed integrated supportive housing approach that will go beyond meeting WHEDA's supportive housing requirements outlined in the Appendix S Checklist of the WHEDA Qualified Allocation Plan targeting

veterans and/or persons with disabilities. Please elaborate on which target populations you plan on serving and what supportive service partnership approach(es) you will use.

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

- 1-4 units formerly incarcerated housing (MUM)
- 5-17 units for Veterans (Anticipated Veterans Medical Center Homeless Program & Dane County Veterans Center)
- 5-8 units for homeless/risk of homeless (Salvation Army)

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

Also, we have created a more flexible tenant screening criteria for our 30% units that also goes above and beyond the WHEDA requirements. (See Section 1.b. Supplemental Information to Application Questions - Tenant Screening Less Restrictive - Criteria B)

10. Identify the partnership(s) with supportive service agencies that have been or will be formed to serve the target population(s) for the supportive housing units, including service provider(s) from the Continuum of Care (see Attachment C), if applicable. Provide a detailed description of the type and level of supportive services (such as assessment and referral, on-site intensive case management, etc.) that will be provided to residents of the proposed project.

Collaborative referral based supportive service partnerships will be established with the Salvation Army, MUM and the Dane County Veterans Service Office.

Service Providers from the Continuum of Care Attachment C are the Salvation Army.

1. Salvation Army. (Weekly On-site intensive case management will be provided for all referrals by the Salvation Army, see support letter, Section 3.a.)

The Salvation Army will refer individuals and families that it provides assistance to under programs called Dane County Assists With New Starts (DAWNS) program and RISE Program. Individuals and families transitioning from homelessness to housing can be offered a rapid rehousing package through the DAWNS and RISE programs. This rapid rehousing package consists of weekly case management sessions, security deposit, and first month's rental assistance for the DAWNS program and up to a years' rental assistance in the RISE program. Additional rental assistance may be granted on an individual case by case basis. Case management support can last up to two years and will be provided at the resident's apartment or Salvation Army offices. The Salvation Army will extend its monetary rental resources and caseworker support under the DAWNS And RISE Programs to individuals/families that it refers to live at 1212 Huxley Street. MSP Real Estate Inc. is reviewing its ability to provide the Salvation Army with a 'case management' office on-site meeting space at 1212 Huxley as well.

2. MUM (referral and extended case management for up to two years, see support letter Section 3.a.) offers referral assistance to members of the general public as well as to formerly incarcerated individuals. The majority of MUM's clients are formerly incarcerated people. MUM's caseworkers can refer clients to 1212 Huxley and/or to sources that may be able to help these individuals secure housing at 1212 Huxley. MUM caseworkers match formerly incarcerated individuals to 'Circles of Support' groups conducted by volunteers who meet weekly with the formerly incarcerated to help with transition from prison to community.

The MUM Circles of Support program matches formerly incarcerated individuals with volunteers in the community who are there to listen, encourage and share what they know about local activities and resources, and to help the formerly incarcerated stay accountable for, and focused on, their goals. Circles provide a safe place where the Core Team Member can be heard, encouraged, and respected while they discuss the challenges they may be experiencing as they transition back into the community. Each Circle is comprised of four or five trained volunteers (Circle Members) who meet regularly (usually for up to a year) with the formerly incarcerated person (the Core Member). The volunteers are able to provide them with alternative solutions to problems and mentoring as they work through the challenges.

MUM's case management services already include a lengthy follow-up period, typically ranging from 6 months to a year and sometimes up to 2 years to fully assist formerly incarcerated individuals transition back into the communities in which they want to live.

3. Dane County Veterans Service Office (Referral): This is the County agency responsible for assisting veterans in accessing benefits and referring them to resources in the community including affordable housing. Therefore MSP Property Management marketing and outreach efforts for veterans will be coordinated with the Dane County Veterans Service Office.

The Dane County Veterans Services Office assists Veterans who may need supportive services and are eligible for veteran specific services to identify where to obtain those services from a range of providers who are primarily funded by the U.S. Department of Veterans Affairs. A Memorandum of Understanding has been provided to the Dane County Veterans Service on June 13, 2019 for signature but MSP Real Estate has not received back at the time of the RFP application deadline. We will continue to follow-up for a MOU signature and do anticipate receiving within the next couple of weeks. MSP Property Management will establish a working relationship with the Dane County Veterans Service office locally and will work with them and their contracted service providers and tenants who are veterans to address any issues that may arise that could affect their success in maintaining their tenancy.

Finally, while there is no formal support letter or MOU with the Veterans Medical Center Homeless program located at 345 W. Washington. We have received feedback from staff at this office that when this project is nearing completion we will meet with staff most likely to refer Veterans to 1212 Huxley Street to provide the information they need about the housing choices available at 1212 Huxley Street for the Veterans they serve with housing issues.

11. In order to ensure the success of the development, the partnership(s), and the tenants, describe the level of financial support that the development will provide annually to the identified supportive service agency/agencies, if applicable. Attach a letter from the service provider(s) detailing the services they intend to provide to residents of the supportive housing units, the cost of those services and how those services will be financially supported (i.e., through the development, fundraising, existing program dollars, etc.).

We are confident that the supportive service partnerships we have arranged for with this development proposal will allow the development to be successful and provide the necessary supportive services for the residents that require it. More specifically, the Salvation Army will provide all case management funding support necessary for those residents referred from their DAWNS and RISE programs. MUM through its own funding sources will provide case management services for the MUM referrals that the development receives. Due to the financial constraints of the operating budget to allow for the required debt service coverage ratios to be achieved supportive service funding support is provided by our supportive service partners.

MSP Real Estate remains in discussions with a non-profit supportive services agency about potential future leasing of targeted commercial space. As indicated in question 10 MSP Real Estate is reviewing its ability to provide the Salvation Army with office space for their on-site case management services at 1212 Huxley Street as well.

12. Identify any sources of non-City provided funding sources contemplated for supportive services.

The majority of MUM's supportive services are funded by Community Donations, other non-City of Madison Grants and the United Way provide the necessary sources of funding support for supportive services provided to potential future residents of 1212 Huxley Street referred by MUM. For the Just Bakery Program, 83% of this program is non-City Funded.

The majority of Salvation Army supportive services are funded by Dane County, United Way, Other govt donations and Fundraising donations. The DAWNS program is funded by Dane County and the RISE program is HUD funded.

Dane County Veterans Service Office funds its Veterans Case Management from the Dane County Operating Budget.

TENANT SELECTION

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

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

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

See Section 1.b. for attached B-1 Tenant Selection Plan Best Practices City of Madison Affordable Housing Initiative and MSP Property Management tenant screening Criteria B.

14. Describe the proposed development's minimum occupancy standards that will prevent or reduce over-housing residents in such limited affordable housing opportunities.

The Tenant Selection Plan for this project (See Section 1.b. Attachment B-1) for this proposal lists the occupancy guidelines. For this project our guidelines will be at least 1 household member per bedroom for non age restricted units in the development. Reasonable accommodations regarding this occupancy standard will be made for people with disabilities based on their needs.

PUBLIC PURPOSE AND RISK

15. Please describe the public purpose of your proposal and the risks associated with the project.

The public purpose of this project is to create new, high quality affordable housing, especially for those individuals at 50% or less of the county median income. Additional public purpose is to provide 30% housing for formerly incarcerated individuals, veterans and their families, homeless and nearly homeless individuals and families which will have greater access to other supportive services because of an affordable place to live. The risks associated with this project relate mainly to the financial structure of the sources of financing, the ability to secure an award of tax credits and pools of soft financing necessary for the project's completion. Timing as well remains a risk as there is a long lead time from concept to fruition in these types of transactions, increases in construction costs due to inflationary pressures or unforeseen increases in the construction budget, rising interest rates and lower tax credit equity pricing are all additional factors that could fluctuate to create a project that is no longer financially feasible.

SITE INFORMATION

16. Address of Proposed Site: 1212 Huxley Street

17. In which of the following areas on the Affordable Housing Targeted Area Map (see Attachment A) is the site proposed located? Please check one.

- Preferred Areas (New Construction Only)
 Eligible Areas (New Construction & Acquisition/Rehabilitation)
 Targeted Rehab Areas (Ineligible for New Construction, but Preferred for acquisition & rehabilitation proposals)

18. Identify the neighborhood in which the site is located: Sherman Neighborhood

19. Date Site Control Secured: 5/15/2019

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

The subject site was chosen for its location to public transportation with the North Metro Bus Station right across the street. Additionally this site is located right next to the Dane County Employment Center, (which includes the Division of Vocational Rehabilitation), and the Feed Kitchen and Dream Bikes (located next to Dane County Employment Center) all have resources/programs to assist individuals in obtaining new job training/skills and employment. MATC (Madison College) campuses located at Truax and Commercial Avenue offered additional job training education that is very close to this site. The Vet Center counseling center is also near this site offering other services for potential future Veteran residents in need of such services.

The subject site was also chosen because it is in a Preferred Area as identified by the City of Madison Affordable Housing Fund RFP and the site in our opinion is a site that has a high degree of success of securing an award of tax credits from WHEDA based on WHEDA tax credit application scoring matrix.

The site is located in the Sherman neighborhood is a convenient walkable, bikeable neighborhood. All the amenities of daily living are within a mile of this location: Lakeview Library, Willy St. Coop North & Pick N Save grocery stores, Banks, Pharmacy, Sunday morning Northside Farmers Market, Mallards Baseball, Warner Park and many popular businesses and restaurants. The Dane County Regional Airport and the interstate are also easy access points from this site. Predominantly single-family and small multi-unit buildings reside in this neighborhood. Sherman Middle School and Shabazz High School are within the neighborhood boundaries and the Madison Area Technical College campus is nearby at 1.4 miles away.

Site zoning and size of site also were considerations to site selection as this site.

According to our review of the market place there has not been any recent Section 42 housing developed within approximately 1 mile of this location since 1999, There is a 88 unit elderly project, called Sherman Glen that was developed in 1999. This site location also assists the City objective to achieve a wider dispersion of affordable rental housing throughout the city.

This site is located in Aldermanic District 12 on the north east side of Madison.

Transit 7 day bus routes at North Madison Metro transfer point located right across street from subject site. The following bus routes are available there: 02, 04, 17, 20, 21, 22, 27, 28, 56 & 57.

Walkscore of 66, Bike Score of 77.

See Section 3.b for the attached maps showing the close up of the site and another map showing where the site is located in context of the City.

21. 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 Heritage Credit Union and Heritage Credit Union corporate offices are located at this site. Heritage Credit Union has already started construction on a new corporate office location in Deforest, WI with plans to close the present office located at 1212 Huxley Street in the Fall, 2020.

Demolition of this building would be expected once all the funding sources for this application have been awarded. Demolition is not expected to occur until after January 2021.

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

Type of Amenities & Services	Name of Facility	Distance from Site (in miles)
Full Service Grocery Store	Pick N Save	.5
	Willy Street Co-op	1.0
Public Elementary School	Emerson Elementary	.9
Public Middle School	Sherman Middle School	.3
Public High School	Shabazz City High School	.3
	East High School	1.1
Job-Training Facility, Community College, or Continuing Education Programs	Dane County Job Center	.1
	DreamBikes	.15
	Feed Bakery Training Program	.2
	MATC - Commercial Avenue	.5
	MATC - Truax Campus	1.4
Childcare	Isthmus Montessori Academy	.4
	Northside Kinder Care	1.1
Public Library	Lakeview Public Library	1
Neighborhood or Community Center	Warner Park Community Center	1.3
	Goodman Community Center	1.4
Full Service Medical Clinic or Hospital	UW Health Family Medical Clinic	1.05
	William T Evjue Clinic	1.5
Pharmacy	Pick N Save Pharmacy	.5
	Walgreens	1.05
	UW Health Pharmacy	1.1
Public Park or Hiking/Biking Trail	Sherman School Playground	.3
	Eken Park	.4
	Firemans Park	.5
	Maple Bluff Beach Park	.6
	Demetral Field	.7
	Warner Park	1
Banking	BMO Harris Bank	.2
	Heritage Credit Union	.5
	Old National Bank	1.05
	Great Midwest Bank	1.05
Retail	Northgate Shopping Center	.1
	Lakewood Plaza Shopping Center	.4
	Sherman Plaza	1
	Madison East Shopping Center	1.05
	Fiore Shopping Center	1.4

Other (list the amenities):	Senior Center Activities located at Warner Park Community Center-NewBridge Senior Center Activities located at Goodman Community Center	1.3 1.4
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24. What is the distance 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 both the weekday and on the weekends (e.g., hourly, ½ hour, commuter hours). List the bus route(s) numbers, seven-day 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 Madison Metro North Transfer Point is located directly across the street from 1212 Huxley Street. The following bus routes stop at the North Transfer Point:

Full weekday, weekend and holiday service: Routes 02, 04, 17, 20, 21, 22

Full weekday service only: Routes 27, 28 & 56

25. Describe the transit options for children to get to their elementary and middle schools.

1212 Huxley Street is .9 miles from Emerson Elementary School and .3 miles from Sherman Middle School.

For transportation to Emerson Elementary, according to Mick Howen, Director of Administrative Services for the Madison Metropolitan School District, elementary aged children would be picked up in front of 1212 Huxley as the Emerson Route Blue Route travels on Huxley now. The bus based on current numbers could accommodate an additional 37 children in the morning and 27 in the afternoon.

Middle school age kids are not eligible for District provided, yellow bus transportation and bus service would be provided by the Madison Metro Transit (bus) service. A review of the Madison Metro Route schedule for Sherman Middle School shows bus route 22 drops off on N. Sherman in two locations within several hundred feet of school grounds and would return to the North Transfer Bus station just across the street from 1212 Huxley Street.

As well Sherman School is only .3 miles away with the only main traffic street to cross being Aberg Ave.

26. 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.

1212 Huxley Street residents will reside right across the street from the North Transfer Point which offers extensive Madison Metro Bus full day, weekend and holiday service that can connect the residents to all other areas of the City of Madison. Bus routes 02, 04, 17, 20 21, 22 offer full weekday and weekend service. Bus routes 27, 28, & 56 offer full weekday service only.

The site scored a 77 bike score which is classified as "Very Bikeable" on walkscore.com. The site also scored a 66 walk score which is labeled as "Somewhat Walkable" and most errands can be accomplished on foot. Pick N Save Grocery, Pick N Save Pharmacy, BMO Bank, Small variety of restaurants are within a 1/2 mile of the site.

Warner Park Community Center located 1.3 miles north of the site, is a multi-purpose, state of the art public facility for community activities including recreational, educational and cultural programs and events. The facility includes a gymnasium, fully equipped exercise room, game room and dry and wet craft rooms. Madison School Community Recreation (MSCR) provides various classes and programs and the North/Eastside Senior Coalition provides a nutrition site with other programs and events for seniors there as well.

Lakeview Library is 1.0 miles from the site but would be an easy bike or bus ride commute up N. Sherman Ave.

Also located right next to the site to the west is the Dane County Employment Center & Division of Vocational Rehabilitation that provides job seekers access to posted jobs, professional development workshops and training, resume and interviewing skills assistance and provides employers monthly hiring events at the job center to seek out new employees for their businesses.

The Feed Kitchen and Dream Bikes are also programs located next to the Dane County Employment Center that offer additional job training at little or no costs for qualified individuals.

The project will also be providing underground and surface parking, but with this location the residents will have a choice of which method they prefer to get around the City of Madison and won't have to rely on a vehicle for a majority of their daily errands if they so choose.

27. Describe the impact this housing will have on the schools in this area. Please include information on school enrollment data (e.g. at capacity, above capacity, below capacity); how this housing development will impact the schools' enrollment; and approximately how many elementary and middle school children are projected to live at the proposed housing development based on your proposed unit mix and previous housing experience. CDD recommends contacting Kristian Chavira at the Madison Metropolitan School District for information on potential impact to public schools at (608) 442-2920. Existing school capacity information can also be found at https://accountability.madison.k12.wi.us/files/accountability/uploads/enrollment_reports_combined_fall_2018.pdf.

In an email we received from Kristian Chavira on 6/26/2019 we received the following data response:

According to MSP Real Estate, the affordable housing development at 1212 Huxley St will consist of:

61 unit "Senior's" building: One resident of unit must be at least 55 years old

The unit mix of the of the "Senior's" building will be 37 one-bedroom units and 24 two-bedroom units.

50 unit multi-family building

The unit mix of the multi-family building will be 19 one-bedroom units, 15 two-bedroom, and 16 three-bedroom units.

According to the 2018-2038 Student Enrollment Projections Update report, prepared by Vandewalle & Associates for MMSD, large multi-family buildings (3-8 stories) will generate between 0.025 and 0.036 MMSD students per a unit. Across the 111 units at this proposed development, we would expect to see 3 to 4 students according to these generation rates.

This projection for the number of students may be conservative since it is based on all recently constructed 3-8 story multi-family buildings in MMSD's attendance area. It is important to note that children of school-age (4-18) typically do not live in 1-bedroom units and we are unable to confidently estimate how likely it will be for students to live in the "Senior's" building.

The 1212 Huxley St development is in the Emerson ES, Sherman MS, and East HS attendance areas. The percents of school capacity used as of the Fall 2018 Enrollment reports for these schools were 92% at Emerson, 50% at Sherman, and 60% at East.

Since the number of projected students due to the proposed buildings is so small, 3 to 4 students, this development is not projected to have a substantive impact on the percent of capacity available at these schools.

28. 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.

Subject site is currently home to Heritage Credit Union (formerly Oscar Mayer Credit Union). We believe the current building has been on the site since the late 70s or early 80s. A Phase I has not yet been completed. We are not aware of any existing conditions of environmental significance and do not anticipate discovering any based on the current use and the fact that an environmental assessment was likely completed prior to the construction of the current building.

29. Current zoning of the site: CC-T

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

Zoned - CC-T - Commercial Corridor Transitional District. Zoning allows as a conditional use a multifamily building complex.

31. Describe the proposed project's consistency with adopted planning documents, including the City of Madison Comprehensive Plan (both adopted and draft of the Comprehensive Plan update), the Neighborhood Plan(s), the Generalized Future Land Use Map, and any other relevant plans. An interactive version of the Generalized Future Land Use Map can be found at <https://cityofmadison.maps.arcgis.com/apps/webappviewer/index.html?id=71c4ec1397554f2ab702f2c6c377bb3a>.

The New City of Madison Comprehensive Plan (updated from 2006) with revisions through Imagine Madison was approved by the Common Council on August 7, 2018. Within this new plan it continues to emphasize a need for housing for affordable to low and moderate income households. As indicated in the Neighborhoods and Housing section of the Comprehensive Plan were the following goals:

Goal: Madison will be a safe and welcoming city of strong and complete neighborhoods that meet the needs of all residents.

Goal: Madison will have a full range of quality and affordable housing opportunities throughout the City.

From the Oscar Mayer Area Strategic Assessment Report Nov 12, 2018:

While the City of Madison has experienced a growth of 21% since 2000, the Northside has a decreased by 1%. Overall, people residing in this area are slightly older than citywide with slightly higher number of school-aged population. Northside residents have an income of \$10,000 less than citywide. As the housing values continue to change, these residents will be spending more than 30% of their income on shelter causing them to become housing-cost burdened.

Our development contemplates two buildings, one senior, one family, to assist in addressing the housing needs of this Northside neighborhood, to allow seniors becoming house burdened to stay in the neighborhood and allow families with children more affordable housing choices in this neighborhood.

Also from the Oscar Mayer Strategic Assessment Report were the following strategies and objectives for this area:

Strategy 4 Integrate lower priced housing, including subsidized housing, into complete neighborhoods.

Affordable housing should be distributed throughout the city and within areas that have access to transit, City services, and amenities for daily living. New lower cost and subsidized housing should be located in areas that already have a high level of resources and amenities available at a range of income levels. Achieved by placing new affordable housing in an area that has not had new affordable housing in 20 years. Location affords easy access links to daily living needs and services.

Strategy 5 Provide housing options with health and social services for residents who need it most, including residents experiencing homelessness. Achieved by partnerships with supportive service providers in the community.

Objectives:

2. Maintain housing affordability and minimize displacement. "Affordable housing" refers to housing that is affordable to a wide range of households spending less than 30% of their income on housing. Achieved by providing 23 – 30% units. Additional 50% and 60% CMI units are also offered see unit mix table.
5. Integrate a welcoming district that serves all ages and diverse cultures. (Achieved through our Affirmative Fair Housing marketing plan)
8. Deploy sustainable technologies, improve stormwater, and preserve environmental assets. Achieved through green building techniques and rooftop solar array.
9. Identify and implement strategies to prevent displacement of long-term renters and homeowners whose housing costs threaten to displace them. This new housing choice will allow current residents another choice to stay in the area.
10. Proactively utilize city financial resources and statutory powers to optimize tax base growth and achieve the vision. Achieved by increasing value of the site with new construction multifamily development when completed.

Recommendations from the Oscar Mayer Assessment Report:

Assess the current state of affordable housing in the study area and identify opportunities to create additional affordable units.

As contemplated in both the Northport Warner Park Sherman Neighborhood Plan (2009) and the Oscar Mayer Strategic Assessment Report 2018, Concept Plans A & B Mixed Use Development while not specific in their contemplation of housing at this site do provide the context for full consideration of multifamily housing at this site given the present overlay of zoning designation of CC-T. And contiguous sites within the Concept plans were targeting housing at this location.

A highlighted strategy/objective in the Comprehensive plan, the Neighborhood Plan and the Oscar Mayer Strategic Plan is to create complete neighborhoods across the city by supporting development of a wider mix of housing types, sizes and costs as well as to provide housing options with social services for residents who need it most, including residents experiencing homelessness. Our development is consistent with these objectives (providing 1, 2 & 3 bedroom units for senior and families) and will provide housing that serves moderate to the lowest income individuals and families, as well as social services for residents who need it most, including veterans and residents formerly experiencing homelessness by our partnerships with existing housing supportive service providers in the community.

Additionally, incorporated into the construction of this development are green building enhancements and a rooftop Solar Array to assist with meeting city objectives regarding renewable energy and green building techniques.

Finally, through the use of City and Federal funding this development seeks to leverage and deploy these redevelopment tools to densify the area, and significantly increase its tax base meeting another objective of the Oscar Mayer Strategic Assessment Report .

33. What is the anticipated date of your presentation to the City's Development Assistance Team (DAT)? If you have already presented to DAT, please provide the date of your presentation and summarize the comments to your proposal from staff.

Presentation at 9:30 am on June 27th, 2019. Feedback from that meeting not available for submission of this application.

34. List the date of your pre-application meeting with City of Madison Planning Division staff and briefly summarize the comments provided by Planning staff during that meeting.

MSP's development team met with Kevin Firchow on May 28th, 2019. Kevin was generally supportive of the project and after consultation with other staff indicated that the proposed project has plan consistency. Kevin did encourage additional attention to buffering from the parcel to the south as well as consideration for the north transfer point across the street, which we have since worked to enhance.

35. Describe the response of the alderperson in which the proposal is located, as well as the adjacent alderperson(s), if applicable. What issues or concerns with the project did s/he identify, if any? How will those be addressed?

Mark Hammond met with District 12 Alder Syed Abbas on 5/23/2019. Alder Abbas was supportive of the project but requested that we look into incorporating sustainable and energy efficiency features into the project. We have since provided Alder Abbas with additional details with respect to our intended sustainability and energy efficiency features of the project. Alder Abbas also indicated that he was aware of many seniors in his district that were house burdened and in need of more affordable housing options and requested that we find ways to adapt the project to help address these needs to the extent feasible. We have worked with our architect to include an age-restricted component to the project. Alder Abbas also requested that we work closely with the neighborhood association and has already helped facilitate that process.

36. Describe the neighborhood input process, including notification to and input from the nearby Neighborhood Association(s), already underway and planned. What issues or concerns with the project has been identified, if any? How will those be addressed?

This site is part of the Sherman Neighborhood Association. Based on discussions with Alder Abbas he indicated the next neighborhood meeting would be July 1, 2019. Alder Abbas will introduce MSP Staff at that meeting for an informational presentation about the proposed plans at this site.

37. Describe your affirmative marketing strategy and any other strategies to engage your intended population. Specifically outline how you will embrace the City of Madison's Affirmative Marketing Plan Best Practices (Attachment B-2 of the RFP).

MSP Property Management will follow the Affirmative Marketing Plan as outlined in the RFP response, see Section 1.b. for the Affirmative Fair Housing Marketing Plan (AFHMP) Multifamily Housing (HUD Form 92243-PRA). This plan aligns with the City of Madison Affordable Housing Affirmative Marketing Plan best practices.

38. How will you affirmatively market to populations that will be identified as least likely to apply. Please reference successful past practices, relationships with agencies and/or marketing materials used.

See Section 1.b. of our Affirmative Fair Housing Marketing Plan (AFHMP). Marketing practices to those 'least likely' identified groups in our AFHMP includes direct face to face contact with Property Manager stopping in at known office locations and discussing the project and providing flyers for the property. Other outreach will include phone and email contacting as well during lease-up and ongoing marketing of vacant units.

SITE AMENITIES

39. Describe the exterior and common area amenities that will be available to tenants and guests, including parking (and cost, if any).

1212 Huxley Street exterior amenities will include private balconies and patios for each unit and a playground. Common area amenities will include a community room for tenants and guests that will feature a full kitchen along with a Flat screen TV. There will also be an on-site manager that will have a leasing office to assist residents at the property. There will be underground parking that will cost an additional \$25/space and free surface parking.

40. Describe the interior apartment amenities, including plans for internet service (and cost, if any) and a non-smoking environment.

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

PROPOSAL TIMELINE

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

Activity/Benchmark	Estimated Month/Year of Completion
Draft Site Plan Ready to Submit to Dev. Assistance Team (DAT) [<i>Target/Actual Month/Date</i>]	6/2019
1 st Development Assistance Team/ Meeting (Due by 7/18/19) [<i>Target/Actual Month/Date</i>]	6/2019
1 st Neighborhood Meeting (Due by 8/9/19) [<i>Target Month/Date</i>]	7/1/2019
Submission of Land Use Application (Zoning Map Amendments Due by 9/25/19)	9/2019
Submission of Land Use Application (Permissively Zoned Due by 10/9/19)	9/2019
Plan Commission Consideration (If Rezoning, Due by 11/25/19 for 12/3/19 Common Council)	10/2019
Urban Design Commission Consideration, if applicable [<i>Target Month/Date</i>]	11/2019
Application to WHEDA	12/2019
Complete Equity & Debt Financing	12/2020
Acquisition/Real Estate Closing	3/2021
Rehab or New Construction Bid Publishing	2/2021
New Construction/Rehab Start	3/2021
Begin Lease-Up/Marketing	2/2022
New Construction/Rehab Completion	6/2022
Certificates(s) of Occupancy Obtained	6/2022
Complete Lease-Up	12/2022
Request Final AHF Draw	5/2021

DEVELOPMENT TEAM

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

Contact Person	Company	Role in Development	E-mail	Phone
Jerry Bourquin	Dimension IV-Madison	Architect	jbourquin@dimensionivmadison.com	608.829.4452
Katie Rist	Foley & Lardner	Attorney	KRist@foley.com	608.258.4317
Brian Martin	MSP Property Management	Property Management	bmartin@msphousing.com	608.831.7004
Glen Weyenburg	SVA	Consultant/Accountant	WeyenbergG@sva.com	608.826.2005
Ben Shearer	MSP Construction Inc.	General Contractor	bshearer@msphousing.com	414.208.8745
Mark Hammond	MSP Real Estate Inc.	VP of Development	mhammond@msphousing.com	612.868.9997
Linda Ketchum	MUM	Supportive Services Partner	linda@emum.org	608.256.0906

Melissa Sorensen	Salvation Army	Supportive Services Partner	Melissa_Sorensen@usc.salvationarmy.org	608.250.2237

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

Company	Role in Development	# or % Employees who are Women	# or % Employees who are Persons of Color
MSP Real Estate	Developer	44%	9%
MSP Construction	General Contractor	44%	9%
MSP Property Management	Property Manager	44%	9%
Dimension IV	Architect	40%	0%
MUM Salvation Army	Service Provider	63% 83%	50% 18%

DEVELOPMENT TEAM EXPERIENCE AND CAPACITY

Please describe the development team's experience in obtaining and successfully implementing LIHTC developments in accordance with the Additional Application Materials Section 2.4, Item 2 of the RFP.

REFERENCES

45. Please list at least three references who can speak to your work on similar developments completed by your team.

Name	Relationship	Email Address	Phone
Brian Fisher	Banking	BrianF@starionbank.com	608.224.5546
Kevin Kilbane	Tax Credit Equity	Kevin.Kilbane@RaymondJames.com	216.509.1342
Abby Attoun-Tucker	Community Development	aattoun@ci.middleton.wi.us	608.821.8343

HOUSING INFORMATION & UNIT MIX

46. 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:		1212 Huxley Street Senior (55+) Building					Projected Monthly Unit Rents, Including Utilities					
% of County Median Income (CMI)	Total # of units	# of Bedrooms					\$ Rent for Studios	\$ Rent for 1 BRs	\$ Rent for 2 BRs	\$ Rent for 3 BRs	\$ Rent for 4+ BRs	
		# of Studios	# of 1 BRs	# of 2 BRs	# of 3 BRs	# of 4+ BRs						
≤30%	10	0	6	4	0	0		565	678			
40%	0	0	0	0	0	0						
50%	19	0	17	2	0	0		941	1130			
60%	22	0	13	9	0	0		1038	1162			
LIHTC Sub-total	51	0	36	15	0	0						
Market*	10	0	1	9	0	0		1075	1350			
Total Units	61	0	37	24	0	0	Notes:Utility Allowance, \$49 - 1 bdrm, \$62 - 2 bdrm					

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

ADDRESS #2:		1212 Huxley Street Family Building					Projected Monthly Unit Rents, Including Utilities					
% of County Median Income (CMI)	Total # of units	# of Bedrooms					\$ Rent for Studios	\$ Rent for 1 BRs	\$ Rent for 2 BRs	\$ Rent for 3 BRs	\$ Rent for 4+ BRs	
		# of Studios	# of 1 BRs	# of 2 BRs	# of 3 BRs	# of 4+ BRs						
≤30%	13	0	6	4	3	0		565	678	783		
40%	0	0	0	0	0	0						
50%	24	0	9	2	13	0		941	1130	1305		
60%	6	0	3	3	0	0		1050	1199			
LIHTC Sub-total	43	0	18	9	16	0						
Market*	7	0	1	6	0	0		1075	1350			
Total Units	50	0	19	15	16	0	Notes:Utility Allowance, \$83 - 1 bdrm, \$99 - 2 bdrm, \$115 - 3 bdrm. Higher utility allowance than elderly building because tenants will be paying heat as well.					

*40% = 31-40% CMI; 50% = 41-50% CMI; 60% = 51-60% CMI; Market = >61% 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 you will be portraying on your LIHTC application to WHEDA that 8 PBV units will be 50% CMI units, please include those on the "50%" row in the below table(s)). The City of Madison will enforce this income designation in your AHF Loan Agreement, if your proposal is awarded funds. Include a comment in the Notes, e.g., Eight (8) 50% CMI units will have PBVs.

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

48. Describe the number and percent of accessible units proposed for each of level of accessibility. For rehab, describe the accessibility modifications that will be incorporated into the existing housing.

The project will have the number of units that provide a level of accessibility to ensure maximum point allocation from WHEDA under their Universal Design Criteria. Specifically the common area and the units will provide the following levels of accessibility features:

Common Area Features:

- 1) Automatic Door Openers
- 2) Accessible Signage
- 3) Accessible Public Bathroom

Unit Features. Minimum of 20% of the Units, (23 units) unless otherwise indicated

- 1) Provide a circular or T-shaped turning space per Section 304 in kitchen(s) and accessible floor level bathroom(s) . Turning space shall be outside the door swing in bathrooms unless a 30" x 48" clear floor space is provided within the room beyond the arc of the door swing per Section 603.2.3 Exception 2. Sinks/vanities shall meet the requirements of Section 1003.12.4 including a height of 34" maximum above the floor with a clear floor space for forward approach.
 - 2) Provide standard roll-in type shower compartment per Section 608.2.2. A two inch (2") maximum raised curb is acceptable. Minimum 5% of total development units. (6 units)
 - 3) On accessible floor levels, all closet doors shall have a clear floor space of 30" x 48" minimum to allow either forward or parallel approach by wheelchair. Doors to closets that are more than 18" in depth shall provide at least 32" nominal clear opening.
 - 4) Bottom edge of mirror at all accessible floor level bathroom sink/vanities to be 40" maximum above the floor. If medicine cabinet is provided in addition to a mirror, then bottom edge shelf on the cabinet to be 44" maximum above the floor.
 - 5) All interior doors intended for user passage shall comply with Section 1003.5, which includes maneuvering clearances, thresholds, clear width, level hardware, etc.
 - 6) Garbage disposal switch, range hood controls, and electrical receptacles shall meet the requirements of Section 309. At each section of countertop uninterrupted by a sink or appliance; as long as one accessible electrical receptacle is provided then other non- accessible receptacles may also be provided
 - 7) Provide minimum one accessible work surface that meets all requirements of Section 1003.12.3 including top of counter at 34" above the floor , minimum 30" wide, and a clear floor space for forward approach.
 - 8) Entrance doors to the unit shall comply with Section 404 including delayed action closers, maneuvering clearances, low profile threshold, etc. A screen door or storm door may be added in addition to the entrance door with installation method to allow for management to remove screen door or storm door at tenant request.
 - 9) Where operable windows are provided, provide at least one window in each sleeping, living, and dining space complying with all of Section 309 including the following : are easily grasped with one hand without tight grasping, pinching, or twisting of the wrist; and are located no more than 48" above the floor . Provide 30" x 48" clear floor space for forward or parallel approach centered on the window. Minimum 10% of total development units. (12 units)
 - 10) Carpet shall have 1/2" maximum pile and meet all requirements of Section 302.2
 - 11) All unit light switches shall be Rocker type light switches.
- See Section 1b. for additional supplemental information on other accessibility features.

49. Please describe the sustainable, energy efficient, and/or green building design techniques and standards that will be incorporated into the proposed project (including, but not limited to, renewable ready, EV-ready, PV solar panels, tree planting, green roofs, reuse/repurposing of graywater, solar hot water, ground- or air sourced heat pumps, heat recovery ventilators, etc.). Identify any energy industry standards that will be achieved. Please describe how the housing project will contribute to the City's goal of 100% renewable energy and zero-net carbon emissions (originally adopted March 21, 2017). For more information, see [100% Renewable Madison Report](#).

This project will be certified as "Green Built" according to the Wisconsin Green Built Home standards to score the maximum point criteria under WHEDA Scoring Category 2 - Energy Efficiency and Sustainability.

This project will be built to score greater than 150 points through the Wisconsin Green Built Homes Checklist.

Some of the green features this project will feature is all appliances to be energy star rated, windows featuring a U-Value less than or equal to 0.35, high efficiency boilers (92% or higher) and furnaces (95% or higher), high efficiency air conditioner (14 Seer or higher A/C system), energy star light fixtures, kitchen/bathroom faucets with GPM less than code or install of low-flow aerators and dual flush or ultra low flow toilet with GPF less than code or Watersense labeled. These efficiencies will give the residents savings on their gas and electricity bills along with a significant savings to the project for common area utilities including water/sewer, gas and electricity.

An array of PV solar panels will be installed on the roof(s) at 1212 Huxley Street. Minimum expected energy generation sizing will be in a range between 50kW and 100kW systems. Ultimate sizing will be based on end costs and payback considerations yet to be determined by other potential grants not yet awarded, but minimum sizing is expected to be a 50kW Solar array.

We will also install 3 EV ready plug in stalls in the underground parking area.

Incorporating Solar Array into construction on this development will extend the City's goal of reducing electrical energy generation needs via fossil fuels by using renewable energy source - Solar. This will also help to offset the carbon emissions of this development another City goal. Also, promotes awareness another City Goal by using Affordable Housing Funds to promote renewable energy construction thereby further publicizing the City's commitment to move to a net zero carbon emisissions goal.

50. Estimate the resulting monthly, annual or life of project cost savings for the project and for tenants as a result of the implemented methods above.

Based on information received from Barb Olson at Focus on Energy, a typical range of savings for electrical usage is 12% to 25% annually and savings on gas usage can be 30% to 40% annually for projects that include Focus on Energy recommendations for energy efficiency upgrades to their buildings with annual energy costs savings (Gas & Electric Combined) in ranges from \$25,000 up to approximately \$50,000 dependent on the level of energy efficiency improvements installed at time of construction. (Broad estimate only)

According to SunVest Solar a 50kW-DC Solar Array will save an estimated \$302,000 in energy costs over a period of 30 years. A 100 kW-DC Solar array will save an estimated \$608,000 in energy costs over a period of 30 years.

51. Focus on Energy's (FOE) Design Assistance Program provides no-cost design consultation and assistance, including renewable energy analysis, e.g., solar readiness, and searches for incentives and/or rebates to fund the cost difference of the proposed building energy improvements. FOE compensates developers for the staff time dedicated to this process. Contact Barb Ohlsen, AIA, at (608) 709-1396 to discuss program details.

Would you be willing to apply for a renewable energy analysis and incorporate its recommendations where financially feasible? Yes No

52. 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.

Not applicable.

53. Real Estate Project Data Summary

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:	1212 Huxley Street								
	0	111	1	1	0	23	NA	NA	1,500,000
Address:	Enter Address 2								

# 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: Enter Address 3								

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

Heritage Credit Union and Heritage Credit Corporate Offices are located here. However there is no displacement as Heritage Credit Union is building a new corporate headquarters in Deforest, WI with plans to be moving to the new corporate headquarters no later than December 31, 2020

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 2.4, Item 2 of the RFP.
- 3.a. Letter(s) from Supportive Service Provider(s) detailing what services are necessary to be adequate for the number of supportive housing units and target population as well as what level of services they intend to provide.
- 3.b. A detailed map of the site and a second map showing the site in the context of the City.
- 3.c. A preliminary site plan and drawings, if available.
- 3.d. A Capital Needs Assessment report of the subject property, if the proposal is for a rehabilitation project and if the report is available at the time of application.

NOTE: If a preliminary site plan is not available at the time of application, submittal will be required for DAT by mid-July. If the Capital Needs Assessment is not available at the time of application for a rehab project, submittal will be required by August 30, 2019.

b. Supplemental Information to Application Questions

Attachment B-1 Tenant Selection Plan Best Practices – Support for Question 13 of the Application

RESIDENT SELECTION PLAN – FAMILY & ELDERLY

This property is an apartment community for low-to-moderate income families and families in which one member of the household is age 55+. This property subscribes to the following procedures for qualifying applicants for occupancy in this rental development.

Additional restrictions may apply dependent on financing.

Equal Housing Opportunity

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

THIS IS AN EQUAL HOUSING OPPORTUNITY COMMUNITY

Age and Occupancy Standards

Occupancy standards for this development are no more than 2 people per bedroom. Exceptions may be made on non-senior properties for minors under the age of 2 years old. Minimum occupancy standard is that each unit will be occupied by a minimum of one person per bedroom at the time of occupancy for non-age restricted units. Age restrictions apply for 'senior' designated building so that at least one member of the household is age 55 or older.

Income Requirements

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

Resident Selection Procedures

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

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

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

Occupancy Preferences

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

- A. Preference will be given on a first come first serve basis for all units. The appropriate earnest money deposit and application fee (if applicable) must accompany each rental applications in order to be processed. Apartments will not be held for more than 48 hours without the application and earnest money deposit. If the application is accepted, the earnest money will be put toward the security deposit balance. If the application is rejected, the earnest money will be returned to the applicant within 21 days of the rejection notification. The application fee (if applicable) is non-refundable 48 hours after the application and fee are submitted to management for processing. This fee is used by management to cover costs of processing applications and running credit and criminal history reports, etc.
- B. In accordance with Section 504 of the Rehabilitation Act of 1973, accessible units are allocated using a special priority approach. When accessible units become available, the housing provider will offer the units in the following order:
1. To current residents who would benefit from the available unit's accessibility features, but whose current unit does not have such features.
 2. To eligible and qualified households on the waiting list with disabilities who would benefit from the available unit's accessibility features.
 3. To other eligible and qualified households on the waiting list (i.e., without disabilities) who may desire the unit, however management may require the household to agree, in writing, to transfer to a non-accessible unit at the owner's request. The request will only be made if an accessible unit is not available to a person who requires the unit's features.

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

Unit-Transfers

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

Rental Application

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

Selection Criteria/Certification Process

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

A. **Insufficient/Inaccurate Information on Application.**

If management determines that the applicant has not fully cooperated in all aspects of the application process, or if it is determined that the applicant has falsified information, it is cause for immediate rejection of the application.

B. **Credit and Financial Standing**

1. Management will consider whether all applicants have a satisfactory history of meeting financial obligations, (including timely payment of rent, outstanding judgments or a history of late payments of bills). If management rejects an application based upon the credit report, the applicant will be provided with the name of the credit-reporting agency that performed the credit check. Management will not disclose the specifics of any information reported by the credit bureau. Applicants will be given the opportunity to correct or clear the adverse credit.
2. The inability to verify credit references is a factor for rejection of an application. Consideration will be given to special circumstances in which credit has not been established.

C. **History of Residency**

Management will consider whether the applicant or any other person who will be living in the unit, has a history of physical violence to persons or property, or has exhibited living habits at prior residences that could adversely affect the health, safety, and quiet enjoyment of other residents at the rental community. Management will consider all circumstance regarding this type of activity as well as the period during which it occurred. An Applicant may not be denied admission on the basis that that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission as stated under the **Compliance with the Violence Against Women Act (VAWA)**.

D. **Other Reasons for Rejection (unless prohibited by local, state or federal law) include, but are not limited to:**

1. A household member's conviction record (see Attachment B): (Management will take into account evidence that the individual has maintained a good tenant history and/or after the criminal conduct occurred. Management will not reject applicants solely based on arrest records (without conviction)).
2. Anyone who will live in the apartment who is currently engaged in the use of illegal drugs. (Management will not discriminate against qualified applicants who are former drug users or who have undergone drug or chemical sensitivity treatment. (see Attachment B));
3. Rent delinquency;
4. False, inaccurate or missmg information on the rental application and other related documentation;
5. Refusal to accept the lease provisions (rules and regulations, occupancy standards, amount of rent, the unit must be the primary place of residency, etc.) or the Program requirements.

Pet Policy

Pets may be permitted at this development. Refer to pet lease addendum for pet requirements (breed restrictions may apply). Preapproval by management is required and pet lease will be executed between the household and the owner. Service animals as defined in Section 504 of the Rehabilitation Act of 1973, 42 USC Part 12100 (1990) and the Fair Housing Amendments Act, 42 USC Sect. 3604 (1988) and 24 CFR Sect. 100.204 (1989), are permitted. Service animals include "any guide dog, signal dog, or

other animal individually trained to provide assistance to an individual with a disability." Confirmation of the need for a specific service animal may be required from a medical professional. (*A companion animal for a person with an emotional disability is also considered a "service animal." This type of service animal requires verification from a medical professional that the individual meets the definition of "disabled," and that there is a need for a specific companion animal.*)

Application Approvals

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

Application Rejections

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

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

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

Screening Criteria

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

Applicants will not be denied solely due to:

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

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

Attachment A: Current Income Limits

Family Size	1	2	3	4	5	6	7	8
Dane 30%	21,090	24,120	27,120	30,120	32,550	34,950	37,950	39,780
Dane 50%	35,150	40,200	45,200	50,200	54,250	58,250	62,250	66,300
Dane 60%	42,180	48,240	54,240	60,240	65,100	69,900	74,700	79,560

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

Attachment B

SCREENING CRITERIA & RELEASE FORM

CREDIT REPORT SCREENING:

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

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

FALSIFICATION OF INFORMATION:

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

CRIMINAL CONVICTIONS/CURRENT DRUG USE:

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

SIGNATURE CLAUSE:

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

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

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



Tenant Selection – Criteria B – for Question 13 of Application

Income

Test Monthly Income > 2 Times Rental Amount

If No, other considerations:

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

Prior Tenant History

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

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

- Co-signor
- Written payment plan with landlord owed money and proof of 1st payment made

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

Landlord References

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

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

Criminal Background Check

Test – Deny for violent felony convictions within the last 99 years but allow for appeals and consideration for extenuating circumstances

Test – Deny for non-violent felony convictions within the last 99 years but allow for appeals and consideration for extenuating circumstances

Test – Use in-house Yardi criteria for misdemeanor convictions that require a 7 year lookback.

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

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

Attachment B-2 Affirmative Marketing Plan Best Practices – Support for Question 37 & 38 of the Application

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

Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

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

OMB Approval No. 2502-0608
(exp.04/30/2020)

1a. Grantee Name & Address (including City, County, State, Zip Code, Telephone No. & email address)

MSP Property Management
1295 Northland Drive, Suite 270
Mendota Heights, MN 55120

1b. Rental Assistance Contract Number

1c. No. of Units

111

1d. Entity Responsible for conducting Outreach and Referral (check all that apply)

Grantee Service Provider Other (specify)

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

Project Name: Oscar Apartments
Project Address: 1212 Huxley Street, Madison, WI 53704
Contact: Brian Martin
Telephone #: 608-359-9493
Email: bmartin@msphousing.com

1e. If the outreach is performed by any other entity other than the Grantee, explain how the Grantee will monitor their activities to ensure compliance with affirmative fair housing outreach requirements. Enter "N/A" in the field below if not applicable.

N/A

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

Brian Martin of MSP Property Management is the contact for approval and other correspondences.
Address: 1295 Northland Drive, Suite 270, Mendota Heights, MN 55120
Telephone #: 608-359-9493
Email: bmartin@msphousing.com

2a. Affirmative Fair Housing Marketing Plan

Plan Type

Date of the First Approved AFHMP:

Reason(s) for current update:

2b. Outreach Start Date

Grantees should not begin accepting applications prior to conducting the marketing and outreach activities identified in the approved AFHMP.

Date Outreach will begin (xx/xx/xxxx)

Date Grantee will begin accepting applications (xx/xx/xxxx)

Note: Only Fiscal Year 12 Demonstration Grantees are permitted to accept applications prior to conducting marketing and outreach activities identified in the approved AFHMP.

3a. Target Areas (check one): **Statewide** **Other (specify)**

The housing market target area will be Madison, WI. The expanded housing market target area will be Dane County.

3b. Target Population(s)

The target population for the Oscar Apartments will be senior residents that is restricted to households where one member is at least age 55 or older. The target population for the other 50 unit building will be for individuals and families of all ages as there are no restrictions as this is a multi-family building.

3c. Is all or some of the Target Population(s) covered by a Settlement Agreement? No Yes

3d. Demographics of Target Population(s)

(check all that apply)

White American Indian or Alaska Native Asian Black or African American

Native Hawaiian or Other Pacific Islander Hispanic or Latino

Families with Children (under age 18) Other ethnic group, religion, sex, etc. (specify)

3e. Data Source(s) used to obtain the demographic characteristics.

The data sources used to obtain demographic characteristics for the housing market area (Madison) was Census Viewer. For the expanded housing market area (Dane County), MSP used United States Census Bureau.

4a. Identify the demographic group in the target population(s) that are least likely to apply.

The demographic groups in the target population least likely to apply are Asian, Hispanic or Latino, Black or African American, American Indian, and Native Hawaiian. All these demographic populations are below 6% of the population for the expanded housing market area (Dane County).

4b. For each demographic group in the target population(s) that are least likely to apply, provide a description of how the program will be marketed to eligible individuals in the target population(s).

For the target populations least likely to apply, MSP Property Management will reach out to community contacts when it begins its marketing outreach. For the Hispanic or Latino demographic, MSP will reach out to the Centro Hispano of Dane County where they provide a range of programs that support Dane County's Latino population. For the Asian demographic, MSP will reach out to United Asian Services where they provide a range of services to Asians in the Madison/Dane County area. For the African American demographic, MSP will reach out to Urban League of Greater Madison. For the American Indian or Alaska Native and Native Hawaiian or Other Pacific Islander demographic, MSP will contact Kids Forward and Native American Center for Health Professions where they will forward marketing materials to any clients they have for Oscar Apartments. MSP will also reach out to United Way of Dane County and will be in contact with any potential residents who are interested in applying for these apartments as they become available. Also, the Aging and Disability Resource Center of Dane County will be able to refer MSP to any residents of these demographics. MSP has an MOU with Dane County Veterans Service Center to refer veterans to the Oscar Apartments. The Dane County Veterans Service Center will provide supportive services specifically for veterans. We will also have postings in the local newspapers, craigslist, apartments.com, and targeted mailing to seniors and households in our identified third party market study area. MSP will send an email of all marketing materials to all the organization contacts mentioned in the beginning of 2022 prior to lease up so these organizations have an ample amount of time to notify prospective residents of MSP's Oscar Apartment project.

5a. Fair Housing Poster

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

Rental Office Grantee Office Model Unit Other (specify)

5b. Affirmative Fair Housing Marketing Plan

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

Rental Office Grantee Office Model Unit Other (specify)

5c. Project Owner Compliance to display Fair Housing Poster and the AFHMP

Explain how you will ensure that every project owner will prominently display the Fair Housing Poster and AFHMP.

MSP Property Management will ensure the project will display the fair housing project and AFHMP as each full time employee of MSP Property Management is required to participate in Fair Housing training annually. MSP Property Management will be the managing agent of the Oscar Apartments so they will be on site daily to ensure the poster and AFHMP is on display.

6. Evaluation of Marketing Activities

Explain the evaluation process you will use to determine whether your outreach activities have been successful in attracting individuals in the target population(s) who are least likely to apply, including who will be responsible for conducting this evaluation, when this evaluation will be conducted and how the results of this evaluation will inform future marketing activities.

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

7. Additional Considerations. Is there anything else you would like to tell us about your AFHMP to help ensure that your program is marketed to eligible persons in the target population(s) who are least likely to apply for the program? Please attach additional sheets, as needed.

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

8. Review and Update

By signing this form, the grantee agrees to implement its AFHMP, and to review and update its AFHMP in accordance with the instructions to item 8 of this form in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). The Grantee also certifies that training will be provided to staff/entities that provide outreach to target population(s) for the purpose of enrollment in the 811 PRA program. Training will consist of affirmative fair housing outreach requirements and the Fair Housing Act, Section 504 of the Rehabilitation Act, Title VI of the Civil Rights Act and the American with Disabilities Act. I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (See 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).



06/25/2019

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

Brian Martin

Name (type or print)

Vice President of Asset Management, MSP Property Management

Title & Name of Company

For HUD-Office of Housing Use Only

Reviewing Official:

[Empty box for Reviewing Official name]

Signature & Date (mm/dd/yyyy)

[Empty box for signature]

Name
(type or print)

[Empty box for name]

Name

Title

[Empty box for title]

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

Approval

Disapproval

Signature & Date (mm/dd/yyyy)

[Empty box for signature]

Name
(type or print)

[Empty box for name]

Title

[Empty box for title]

Supplemental Accessibility Information for Question 48:

Additional accessibility features to be incorporated into 1212 Huxley Street project include those indicated in Appendix M of the WHEDA tax credit application criteria that include the following:

1. Lever-style handles on all interior doors being replaced or initially installed
2. Bath/kitchen faucets being replaced or initially installed must be single-lever type.
3. Bathtub/shower compartment permanently lined with non-skid surface or pattern covering 75% of floor
4. All Non-Elderly Housing (Family, General population or Supportive Housing). In all bathrooms of each unit, provide reinforcement for the future installation of grab bars at toilets, bathtubs, and shower compartments per Section 1004.11.2. (if grab bars not already installed in the unit)
5. Provide all bathtubs/showers with offset controls and a 30" x 48" clear floor space for parallel approach. Where the centerline of the controls is between 18" and 9" from the open face of the bathtub/shower compartment, the clear floor space in front of the fixture shall extend at least 9" beyond the control wall. Where the centerline of the controls is between 9" and 0" from the open face of the bathtub/shower compartment, the clear floor space in front of the fixture shall extend at least 5" beyond the control wall.
6. At least one toilet in each dwelling unit shall have clearances that meet the requirements of Section 1004.11.3.1.2.1, 1004.11.3.1.2.2, or 1004.11.3.1.2.3.
7. 100% visitable units. (Only 20% visitable units required for single family or duplex or townhome style construction).
Projects should be designed and graded to allow an accessible route from parking or street level to all dwelling units.
Accessible routes shall meet all the requirements of Section 402 including Section 404 for accessible doors. The living room, kitchen and minimum of one bathroom (with a minimum of a toilet and sink) must be on the accessible route from the unit entry. Bathroom shall meet the requirements of Sections 1004.11 minimum.
8. Lighting controls, electrical switches, and receptacle outlets, environmental controls, and user controls for security or intercom systems shall comply with Section 1004.9 minimum.
9. Electrical outlets and cable/data outputs set to a minimum height of 18" above the floor

Section 1: c. Budget Workbook (see next page)

APPLICANT & PROJECT NAME:

MSP Real Estate, Inc. & The Oscar Apartments

1. CAPITAL BUDGET

Enter ALL proposed project funding sources.

FUNDING SOURCES

Source	Amount	Non-Amortizing (Y/N)	Rate (%)	Term (Years)	Amort. Period (Years)	Annual Debt Service
Permanent Loan-Lender Name:						
First Mortgage	\$ 6,950,000	Y	5.90%	15	35	\$469,951
Subordinate Loan-Lender Name:						
Subordinate Loan-Lender Name:						
Tax Exempt Loan-Bond Issuer:						
AHP Loan	\$ 900,000	N	0.00%	30	30	\$0
City-AHF Deferred Loan	\$ 975,000	N	0.00%	30	0	\$0
City-AHF Interest/Cash Flow Loan	\$ 975,000	Y	2.75%	16	30	\$47,764
City-TIF Loan						
Other-Specify Lender/Grantor:						
Other-Specify Lender/Grantor:						
Other-Specify Lender/Grantor:						
Tax Credit Equity	\$ 13,053,213					
Historic Tax Credit Equity						
Deferred Developer Fees	\$ 882,710					
Owner Investment						
Other-Specify:						
Dane County AHDF	\$ 900,000					
Total Sources	\$ 24,635,923					

Construction Financing			
Source of Funds	Amount	Rate	Term (Months)
Construction Loan-Lender Name:			
Construction Loan	\$ 16,800,000	4.90%	24
Bridge Loan-Lender Name:			
Tax Credit Equity:			
Tax Credit Investor	\$ 2,610,692		
Total	\$ 19,410,692		

Estimated pricing on sale of Federal Tax Credits: **\$ 0.90**

Estimated pricing on sale of State Tax Credits:
 (if applicable)

Remarks Concerning Project Funding Sources:

APPLICANT:

MSP Real Estate, Inc.

2. PROJECT EXPENSES

Enter the proposed project expenses

Acquisition Costs	Amount
Land	\$1,500,000
Existing Buildings/Improvements	\$0
Other (List)	
	\$0

Construction:	
Construction/Rehab Costs	\$15,060,000
Construction Profit	\$1,133,300
Construction Overhead	\$120,000
General Requirements	\$800,000
Construction Supervision	\$110,000
FF&E/Personal Property	\$100,000
Demolition	\$200,000
Site Work	\$0
Landscaping	\$0
Construction Contingency	\$856,165
Other (List)	
	\$0

Architectural & Engineering	
Architect - Design	\$270,300
Architect - Supervision	\$20,000
Engineering	\$20,000
Other (List)	
	\$0

Interim/Construction Costs	
Builder's Risk/Property Insurance	\$75,000
Construction Loan Interest	\$750,000
Construction Loan Origination Fee	\$85,000
Real Estate Taxes	\$80,000
Park Impact Fees	\$75,000
Other Impact Fees	\$0
Other (List)	
Letter of Credit Fees	\$10,000

Financing Fees	
Cost of Bond Issuance	\$0
Permanent Loan Origination Fee	\$69,500
Other Permanent Loan Fees	\$30,000

Soft Costs

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

Solar Panels, EV Ready
In-floor Heat
Shell Enhancements and other beyond code requirements

Total Cost:

\$200,000 to \$300,000

Appraisal	\$8,000
Market Study	\$7,000
Environmental Reports	\$8,000
Survey	\$6,500
Permits	\$0
Lease-Up Period Marketing	\$75,000
Tax Credit Fees	\$145,000
Accounting/Cost Certification	\$21,000
Title Insurance and Recording	\$20,000
Relocation	\$0
FF&E	\$0
Capital Needs Assessment (if rehab)	\$0
Legal	\$112,500
Other (List)	
Misc. Soft Costs	\$20,000
Fees:	
Bridge Loan Fees	\$0
Organizational Fees	\$2,000
Syndication Fees	\$0
Development Fee	\$2,196,658
Developer Overhead	\$0
Other Consultant Fees	\$0
Other (List)	
	\$0
Reserves Funded from Capital:	
Lease-Up Reserve	\$0
Operating Reserve	\$250,000
Replacement Reserve	\$0
Capital Needs Reserve	\$0
Debt Service Reserve	\$0
Escrows	\$0
Other: (List)	
Investor Reserve	\$400,000
TOTAL COSTS:	\$24,635,923

APPLICANT: MSP Real Estate, Inc.

3. PROJECT PROFORMA

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

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16
Gross Income	1,280,208	1,305,812	1,331,928	1,358,567	1,385,738	1,413,453	1,441,722	1,470,557	1,499,968	1,529,967	1,560,566	1,591,778	1,623,613	1,656,086	1,689,207	1,722,991
Less Vacancy/Bad Debt	89,615	91,407	93,235	95,100	97,002	98,942	100,921	102,939	104,998	107,098	109,240	111,424	113,653	115,926	118,245	120,609
Income from Non-Residential Use*	41,870	42,707	43,562	44,433	45,321	46,228	47,152	48,095	49,057	50,039	51,039	52,060	53,101	54,163	55,247	56,352
Total Revenue	1,232,463	1,257,113	1,282,255	1,307,900	1,334,058	1,360,739	1,387,954	1,415,713	1,444,027	1,472,908	1,502,366	1,532,413	1,563,062	1,594,323	1,626,209	1,658,734
Expenses:																
Office Expenses and Phone	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,773	44,056	45,378	46,739
Real Estate Taxes	163,725	168,637	173,696	178,907	184,274	189,802	195,496	201,361	207,402	213,624	220,033	226,634	233,433	240,436	247,649	255,078
Advertising, Accounting, Legal Fees	13,000	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962	17,471	17,995	18,535	19,091	19,664	20,254
Payroll, Payroll Taxes and Benefits	95,000	97,850	100,786	103,809	106,923	110,131	113,435	116,838	120,343	123,953	127,672	131,502	135,447	139,511	143,696	148,007
Property Insurance	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,773	44,056	45,378	46,739
Mtc, Repairs and Mtc Contracts	85,000	87,550	90,177	92,882	95,668	98,538	101,494	104,539	107,675	110,906	114,233	117,660	121,190	124,825	128,570	132,427
Utilities (gas/electric/fuel/water/sewer)	115,000	118,450	122,004	125,664	129,434	133,317	137,316	141,435	145,679	150,049	154,550	159,187	163,963	168,881	173,948	179,166
Property Mgmt	73,948	76,166	78,451	80,805	83,229	85,726	88,298	90,946	93,675	96,485	99,380	102,361	105,432	108,595	111,853	115,208
Operating Reserve Pmt		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	33,300	34,299	35,328	36,388	37,479	38,604	39,762	40,955	42,183	43,449	44,752	46,095	47,478	48,902	50,369	51,880
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	638,973	658,142	677,886	698,223	719,170	740,745	762,967	785,856	809,432	833,715	858,726	884,488	911,022	938,353	966,504	995,499
Net Operating Income	593,491	598,971	604,369	609,677	614,889	619,995	624,987	629,857	634,596	639,193	643,640	647,926	652,039	655,970	659,706	663,235
Debt Service:																
First Mortgage	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951
Second Mortgage		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)																
Asset Management Fee	3,000	3,090	3,183	3,278	3,377	3,478	3,582	3,690	3,800	3,914	4,032	4,153	4,277	4,406	4,538	4,674
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Debt Service	472,951	473,041	473,133	473,229	473,327	473,428	473,533	473,640	473,751	473,865	473,982	474,103	474,228	474,356	474,488	474,625
Total Annual Cash Expenses	1,111,923	1,131,183	1,151,020	1,171,452	1,192,497	1,214,173	1,236,500	1,259,496	1,283,183	1,307,580	1,332,708	1,358,591	1,385,250	1,412,709	1,440,992	1,470,123
Total Net Operating Income	120,540	125,930	131,235	136,448	141,561	146,566	151,454	156,217	160,845	165,328	169,658	173,822	177,811	181,614	185,217	188,610
Debt Service Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	72,776	78,166	83,471	88,684	93,797	98,802	103,690	108,453	113,081	41,791						
Cash Flow	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	123,537	169,658	173,822	177,811	181,614	185,217	188,610
AHF City Interest Loan	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764

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

DCR Hard Debt	1.26	1.27	1.29	1.30	1.31	1.32	1.33	1.34	1.35	1.36	1.37	1.38	1.39	1.40	1.40	1.41
DCR Total Debt	1.14	1.15	1.16	1.17	1.18	1.19	1.20	1.21	1.22	1.23	1.23	1.24	1.25	1.26	1.26	1.27

Assumptions

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

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

Underground Parking: \$25/month (81 underground stalls)
Retail Space: \$10/sf (2,000 square feet)

APPLICANT:

3. PROJECT PROFORMA (cont.)

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

	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Gross Income	1,757,451	1,792,600	1,828,452	1,865,021	1,902,322	1,940,368	1,979,176	2,018,759	2,059,134	2,100,317	2,142,323	2,185,170	2,228,873	2,273,451
Less Vacancy/Bad Debt	123,022	125,482	127,992	130,551	133,163	135,826	138,542	141,313	144,139	147,022	149,963	152,962	156,021	159,142
Income from Non-Residential Use*	57,479	58,628	59,801	60,997	62,217	63,461	64,730	66,025	67,345	68,692	70,066	71,467	72,897	74,355
Total Revenue	1,691,908	1,725,746	1,760,261	1,795,467	1,831,376	1,868,003	1,905,363	1,943,471	1,982,340	2,021,987	2,062,427	2,103,675	2,145,749	2,188,664
Expenses:														
Office Expenses and Phone	48,141	49,585	51,073	52,605	54,183	55,809	57,483	59,208	60,984	62,813	64,698	66,639	68,638	70,697
Real Estate Taxes	262,731	270,612	278,731	287,093	295,706	304,577	313,714	323,125	332,819	342,804	353,088	363,681	374,591	385,829
Advertising, Accounting, Legal Fees	20,861	21,487	22,132	22,796	23,479	24,184	24,909	25,657	26,426	27,219	28,036	28,877	29,743	30,635
Payroll, Payroll Taxes and Benefits	152,447	157,021	161,731	166,583	171,581	176,728	182,030	187,491	193,115	198,909	204,876	211,022	217,353	223,874
Property Insurance	48,141	49,585	51,073	52,605	54,183	55,809	57,483	59,208	60,984	62,813	64,698	66,639	68,638	70,697
Mtc, Repairs and Mtc Contracts	136,400	140,492	144,707	149,048	153,519	158,125	162,869	167,755	172,787	177,971	183,310	188,810	194,474	200,308
Utilities (gas/electric/fuel/water/sewer)	184,541	190,077	195,780	201,653	207,703	213,934	220,352	226,962	233,771	240,784	248,008	255,448	263,112	271,005
Property Mgmt	118,665	122,224	125,891	129,668	133,558	137,565	141,692	145,942	150,321	154,830	159,475	164,259	169,187	174,263
Operating Reserve Pmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Replacement Reserve Pmt	53,437	55,040	56,691	58,392	60,144	61,948	63,806	65,720	67,692	69,723	71,814	73,969	76,188	78,474
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	1,025,364	1,056,125	1,087,808	1,120,443	1,154,056	1,188,678	1,224,338	1,261,068	1,298,900	1,337,867	1,378,003	1,419,343	1,461,924	1,505,781
Net Operating Income	666,544	669,622	672,453	675,024	677,320	679,326	681,025	682,403	683,440	684,120	684,423	684,332	683,825	682,882
Debt Service:														
First Mortgage	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951	469,951
Second Mortgage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other (List)	4,814	4,959	5,107	5,261	5,418	5,581	5,748	5,921	6,098	6,281	6,470	6,664	6,864	7,070
Total Debt Service	474,765	474,909	475,058	475,211	475,369	475,532	475,699	475,871	476,049	476,232	476,420	476,615	476,814	477,020
Total Annual Cash Expenses	1,500,129	1,531,034	1,562,866	1,595,654	1,629,425	1,664,209	1,700,037	1,736,940	1,774,949	1,814,099	1,854,424	1,895,958	1,938,738	1,982,802
Total Net Operating Income	191,780	194,712	197,395	199,813	201,951	203,794	205,326	206,531	207,391	207,888	208,003	207,717	207,011	205,862
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	191,780	194,712	197,395	199,813	201,951	203,794	205,326	206,531	207,391	207,888	208,003	207,717	207,011	205,862
AHF City Interest Loan	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764	47,764

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

DCR Hard Debt	1.42	1.42	1.43	1.44	1.44	1.45	1.45	1.45	1.45	1.46	1.46	1.46	1.46	1.45
DCR Total Debt	1.28	1.28	1.29	1.29	1.29	1.30	1.30	1.30	1.30	1.31	1.31	1.31	1.30	1.30

Assumptions

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

Section 2: Development Team’s Experience & Capacity

2. a. i.) As our Tax Credit project lists demonstrate below since 1991 MSP Real Estate has secured awards for tax credits for 25 total projects in the Midwest:

- 16 elderly projects that have provided over 1,040 units of senior housing
- 9 family projects that have (or will) provide over 580 units of family housing

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

TAX CREDIT Elderly (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Units</u>	<u>Financing</u>	<u>Completion Date</u>
<i>Normandy Square Apartments , Madison</i>	58	Bank	August 2019
<i>Middleton Senior Apartments, Middleton</i>	56	Bank	October 2012
<i>New Berlin Senior II, New Berlin</i>	34	Bank	Dec. 2012
<i>Chippewa Senior Apartments II, Chippewa Falls</i>	24	HOME	October 2011
<i>West Allis Senior Apartments, West Allis</i>	122	WHEDA Bond	April 2009
<i>Monona Senior Apartments, Monona</i>	88	WHEDA Bond	Sept. 2009
<i>Lincoln Village, Port Washington</i>	49	Bank	Dec. 2002
<i>Homestead Village, Chippewa Falls</i>	48	Bank	February 2000
<i>Deer Creek Village, New Berlin</i>	145	Bank	October 2001
<i>Silver Creek Village, Glendale</i>	65	WHEDA Bond	August 2000
<i>Lexington Village, Greenfield</i>	120	Bank	Dec. 1998
<i>Silver Lake Pointe, Moundsview MN</i>	83	Bank	Sept. 1995
<i>Courtyard, West Allis</i>	63	Bank	Sept. 1995
<i>Mill View, Kiel</i>	24	Rural Development	March 1995
<i>Station House, Antigo</i>	40	Rural Development	1991
<u><i>Village Plaza, Paddock Lake</i></u>	<u>24</u>	<u>Rural Development</u>	<u>1991</u>
Total Completed	985		
Total in Progress	58		
Total Units	1,043		

TAX CREDIT Family (Section 42) APARTMENTS

<u>Project Names/ Locations</u>	<u>Units</u>	<u>Financing</u>	<u>Completion Date</u>
The Grove, Madison	112	Conventional	September 2020
<i>The Landing, Chippewa Falls</i>	40	Conventional	June 2016
<i>Meadow Ridge Apartments, Waukesha</i>	70	Conventional	October 2014
<i>New Berlin City Center, New Berlin</i>	102	Conventional	December 2012
<i>Silverlake Commons, Moundsview, MN</i>	50	MHFA	Feb 1999 Sold 2017
<i>Cityside Townhomes, Marshall, MN</i>	50	MHFA	April 1997 Sold 2017
<i>Parkside Townhomes, Redwood Falls, MN</i>	30	FNMA	Feb. 1997 Sold 2017
<i>Valley Farms Apartments, Westfield, IN</i>	92	Rural Development	May 1996
<i>Lincoln Square Apartments, Chisholm, MN</i>	38	Conventional	Aug. 1995 Sold 2013
Total Completed	472		
Total in Progress	112		
Total Units	584		

2a. ii) Experience obtaining and utilizing federal, state, city and other financing:

Normandy Square Senior Apartments, 6509 Normandy Lane, Madison WI (Opening August 2019)



58 Total Units
 48 Affordable Units (12-30% Supportive Units)

Source	Amount	Comments
2017 LIHTC Tax Credits Awarded by WHEDA	\$595,587	Awarded credits 2017
2018 Additional LIHTC Tax Credits Awarded by WHEDA	\$ 59,970	Awarded credits 2018
City of Madison AHF Funds	\$ 850,000	Awarded Fall 2016
Dane County AHF Funds	\$ 342,220	Awarded Fall 2017
First Mortgage	\$ 4,300,000	Closed on financing March 2018

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

The Grove Apartments, 202 & 206 Cottage Grove Road, Madison WI (Opening August 2020)



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

Source	Amount	Comments
2018 LIHTC Tax Credits Awarded by WHEDA	\$1,339,272	Awarded credits 2018
City of Madison AHF Funds	\$3,000,000	Awarded Fall 2017
Dane County AHF Funds	\$ 591,346	Awarded Fall 2018
Chicago FHLB Grant	\$ 750,000	Awarded Dec 2018
First Mortgage	\$7,700,000	Closed March 2019

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

Riverview Parkway Apartments and Townhomes, 6400 Riverview Parkway Wauwatosa, WI
(Opening Est. June 2021)



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

Source	Amount	Comments
2019 LIHTC Tax Credits Awarded by WHEDA	\$1,550,000	Awarded credits 2019
Chicago FHLB Grant	\$ 900,000	Applied for June 14, 2019, award notification will be Dec 2019
TIF Application City of Wauwatosa	\$ 1,890,000	Application submitted June 17, 2019

b. Participation in Public/Private Joint Ventures (Brief narrative examples)

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

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

Middleton Independent Tax Credit and Heritage Assisted Living and Memory Care

2012- Heritage Middleton a 135 unit senior housing campus developed at a vacant sentry store in Middleton, WI. MSP put the site under contract in 2011 and worked with the City to help remove an eyesore on the gateway to Madison through Middleton. The site required excavation and haul off of approximately 10 feet of soil and replacing that soil with engineered fill. This was due to the site previously sitting at the edge of a lake bed. The City provided \$2,100,000

in tax increment financing and Dane County provided a low interest loan in the amount of \$460,000. MSP also financed this development with tax credits and a 7/10 loan from WHEDA. The \$18,000,000 development consists of a 4 story 56 unit independent tax credit senior building interconnected to a 2 story 79 unit assisted living memory care community. The project is extremely dense on a site of only 2.2 acres, but fits the urban design standards encouraged by the City. Construction took 12 months and the project has been full with a long waiting list on the affordable independent side since almost day one of certificate of occupancy. Contact Information: Mike Davis-City Administrator 608-821-8358

c. Years in existence and staff qualifications

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

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



MSPRE has experience with public/private development projects utilizing TIF, HOME Funds, Federal Home Loan Bank funding, CBDG and Metropolitan council grants. MSPRE has extensive knowledge of real estate development gained over the past 31 years of development experience that also includes an expansive assisted living portfolio of housing.

Milo Pinkerton – President

Milo has developed more than 2500 units spanning over 30 years. Milo’s unique background of architecture, finance, real estate and construction has enabled MSP projects to be of consistent high quality, on time and on budget.

Heritage Senior Living was formed in 2000, as a health care housing company for independent, assisted and memory care seniors and has since grown to the country’s 55th largest operation. Every year Heritage is constructing over \$30 Million in purpose-built housing, primarily in Wisconsin.



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

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

Mark Hammond – Vice President of Development

Mark Hammond, as Vice President of Development, leads all real estate development activities.

Mark’s primary responsibility is the identification and management of new development opportunities in senior housing campuses, MSP’s core business category. His secondary



focus is identifying market-rate multifamily and tax credit affordable housing opportunities. Mark actively manages all aspects of the development process, including site acquisition and approval, financing, design and value engineering, construction, and lease-up.

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

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

MSP Property Management

MSP Property Management, LLC (MSPPM) was formed in 2006 to more fully service its affordable housing and market-rate housing in Wisconsin. MSPPM currently manages over 730 units in 12 locations.

Brian Martin, Vice President of Asset Management

Brian Martin, as Vice President of Asset Management combines the functions of asset management and property management into one role. He is responsible for the following areas of operations for MSP Property Management and Heritage Senior Living: Property Management, Asset Management, Maintenance & Information Technology.



Brian has been in Real Estate Management for over 13 years. He began his career as a site manager in the Madison area overseeing a 60-unit tax credit property as well as a market-rate campus housing portfolio. In 2010 he was promoted to Area Manager and was responsible for a portfolio of 20 properties and over 1200 units. During his time as Area Manager, Mr. Martin oversaw the successful completion of over 12 new lease up properties in Wisconsin and Iowa. In early 2014 Mr. Martin was promoted to the position of Regional Manager and then a year later to Regional Asset Manager where he was responsible for a portfolio of roughly 50 properties and more than 3350 units throughout Wisconsin, Illinois and Iowa. His experience covers market rate, tax-exempt bond, HUD Section 8 and HOME, USDA Rural Development and Low Income Housing Tax Credit financed development.

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

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

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

d. Financial Capacity of the Organization to secure financing and complete the proposed project.

MSP Real Estate Inc. believes this RFP response demonstrates a development team that can provide all the requirements necessary to complete a 111 unit tax credit apartment building on the proposed site and secure the necessary sources of financing based on past performance of similar sized deals.

In the last 4 years MSP Real Estate Inc. has completed, started and yet to be started construction on close to \$70 million of new tax credit housing in the state of Wisconsin. And close to \$50 million in senior living housing as well.

e: Developer’s experience with, including number of projects, number of units and location of projects developed with integrated support housing units.

Development Name	Location	Total Units	Integrated Units
New Berlin City Center	New Berlin, WI	102	11
Middleton Senior Apts.	Middleton, WI	56	9
Meadow Ridge Apts.	Waukesha, WI	70	6
The Landing Apts.	Chippewa Falls, WI	40	3

While MSP Real Estate has not designed developments solely as a permanent supportive housing model we have incorporated supportive service partnerships with past developments. These developments set aside a portion of the building’s apartments for homeless individuals or those with disabilities, and then services are offered in order to support these residents housing stability. Locally, we have partnered with Movin’ Out on three past projects that provided the following integrated supportive housing units, New Berlin City Center (11 units), New Berlin, WI, Middleton Senior Apartments (9 units), Middleton, WI and Meadow Ridge Apartments, (6 units) Waukesha, WI. Movin’ Out coordinated the delivery of services both on and off-site that allowed residents with special needs assistance to stabilize their living situation and live more independently.

In 2013 MSP partnered with Movin’ Out on our successful 70 unit family tax credit project, Meadow Ridge Apartments, located in Waukesha, WI. The project reserved six (6) units for residents who are seniors or adults with physical and/or development disabilities that rely on supportive services that are planned and delivered by Movin’ Out. MSP worked with both Movin’ Out and Care Wisconsin to provide the following (ongoing) supportive services to the residents of Meadow Ridge:

- Maintain independence in the home and the community
- Home maintenance
- Meal planning/groceries
- Assist individuals with future housing and personal care needs
- Locate health and housing assistance

Another illustrative past example is MSP’s 2015 tax credit application, The Landing Apartments. For this project in Chippewa, WI, MSP partnered with West Central Wisconsin Community Action Agency, Inc., (WestCap) and Veterans Assistance Foundation, Inc. to provide the following (ongoing) supportive services to the residents:

- Housing Assistance Programs
- Food Access and Resources Program
- Energy Assistance
- Jumpstart Transportation
- Adult Education/Skills Enhancement/Literacy

Veteran’s Assistance Foundation provides the following services:

- Staff support to ensure safety and supervision as needed
- Community involvement/relationships
- Organization, communication, coordinating transportation
- Medication assistance and medical advocacy
- Financial support (assist each tenant with personal checking account as needed)

f. Experience of the proposed property management entity’s performance record with LIHTC projects both with and without integrated support services as well as with inclusive and culturally-sensitive property management and marketing practices.

MSP Property Management since 2006 has provided all property management functions including Tax Credit certification, recertification, ongoing compliance, all accounting functions, day to day management and maintenance. MSP Property Management site management staff and marketing practices adheres to all federal and state housing compliance issues including AG 134, Equal Opportunity, Fair Housing Requirements, affirmative fair marketing practices and Section 504 of the Rehabilitation Act of 1973. As well working with integrated supportive service providers we have partnered with before, Movin’ Out and WestCap.

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

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

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

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

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

g. List any architectural awards, service awards, or green building certifications that you’re your organization has received.

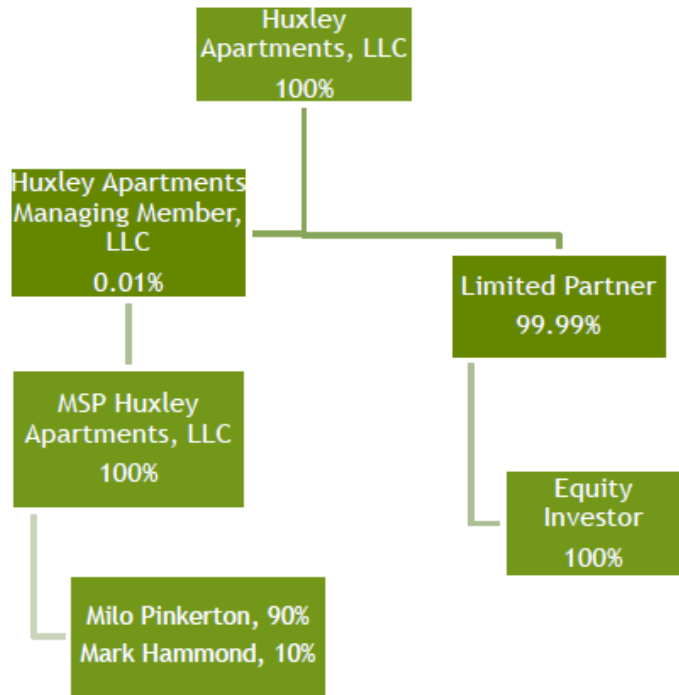
Market Rate Housing Development

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

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

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

h. Project Organizational Chart, including ownership interest percentages.



MSP Real Estate, Inc, the Developer, will assign land rights to Huxley Apartments LLC or other to be named LLC for the 1212 Huxley Street location. Huxley Apartments Managing Member LLC, .01% may be majority owned by non-profit but that has not been determined by whom at time of this application.

(3) Additional Application Materials

- a. Letter(s) from Supportive Service Provider(s) detailing what level of services are necessary to be adequate for the number of supportive housing units and target population as well as what level of services intended to be provided.
 - 1. MUM – Madison Area Ministry
 - 2. Salvation Army

June 21, 2019

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



RE: 2019 WHEDA Tax-Credits Rental Housing Development – 1212 Huxley Street

Dear Mr. Hammond,

Madison-area Urban Ministry (MUM) is a nonprofit interfaith social justice organization. MUM promotes interfaith cooperation and collaboration, convenes and links people of faith communities to engage in social action and advocates for low income people. Current MUM programs include several prisoner re-entry initiatives (Circles of Support, The Journey Home, Reentry Case Management and Peer Support) which provides the basis for the 'support services' that MUM would provide to formerly incarcerated individuals residing at 1212 Huxley Street.

My understanding is that 1212 Huxley Street will be an affordable rental development that will create approximately 22 supportive housing units for individuals/families earning 30% or less of the Dane County area median income. The target population for these supportive housing units is individuals/families whose incomes qualify for the 30% rent restricted units. The available 22 supportive housing units will be spread across a mix of 1, 2 & 3 bedroom units at the 30% rent restricted level. MSP Real Estate will notify MUM of the number of supportive housing units to be targeted for MUM specific referrals as the project progresses.

MUM will extend its resources and support to individuals/families that are anticipated to live at 1212 Huxley Street should it become a successful applicant as part of 'previously incarcerated individuals re-entering the community' outreach initiative of the City of Madison's 2019 Rental Housing Development RFP.

MUM's caseworkers can refer clients to 1212 Huxley and/or to sources that may be able to help them secure housing there. MUM caseworkers also match formerly incarcerated people to our 'Circles of Support' program which is conducted by volunteers who meet weekly with the referred client to help them with the transition from prison back to the community.

MUM strongly supports the proposed apartment community that MSP Real Estate intends to build as a new affordable housing option that does not currently exist in the community that will provide necessary additional formerly incarcerated individuals housing options in the City of Madison.

If you have any questions feel free to call me at (608) 256-0906.

Sincerely

A handwritten signature in black ink, appearing to read "Linda Ketcham", is written over a horizontal line.

Linda Ketcham
Executive Director

Madison-area Urban Ministry



DOING
THE MOST
GOOD



Brian Peddle
General

Commissioner Brad Bailey
Territorial Commander

Major Steven J. Merritt
Divisional Commander

Captain Andrew Shiels
Dane County Coordinator
Madison Temple Corps Officer

Captain Melissa Shiels
Dane County Director of Special Services
Madison Temple Corps Officer

Lieutenant Kelly Summit
Madison Temple Associate Corps Officer

Majors Bruce and Betty Keobounhom
Madison Genesis Corps Officers

June 13, 2019

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

RE: 2019 WHEDA Tax-Credit Rental Housing Development – 1212 Huxley Street

Dear Mr. Hammond,

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

My understanding is that 1212 Huxley Street will be an affordable rental development that will create approximately 22 supportive housing units for individuals/families earning 30% or less of the Dane County area median income. The target population for these supportive housing units is individuals/families whose incomes qualify for the 30% rent restricted units. The available 22 supportive housing units will be spread across a mix of 1, 2 & 3 bedroom units at the 30% rent restricted level. MSP Real Estate will notify the Salvation Army of the number of supportive housing units to be targeted for Salvation Army specific referrals as the project progresses.

The Salvation Army will refer individuals and families that it provides assistance to under our Dane County Assists With New Starts (DAWNS) program and our RISE Program to 1212 Huxley Street. Individuals and families transitioning from homelessness to housing can be offered a rapid rehousing package through our DAWNS and RISE programs. This package consists of weekly case management sessions, security deposit, and first month's rental assistance for the DAWNS program and up to a year's rental assistance in our RISE program. Additional rental assistance may be granted on an individual case by case basis. Case management support can last up to two years and will be provided at the resident's apartment or Salvation Army offices. The Salvation Army will extend its monetary rental resources and caseworker support under our DAWNS And RISE Programs to individuals/families that it refers to live at 1212 Huxley Street.

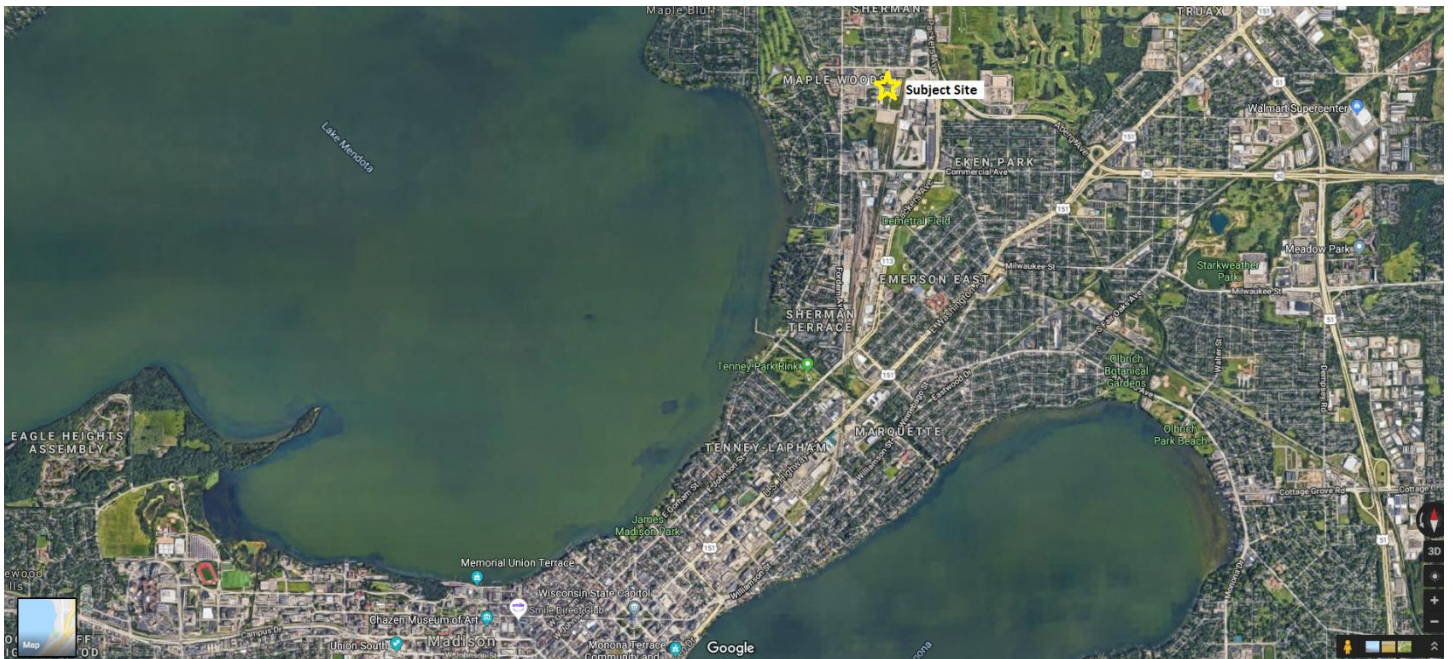
The Salvation Army strongly supports the proposed apartment community that MSP Real Estate intends to build as a new affordable housing option that will assist the City of Madison's efforts to promote housing stability and/or prevent homelessness.

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

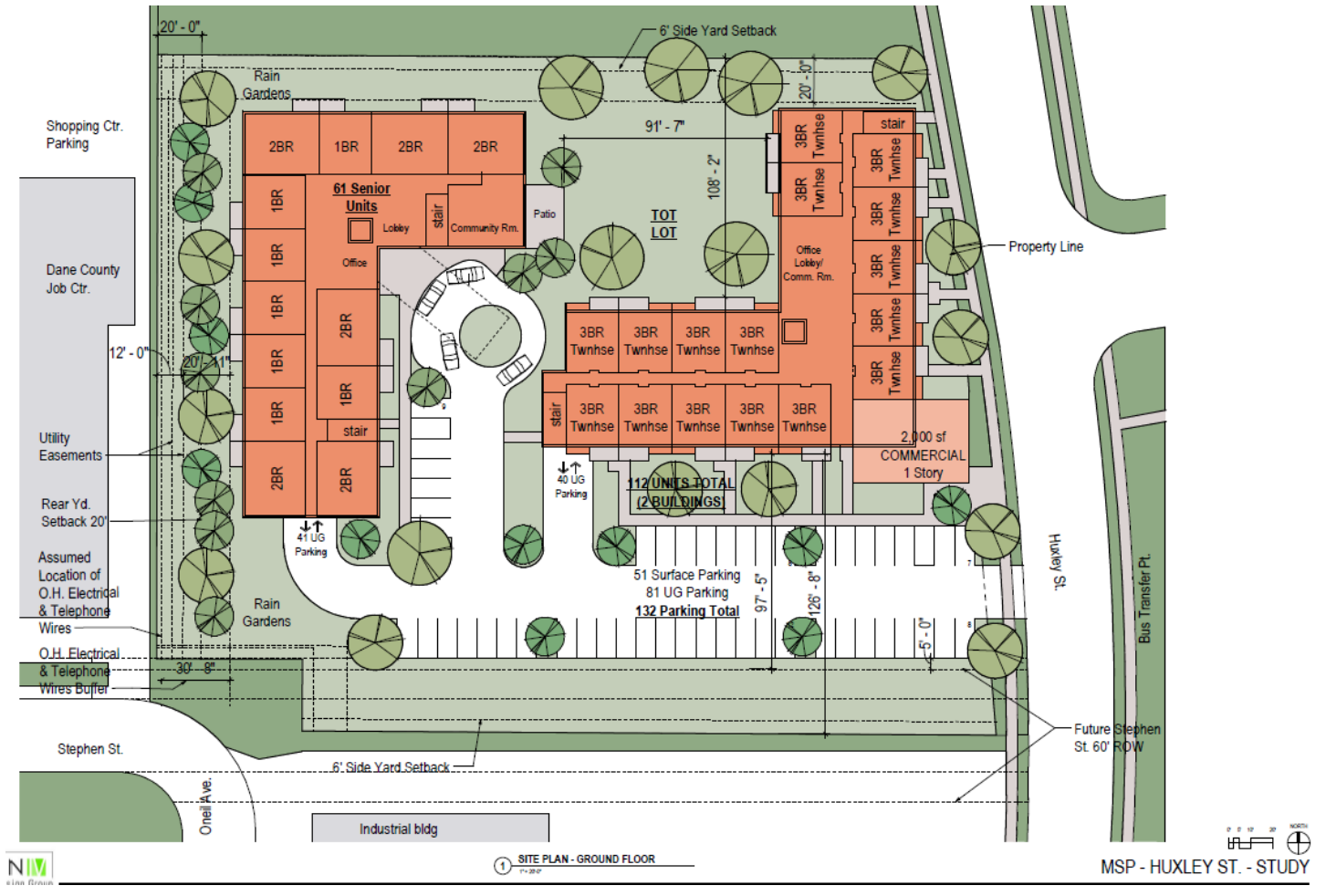
Sincerely,

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

b. Detailed site map and a second map showing the site in the context of the City



c. A preliminary site plan and drawings, if available



d. Capital Needs Assessment – Not Applicable – New Construction

Section 4 Designation of Proprietary and Confidential Information – Attachment D

ATTACHMENT D

DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION

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

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

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

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

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

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

The attached material submitted in response to Bid/Proposal # 8834-2019 includes proprietary and confidential information which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, we ask that certain pages, as indicated below, of this bid/proposal response be treated as confidential material and not be released:

Section	Page No.	Topic	Specific law that supports confidentiality of information
<u>1a RFP Application</u>	<u>27</u>	<u>Question 55 Check Score</u>	<u>Trade Secret s. 134.90(1)(c)</u>

Company Name MSP Real Estate Inc
Enter Name: Mark Hammond

By entering your initials in the box, MH You are electronically signing your name and agreeing to the terms above.

Date: 6-26-2019

MSP Real Estate Responses 1212 Huxley Street

Response Submission Due Date: August 8, 2019 NOON

Questions [MSP Responses provided below each question]:

Land Use

- 1. Please summarize the comments to this proposal received from staff at your Development Assistance Team meeting.**

MSP Response: Staff comments were as follows: No UDC approval required (just plan commission approval); fire dept needs access to buildings; possible street extensions on south and west sides; consider pedestrian connection to Dane County job center; mid-block pedestrian crossing to connect to North Transfer Point; need new street trees in ROW along Huxley; keep building away from southern lot line; mixed use is an acceptable use; confirm open area req is met; multiple buildings are Ok; future street on the West side—if happens—would be split on the 2 properties; future street extension on South would be on subject property.

- 2. The Northport-Warner Park-Sherman Neighborhood Plan provides recommendations encouraging mixed-use development on the subject site and surrounding properties. As previously discussed, the plans also recommend the possible future extension of both Stephen Street and O’Neill Avenue. Please describe how the possible extensions of those streets impact or alter the proposed development, design, and program.**

MSP Response: Our plans already show the potential Stephen Street extension. We kept the parking and building out of that area so Stephen Street could be extended. Parking could have landscape screening from street. Storm water would be adjusted if needed. On the West side, only half of the 66’ wide ROW future potential O’Neil Street extension would go on the subject property. We already set the building 32’ back from the property line. We will adjust the building to be 33’ back to allow one half of the future street to extend through, and our building would front the future street.

- 3. Describe the anticipated target use(s) for the ground floor commercial space.**

MSP Response: We have received inquiries from several day care operators and think this would be a good complementary use. Other potential uses include: Coffee Shop, Medical/Dental Office, Hair Salon, Home Health Care, Dry Cleaner, Specialty Grocer, etc.

Unit Mix

- 1. Please clarify your response to Question 8. Expand on why unit ranges are proposed for integrated supportive housing units instead of a fixed number for each segment.**

MSP Response: We are proposing ranges instead of fixed numbers in order to allow for flexibility and maximize our ability to fill all units with individuals and families across all targeted populations. For example, if one agency is not able to refer the full number, we can then fill that gap with referrals from another agency.

- 2. Your application mentions that all units will have a washer and dryer in the unit, but your response to Question 47 does not indicate that it is included in rent. Will residents be charged a fee for the washer and dryer?**

MSP Response. No, residents will not be charged a fee for the washer and dryer.

Supportive Housing Units/Supportive Housing Partnerships

- 1. Which of the three agencies listed in your application will sign the MOU for WHEDA's Appendix S? Will a formal agreement be signed with all three supportive service providers listed?**

MSP Response: Only the Developer, Property Management Agent, and Wisconsin Department of Health Services sign the Appendix S. We will, however, name all three agencies and the services they provide in the Appendix S. Yes, we will work to put in place MOU's with all three agencies. And we will provide an MOU for Veterans from the Dane County Veterans' Center to WHEDA.

- 2. The application references utilizing the By-Name Priority List of individuals and/or families experiencing homelessness if units were not filled by the other preference populations. How would this development ensure adequate services for those populations?**

MSP Response: Our response was not clear. At Management's discretion, if units are not filled by other preference population, we would go up to a maximum of 10 total individuals and/or families from Salvation Army's DAWNS or RISE programs in order to ensure adequate services for these populations.

Feasibility

- 1. How will MSP protect future tenants from rapidly rising contract rents allowed by WHEDA? Will MSP have any internal structures to limit rent increases for lease renewals?**

MSP Response: We already have an internal review process whereby we evaluate the reasonableness of allowable rent increases based on WHEDA's maximum rent levels. We do not automatically increase rents up to the maximum allowable rents. We take into account the annual increase as well as other market conditions when determining the amount to increase. In fact, last year, we did not increase the rents up to the maximum allowable rents at our Middleton property in light of the substantial Dane

County CMI increase. At that property, we only brought our 40% rents to approximately 95% of 40% max rents instead of pushing them all the way up to 100% of max rent level.

2. What is an “Investor Reserve?” What has it historically been used for in previous projects?

MSP Response: In our internal project budgets, we refer to the “Operating Reserve” as the “Investor Reserve.” So, the \$400,000 we show as “Investor Reserve” is what the City may be used to seeing called the “Operating Reserve.” These are the funds that are held throughout the compliance period and are used exclusively to pay for operating deficits incurred by the project after stabilization. Historically, WHEDA and investors require 6 months of expenses to be held in the Operating Reserve (again, which we refer to as Investor Reserve), which would be approximately \$575,00 for Huxley, but we lowered this to \$400,000 in an attempt to reduce our request for City funding to the lowest possible level while also ensuring that we have a feasible project because we expect to be able to negotiate this down to less than 6 months.

3. The budget lists permit fees as \$0. Are building permit fees accounted for in this budget? If so, where? Are certain costs like this assigned to other portions of the overall redevelopment?

MSP Response: We have rolled the permit fees into the general conditions in the construction budget.

Other

1. What is the status of forming the partnership with the Dane County Housing Authority (DCHA)? If the partnership comes to fruition, will MSP offer DCHA a statutory Right of First Refusal or General Partner Purchase Option?

MSP Response: We are continuing conversations with DCHA as well as other potential non-profit partners. No, we are a long-term owner and maintain ownership beyond the 15-year compliance period and will not offer DCHA (or other non-profit partner) a statutory Right of First Refusal or General Partner Purchase Option. We will continue to agree to provide the City with notice of intent to sell as we did with The Grove.

2. How will MSP apply for AHP funds from the Federal Home Loan Bank (or fill that gap) if the DCHA partnership does not materialize?

MSP Response: If the DCHA partnership does not materialize, we will work with another non-profit in order to ensure a competitive AHP application.

3. The application indicates a willingness to commit to the minimum occupancy standard of one person per bedroom for the non-age restricted units, with a caveat for reasonable accommodations. Would MSP be willing to commit to a minimum

occupancy standard of one person per bedroom for the age-restricted units? If not, please explain the rationale for allowing over-housing a one-person household in a scarce resource of two bedroom affordable housing units?

MSP Response: Senior often like having a spare bedroom for guests including children and grandchildren visiting them. We also have house-burdened seniors that are moving to affordable housing from their single-family homes because they can no longer afford to maintain their single-family homes. In fact, our market study consultant found that 35-38% of senior units in 9% project are filled by previous home-owners. Some may be moving from a 3+ bedroom house and so even going down to a 2-bedroom is a big downsize for them. We feel very strongly in giving our seniors as much choice as possible, and do not like the idea of having to tell them "Sorry, even though you qualify for a 2BR unit, we won't let you have it because you don't have a husband/wife or other person on the lease." Note that we allow up to 14 continuous days of a guest staying over, so often our residents do have guests in their apartments.